California Department of Health Services

MEDI-CAL'S MANAGEMENT INFORMATION SYSTEM/ DECISION SUPPORT SYSTEM REQUEST FOR PROPOSAL

RFP DHS 4260-186

November 18, 2005~~October 20, 2005~~

Issued By:
STATE OF CALIFORNIA
Department of General Services
707 Third Street
West Sacramento, CA 95605

In conjunction with:
Department of Health Services
1615 Capitol Mall
Sacramento, CA 95814

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I INTRODUCTION AND OVERVIEW

I.1 Purpose of this Request for Proposal

The purpose of this procurement is to obtain proposals from responsible firms that can implement a new Management Information System/Decision Support System (MIS/DSS). This procurement includes the following Contractor responsibilities:

- **MIS/DSS Implementation:** The Contractor will implement the system.
- **MIS/DSS Operations:** The Contractor will bid to operate the MIS/DSS. This procurement is intended to provide, at a minimum, the existing functionality of the MIS/DSS, including monthly data updates. The new Contractor will be required to replace proprietary components and applications used in the current system.
- **MIS/DSS Maintenance:** The Contractor will perform preventative maintenance and update the system in response to system defects, enhancements and program changes. The Contractor will also upgrade and install software and equipment as needed to meet performance requirements, as specified in Section VI, System Performance And Availability.

This procurement is being conducted under the provisions of Public Contract Code Section 12102. Responses to this Request for Proposal (RFP) will be evaluated based on **~~best value~~value effectiveness to the State. ~~Best value~~Value effectiveness to the State** is the proposal that best meets, and potentially exceeds, the State's administrative and technical requirements at the most reasonable overall cost to implement and operate, with an acceptable level of risk. Bidders should carefully read Section IX, Evaluation and Selection, to ensure they understand the evaluation process.

Issuance of this RFP in no way constitutes a commitment by the State of California to award a contract. The State reserves the right to reject any or all proposals received if the State determines that it is in the State's best interest to do so. The State may reject any proposal that is conditional or incomplete.

This procurement is conducted in compliance with the Americans with Disabilities Act (ADA) as further explained in Exhibit I-1, ADA Compliance Policy. If you have any questions or requests pertaining to this compliance, contact the Procurement Official identified in Section I.4, Procurement Official.

I.2 Overview

Planning for the existing Medi-Cal data warehouse began with the Feasibility Study Report (FSR) submitted in September 1994. In June 1996, Department of Health Services (DHS) initiated the MIS/DSS Project to procure the development, maintenance and operations of the MIS/DSS data warehouse (as mandated by the Budget Trailer Bill SB 391 for 1997 in Chapter 294, Section 78). The development project was successfully completed in July 2000 and the production MIS/DSS is currently in place.

The MIS/DSS integrates data from various sources including Medi-Cal eligibility data, paid

claims data, Managed Care encounter data, provider data, and other reference data into a data warehouse. The data warehouse provides information to support management, analysis and evaluation of the Medi-Cal program. More specifically, the MIS/DSS allows for monitoring access and timely delivery of quality health care, provision of preventive services, Managed Care Plan performance, and utilization of health services among and between the various types of managed care models and fee-for-service (FFS). By integrating most of the State-run programs in the data warehouse, a complete picture of service utilization is available. Thus utilization analysis can clearly identify problems such as gaps in the provision of service, duplication, or questionable billing patterns that can contribute to, or indicate poor health outcomes and/or excessive costs. The MIS/DSS has been proven to have a significant return on investment (ROI), and is being used for many critical functions in various program areas. In FY 2003/04 and FY 2004/05, the MIS/DSS was critical to the success of the DHS fraud and abuse activities.

The MIS/DSS warehouse (currently containing over 2.5 billion records in total) consists of a rolling 30-month relational database, 4 years of history data, a summary database, and a health plan performance database. All MIS/DSS databases can be accessed interactively. Complex queries can also be batched. Approximately 45 million records are prepared each month as data-feeds for updating the MIS/DSS data warehouse. The DHS' Information Technology Services Division (ITSD) is responsible for the data preparation from legacy paid claim reporting systems across more than 80 sources, including other departments (e.g., Department of Developmental Services, Department of Mental Health, Department of Social Services), Medi-Cal Fiscal Intermediaries (FIs), Managed Care Plans and County Organized Health Systems.

The contract to maintain and operate the existing system expires April 16, 2006. The current system was developed in 1996, utilizing proprietary code and applications, as well as Commercial-off-the-Shelf (COTS) software. However, technological advancements and new business needs have arisen since that time. The new Contractor must provide replacement of proprietary code and end user interface tools, and make other data and system enhancements required to address new business needs. The Contractor will also be responsible for providing required system hardware improvements, end user help desk support, training, and analytical consultation.

Detailed information about the existing systems is included in Section III, Program and Systems Overview.

I.3 Availability

The selected Bidder must meet the requirements of this RFP and be ready to begin work on the Contract Award date specified in Section I.5, Key Action Dates. If personnel offered by a selected Bidder leave the Bidder's firm or are otherwise unable to participate in this Contract, they must be replaced with equally qualified personnel who are accepted by the State, in accordance with Section V.6.3.8, Project Team Organization. A condition precedent to Contract Award is that the Bidder makes available the personnel it bid and the State evaluated and selected on the proposed Contract Award date. Failure to make any such staff available at the required time will allow the State the choice of exercising one of the

following two (2) options: 1) accept equally qualified personnel in accordance with Section V.6.3.8, Project Team Organization, or 2) award this bid to and execute a Contract with the Bidder(s) with the next highest combined score. Should the selected Bidder fail in its performance of this Contract, or any other term or condition of this Contract, the Contractor may be excluded from participating in the State's bid processes for a period of up to 360 calendar days.

I.4 Procurement Official

The Procurement Official and the mailing address to send proposals and questions are:

Tom Burton, Senior Procurement Manager
Department of General Services
Procurement Division
707 Third Street, 2nd Floor
West Sacramento, CA 95605
Phone: (916) 375-4493 Fax: (916) 375-4490
tom.burton@dgs.ca.gov

I.5 Key Action Dates

Listed below are the key activities, actions, dates and times by which the activities must be taken or completed for this RFP. If the State finds it necessary to change any of these dates, it will be accomplished via an addendum to this RFP. **ALL DATES AFTER THE SUBMISSION OF FINAL PROPOSALS ARE APPROXIMATE AND MAY BE ADJUSTED AS CONDITIONS INDICATE, WITHOUT ADDENDUM TO THIS RFP.**

Table 1. Key Action Dates

	ACTION	DATE
1.	Release RFP	September 2, 2005
2.	Last day to submit questions for clarification of RFP for Bidders Conference	September 8, 2005
3.	Last day to submit a Letter of Intent to Bid	September 16,2005
4.	Bidders Conference	September 12, 2005
5.	Last Day to Request a Change in the RFP Requirements	September 20,2005
6.	Last Day to Protest RFP Requirements	September 26, 2005
7.	Draft Proposals Due (by 2:00 p.m. PST)	November 7, 2005
8.	Confidential Discussions	November 30 – December 9, 2005
9.	Final Proposals Due (by 2:00 p.m. PST)	January 5, 2006
10.	Bidder Demonstrations	February 6 – 10, 2006
11.	Cost Opening	February 15, 2006
12.	Notification of Intent to Award	May 2, 2006
13.	Last day to Protest Selection	May 9, 2006
14.	Contract Award*	May 10, 2006

* Pending control agency approvals. Contract Award will be made only after all required approvals are obtained.

EXHIBIT I – 1. ADA COMPLIANCE POLICY

ADA Notice

Procurement Division (State Department of General Services)
AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE
POLICY OF NONDISCRIMINATION ON THE BASIS OF DISABILITY

To meet and carry out compliance with the nondiscrimination requirements of the Americans With Disabilities Act (ADA), it is the policy of the Procurement Division (within the State Department of General Services) to make every effort to ensure that its programs, activities, and services are available to all persons, including persons with disabilities.

For persons with a disability needing a reasonable accommodation to participate in the Procurement process, or for persons having questions regarding reasonable accommodations for the Procurement process, please contact the Procurement Division at (916) 375-4400, the Procurement Division TTY/TDD (telephone device for the deaf) or California Relay Service numbers which are listed below. You may also contact directly the Procurement Division contact person that is handling this procurement.

IMPORTANT: To ensure that we can meet your need, it is best that we receive your requests at least 10 WORKING DAYS before the scheduled event (i.e., meeting, conference, workshop, etc.) or deadline due-date for Procurement documents.

The Procurement Division TTY telephone numbers are:

Sacramento Office:	(916) 376-1891
Fullerton Office:	(714) 773-2093

The California Relay Service Telephone Numbers are:

Voice:	1-800-735-2922 or 1-888-877-5379
TTY:	1-800-735-2929 or 1-888-877-5378
Speech to Speech:	1-800-854-7784

II RULES GOVERNING COMPETITION

II.1 Identification and Classification of RFP Requirements

Section II of this RFP describes the entire procurement process. Specific guidelines for the submission of the RFP DHS 4260-186 response are found in Section VIII, Proposal Format.

II.1.1 Mandatory Requirements

The State has established certain requirements with respect to proposals to be submitted by prospective Bidders[1]. The use of "shall," "must," or "will" in the RFP indicates a requirement or condition which is mandatory. A deviation, if not material, may be waived by the State. A deviation from a requirement is material if the response is not in substantial accord with the RFP requirements, provides an advantage to one Bidder over other Bidders, or has a potentially significant affect on the delivery, quantity or quality of items bid[2], amount paid to the Bidder, or on the cost to the State. Material deviations cannot be waived.

II.1.2 Desirable Items

The words "should" or "may" in the RFP DHS 4260-186 indicate desirable attributes or conditions, but are non-mandatory in nature.

II.2 PROPOSAL REQUIREMENTS AND CONDITIONS

II.2.1 General

The RFP DHS 4260-186, the evaluation of responses, and the award of any resulting contract shall be made in conformance with current competitive bidding procedures as they relate to the procurement of goods and services by the State of California. A Bidder's Final Proposal is an irrevocable offer for 180 calendar days following the scheduled date for Contract Award specified in Section I.5, Key Action Dates. A Bidder may extend the offer in the event of a delay of Contract Award.

II.2.2 RFP Documents

The RFP DHS 4260-186 includes an explanation of the State's requirements and instructions, which prescribe the format and content of proposals to be submitted. The State's contract has been included in Appendix A.

If a Bidder discovers any ambiguity, conflict, discrepancy, omission, or other error in RFP DHS 4260-186, the Bidder shall immediately notify the State of such error in writing and request clarification or modification of the document. Modifications will be made by addenda issued pursuant to Section II.2.5, Addenda. Such clarifications shall be given by written and/or electronic notice to all parties that have been furnished RFP DHS 4260-186 for bidding purposes, without divulging the source of the request for same. Insofar as practicable, the

[1] The word "Bidder" as used in this RFP refers to any provider of goods and/or services that participates in the proposal process in response to this RFP.
[2] The word "bid" as used throughout this document is intended to mean "proposed," "propose" or "proposal" as appropriate.

State will give such notices to other interested parties, but the State shall not be responsible therefore.

If RFP DHS 4260-186 contains an error known to the Bidder, or an error that reasonably should have been known, the Bidder shall propose at its own risk. If the Bidder fails to notify the State of the error prior to the date fixed for submission of proposals, and is awarded the contract, the Bidder shall not be entitled to additional compensation or time by reason of the error or its later correction.

II.2.3 Examination of the Work

The Bidder should carefully examine the entire RFP and any addenda thereto, and all related materials and data referenced in RFP DHS 4260-186 or otherwise available to the Bidder, and should become fully aware of the nature and location of the work, the quantities of the work, and the conditions to be encountered in performing the work. Specific conditions to be examined are listed in Section V, Administrative Requirements, and Section VI, Functional and Technical Requirements.

II.2.4 Questions Regarding the RFP

Bidders requiring clarification of the intent or content of RFP DHS 4260-186 or on procedural matters regarding the competitive proposal process may request clarification by submitting questions, in an email or envelope clearly marked "Questions Relating to RFP DHS 4260-186" to the Procurement Official listed in Section I.4, Procurement Official. To ensure a response, questions must be received in writing by the scheduled date(s) given in Section I.5, Key Action Dates, if a Bidder desires a response prior to submission of the proposals. Question and answer sets will be provided to all Bidders without identifying the submitters.

If the Bidder believes that one or more of the RFP DHS 4260-186 requirements is onerous, unfair, or imposes unnecessary constraints on the Bidder in proposing less costly or alternate solutions, the Bidder may request a change to RFP DHS 4260-186 by submitting, in writing, the recommended change(s) and the facts substantiating this belief and reasons for making the recommended change. Such request must be submitted to the Procurement Official by the date specified in Section I.5, Key Action Dates, for submitting a request for change to requirements.

For the purposes of the instructions of this RFP, all Bidders that have been sent copies of the RFP for the purpose of submitting a proposal are called Bidders until such time that the Bidder withdraws or other facts indicate that the Bidder has become nonparticipating.

II.2.5 Addenda

The State may modify the RFP prior to the date fixed for Contract Award by issuance of a notification to all Bidders that are participating in the bidding process at the time the addendum is issued that an addendum has been issued, unless the amendments are such as to offer the opportunity for nonparticipating Bidders to become participating, in which case, the addendum will be sent to all Bidders that have received the RFP for bidding purposes. Addenda will be numbered consecutively. If any Bidder determines that an addendum unnecessarily restricts its ability to propose, the Bidder is allowed five (5) working days to

submit a protest to the addendum according to the instructions contained in Section II.5.1, Protests.

II.2.6 Bonds

Each agency reserves the right to require a performance bond. If a performance bond is required for this procurement, it will be specified in Section V, Administrative Requirements.

II.2.7 Joint Bids

A joint bid (two or more Bidders quoting jointly on one bid) may not be submitted for this procurement.

II.2.8 Air or Water Pollution Violations

Government Code Section 4477 prohibits the State from contracting with a person, including a corporation or other business association, who is in violation of any order or resolution promulgated by the State Air Resources Board or an air pollution control district, or is subject to a cease and desist order issued under Water Code Section 133011 for violation of waste discharge requirement or discharge prohibitions, or is determined to be in violation of federal law relation to air or water pollution. Government Code Section 4481 requires the State Water Resources Control Board and the Air Resources Board to notify State agencies of such persons.

No award will be made to a person who is identified as a person in violation of State or Federal air or water pollution control laws.

II.2.9 Fair Employment and Housing Commission Regulations

The California Government Code Section 12990 requires all State Bidders to have implemented a Nondiscrimination Program before entering into any contract with the State. The Department of Fair Employment and Housing (DFEH) randomly selects and reviews State Bidders to ensure their compliance with the law. DFEH periodically disseminates a list of Bidders that have not complied. Any Bidder so identified is ineligible to enter into any State contract.

II.2.10 Exclusion for Conflict of Interest

No consultant shall be paid out of State funds for developing recommendations on the acquisition of Information Technology (IT) products or services or assisting in the preparation of a feasibility study, if that consultant is to be a source of such acquisition or could otherwise directly and/or materially benefit from State adoption of such recommendations or the course of action recommended in the feasibility study. Further, no consultant shall be paid out of State funds for developing recommendations on the disposal of State surplus IT products, if that consultant would directly and/or materially benefit from State adoption of such recommendations.

II.2.11 Follow-on Contracts

No person, firm, or subsidiary thereof who has been awarded a consulting services contract, or a contract which includes a consulting component, may be awarded a contract for the provision of services, delivery of goods or supplies, or any other related action which is

required, suggested, or otherwise deemed appropriate as an end product of the consulting services contract. Therefore, any consultant who contracts with a State agency to develop formal recommendations for the acquisition of IT products or services is precluded from contracting for any work recommended in the formal recommendations (formal recommendations include, among other things, feasibility studies). The following are the known firms that are precluded from participating in this acquisition: Visionary Integration Professionals, Inc., Hubbert Systems Inc., Shooting Star Solutions LLC, and COMSYS IT Partners (formerly Venturi Partners).

II.2.12 Disclosure of Financial Interests

Proposals in response to State procurements for assistance in preparation of feasibility studies or the development of recommendations for the acquisition of IT products and services must disclose any financial interests (e.g., service contract, Original Equipment Manufacturer (OEM) agreements, re-marketing agreements) that may foreseeably allow the individual or organization submitting the proposal to materially benefit from the State's adoption of a course of action recommended in the feasibility study or the acquisition recommendations. If, in the State's judgment, the financial interest will jeopardize the objectivity of the recommendations, the State may reject the proposal.

In addition, should a Bidder establish or become aware of such a financial interest during the course of contract performance, the Contractor must inform the State in writing within 10 working days. If, in the State's judgment, the newly established financial interest will jeopardize the objectivity of the recommendations, the State shall have the sole discretion of terminating the contract. Failure to disclose a relevant financial interest on the part of a Bidder will be deemed grounds for termination of the contract with all associated costs to be borne by the Bidder and, in addition, the Bidder may be excluded from participating in the State's bid processes for a period of up to 360 calendar days in accordance with Public Contract Code Section 12102 (j).

II.3 BIDDING STEPS

II.3.1 Preparation of Proposals

Exhibit II-A, Competitive Bidding and Bid Responsiveness, located at the end of Section II, emphasizes the requirements of competitive bidding and contains examples of common causes for rejection of bids. Bidders are encouraged to review this exhibit.

Proposals are to be prepared in such a way as to provide a straightforward, concise delineation of the Bidder's compliance with the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc., are not necessary or desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content**.**

Before submitting each document, the Bidder should carefully proof the Proposal for errors and adherence to the RFP requirements.

II.3.2 Bidders Conference

A Bidders Conference will be held, during which Bidders will be afforded the opportunity to meet with State personnel and discuss the content of the RFP and the procurement process. Written questions received prior to the cutoff date for submission of such questions, as noted in Section I.5, Key Action Dates, will be answered at the conference without divulging the source of the query.

Bidders are encouraged to attend the Bidders Conference. The State may also accept oral questions during the conference and will make a reasonable attempt to provide answers prior to the conclusion of the conference. Those portions of the Bidder's Conference which contain the questions and appropriate answers, at the State's sole discretion, will normally be posted on the procurement website within approximately five (5) State business days. If, in the State's opinion, questions asked at the conference cannot be adequately answered during the discussion, answers will be provided with the posted data. Oral answers shall not be binding on the State. A sign-in sheet will be provided to document attendance.

Time: 10:00 a.m. – 12:00 p.m.

Date: September 12, 2005

Place: Department of Health Services
1500 Capitol Mall, Room 151
Sacramento, CA

II.3.3 Bidder's Intention to Submit a Proposal

Bidders that want to participate in the RFP steps must submit a notification of intention to bid on this procurement in order to receive notifications. Only those Bidders acknowledging interest in this RFP will receive notifications regarding this procurement. The letter should identify the contact person for the solicitation process, plus their phone and fax numbers and e-mail address. The State is responsible for notifying one contact person. Information related to a Bidder will be given to the designated contact person. It shall be the Bidder's responsibility to immediately notify the Procurement Official, in writing, regarding any revisions to the information. The State shall not be responsible for proposal correspondence not received by the Bidder if the Bidder fails to notify the State, in writing, of any revisions.

Bidders who wish to participate are required to return the Letter of Intent to Bid (see Appendix C, Form C13) to the Procurement Official listed in Section I.4, Procurement Official, to ensure they remain on the State of California's official list of participating Bidders. If the form is not submitted by the date as specified in Section I.5, Key Action Dates, the State reserves the right to drop them from the participating Bidder list and they will not receive any further correspondence.

II.3.4 Draft Proposals

Submission of a Draft Proposal is strongly recommended so that the Bidder may obtain the benefit of the two-step procurement process. If Draft Proposals are submitted, Bidders must submit them by the date and time specified in Section I.5, Key Action Dates. The Draft Proposals must be complete in all respects except that dollar cost information must be replaced

by XXXs. The State Evaluation Team will evaluate each Draft Proposal and notify the Bidder of any defects it has noted. Such notification is intended to minimize the risk that the Final Proposal will be deemed non-compliant; however, **the State will not provide any warranty that all defects in the Draft Proposal have been detected and that such notification will not preclude rejection of the Final Proposal if such defects are later found.**

II.3.5 Confidential Discussions

The State will conduct confidential discussions with Bidders submitting Draft Proposals. At the confidential discussion, the State will identify areas of the Bidder's Draft Proposal that may not be fully compliant with the requirements of the RFP and areas that are confusing to the State Evaluation Team. Oral statements made by either party during confidential discussions shall not be binding.

II.3.6 Final Proposal

II.3.6.1 Submission of Final Proposal

Proposals must be complete in all respects as required by Section VIII, Proposal Format. A Final Proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. A Final Proposal shall be rejected if any such defect or irregularity constitutes a material deviation from the RFP requirements. The Final Proposal must contain all costs required by Section VII, Cost, and Section VIII, Proposal Format. Cost data (as identified in Section VIII, Proposal Format) must be submitted under separate, sealed cover. If the cost data are not submitted under separate sealed cover, the proposal may be rejected.

II.3.6.2 Evaluation of Final Proposals

During evaluation of the Final Proposal, the State Evaluation Team may ask the Bidder to clarify their submitted information but will not allow the Bidder to change their proposal.

II.3.6.3 Flawed Final Proposals

At the State's sole discretion it may declare the Final Proposal to be a Draft Proposal in the event that the State Evaluation Team determines that Final Proposals from all Bidders contain material deviations and that it is in the best interest of the State to continue the bid process. There is no protest available if the State Evaluation Team determines that all of the Final Proposals are noncompliant. If this occurs, the State will issue an addendum to the RFP and confidential discussions will be held with Bidders who are interested in continuing to be considered and that request a confidential discussion. Each Bidder will be notified of the due date for the submission of a new Final Proposal to the State. This submission must conform to the requirements of the original RFP as amended by any subsequent addenda. The new Final Proposals will be evaluated as required by Section IX, Evaluation and Selection.

II.3.6.4 Confidentiality

Final Proposals are public upon opening; however, the contents of all proposals, correspondence, agenda, memoranda, working papers, or any other medium which discloses any aspect of a Bidder's proposal shall be held in confidence until the notice of

intent to award has been issued. Bidders should be aware that making a document "confidential" or "proprietary" in a final proposal will not keep that document, after notice of intent to award, from being released as part of the public record, unless a court has ordered the State not to release the document. The content of all working papers and discussions relating to the Bidder's proposal shall be held in confidence indefinitely unless the public interest is best served by an item's disclosure because of its direct pertinence to a decision, agreement or the evaluation of the bid. Any disclosure of confidential information by the Bidder is a basis for rejecting the Bidder's proposal and ruling the Bidder ineligible to further participate. Any disclosure of confidential information by a state employee is a basis for disciplinary action, including dismissal from State employment, as provided by Government Code Section 19570 et seq.

Maintaining the confidentiality of information that is designated as confidential by the State is paramount; it cannot be over emphasized.

II.3.7 Submission Final Proposals

This section describes specific guidelines applicable to the submission of the Final Proposal to the RFP and is applicable to the New Final Proposal if all original Final Proposals are flawed.

II.3.7.1 Bidder's Costs

Costs for developing Proposals and bids are entirely the responsibility of the Bidder and shall not be chargeable to the State.

II.3.7.2 Completion of Proposals and Bids

Proposals must be complete in all respects as required by the RFP Section VIII, Proposal Format. A Final Proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. A Final Proposal must be rejected if any defect or irregularity constitutes a material deviation from the RFP requirements. The Final Proposal must contain all costs required by the RFP sections on Cost and Proposal Format. Cost data must be submitted under a separate, sealed cover. EXHIBIT II-A, COMPETITIVE BIDDING AND BID RESPONSIVENESS, emphasizes the requirements of competitive bidding and contains examples of common causes for rejection of bids. Bidders are encouraged to review this exhibit.

II.3.7.3 False or Misleading Statements

Proposals which contain false or misleading statements or which provide references which do not support an attribute or condition claimed by the Bidder may be rejected. If, in the opinion of the State, such information was intended to mislead the State in its evaluation of the Proposal and the attribute, condition, or capability is a requirement of this RFP, it will be the basis for rejection of the Proposal.

II.3.7.4 Signature of Proposals

A cover letter (which shall be considered an integral part of the submission) shall be signed by an individual who is authorized to bind the bidding firm contractually. The signature must indicate the title or position that the individual holds in the firm. **An unsigned Final Proposal shall be rejected.** In addition, the bidder must submit the correct number of

signed copies of the contract (Appendix A) – please refer to Section VIII, Proposal Format.

The Draft Proposal must also contain the cover letter and contract, similarly prepared, including the title of the person who will sign, but need not contain the signature.

II.3.7.5 Delivery of Proposals

The Draft Proposal and Final Proposal must be submitted by the date and time specified in Section I.5, Key Action Dates. If mailed, proposals must be received on or before the specified date and time. Mail or deliver proposals to the Department of General Services contact listed in Section I.4, Procurement Official. If mailed, it is suggested that you use certified or registered mail with return receipt requested as delivery of proposals is done at Bidder's own risk of untimely delivery, lost mail, etc.

Proposals must be received in the number of copies stated in Section VIII, Proposal Format. Proposals must be received no later than the dates and times specified in Section I.5, Key Action Dates. One (1) copy must be clearly marked "Master Copy". All copies of proposals must be under sealed cover, which is to be plainly marked "FINAL PROPOSAL for RFP DHS 4260-186". **Final Proposals not received by the date and time specified in Section I.5, Key Action Dates, will be rejected.**

As required in Section VIII, Proposal Format, all cost data must be submitted under separate, sealed cover and clearly marked "COST DATA for RFP DHS 4260-186". If cost data are not submitted separately sealed, the proposal will be rejected. Proposals submitted under improperly marked covers may be rejected. If discrepancies are found between two or more copies of the proposal, the proposal may be rejected. However, if not rejected, the Master Copy is the basis for resolving discrepancies.

II.3.7.6 Withdrawal and Resubmission/Modification of Proposals

A Bidder may withdraw its Final Proposal at any time prior to the proposal submission date and time specified in Section I.5, Key Action Dates, by submitting a written notification of withdrawal signed by the Bidder authorized in accordance with Section II.3.7.4, Signature of Proposals. The Bidder may thereafter submit a new or modified proposal prior to such proposal submission date and time. Modification offered in any other manner, oral or written, will not be considered. Clarifications of Final Proposals are not modifications. Final Bids cannot be changed or withdrawn after the date and time designated for receipt, except as provided in Section II.3.10.3, Errors in the Final Proposal.

II.3.8 Demonstrations

The demonstration is intended to provide the State the ability to verify the claims made by the Bidder in response to the requirements specified in Section VI, Functional and Technical Requirements. During the demonstration, the Bidder must demonstrate that a State-selected sample of mandatory requirements can be satisfied by the Bidder's proposed MIS/DSS solution. The State-selected requirements are specified in Section X, Demonstrations. Demonstrations will be performed by the Bidders as part of the State's evaluation of the Bidder's technical and administrative components of the Final Proposal. Demonstrations will be evaluated and scored in accordance with the criteria specified in Section X, Demonstration.

II.3.9 Sealed Cost Openings

Final Bids will not have their sealed cost envelopes opened until the State has evaluated and scored the technical and administrative bids. On the date of the cost opening, the State will post a summary of the points awarded to each Bidder. This summary will be provided to all the Bidders and the public in attendance at the cost opening.

II.3.10 Rejection of Bids

The State may reject any or all bids and may waive any immaterial deviation or defect in a bid. The State's waiver of any immaterial deviation or defect shall in no way modify the RFP documents or excuse the Bidder from full compliance with the RFP specifications if awarded the contract.

II.3.10.1 General

Final Proposals and bids will be evaluated according to the procedures contained in the Section IX, Evaluation and Selection.

II.3.10.2 Evaluation Questions

During the evaluation and selection process, the State may require a Bidder's representative to answer specific questions in writing.

II.3.10.3 Errors in the Final Proposal

An error in the Final Proposal may cause the rejection of that proposal; however, the State, in its sole discretion, may retain the proposal and make certain corrections. In determining if a correction will be made, the State will consider the conformance of the proposal to the format and content required by the RFP, and any unusual complexity of the format and content required by the RFP.

The State, in its sole discretion, may correct obvious clerical errors.

The State, in its sole discretion, may correct discrepancy and arithmetic errors on the basis that, if intent is not clearly established by the complete proposal submittal, the Master Copy shall have priority over additional copies, the Proposal Master Copy narrative shall have priority over the contract, the contract shall have priority over the cost sheets. If necessary, the extensions and summary will be recomputed accordingly, even if the lowest level of detail is obviously misstated. The total price of unit-price items will be the product of the unit price and the quantity of the item. If the unit price is ambiguous, unintelligible, uncertain for any cause, or is omitted, it shall be the amount obtained by dividing the total price by the quantity of the item.

If a Bidder does not follow the instructions for computing costs not related to the contract (e.g., State personnel costs), the State may reject the proposal, or in its sole discretion, re-compute such costs based on instructions contained in the RFP.

It is absolutely essential that Bidders carefully review the cost elements in their Final Proposal.

In the event an ambiguity or discrepancy between the general requirements described in Section III, Program and Systems Overview, and the specific functional and technical requirements set forth in Section VI, Functional and Technical

Requirements, is detected after the opening of bids, Section VI, and the Bidder's response thereto, shall have priority over Section III and the Bidder's response thereto.

II.3.11 Contract Award

Award of contract, if made, will be in accordance with Section IX, Evaluation and Selection, to a responsible Bidder whose Final Proposal complies with the requirements of the RFP and any addenda thereto, except for such immaterial defects as may be waived by the State. Award, if made, will be made within 180 calendar days (if no protest) after the scheduled date for the Intent to Award. If a protest is received, the Award, if made, will be made within 180 calendar days after the protest is resolved.

The State reserves the right to modify or cancel in whole or in part its RFP.

II.3.12 Debriefing

A debriefing will be held after Contract Award at the request of any Bidder for the purpose of receiving specific information concerning the evaluation. The discussion will be based primarily on the technical and cost evaluations of the Bidder's Final Proposal. A debriefing is not the forum to challenge the RFP specifications or requirements.

II.4 Contract Terms and Conditions

II.4.1 Incorporation of Contract Language

The contract terms and conditions to be awarded is included in the solicitation document in its final form, and any alteration by a Bidder will result in rejection of its proposal. The State recognizes, however, that pricing information and other aspects of the Bidder's Final Proposal may have to be extracted and included in the Contract after the submission of Final Proposals.

The Statement of Work (Contract Attachment A) will contain the administrative requirements, functional and technical requirements, and cost tables.

The following contractual terms, conditions, and provisions are incorporated into this procurement and are included, for reference purposes, on the DGS websites:

The IT General Provisions (Revised and Effective 10/03/2005)
[http://www.pd.dgs.ca.gov/modellang/GeneralProvisions.htm]

Information Technology Purchase Special Provisions
[http://www.pd.dgs.ca.gov/modellang/ITModules.htm]

Information Technology Maintenance Special Provisions
[http://www.pd.dgs.ca.gov/modellang/ITModules.htm]

Information Technology Software License Special Provisions
[http://www.pd.dgs.ca.gov/modellang/ITModules.htm]

Information Technology Personal Services Special Provisions
[http://www.pd.dgs.ca.gov/modellang/ITModules.htm]

Health Insurance Portability and Accountability Act (HIPAA) Business Associate Attachment (RFP Appendix F)

II.4.2 Term of Contract

The base contract term will be four (4) years, with three one-year (1) extensions available at the State's option. The State shall have the option of accepting the extensions a year at a time or for all three years at once. The extension(s) shall be exercised through a contract amendment.

II.5 OTHER INFORMATION

II.5.1 Protests

Before a protest is submitted regarding any issue other than selection of the "successful Bidder," the Bidder must make full and timely use of the procedures described in Section II.2.4, Questions Regarding the RFP, to resolve any outstanding issues between the Bidder and the State. The procurement procedure is designed to give the Bidder and the State adequate opportunity to submit questions and discuss the requirements before the Final Proposal is due. The protest procedure is made available in the event that a Bidder cannot reach a fair agreement with the State after exhausting these procedures. In such cases, a protest may be submitted according to the procedure below. Protests regarding any issue other than selection of the "successful Bidder" will be heard and resolved by the Deputy Director of the Department of General Services Procurement Division whose decision will be final.

If a Bidder has submitted a Final Proposal which it believes to be totally responsive to the requirements of this RFP and to be the bid that should have been selected according to the evaluation procedure in the section on Evaluation and Selection and the Bidder believes the State has incorrectly selected another Bidder for award, the Bidder may submit a protest of the selection as described below. Protests regarding selection of the "successful Bidder" will be heard and resolved by the Victims Compensation and Government Claims Board, whose decision will be final.

All protests must be made in writing, signed by an individual who has contractual authority to bind the bidding company, and contain a statement of the reasons for protest; citing the law, rule, regulation or procedures on which the protest is based. The protester must provide facts and evidence to support the claim. Protests must be mailed or delivered to:

Street Address	**Mailing Address**
Deputy Director	Deputy Director
Department of General Services	Department of General Services
Procurement Division	Procurement Division
707 3rd Street, Second Floor	P.O. Box 989054
West Sacramento, Ca 95605	Sacramento, Ca 95798-9054

All protests of the RFP or protests concerning the evaluation, recommendation, or other aspects of the selection process must be received by the Deputy Director of the Procurement

Division as promptly as possible, but not later than the respective times and dates specified in Section I.5, Key Action Dates, for such protests or the respective date in the Notification of Intent to Award, whichever is later. Certified or registered mail must be used unless delivered in person, in which case the protester should obtain a receipt of delivery.

II.5.2 News Releases

News releases or any publications relating to a contract resulting from this RFP shall not be made without **prior written approval** of the Procurement Official listed in Section I.4, Procurement Official.

II.5.3 Disposition of Proposals

All materials submitted in response to this RFP will become the property of the State of California and will be returned only at the State's option and at the Bidder's expense. At a minimum, the Master Copy shall be retained for official files and will become a public record after the Notification of Intent to Award as specified in Section I.5, Key Action Dates. However, confidential financial information submitted in support of the requirement to show Bidder responsibility will be returned upon request.

Exhibit II–A

COMPETITIVE BIDDING AND BID RESPONSIVENESS

The purpose of competitive bidding is to secure public objectives in the most value-effective manner and avoid the possibilities of graft, fraud, collusion, etc. Competitive bidding is designed to benefit the State and is not for the benefit of the Bidders. It is administered to accomplish its purposes with sole reference to the public interest. It is based upon full and free bidding to satisfy State specifications, and acceptance by the State of the most value-effective solution to the State's requirements, as determined by the evaluation criteria contained in the Request for Proposal (RFP).

Competitive bidding is not defined in any single statute but is more in the nature of a compendium of numerous court decisions. From such court decisions, the following rules have evolved, among others:

1. RFP must provide a basis for full and fair competitive bidding among Bidders on a common standard, free of restrictions tending to stifle competition.
2. The State may modify the Request for Proposals (RFP), prior to the date fixed for Intent to Award, by issuance of an addendum to all parties who have been furnished with the RFP for bidding purposes.
3. To have a valid bid, the bid must respond and conform to the invitation, including all the documents, which are incorporated therein. A bid which does not literally comply may be rejected.
4. For a variance between the request for bids and the bid to be such as to preclude acceptance (the bid must be rejected), the variance or deviation must be a material one.
5. State agencies usually have the express or implied right to reject any and all bids in the best interests of the State. Bids cannot, however, be selectively rejected without cause.
6. Bids cannot be changed after the time designated for receipt and opening thereof. No negotiation as to the scope of the work, amount to be paid, or contractual terms is permitted.
7. A competitive bid, once opened and declared, is in the nature of an irrevocable option and a contract right of which the public agency cannot be deprived without its consent, unless the requirements for rescission are present. All bids become public documents.
8. Bids cannot be accepted "in part," unless the invitation specifically permits such an award.
9. Contracts entered into through the competitive bidding process cannot later be amended, unless the RFP includes a provision, to be incorporated in the contract awarded, providing for such amendment.

Exhibit II–A, (Continued)

Since competitive procurement became the required method for securing certain IT goods or services, the State has received a number of bids which were deemed to be non-responsive to the Request for Proposals (RFP) or which could not be considered as valid bids within the competitive bidding procedures. Non-responsive bids or bids which contain qualifications must be rejected. Many of the causes for rejection arise from either an incomplete understanding of the competitive bidding process or administrative oversight on the part of the Bidders. The following examples are illustrative of more common causes for rejection of bids. These examples are listed solely to assist potential Bidders in submission of responsive bids.

1. A bid stated, "The prices stated within are for your information only and are subject to change."
2. A bid stated, "This proposal shall expire ninety (90) days from this date unless extended in writing by the _____ Company." (In this instance award was scheduled to be approximately 90 days after bid submittal date.)
3. A bid for lease of IT equipment contained lease plans of a duration shorter than that which had been requested in the RFP.
4. A personal services contract stated, "_____, in its judgment, believes that the schedules set by the State are extremely optimistic and probably unobtainable. Nevertheless, _____ will exercise its best efforts..."
5. A bid stated, "This proposal is not intended to be of a contractual nature."
6. A bid contained the notation "prices are subject to change without notice."
7. A bid was received for the purchase of IT equipment with unacceptable modifications to the Purchase Contract.
8. A bid for lease of IT equipment contained lease plans of a duration longer than that which had been requested in the RFP with no provision for earlier termination of the contract.
9. A bid for lease of IT equipment stated, "...this proposal is preliminary only and the order, when issued, shall constitute the only legally binding commitment of the parties."
10. A bid was delivered to the wrong office.
11. A bid was delivered after the date and time specified in the RFP.
12. An RFP required the delivery of a performance bond covering 25 percent of the proposed contract amount. The bid offered a performance bond to cover "x" dollars which was less than the required 25 percent of the proposed contract amount.
13. A bid did not meet contract goal for Disabled Veterans Business Enterprise (DVBE) participation and did not follow the steps required by the bid to achieve a "good faith effort."
14. A bid appeared to meet contract goal for DVBE participation with the dollars submitted, but the Contractor had miscalculated the bid costs. When these corrections were made by the State, the Contractor's price had increased and the dollars committed for DVBE participation no longer met goal. The Contractor had not followed the steps to achieve a "good faith effort."

III PROGRAM AND SYSTEMS OVERVIEW

III.1 Program Overview

In June 1996, the DHS initiated the Medi-Cal Management Information System/Decision Support System (MIS/DSS) Project to procure and oversee the development of a Management Information System/Decision Support System data warehouse. The contract was awarded on April 17, 1997 after a large competitive procurement. The DHS also contracted with an Independent Verification and Validation Contractor (IV&V) on April 7, 1997.

The purpose of the MIS/DSS Project was to establish a comprehensive information system to support the day-to-day program and contract management needs of the Medi-Cal program, and to significantly enhance the availability of Medi-Cal information for staff who monitor and oversee Medi-Cal services.

Welfare and Institutions Code, section 14459.7 requires the DHS to implement a MIS/DSS. This mandate was primarily the result of the need to establish a source and means for analyzing program data to guide monitoring and decision-making in the Medi-Cal Program, especially with the advent of the Managed Care component. After an extensive competitive procurement, on April 17, 1997, a contract was awarded to The Medstat Group, Inc (Medstat) to design, build, maintain and operate a Medi-Cal MIS/DSS data warehouse. The original contract term was for four years, with an option to extend the contract for an additional three years. The contract was amended and extended for three years in 2001, and again in April 2004 for an additional two years.

Currently, the MIS/DSS relational database includes over 2.5 billion records, making the system one of the largest and most useful of its kind. Data in the warehouse covers services provided to Medi-Cal beneficiaries in all 58 counties. The DHS's MIS/DSS includes a database that integrates encounter records and fee-for-service claims to provide comprehensive information about access and utilization of services for program eligibles. The data warehouse consists of Medi-Cal eligibility, provider, service and financial data. The MIS/DSS is the only repository in the DHS that integrates both fee-for-service (FFS) and managed care data in one database. This system enables DHS staff to perform drill-down data analysis, and to generate pre-formatted, standardized, and/or ad-hoc reports. In addition, end users are able to perform the program analyses required to meet statutory and regulatory mandates to monitor Managed Care Contracts and Plan Performance.

The system affords end users the ability to study the Medi-Cal data from many perspectives, which provides the groundwork for realizing program objectives. Audits and Investigations, and other program areas, have used the system successfully to control costs and monitor the provision of services.

In addition to maintenance and operation of the database, ongoing MIS/DSS contractual responsibility includes end user training, analytic consulting, Help Desk, coordination and improvement of data collection; and troubleshooting data feed problems /issues.

Payment Systems Division's (PSD) Office of Medi-Cal Payment Systems (OMPS) within the California Department of Health Services (CDHS; DHS) oversees the MIS/DSS Project Office.

In order to understand the current MIS/DSS operation, it is helpful to understand the five major organizational entities that support the MIS/DSS data warehouse system. The roles and responsibilities of each entity are detailed below:

MIS/DSS Section (MIS/DSS Project Office)
The MIS/DSS Section (MIS/DSS Project Office), located within the DHS Payment Systems Division, Office of Medi-Cal Payments, provides overall program management of the MIS/DSS. The MIS/DSS Project Office is responsible for coordinating the activities of each of the various entities, to ensure the success of the MIS/DSS. The MIS/DSS Project Office is responsible for oversight and management of the MIS/DSS data warehouse contract, program budgeting, and management reporting. In addition, the MIS/DSS Project Office is responsible for user acceptance testing and ongoing change management. The MIS/DSS Project Office, along with other end users of the paid claims data, reviews and approves: 1) monthly data-feeds which are used to populate the data warehouse; 2) paid claims and encounter data policies; and 3) process changes made by the DHS Information Technology Services Division (ITSD).

Health and Human Services Data Center (HHSDC)
The Health and Human Services Data Center (HHSDC) houses the hardware and operational software for the MIS/DSS data warehouse and supporting data-feeds processing. The data center also provides operational support for the dedicated MIS/DSS mainframe computer, file servers, and telecommunications network.

Data Warehouse Contractor
The data warehouse Contractor updates and maintains the Decision Support System (DSS) database and the summary-level Management Information System (MIS) database, and provides the application software (proprietary and Commercial-off-the-Shelf) used to access the databases. In addition, the Contractor provides end user training, manages and operates the MIS/DSS help desk and provides analytical support to the end user community.

End Users
End users are State staff that are trained to use the system, and are given access to the application(s) used to query the database(s). End users are given the opportunity to attend and participate in specialized training workshops and User Group meetings. Usage of the system varies (frequently, sporadically, rarely, etc.) depending on the needs of the end user. End users are throughout the DHS, as well as in other departments, control agencies, legislative subcommittees.

Information Technology Services Division (ITSD)
The DHS ITSD, in general, supports information technology (IT) across the department, including desktop personal computers (PCs), Local Area Network (LAN), Wide Area Networl (WAN), and the telecommunications servers and network that connect DHS users with HHSDC.

ITSD supports the Service Request process and coordination of services from the HHSDC, including the cost and billing processes. ITSD has been a participant on the MIS/DSS project from the beginning, participating in the development of the FSR, Advance Planning Document, and Request for Proposal. ITSD representatives are on the Steering Committee, involved with planning and priority setting, and participate in the MIS/DSS Change Management process. ITSD's primary role within MIS/DSS is producing the monthly data-feed files used by the data warehouse Contractor to load and update the data warehouse. The data-feeds processing includes collecting data from the various sources, preliminary "cleansing" the data (this includes editing, de-duplicating, and Client Index Number (CIN) tagging) and preparing it for use by the data warehouse Contractor.

III.2 Business Objectives

The MIS/DSS data warehouse contract with the current Contractor expires April 16, 2006. This procurement is expected to result in a competitively bid, ~~Best Value~~value effective contract for the implementation; operation; and maintenance of the MIS/DSS. The success criteria for the MIS/DSS include:

1. The MIS/DSS provides DHS users with current and accurate Medi-Cal Program information to effectively and efficiently manage their program areas and take appropriate, accurate and timely management actions.
2. The MIS/DSS provides DHS users with data which can be used to measure and monitor the quality of health care services provided to Medi-Cal recipients by contracting managed care plans.
3. The MIS/DSS provides DHS users with data which can be used to measure and monitor access to health care services for Medi-Cal recipients.
4. The MIS/DSS provides DHS users with data, which can be used to identify cost containment activities that could be used to control the costs of health care.
5. The MIS/DSS provides DHS users with data which can be used in evaluating the effectiveness of the Managed Care Program and to evaluate different modes of managed care delivery.
6. The MIS/DSS provides DHS users with data which can be used to monitor regulatory and contractual compliance of contracting Managed Care plans.
7. The MIS/DSS provides the user community access to both encounter and FFS data.
8. The MIS/DSS provides DHS users with data which can be used to improve program integrity through better monitoring and fraud detection.
9. The MIS/DSS provides DHS users with data to meet special reporting requests, as well as federal, and state reporting requirements.
10. The MIS/DSS is scalable and has an open architectural design to support future enhancements that can help the DHS successfully meet future, as yet unspecified, goals.

III.3 Existing System Overview

The MIS/DSS integrates data from various sources including Medi-Cal eligibility data, paid claims data, Managed Care encounter data, provider data, and other reference data into a data warehouse. The MIS/DSS warehouse (currently containing over 2.5 billion records in total) consists of a rolling 30-month relational database, 4 years of history data, a summary database, and a health plan performance database. All MIS/DSS databases can be accessed interactively. Complex queries can also be batched.

The diagram below provides an overview of how data flows into the existing MIS/DSS system:

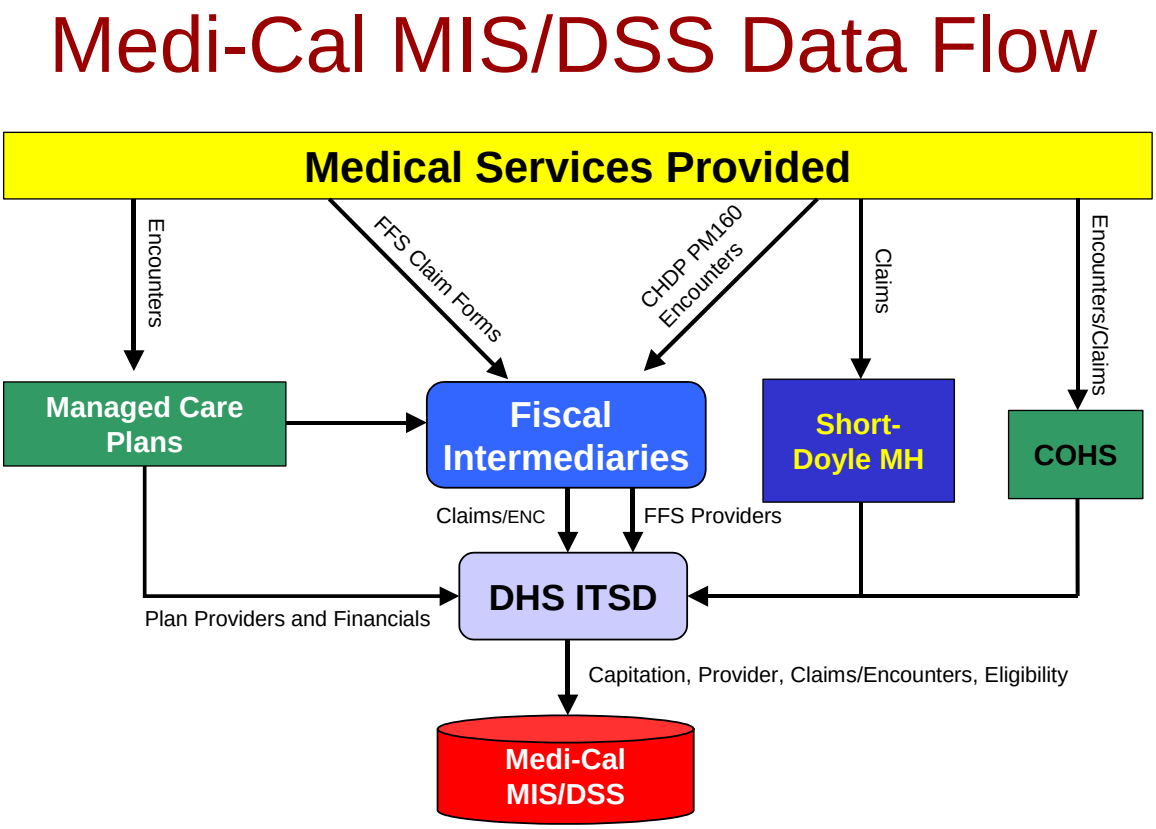

Figure 1. MIS/DSS Input Data Flow

Approximately 45 million records are prepared each month as data-feeds for updating the MIS/DSS data warehouse. The DHS' ITSD is responsible for the data preparation from legacy paid claim reporting systems across more than 80 sources, including other departments (e.g., Department of Developmental Services, Department of Mental Health, Department of Social Services), Medi-Cal Fiscal Intermediaries (FIs), Managed Care Plans and County Organized Health Systems. The diagram below provides an overview of the monthly data feed process.

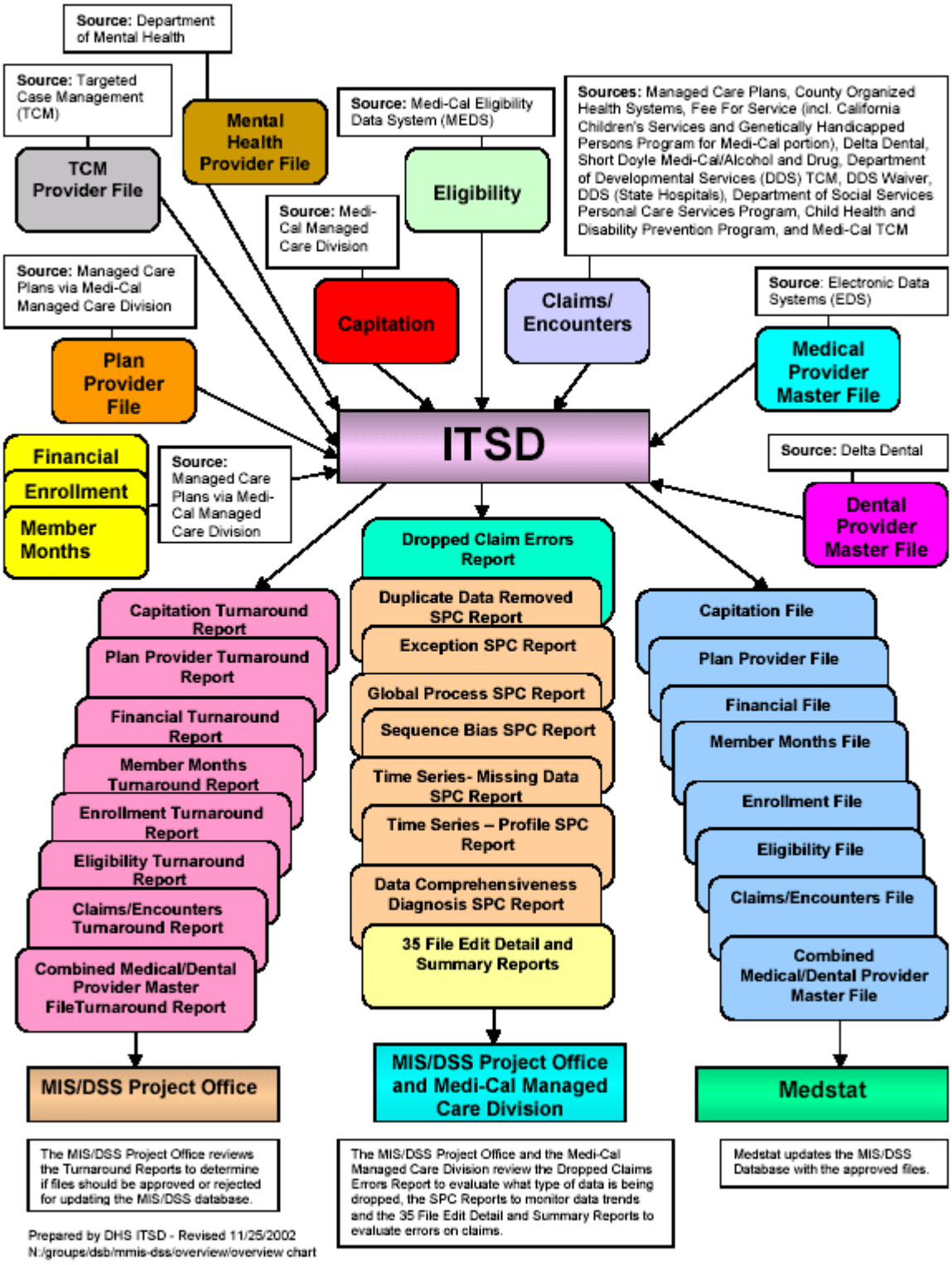

Figure 2. MIS/DSS Monthly Data Feeds Flowchart

Records generated as a result of Medi-Cal eligibility determinations, provider enrollments, and provision of services to Medi-Cal beneficiaries are submitted to DHS and its FIs for approval and processing. On a monthly basis, DHS' ITSD collects, standardizes, edits, and transmits these records to the MISDSS contractor to be used to update the database.

III.4 Existing Technical Infrastructure

The current system runs on a series of six (6) client servers and a dedicated mainframe with a ZOS operating system. All system hardware is housed at HHSDC. The HHSDC is responsible for operating the system software, network connections, and data storage. Users access the MIS/DSS from their normal departmental desktop workstations.

The system design of the Medi-Cal MIS/DSS shown in the figure below contains the three distinct layers of a system design: The data layer, the application layer and the hardware layer.

- **Data Layer -** The data layer represents the data and the processing of the data, also referred to as data staging. There are multiple components of MIS/DSS data staging that prepare the input data for load into MIS/DSS. Data is processed at the data sources (e.g. COHS, FIs, MIS/DSS PO), ITSD, and Medstat before it is loaded into the MIS/DSS. More detail related to the data staging of claims and encounter data is available in the Bidders' Library. Once the data is loaded into the DSS Database, extract-transform-load (ETL) processes occur that load data into the Performance Summary Database, used by Panorama View and the Reporting Database, used by PMW. The data loaded into the DSS Database is accessed by end users through My Eureka!, DataScan, Map Info, SAS, and SQL.
- **Application Layer -** The application layer consists of a combination of Commercial off-the-shelf (COTS) software including Medstat proprietary and third party proprietary software. Medstat proprietary software includes DataScan, Panorama View, Panorama Briefing Book and Performance Measurement Workstation (PMW). Third-party proprietary software includes My Eureka!, and MapInfo. All proprietary COTS software components in the MIS/DSS have been customized to meet project requirements.
- **Hardware Layer -** The hardware layer includes the hardware components and the system architecture required for the MIS/DSS. A diagram of the system architecture is available in the Bidders' Library.

Figure 3~~Figure 3~~ provides a pictorial view of the existing MIS/DSS architecture.

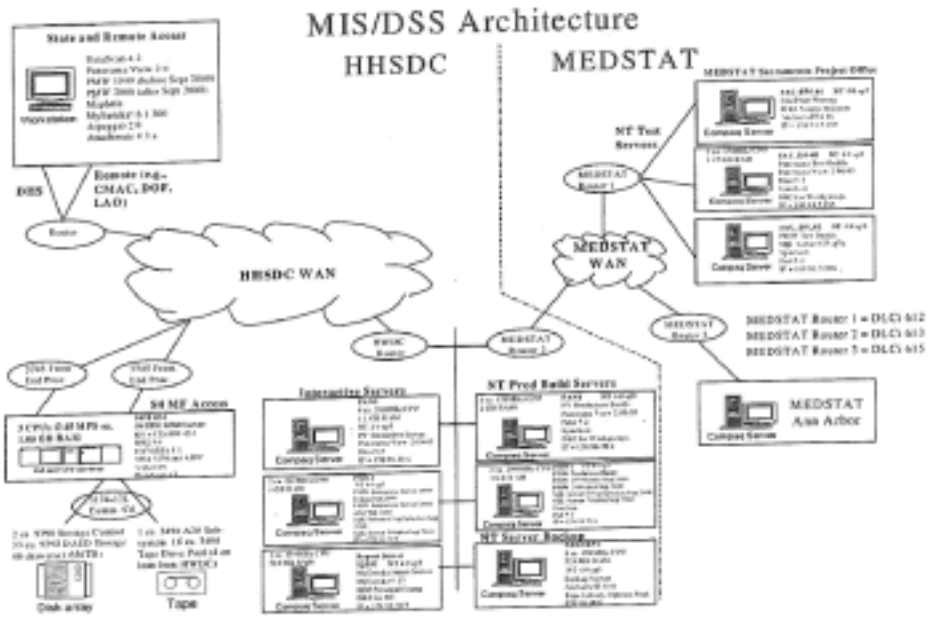

Figure 3. MIS/DSS Existing Architecture

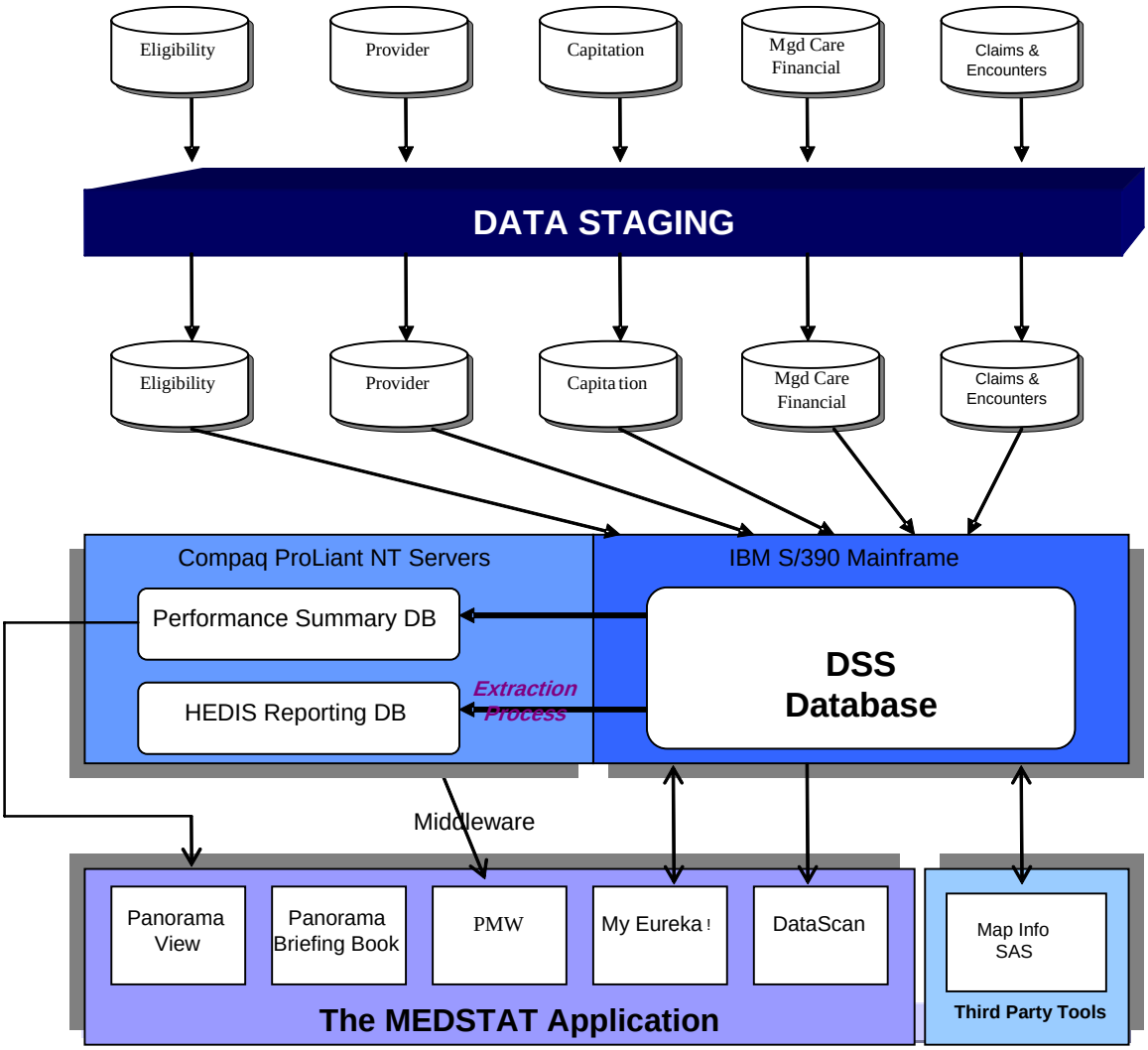

Figure 4. Medi-Cal MIS/DSS Application Suite

III.5 Current Database Table Sizes

The January 2005 database table sizes for the 30-month production database are as follows:

Table 2. January 2005 DB2 Table Sizes

DB2 TABLE NAME	NUMBER OF RECORDS
Inpatient Case	1,661,728
Episode	31,015,456
Inpatient Service	37,591,980
Outpatient Service	464,264,965
Prescription Drug	240,479,215
Eligibility	200,510,034
DHS Core	13,529,430
Capitation	102,724
Managed Care Plan Financials	0
Provider	237,814
Dental	54,995,408

The archive database record counts are provided below:

Table 3. Archive DB2 Table Sizes

STATE FISCAL YEAR	DB2 TABLE NAME	NUMBER OF RECORDS
98/99	Inpatient Case	
	Episode	
	Inpatient Service	11,337,364
	Outpatient Service	132,572,635
	Prescription Drug	67,694,816
	Eligibility	62,686,451
	DHS Core	
	Capitation	11,784
	Managed Care Plan Financials	8,546
	Provider	
	Dental	18,407,985
99/00	Inpatient Case	
	Episode	
	Inpatient Service	11,795,638
	Outpatient Service	129,529,131
	Prescription Drug	67,412,474
	Eligibility	63,124,176
	DHS Core	
	Capitation	26,721
	Managed Care Plan Financials	4,654
	Provider	
	Dental	17,568,361

STATE FISCAL YEAR	DB2 TABLE NAME	NUMBER OF RECORDS
00/01	Inpatient Case	
	Episode	
	Inpatient Service	12,980,579
	Outpatient Service	145,109,757
	Prescription Drug	71,019,289
	Eligibility	64,780,092
	DHS Core	
	Capitation	39,298
	Managed Care Plan Financials	1,318
	Provider	
	Dental	19,647,432
01/02	Inpatient Case	
	Episode	
	Inpatient Service	13,489,891
	Outpatient Service	173,942,017
	Prescription Drug	77,417,192
	Eligibility	72,775,324
	DHS Core	
	Capitation	42,585
	Managed Care Plan Financials	332
	Provider	
	Dental	20,681,648

III.6 Bidders' Library

III.6.1 Bidders' Library Location

The Bidders' Library is available at the following website:

http://www.dhs.ca.gov/mcs/psd/mis_dss/RFPLibrary

III.6.2 Bidders' Library Contents

The Bidders' Library contains the following documents:

Document Name	Originating Entity	Document Date
Post Implementation Evaluation (PIER) Report	MIS/DSS Project Office	02-01-2005
Independent Assessment of the MIS/DSS-Final Report	Consultants	08-11-2004
MIS/DSS Planning Advance Planning Document and Addendum	MIS/DSS Project Office	11-18-2004 04-15-2005
MIS/DSS Information Technology Procurement Plan	MIS/DSS Project Office	05-06-2005
Operational Recovery Plan Appendix J	MIS/DSS Project Office	05-01-2005
Health Administrative Manual (HAM) Sections 6-1000 thru 6-1020.9	DHS	06-2005
Contractor Self-Certification	MIS/DSS	08-30-2005
CDHS Information Technology Standards	DHS	11-04-2004
Current Data Feed Documentation; S35 File Layout Paid Claims Front End Redesign (PCES)	DHS/ITSD	 05-04-2005 08-25-2005
S35 File Data Element Dictionary	DHS/ITSD	06-2005
User Access Levels	MIS/DSS Project Office	05-2005
Contract #96-27021	MIS/DSS Project Office	04-16-1997
Contract Amendments #96-27021	MIS/DSS Project Office	04-16-2004
Detailed Data Feed Overview Chart	DHS/ITSD	11-25-2002
Daily S4 CPU Utilization Chart	HHSDC	02-2005
Equipment Inventory List	MIS/DSS Project Office	05-01-2004
Software Inventory List	MIS/DSS Project Office	12-17-2002

Background Documents; Briefing Book Background Capitation Background Case Background Medical Claims Background Drug Background Eligibility Background Episodes Background GeoCode Background Managed Care Financial Background MyEureka Background Patient Confidentiality Background Provider Background PMW Background Splitter Background	Medstat	 04-13-2000 03-23-2000 03-23-2000 03-23-2000 03-23-2000 03-23-2000 03-23-2000 03-23-2000 03-23-2000 04-13-2000 12-04-2000 03-23-2000 03-23-2000 03-23-2000
MIS/DSS Data Element Dictionary	Medstat	02-2005
Field-Level Specifications (Config. Manual); Capitation Functional Specifications Compound Drug Functional Specifications Drug Functional Specifications Eligible Functional Specifications Medical Services Claims Functional Specifications	Medstat	 02-01-2005 02-14-2005 01-18-2005 01-18-2005 01-18-2005
Production Reports (samples); CMS 416, HCB Waiver HCFA (CMS) 372 Report Medicaid Buy-In Program Report Aggregate Statistics & Data Quality Report	Medstat	 04-28-2005 07-11-2001 06-27-2003 02-2005
System Generated Reports (samples) ; Health Care Options Medical Exemption report	DHS	 02-14-2005
User Generated Reports (samples) ; Medical Director report Medi-Cal Mgd Care Encounter Data report Quarterly Mgd Care Financial Indicators report	DHS	 01-01-2005 09-23-2004 03-31-1997
Phase 5 Program Design; Deliverable Contents-Jobs; Program Design	Medstat	 02-08-2000
System Design and System Test Test Conditions **Maps** Directory Phase 5.0 Changes Phase 5.1 Changes Phase 5.2 Changes Phase 5.3 Changes Phase 4 Phase 4 to 5 Compares Other Documents	Medstat	 04-28-2000 05-27-2005 05-27-2005 05-27-2005 05-31-2005 06-01-2005 05-27-2005 01-25-2000 03-23-2000

Production Processes; Table of Contents and Introduction Daily Processes Ongoing Processes Monthly Processes & Panorama View Attachments Annual Processes & Attachments Adhoc Processes Standards	Medstat	 06-29-2001 06-29-2001 06-29-2001 06-29-2001 06-29-2001 06-29-2001 06-29-2001
Procedure Master File User Manual	DHS	10-22-2003
MEDS Network User Manual	ITSD	06-30-2005

IV CONCEPTUAL SYSTEM

It is anticipated that the new system will be provided through a combination of commercial-off-the-shelf (COTS), modified-off-the-shelf (MOTS), and custom software development. It is currently estimated that:

- MOTS will be used for data mining (60%)
- COTS will be used for ad-hoc reporting (25%)
- Custom code will be used for loading data into the data warehouse and archiving data (15%)

The MIS/DSS system will be a stand-alone system. The only automated interfaces to the system are the monthly data-feeds (i.e., the file extracts from various DHS legacy systems that are loaded into the data warehouse by the Contractor).

HHSDC houses the current mainframe hardware and operating system, file servers, as well as the telecommunications network. The Department of Technology Services will continue to house the MIS/DSS.

IV.1 Conceptual Solution

While the State is seeking, through this RFP, the best solution from the Bidders to determine the detailed structure of the actual solution, the following points describe the conceptual architecture of the proposed solution:

IV.1.1 System Architecture

The system will be implemented and operated at the Department of Technology Services. The application will be an n-tier web-based solution that incorporates industry best practices, including separation of the various tiers (Presentation, Business Logic, and Database layers). The separation of the three layers should allow firewall separation for each tier of the application.

The database management system (DBMS) will be designed and implemented using an industry standard enterprise relational database, which supports clustering for any server-based databases. The DBMS (including the engine, tools, architecture, and hardware used) will support parallel query capabilities that execute simple and complex queries in multiple threads across multiple processors.

IV.1.2 Security and Encryption

The System will adhere to security requirements of the Department of Technology Services and the DHS. Industry standard security practices will include transaction logging, data encryption in transit, data encryption at the database level (as needed), and role based security authorization.

IV.1.3 Data Retention

The data warehouse will include ten (10) years of the most recent data from all data sources. Of the ten years of data, a minimum of the most current thirty-six (36) months of data will be

considered "production", that is, subject to update. The remaining data will be considered "archived". On a monthly basis, historical data older than the production data window shall be considered "archived". The archived data will be retained, and accessible without delay (i.e. should not be physically removed from the production environment). The combined production and archive data will include a total of ten years of data. An annual data reconciliation and update of production and archive data will be performed.

Monthly data load and monthly data update/refresh processes will include, but not be limited to: creating turnaround reports, tracking transmittals to verify data feeds, splitting drugs and medical records for separate drop criteria processing, formatting, summarizing and building reference tables, recompiling case groupings, episode groupings, etc.

IV.1.4 Technical Platform

The new system shall be compatible with the DHS-standard operating system(s), currently Windows 2000 and Windows XP client workstations. The successful Contractor will be responsible for maintaining compatibility throughout the term of the contract. In addition, should hardware and/or software upgrades be necessary to meet stated performance and availability requirements or to ensure continued vendor support for COTS products, the Contractor will be responsible for all such upgrades.

V ADMINISTRATIVE REQUIREMENTS

V.1 Introduction

In addition to meeting the technical requirements of this RFP DHS 4260-186, Bidders must adhere to all the mandatory administrative requirements of this RFP to be responsive. These include the rules in Section II, Rules Governing Competition, the schedule specified in Section I.5, Key Action Dates, the format specified in Section VIII, Proposal Format, the completion of cost sheets specified in Section VII, Cost, and the administrative requirements of this section.

V.2 Disabled Veteran Business Enterprise (DVBE) Participation Requirement

PLEASE READ THIS REQUIREMENT CAREFULLY. FAILURE TO COMPLY WITH THE DVBE REQUIREMENT MAY CAUSE YOUR SOLICITATION RESPONSE TO BE DEEMED NONRESPONSIVE AND YOUR FIRM INELIGIBLE FOR AWARD OF THE PROPOSED CONTRACT.

Review the DVBE instructions and complete the forms located at http://www.documents.dgs.ca.gov/pd/dvbe/dvbereq.pdf

Please note that all participation commitments are to be captured on Form STD 840, found at the above web site, and must be submitted with the sealed Cost Proposal.

V.3 Target Area Contract Preference (TACPA)

Preference will be granted to California-based Bidders in accordance with California Code Section 4530 whenever contracts for goods or services are in excess of $100,000 and the Bidders meet certain requirements as defined in the California Administrative Code (Title 2, Section 1896 et seq.) regarding labor needed to provide the services being procured. Bidders questions regarding this preference are to be directed to:

Department of General Services
Office of Small and Minority Business
707 3rd Street, 1st Floor, Room 400
West Sacramento, CA 95605
Telephone (916) 375-4940

Bidders desiring to claim this preference must submit a fully executed copy of the appropriate forms (located at http://www.pd.dgs.ca.gov/edip/tacpa.htm) with their Final Proposal.

V.4 Employment And Economic Incentive Act Preference (EEIA)

Whenever the State prepares an RFP solicitation for goods or services contracting in excess of $100,000, except a contract in which the worksite is fixed by the provisions of the contract, the State shall award a five percent (5%) enterprise zone worksite preference to certain California-based companies. The California-based company must certify under penalty of perjury that no less than 50% of the labor required to perform the contract shall be accomplished at a worksite or worksites located in a designated Enterprise Zone (CCR, Title 2, Section 1896 et seq.).

Bidders desiring to claim this preference must submit a fully executed copy of appropriate forms (located at http://www.pd.dgs.ca.gov/edip/eza.htm) with their Final Proposal.

V.5 Local Agency Military Base Recovery Act (LAMBRA)

Whenever the State prepares an RFP solicitation for goods or services contracting in excess of $100,000, except a contract in which the worksite is fixed by the provisions of the contract, the State shall award a five percent (5%) enterprise zone worksite preference to certain California-based companies. The California-based company must certify under penalty of perjury that no less than 50% of the labor required to perform the contract shall be accomplished at LAMBRA site (CCR, Title 2, Section 1896 et seq.).

Bidders desiring to claim this preference must submit a fully executed copy of appropriate forms (located at http://www.pd.dgs.ca.gov/edip/lambra.htm) with their Final Proposal.

V.6 Responses To Administrative Requirements

Responses to the requirements in this section marked as "Administrative Requirement #" must be included in Bidder's Proposal, Volume 1. Bidder must meet and adhere to all of the requirements included in this RFP. The Administrative Requirements Response Matrix, Appendix C, Form C1 must be completed and submitted. All requirements are mandatory. Failure to identify the Bidder's intention to fulfill the requirement may result in a determination that a material defect exists and result in disqualification of the Bidder's response. If the Bidder identifies any of the submitted information as confidential, and the State agrees, it shall be treated as described in Section II.3.6.4, Confidentiality.

All of the proposal item requirements in the Final Proposal must be organized so that these items can be easily found and must be cross-referenced by Administrative Requirement # to any form. The Final Proposal may include any appropriate exhibits necessary to illustrate responsiveness. These exhibits must be clearly labeled and cross-referenced to the proposal narrative by Administrative Requirement #.

In addition to meeting the Functional and Technical requirements of this RFP, Bidders must adhere to all the following Administrative Requirements of the RFP to be responsive:

- Actions to be taken as specified in Section I.5, Key Action Dates
- Format instruction as specified in Section VIII, Proposal Format
- Completion of appropriate cost information as outlined in Section VII, Cost (Final Proposal)
- Submission of completed Section VI, response to Functional and Technical Requirements
- Administrative Requirements detailed within this section, Form C1

V.6.1 Bidder Responsibility

Prior to award of the contract, the State must be assured that the Bidder selected has all of the resources to successfully perform under the contract. This includes, but is not limited to,

personnel in the numbers and with the skills required, equipment of appropriate type and in sufficient quantity, financial resources sufficient to complete performance under the contract, and experience in similar endeavors. If, during the evaluation process, the State is unable to assure itself of the Bidder's ability to perform under the contract, if awarded, the State has the option of requesting from the Bidder any information that the State deems necessary to determine the Bidder's responsibility. If such information is required, the Bidder will be so notified and will be permitted approximately five (5) State business days to submit the information requested. Types of financial responsibility information include annual reports and currently audited balance sheets for the firm that is bidding.

ADMINISTRATIVE REQUIREMENT 1: The Bidder must provide the State with sufficient information to allow the State to confirm the Bidder's ability to perform successfully under the contract. The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 1.

V.6.2 Letter of Bondability - Performance Bond[3] / Payment Milestones

ADMINISTRATIVE REQUIREMENT 2: The State requires a performance bond for this project if the Contractor will receive progress payments. Therefore, the Bidder must select which option it chooses for this Contract.

V.6.2.1 OPTION 1: PERFORMANCE BOND AND PROGRESS PAYMENTS

Performance Bond

~~Therefore, t~~The Bidder shall provide, as part of its Draft and Final Proposal, proof of bondability and the terms and conditions of the performance bond. The proof of bondability must state that the bonding company will bond the Bidder for 50% of the value of the total contract, for the first year of the Contract. The bonding company must be a surety, licensed to do business in the state of California, with a rating of no less than A- (A minus). The awarded Contractor shall supply a performance bond in the amount of fifty percent (50%) of the contract award for the life of this Contract to ensure contract performance and guarantee deliverables by deadlines. For example, a bond amount of US $1 million shall be procured for a contract valued at US $2 million. This bond shall be delivered to the State within 21 calendar days of Contract Award and will be returned to the Contractor upon successful completion of the first year of the contract. The bond will not be returned upon contract cancellation due to non-performance.

(Attach the proof of bondability letter, sealed in the Cost Proposal.)

[3] California Public Contract Code 12112 (See http://www.leginfo.ca.gov/cgi-bin/displaycode?section=pcc&group=12001-13000&file=12100-12113) Any contract for information technology goods or services, to be manufactured or performed by the Contractor especially for the state and not suitable for sale to others in the ordinary course of the Contractor's business may provide, on the terms and conditions that the department deems necessary to protect the state's interests, for progress payments for work performed and costs incurred at the Contractor's shop or plant, provided that not less than 10 percent of the contract price is required to be withheld until final delivery and acceptance of the goods or services, and provided further, that the Contractor is required to submit a faithful performance bond, acceptable to the department, in a sum not less than one-half of the total amount payable under the contract securing the faithful performance of the contract by the Contractor.

Note: Within 21 calendar days after notification of Contract Award (unless submitted with the proposal), the successful Bidder MUST submit the instrument satisfying the Performance Bond Requirement. Failure to submit the required document within 21 calendar days may be cause for termination of the contract.

Payment Milestones

The MIS/DSS shall be customized, tested and implemented using a project-phased approach with payments structured as follows:

1. Payment #1 Milestone, COTS Software Installation and Verification and Hardware Installation and Verification: The Contractor may invoice for Payment #1 (the sum of Form VII-2 COTS Software Cost and Form VII-3 Hardware Cost) after all proposed COTS software and hardware is installed on the applicable State platform and the State has verified the successful installation. In addition, all documentation (including licensing) shall be delivered to the State. **The Payment #1 Milestone must not exceed 25% of the total One-Time Costs.** The State will withhold 10% of the invoice amount until the completion of the MIS/DSS Production Acceptance Period.
2. Payment #2 Milestone, Initial Training, Design and Implementation of Phase 1: The Contractor may invoice for Payment # 2 (the sum of Form VII-4 Initial Training Cost and Form VII-5 Phase 1 System Integrator Design and Implementation and Other One-Time Costs) after successful completion of all initial training, design and implementation activities for Phase 1, including State User Acceptance Testing and production implementation of Phase 1. **The Payment #2 Milestone must not exceed 35% of the total One-Time Costs.** The State will withhold 10% of the invoice amount until the successful completion of the MIS/DSS Production Acceptance Period.
3. Payment #3 Milestone, Design and Implementation of Phases 2 and 3: The Contractor may invoice for Payment # 3 (the total of Form VII-6 Phases 2 & 3 System Integrator Design and Implementation and Other One-Time Costs) after successful completion of all design and implementation activities for Phases 2 and 3, including State User Acceptance Testing and production implementation of Phases 2 and 3. **The Payment #3 Milestone must not exceed 40% of the total One-Time Costs.** The State will withhold 10% of the invoice amount until the successful completion of the MIS/DSS Production Acceptance Period.
4. Payment #4 Milestone, successful Completion of MIS/DSS Production Acceptance Period: The Contractor may invoice for Payment # 4 after successful completion of a 90 calendar day MIS/DSS Production Acceptance Period. The Payment #4 Milestone must be the remainder total One-Time Costs (i.e., total One-Time Cost minus Payment #1 Milestone, Payment #2 Milestone, and Payment #3 Milestone which includes the withhold amounts).
5. On-Going Support Payment Milestones:
   - **Training**. The Contractor may invoice for On-Going Training on a quarterly basis, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be two (2) quarterly training sessions. Years 2 – 7

would include four (4) training sessions per year.

- **Help Desk.** The Contractor may invoice for Help Desk support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Help Desk support. Years 2 – 7 would include twelve (12) months of Help Desk support per year.

- **Maintenance Requests.** The Contractor may invoice for Maintenance Request support following completion and acceptance of each Maintenance Request by the DHS.

- **Analytical Requests**. The Contractor may invoice for Analytical Request support following completion and acceptance of each Analytical Request by the DHS.

- **Maintenance, Operations, and Administration.** The Contractor may invoice for Maintenance, Operations and Administration support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Maintenance, Operations and Administration support. Years 2 – 7 would include twelve (12) months of Maintenance, Operations and Administration support per year.

- **Labor Rates (for Unanticipated Tasks).** The Contractor may invoice for Work Authorizations following completion and acceptance of each Work Authorization by the DHS.

- **COTS Additional User Licensing.** The Contractor may invoice for COTS Additional User Licenses after delivery of the licensing to DHS and acceptance by DHS.

V.6.2.2 OPTION 2: PAYMENT UPON COMPLETION OF PRODUCTION ACCEPTANCE PERIOD

Performance Bond
No performance bond is required under Option 2.

Payment Milestones
The MIS/DSS shall be customized, tested and implemented using a project-phased approach with payments structured as follows:

1. Payment #1 Milestone, successful Completion of MIS/DSS Production Acceptance Period: The Contractor may invoice for Payment # 1 after successful completion of a 90 calendar day MIS/DSS Production Acceptance Period. The Payment #1 Milestone

it the total One-Time Costs.

2. On-Going Support Payment Milestones:

- **Training**. The Contractor may invoice for On-Going Training on a quarterly basis, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be two (2) quarterly training sessions. Years 2 – 7 would include four (4) training sessions per year.

- **Help Desk.** The Contractor may invoice for Help Desk support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Help Desk support. Years 2 – 7 would include twelve (12) months of Help Desk support per year.

- **Maintenance Requests.** The Contractor may invoice for Maintenance Request support following completion and acceptance of each Maintenance Request by the DHS.

- **Analytical Requests**. The Contractor may invoice for Analytical Request support following completion and acceptance of each Analytical Request by the DHS.

- **Maintenance, Operations, and Administration.** The Contractor may invoice for Maintenance, Operations and Administration support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Maintenance, Operations and Administration support. Years 2 – 7 would include twelve (12) months of Maintenance, Operations and Administration support per year.

- **Labor Rates (for Unanticipated Tasks).** The Contractor may invoice for Work Authorizations following completion and acceptance of each Work Authorization by the DHS.

- **COTS Additional User Licensing.** The Contractor may invoice for COTS Additional User Licenses after delivery of the licensing to DHS and acceptance by DHS.

The Bidder must check "Yes" on the matrix indicating ~~compliance, or "No" on the matrix indicating non-compliance~~ which option it is selectiong for ~~with~~ Administrative Requirement 2.

V.6.3 Business Qualifications

V.6.3.1. Contractor Responsibility

ADMINISTRATIVE REQUIREMENT 3: The State requires that the contract resulting from RFP DHS 4260-186 be issued to one prime Contractor who shall be responsible for successful performance of this RFP. The selected prime Contractor shall be responsible for successful performance of all Subcontractors and will be required to assume responsibility for design, development, testing, and implementation of all systems in their proposal.

Furthermore, the State will consider the prime Contractor to be the sole point of contact with regard to contractual matters, payment of any and all charges resulting from the outsource or purchase of the equipment and maintenance of the equipment for the term of the contract.

The prime Contractor must serve as system integrator for RFP DHS 4260-186 and must coordinate services with other entities, if necessary, for hardware and software testing, and the resolution of communications problems.

Bidders must provide documents to demonstrate financial capability, to demonstrate financial solvency and the capacity to fulfill the obligations of this RFP. Corporate or individual tax identification numbers must be provided to facilitate verification of tax compliance. (See Financial Information, Appendix C, Form C2 and Form C3, for additional information.) NOTE: The State may obtain independent credit statements for Bidders submitting a proposal.

The Contractor will be responsible for compliance with requirements under the contract, even if requirements are delegated to subcontractors. All State policies, guidelines, and requirements apply to subcontractors. The Contractor and subcontractors shall not in any way represent themselves in the name of the DHS or the State of California without prior written approval.

The Bidder must check “Yes” on the matrix indicating compliance, or “No” on the matrix indicating non-compliance with Administrative Requirement 3.

NOTE: If any of the submitted financial information is identified by the Bidder as confidential, and the State agrees it is confidential, it shall be treated as such by the State and returned upon request after the Bidder's financial stability has been determined.

V.6.3.2. Subcontractors

ADMINISTRATIVE REQUIREMENT 4: Work to be provided by subcontractors must be documented in the RFP response. Subcontractor List, Appendix C, Form C4.

The Bidder must explain how they will manage and control the work of the subcontractors. This information must be included if subcontractors are being utilized.

The Contractor must have written agreement from the State prior to replacement or

substitution of any subcontractor. For any proposed replacement or substitution before or after the award, the Contractor must provide the State with references, resumes, and financial documentation, in addition to meeting all other applicable requirements, and submission of all applicable forms, in this RFP.

The Bidder must agree that all requirements will be adhered to and that requirements will apply to subcontractors even if subcontractor concurrence is not specifically defined in the Administrative Requirement. The Bidder agrees that each subcontractor contributing 10% or more of the value of the contract must provide all required information and forms listed below.

Any subcontractor who the Contractor chooses to use in fulfilling a contract, and who is expected to receive 10% or more of the compensation paid for the system development provided under the contract must also meet all Administrative and Functional and Technical Requirements applicable to the subcontracted work and must submit the following forms:

a. Cover Letter

b. Financial Information, Forms C2 and C3

c. Contractor Information, Form C5

d. Non Discrimination Compliance Statement – Form STD. 019, Form C8

e. Certification of Compliance with the American Disabilities Act (ADA) of 1990, Form C9

f. Bid Certification, Form C11

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 4.

V.6.3.3. Notice to Subcontractors

ADMINISTRATIVE REQUIREMENT 5: Upon award to a Contractor, notice shall be given by the State to the subcontractors listed in Subcontractor List, Appendix C, Form C4, of their participation in the contract. Notification to the subcontractor by the prime Contractor is encouraged immediately after award of an RFP. There will be no assignment of responsibility to a third party without prior written approval from the State.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 5.

V.6.3.4. Contractor Information

ADMINISTRATIVE REQUIREMENT 6: The Bidder's firm must have been in existence for a minimum of three (3) years prior to the due date of the Final Proposal to ensure corporate stability. The Bidder must complete and submit Contractor Information, Appendix C, Form C5. This form will provide the State information regarding firm experience, firm size, firm market focus, company background, and experience in similar or dissimilar

industries with projects of same size and scope.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 6.

V.6.3.5. Contractor Location

ADMINISTRATIVE REQUIREMENT 7: The Contractor shall establish a physical office within fifty (50) miles of the DHS Headquarters to support MIS/DSS end users and house staff required in Section VI.1.3, Mandatory System Development and Implementation Requirements, CS-5 thru CS-10.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 7.

V.6.3.6. Payee Data Record

ADMINISTRATIVE REQUIREMENT 8: The Bidder's Final Proposal submission must contain a fully executed copy of the Payee Data Record STD Form 204 – (reference Appendix C, Form C6, for a link to the DGS website). The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 8.

V.6.3.7. Bidders References

ADMINISTRATIVE REQUIREMENT 9: The Bidder must provide three (3) or more references using Corporate Experience References, Appendix C, Form C7. The purpose of this section is to provide the State the ability to verify the claims made in the proposal by the Bidder.

The references must meet the following requirements:

1. The three (3) references must be for projects implemented within the past ten (10) years;
2. The Bidder must have been the prime contractor for each of the three (3) contracts, or, a subcontractor's reference can be used if the subcontractor was the prime contractor for the contract and the subcontractor will receive at least thirty percent (30%) of the proposed one-time and on-going costs for MIS/DSS;
3. The contract scope of services for all three (3) references must have included system design, development, implementation, maintenance and operations.
4. At least one (1) of the references must be for a health care data system (see Appendix D - Glossary of Terms).
5. At least one (1) of the references must be for an integrated data warehouse (see Appendix D - Glossary of Terms) with a minimum of 1.25 billion records.
6. At least one (1) of the references must be for a United States governmental (federal, state or local) client.
7. At least one (1) of the references must be for at least a $20 million contract

Each of the references provided must meet at least one of the criteria (#4 – #7) listed above; and all of the criteria (#4 - #7) must be met through the combination of all of the references.

The Bidder recognizes that references will be contacted at the State's discretion. Negative comments from references may disqualify the Bidder from consideration for contract award.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 9.

V.6.3.8. Project Team Organization

ADMINISTRATIVE REQUIREMENT 10: The Bidder must agree that the State has the right to approve or reject original and replacement project team members assigned by the Bidder to this project. The Bidder will not be allowed extra time or money to replace personnel. The replacement project team member must possess the same or a higher level of technical expertise and/or experience than the original staff person leaving the project.

The Bidder must notify the DHS MIS/DSS Project Manager or designee of personnel vacancies for Key Personnel and provide résumés of replacement staff as support for the Bidder's compliance with this provision. (Designation of Key Personnel will be included as part of the Implementation Plan and approved by the State.)

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 10.

V.6.3.9. Risk Management Provisions

ADMINISTRATIVE REQUIREMENT 11: A valid Workers' Compensation Insurance Policy or a Certificate of Insurance for all employees proposed in the performance of this contract must be included in the Final Proposal.

The Bidder and proposed subcontractors must maintain in force (as required by State law) a valid Workers' Compensation Insurance Policy for all employees engaged in the performance of the contract. They agree to furnish the State satisfactory evidence thereof in the Final Proposal and at any time the State may request.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 11.

V.6.4 Business Practice Requirements

V.6.4.1 Nondiscrimination Compliance Statement

ADMINISTRATIVE REQUIREMENT 12: The Bidder's Final Proposal must contain a completed Nondiscrimination Compliance Statement (reference Appendix C, Form C8 for a link to the DGS website). The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 12.

V.6.4.2 Americans with Disabilities Act (ADA) Compliance Statement

ADMINISTRATIVE REQUIREMENT 13: The Bidder's Final Proposal must indicate compliance with the Americans with Disabilities Act by signing the form provided in Appendix C, Form C9. The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 13.

V.6.4.3 Small Business Preference

ADMINISTRATIVE REQUIREMENT 14: A 5% preference will be provided for Small Business participation in this procurement. To request the Small Business Preference, the Bidder's proposal must contain a letter requesting the Small Business Preference, and a copy of the Small Business approval letter from DGS, showing the Bidder's Small Business number. This should be included as Tab 3 in the Cost Proposal (see Section VIII.2.2, Final Proposal Format and Content, for additional information.) The Bidder's proposal should not contain this item if there is no intention to claim this preference. The Bidder must check "Yes" on the matrix, indicating the Bidder is claiming this preference, or "No" on the matrix indicating the Bidder is not claiming this preference.

A 5% bid preference is now available to a non-small business claiming 25% California certified small business subcontractor participation. Bidders claiming the 5% preference must be certified by California as a small business or must commit to subcontract at least 25% of the net bid price with one or more California certified small businesses. Completed certification applications and required support documents must be submitted to the Office of Small Business and DVBE Certification (OSDC) no later than 5:00 p.m. on the Final Proposal due date, and the OSDC must be able to approve the application as submitted.

The Small Business regulations, located at 2 CCR 1896 et seq., concerning the application and calculation of the small business preference, small business certification, responsibilities of small business, department certification, and appeals are revised, effective 9/9/04. The new regulations can be viewed at www.pd.dgs.ca.gov/smbus. Access the regulations by clicking on "Small Business Regulations" in the right sidebar.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 14.

V.6.4.3.1 Commercially Useful Function Description and Information

ADMINISTRATIVE REQUIREMENT 15: On January 1, 2004, Chapter 623, Statutes of 2003, became effective and required all small business, microbusinesses and disabled veteran business enterprises to perform a "commercially useful function" in any contract they perform for the State.

A business that is performing a commercially useful function is one that does all of the following"

- Is responsible for the execution of a distinct element of the work of the contract.

- Carries out its obligation by actually performing, managing or supervising the work involved.
- Performs work that is normal for its business, services and function.
- Is not further subcontracting a portion of the work that is greater tan that expected to be subcontracted by normal industry practices.

The Bidder must provide a written statement detailing the role, services and/or goods the subcontractor(s) will provide to meet the Commercially Useful Function requirement, using the Commercially Useful Function Statement, Appendix C, Form C14.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 15.

V.6.4.4 Interface To Existing Equipment

ADMINISTRATIVE REQUIREMENT 16:
Any equipment proposed by the Bidder must interface to all existing installed equipment, if the Bidder will be utilizing the existing equipment as part of their solution, in order to meet the specifications contained in Section VI, Functional and Technical Requirements, the prime Contractor shall agree to be responsible for making any necessary arrangements with the supplier(s) of such installed equipment, for such interface.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 16.

V.6.4.5 Access to Records

ADMINISTRATIVE REQUIREMENT 17: The Bidder shall cooperate with, and provide access to the System and records associated with this contract requested by federal and/or State oversight agencies, including, but not limited to, the Centers for Medicare/Medicaid Services (CMS), Independent Project Oversight Consultant (IPOC), and Independent Verification and Validation (IV&V) Consultant.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 17.

V.6.4.6 Contract Evaluation

ADMINISTRATIVE REQUIREMENT 18: The Bidder shall provide assistance to the State and the federal Health and Human Services (HHS) to evaluate through inspection or other means, the quality, appropriateness and timeliness of services performed under this contract.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 18.

V.6.5 Data Ownership

ADMINISTRATIVE REQUIREMENT 19: The Bidder must agree that the State shall have exclusive ownership of all Medi-Cal data gathered or developed resulting from the Contract resulting from this RFP. The Contractor shall have no rights to any such data gathered as a part of the Contract resulting from this RFP. All such data shall be designated "confidential," and must be protected as specified within the Contract. At the end of the contract the State shall own all database and data storage design documents, schema, documentation, licensing, and end-user documentation developed to support the MIS/DSS system.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 19.

V.6.6 Productive Use

ADMINISTRATIVE REQUIREMENT 20: The purpose of the productive use requirement is to allow time for major defects to be detected and corrected in the Bidder's software, and to ensure that the proposed base software product has a record of proven use in customer environments prior to installation at the DHS. The base MIS/DSS software product(s) proposed in response to this RFP must be installed and in productive use, in substantially the configuration proposed, by a paying customer external to the Bidder's organization or its corporate organization, for at least six (6) months prior to the Final Proposal due date. The Bidder must demonstrate that it meets the productive use requirement by providing the information, including customer reference, required on the Productive Use Customer Reference, Appendix C, Form C13.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 20.

V.6.7 Copyright – COTS Protection

ADMINISTRATIVE REQUIREMENT 21: If the Bidder is other than the entity holding the copyright for any COTS product(s) offered, the Bidder must include written verification by the entity holding the copyright authorizing the Bidder to supply or sell the software proposed.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 21.

V.6.8 Media/News/Press Releases

ADMINISTRATIVE REQUIREMENT 22: Prior to any release of any information regarding the DHS MIS/DSS Project, the Bidder shall complete a detailed review of any information, promotional materials, media releases, or advertising proposed to be released by it, or any subcontractor. The Bidder's review shall ensure the accuracy of terminology, numerical totals, statistical conclusions, and the like. The Bidder or any subcontractor shall make no media, news, or press release without the prior written approval of the DGS Procurement Official listed in Section I.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 22.

V.6.9 Software Use and Ownership

ADMINISTRATIVE REQUIREMENT 23: The Bidder shall pay all associated license, maintenance, and support fees throughout the contract term for software proposed by the Bidder as specified on Form VII-2, Detailed COTS Software Costs Worksheet. All proprietary software used in the design, development, programming, testing, installation, operation, administration, use, security, and maintenance of the system shall be licensed in the name of the DHS.

The proprietary software of the Bidder and all subcontractors and suppliers proposed for installation must be available to the DHS for its use in perpetuity.

The Bidder agrees that the DHS and the Centers for Medicare/Medicaid Services (CMS) shall have a nonexclusive, royalty-free, and irrevocable license to reproduce or otherwise use and authorize others to use all software, procedures, files, and other documentation that is designed, developed, or enhanced as part of this project. All software developed as part of this project and therefore owned by the DHS shall be simultaneously owned by CMS, and freely available to them in accordance with 42 CFR Part 433.112.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 23.

V.6.9.1 Software Escrow Agreement

ADMINISTRATIVE REQUIREMENT 24: The Bidder agrees to enter into a three party software and documentation escrow agreement with the State and an Escrow Agent. The Escrow Agent shall be chosen by the Bidder. The selected Escrow Agent shall be mutually acceptable to the State and the Bidder, and the terms and conditions of the agreement shall be approved by the State prior to entering into the agreement. The Escrow Agent shall be paid by the Contractor and shall be authorized to release the contents of the account to the State in accordance with the terms below.

The Escrow Agent will be authorized to furnish the State upon request and without charge, the items described above, upon the occurrence of any of the following events:

- When the owner of the software notifies the State that support or maintenance of the product are no longer available; or
- In the event that Contractor shall fail to provide services pursuant to this Contract for a continuous period.

Upon taking possession of the software and documentation pursuant to the above the State agrees that all such information will be subject to the confidentiality provisions of the Contract between the State and the Contractor for the MIS/DSS and will be used only by the State and its agents to support and maintain the MIS/DSS.

The Contractor shall deliver to the Escrow Agent all software used in the development, testing, and implementation of the MIS/DSS and all related documentation of the software

and all system development including, but not limited, programmer notes, system diagrams, flowcharts, program specifications, program run directions, configuration customizations/parameters done as part of the Contract resulting from this RFP which is not commercially available. The delivery to the Escrow Agent shall occur within five (5) State business days of the use of the software for the MIS/DSS project. Throughout the term of this contract, the Contractor will deliver all software, including updates to the software, to the Escrow Agent within five (5) State business days of implementing the updated version, so that all software in the custody of the Escrow Agent will be the then current version reflecting all changes and upgrades, but in any event, no less frequently than every six (6) months.

The Contractor also shall place in escrow one paper copy and one electronic copy of maintenance manuals and additional Documentation that are required for the proper maintenance of the MIS/DSS and the software used to develop, test, and implement the system. Revised copies of manuals and documentation shall be placed in the escrow account in the event they are changed. Such Documentation shall consist of Logic Diagrams, Installation Instructions, Operation and Maintenance Manuals, and shall be the same as that which the Contractor supplies to its maintenance personnel to maintain its software.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 24.

V.6.10 Payment Milestones

[This requirement was combined with Administrative Requirement V.6.2]

~~**ADMINISTRATIVE REQUIREMENT 25:** The MIS/DSS shall be customized, tested and implemented using a project-phased approach with payments structured as follows:~~

~~1.Payment #1 Milestone, COTS Software Installation and Verification and Hardware Installation and Verification: The Contractor may invoice for Payment #1 (the sum of Form VII-2 COTS Software Cost and Form VII-3 Hardware Cost) after all proposed COTS software and hardware is installed on the applicable State platform and the State has verified the successful installation. In addition, all documentation (including licensing) shall be delivered to the State. **The Payment #1 Milestone must not exceed 25% of the total One-Time Costs.** The State will withhold 10% of the invoice amount until the completion of the MIS/DSS Production Acceptance Period.~~

~~2.Payment #2 Milestone, Initial Training, Design and Implementation of Phase 1: The Contractor may invoice for Payment # 2 (the sum of Form VII-4 Initial Training Cost and Form VII-5 Phase 1 System Integrator Design and Implementation and Other One-Time Costs) after successful completion of all initial training, design and implementation activities for Phase 1, including State User Acceptance Testing and production implementation of Phase 1. **The Payment #2 Milestone must not exceed 35% of the total One-Time Costs.** The State will withhold 10% of the invoice amount until the successful completion of the MIS/DSS Production Acceptance~~

~~Period.~~

~~3.Payment #3 Milestone, Design and Implementation of Phases 2 and 3: The Contractor may invoice for Payment # 3 (the total of Form VII-6 Phases 2 & 3 System Integrator Design and Implementation and Other One-Time Costs) after successful completion of all design and implementation activities for Phases 2 and 3, including State User Acceptance Testing and production implementation of Phases 2 and 3. **The Payment #3 Milestone must not exceed 30% of the total One-Time Costs.** The State will withhold 10% of the invoice amount until the successful completion of the MIS/DSS Production Acceptance Period.~~

~~4.Payment #4 Milestone, successful Completion of MIS/DSS Production Acceptance Period: The Contractor may invoice for Payment # 4 after successful completion of a 90 calendar day MIS/DSS Production Acceptance Period. The Payment #4 Milestone must be the remainder total One-Time Costs (i.e., total One-Time Cost minus Payment #1 Milestone, Payment #2 Milestone, and Payment #3 Milestone which includes the withhold amounts).~~

~~5.On-Going Support Payment Milestones:~~

- ~~**Training**. The Contractor may invoice for On-Going Training on a quarterly basis, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be two (2) quarterly training sessions. Years 2 – 7 would include four (4) training sessions per year.~~

- ~~**Help Desk.** The Contractor may invoice for Help Desk support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Help Desk support. Years 2 – 7 would include twelve (12) months of Help Desk support per year.~~

- ~~**Maintenance Requests.** The Contractor may invoice for Maintenance Request support following completion and acceptance of each Maintenance Request by the DHS.~~

- ~~**Analytical Requests**. The Contractor may invoice for Analytical Request support following completion and acceptance of each Analytical Request by the DHS.~~

- ~~**Maintenance, Operations, and Administration.** The Contractor may invoice for Maintenance, Operations and Administration support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Maintenance, Operations and Administration support. Years 2 – 7 would include twelve (12) months of Maintenance, Operations and Administration support per year.~~

- ~~**Labor Rates (for Unanticipated Tasks).** The Contractor may invoice for Work Authorizations following completion and acceptance of each Work Authorization by the DHS.~~

- ~~**COTS Additional User Licensing.** The Contractor may invoice for COTS Additional User Licenses after delivery of the licensing to DHS and acceptance by DHS.~~

~~The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 25.~~

V.6.11 Liquidated Damages

ADMINISTRATIVE REQUIREMENT 26: The Bidder agrees that in addition to all other remedies available to the State, the State may collect Liquidated Damages in the amounts specified below under the following circumstances:

1. If the Contractor does not meet the production installation date specified in the Implementation Plan submitted by the Contractor and approved by the State after Contract Award. Liquated damages may be assessed in the amount of $500 per calendar day, not to exceed a total of $25,000.
2. If the Contractor does not meet of the system availability time specified in Section VI.1.2, Mandatory Technical Requirements, PA-4, the State may assess the Contractor Liquidated Damages for each month that the system does not meet 95% of availability requirements per calendar month. Liquidated Damages will be assessed in the amount of $5000 per month.

The State may deduct monies owed for the Liquidated Damages from invoices as necessary to offset the full amount owed.

The State will attempt to notify the Contractor, in writing, prior to liquidated damages being invoked. However, should the State fail to do so, the liquidated damages will still accrue. The State will, in any case, provide the Contractor a complete accounting for all liquidated damages.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 26.

V.6.12 Statement of Economic Interests

ADMINISTRATIVE REQUIREMENT 27: The Bidder agrees that personnel designated under DHS' Conflict of Interest Code (see Bidders' Library) will be required to complete and submit to DHS Form 700, Statement of Economic Interest. This disclosure may include all investments, business positions, interests in real property, and sources of income. For further information, refer to the Fair Political Practices website at http://www.fppc.ca.gov/index.html?id=6. The determination of which Contractor staff will be designated under the Conflict of Interest Code will be made after Contract Award, based upon the Contractor's staffing plan.

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 27.

V.6.13 Contract Extension Options

ADMINISTRATIVE REQUIREMENT 28: The Bidder agrees that the State shall have the option of accepting the extensions a year at a time or for all three years at once. The extension(s) shall be exercised through a contract amendment. The Bidder agrees to accept the contract extension(s) should the State exercise its option(s).

The Bidder must check "Yes" on the matrix indicating compliance, or "No" on the matrix indicating non-compliance with Administrative Requirement 28.

VI FUNCTIONAL AND TECHNICAL REQUIREMENTS

This section of the RFP document addresses the Functional and Technical Requirements for the MIS/DSS. These requirements support the business needs as defined in Section III, Program and Systems Overview.

VI.1 Mandatory Requirements

All requirements in this paragraph VI.1 are mandatory. To be responsive, the Bidder must agree to meet every mandatory requirement contained in this RFP Section.

It is the Bidder's responsibility to ensure its proposal is submitted in a manner that enables the State Evaluation Team to easily locate all response descriptions and exhibits for each requirement in this RFP.

The Bidder must not retype or edit requirements or exhibits except to enter requested information (refer to Section II.2.2, RFP Documents).

The information to be included in the Bidder's response for each requirement is:

- Requirement Number

  This denotes the unique number for each requirement provided by the State.

- Requirement

  This denotes the specific requirement provided by the State.

- Requirement Type

  This denotes if the requirement is mandatory or desirable. Refer to RFP Section II.1, Identification and Classification of RFP Requirements, for further information.

- Proposal Reference Section

  The Bidder may identify where additional material to be considered in the evaluation of the requirement response is located in the Bidder's RFP response.

- Requirement Met ? Y/N

  This column is for use by the State Evaluation Team.

- Bidder's Certification and Initials

  In each box entitled "Bidder's Certification and Initials", the Bidder must initial in ink, for validation purposes that they agree to meet all mandatory requirements stated in that section.

VI.1.1 Mandatory Functional Requirements

The following mandatory functional requirements are provided:

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
GENERAL FUNCTIONALITY – With respect to the functional requirements for the MIS/DSS/DBMS, the DHS is interested in proposals that provide a well thought out, integrated, comprehensive, and technically sound business solution.					
GF-1	The System shall provide both Management Information and Decision Support functionality derived from the same relational DBMS.	Mandatory			
GF-2	The System shall provide both detailed and summary level reporting processes. The summary level reporting processes shall be provided as a discrete set of functionality.	Mandatory			
GF-3	The summary level reporting processes shall be interactive, without the need for end user programming or extensive training. The summary level reporting processes shall provide ease of use and facilitate immediate end user visualization without the need for separate analysis.	Mandatory			
GF-4	The System shall provide end users the ability to Data Mine and aggregate data in the Decision Support database.	Mandatory			
GF-5	The System shall provide end users the capability, without the need for programming knowledge, to access and report data down to the individual record level, using a Windows based graphical interface.	Mandatory			
GF-6	The System shall support on-line, interactive queries and reports without the need for manually entered syntax.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
GF-7	The System shall provide end users the ability to view the selection criteria for all standard and custom reports.	Mandatory			
GF-8	The System shall provide end users the ability to internally generate norms, baselines and benchmarks.	Mandatory			
GF-9	The System shall provide the end users the capability to study, track, and compare the compliance of providers (including managed care Contractors) with clinical practice guidelines and other normative benchmarks of clinical and/or financial performance, such as National Council on Quality Assurance (NCQAs) and Health Plan Employer Data and Information Set (HEDIS) performance measures.	Mandatory			
GF-10	The System shall provide end users the ability to print reports, text, tables, maps, and charts/graphs in hardcopy form, on all of the end user's local or network printers.	Mandatory			
GF-11	The System shall provide all reports online and in printed form.	Mandatory			
GF-12	The System shall provide all displays, screens, and print output as WYSIWYG (what you see is what you get).	Mandatory			
GF-13	The System shall allow calculation and comparison of report data by any element or combination of elements in the MIS/DSS database(s).	Mandatory			
GF-14	The System shall provide diagnosis-based episode groupings that include all services for a given illness over all types and locations of service received by a beneficiary including, but not limited to, inpatient, outpatient, pharmacy, and other ancillary services. Each episode must include a severity ranking or disease-	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	staging to identify patient status.				
GF-15	The System shall provide all longitudinal service data for an episode of care, including, but not limited to pharmacy services, dental services, as well as inpatient and outpatient services.	Mandatory			
GF-16	The System shall provide end users the ability to drill-down episodes of care to claim detail service data.	Mandatory			
GF-17	The System shall provide end users the ability to display the code, a brief description, and/or the full English name of all information (e.g., provider, procedure, and diagnosis).	Mandatory			
GF-18	The System shall provide end users the ability to join multiple data sets and tables in ad hoc queries.	Mandatory			
GF-19	The System shall provide end users the ability to perform queries against the database using SAS. The proposed architecture must support end user SAS access to the MIS/DSS through the presentation layer (i.e., no direct access).	Mandatory			
GF-20	The System shall provide the option to save data sets returned from queries in industry standard file formats, including but not limited to *.rtf, *.txt, *.csv, * .xls, *gif, *.jpg, html and ASCII.	Mandatory			
GF-21	The System shall provide end users the ability to use external data sets to query the database.	Mandatory			
GF-22	The System shall allow authorized end users the ability to export data sets from the MIS/DSS to SQLServer.	Mandatory			
GF-23	The System shall provide protection against accidental file erasure by the end user.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
GF-24	The System shall provide end users the ability to permanently delete user-defined reports, queries and other files.	Mandatory			
GF-25	The System shall provide industry-standard Windows graphical interface features with mouse-driven navigation, including: • drag-and-drop • point and click • right-click context-sensitive commands	Mandatory			
GF-26	The System shall support use of the Windows clipboard.	Mandatory			
GF-27	The System shall provide mouse support, including but not limited to the right and left buttons.	Mandatory			
GF-28	The System shall provide menu-driven navigation.	Mandatory			
GF-29	The System shall provide object-oriented tool bars for commonly used features.	Mandatory			
GF-30	The System shall provide a Windows Help Engine, or other industry-standard help engine, of equal or greater functionality.	Mandatory			
GF-31	The System shall provide user-friendly on-line help features including but not limited to: • How-to examples • A comprehensive index • A comprehensive glossary • Basic system documentation • Key command instructions	Mandatory			
GF-32	The System shall provide context sensitive help, to display information immediately applicable to the screen and task at hand, and to provide a step-by-step guide to	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	perform the task.				
GF-33	The System's context sensitive help shall be available from a standard key sequence.	Mandatory			
GF-34	The System shall provide the ability to display valid values and full descriptions for reference code fields.	Mandatory			
GF-35	The System shall provide end users the ability to submit a query without waiting for prior queries to complete.	Mandatory			
GF-36	The System shall provide end users the ability to send a report from within the System, as an email attachment.	Mandatory			
GF-37	The System shall provide end users the ability to re-sort or re-group data returned from a query, without requiring a new query.	Mandatory			
GF-38	The System shall provide end users the ability to stack (union-select) multiple tables in ad hoc queries.	Mandatory			
GF-39	The System shall provide file and edit features common to Windows-based commercial applications, including: • Print preview • Page Set up • Undo and Redo • Cut, Copy and Paste • Find and Replace • Zoom • Comments • Headers and Footers • Spell Check	Mandatory			
GF-40	The System shall provide automated end user help and prompting.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
GF-41	The System shall provide end users the ability to disable specific automated help and end user prompts.	Mandatory			
GF-42	The System shall provide end users the ability to concurrently view and edit multiple queries, in separate windows.	Mandatory			
GF-43	The System shall provide to the author of a query, the status of a query that has been submitted (e.g., queued, running, percent completed, etc.).	Mandatory			
GF-44	The System shall provide to the submitter of a query the option to cancel the query at any time after submission but prior to completion.	Mandatory			
GF-45	The System shall provide a unique, encrypted identification number for each beneficiary throughout the database to provide for longitudinal analysis.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
REPORTS AND QUERIES					
RQ-1.	The System shall provide end users the ability to query data across multiple dimensions and at varying levels of detail within each dimension.	Mandatory			
RQ-2.	The System shall provide end users the ability to drill down from standard report results to access data at a more detailed level.	Mandatory			
RQ-3.	The System shall provide end users the ability to drill-down to record level detail.	Mandatory			
RQ-4.	The System shall provide end users the ability to select from multiple predefined report types and formats.	Mandatory			
RQ-5.	The System shall provide end users the ability to select	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	the records and data elements to be included or excluded in a given report during report creation.				
RQ-6.	The System shall provide end users the ability to generate custom reports with multiple user-defined data selection criteria & data.	Mandatory			
RQ-7.	The System shall provide support for single character and partial field wild cards in queries.	Mandatory			
RQ-8.	The System shall provide menu-driven custom report editing capabilities, including but not limited to: • the ability to apply aggregate functions (e.g., sum, average, unduplicated counts, minimum, maximum); • the ability to perform multi-level sorts in ascending and descending order; and • the ability to generate summary reports that hide report details, as well as detailed reports.	Mandatory			
RQ-9.	The System shall provide menu-driven graphical report generation capabilities, such as: • page formatting features for creation of presentation-quality documents, • drag and drop positioning • multi-level sorting and sub-totaling, • page numbering, • widow and orphan control, and • pivot or cross tabulations.	Mandatory			
RQ-10.	The System shall provide options to direct query results to the end user's screen or to a file on local or network drives.	Mandatory			
RQ-11.	The System shall preclude the end user from directing	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	query results straight to a printer (i.e., the query results must be viewed by the end user prior to printing).				
RQ-12.	The System shall provide end users the ability to save the query structure, selection criteria and report formatting for a custom report.	Mandatory			
RQ-13.	The System shall include the option to attach the report query and selection criteria at the beginning or end of custom reports.	Mandatory			
RQ-14.	The System shall provide end users the ability to access custom queries and reports generated and saved by other end users.	Mandatory			
RQ-15.	The System shall provide end users the ability to customize a pre-defined report format, query, and selection criteria and save the template for future use.	Mandatory			
RQ-16.	The System shall provide up to 250 standard reports to be defined by the DHS. Standard reports include: (1) pre-defined templates; (2) generally used published reports that are updated on a monthly/quarterly basis; and (3) pre-formatted reports from summary-level data. Standard reports will include, but not be limited to, the following types of reports:	Mandatory			
RQ-17.	Standard reports detailing expenditures by provider type and procedure code/procedure type (multiplying utilization by appropriate rates for a given time period).	Mandatory			
RQ-18.	Standard reports detailing managed care enrollment and disenrollment by county, plan, aid code, age, sex, language and ethnicity. These standard reports shall	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	include separate columns for the rate of enrollment and disenrollment, in addition to the overall percent of change based upon the report time period (per month, per quarter, per year etc.).				
RQ-19.	Standard reports detailing Medi-Cal eligibility and loss of eligibility by county, plan, aid code, age, sex, language and ethnicity. These standard reports shall include separate columns for the rate of eligibility and loss of eligibility, difference in eligibility, in addition to the overall percent of change based upon the report time period (per month, per quarter, per year etc.).	Mandatory			
RQ-20.	Reporting for programs including but not limited to: the Managed Care, Fee-for-Service, Dental Fee-For-Service, Dental Managed Care, Mental Health, Personal Care Services, Developmental Disabilities, Child Health and Disability Prevention (CHDP), Early Prevention and Screening Detection Treatment (EPSDT), and Local Education Agency (LEA). These reports shall include but not be limited to: utilization, amount billed, amount paid, rate, eligibility, and managed care and waiver enrollment.	Mandatory			
RQ-21.	Standard reports detailing services and expenditures from provider, beneficiary and claims information, using service type and payment information.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	Examples include but are not limited to, the following: • Provider information: ID number, type, specialty, county • Beneficiary information: beneficiary ID number, AID code, age, beneficiary birth date, sex, county, plan, language, ethnicity, geography • Claim information: paid or denied status, payer, place of service, diagnosis code, procedure code, date of service, total billed, total paid (adjusted), total quantity (adjusted), SmartKey (GTC, STC, HICL, STR, DOSE, RT, PS, UD)[4], code 1 indicator, continuing care indicator, TAR indicator, legend indicator, schedule indicator, NDC, and lowest cost.				
RQ-22.	Standard reports detailing financial profiles for each program, using information submitted by the program, as well as capitation or other expenditures by program and provider.	Mandatory			
RQ-23.	Standard financial and utilization reports displaying calculations for per member per month (PMPM), per member per year (PMPY), and per defined number of members per month, and annualized for each population, group, program, and provider.	Mandatory			
RQ-24.	Service access and quality assurance information for comparison to public health objectives, such as	Mandatory			

[4] See Glossary for SmartKey pharmacy terms.

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	Healthy People 2010, EPSDT objectives and HEDIS Medicaid standards; as well as for analysis of patterns of prevention, treatment and severity of illness. Comparative quality assurance information includes quality of services, as documented in the Bidders' Library Agency for Health Care Research and Quality (AHRQ), Joint Commission on Accreditation of Health Care Organizations (JCAHO), and Center for Disease Control (CDC) references.				
RQ-25.	Standard reports detailing provider participation, and provider participation trends over time.	Mandatory			
RQ-26.	Standard reports detailing dental category of service.	Mandatory			
RQ-27.	Standard reports detailing pharmacy information for a user-input date range, including but not limited to: • Total number of participating pharmacies • Total number of prescription claims paid • Total amount paid on prescription drugs • Total amount paid on prescription drugs with dispensing fees • Average prescription payment • Average prescription payment with dispensing fees	Mandatory			
RQ-28.	Standard reports detailing dispensing fee and products for paid claims by some or all of the following categories: • NDC • Product label name	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	• Milliliters or grams of product • Program • Age of beneficiary • Beneficiary ID • Number of beneficiaries • Primary and secondary diagnoses • Product category • Oral vs. tube fed				
RQ-29.	Standard reports detailing the number of recipients of a drug that have a certain diagnosis, or the number of people in Medi-Cal with a certain diagnosis or history of a certain procedure/service.	Mandatory			
RQ-30.	Standard reports detailing the most expensive drugs by individual name (including strength), HICL, STC, and GTC. The reports are to be available based on net amount paid.	Mandatory			
RQ-31.	Standard reports detailing hospital-based care, including admission source and type, length of stay, average length of stay, and total cost per stay when available.	Mandatory			
RQ-32.	Standard reports detailing provider profiles using total eligibles as the population at risk, and total users in reporting provider performance.	Mandatory			
RQ-33.	The System shall provide the capability to assess the clinical and financial performance of Medi-Cal providers and managed care contractors. (Clinical information is derived from service data.)	Mandatory			
RQ-34.	The System shall provide end users the ability to link	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	periods of continuous eligibility for a beneficiary and report the services utilized during those periods.				
RQ-35.	The System shall enable an end user to use filtering and subsetting while producing a standard report.	Mandatory			
RQ-36.	The System shall provide end users the ability to run standard reports automatically on a user-defined schedule.	Mandatory			
RQ-37.	The System shall provide end users the ability to run standard reports on an on-demand basis.	Mandatory			
RQ-38.	The System shall provide a graphical user interface for custom query generation.	Mandatory			
RQ-39.	The System shall provide end users the ability to retrieve sets of records from tables based on custom queries.	Mandatory			
RQ-40.	The System shall provide end users the ability to array time series data.	Mandatory			
RQ-41.	The System shall provide end users the ability to include derived fields in queries and reports.	Mandatory			
RQ-42.	The System shall provide end users the ability to create normative comparisons from any set or subset of the complete database.	Mandatory			
RQ-43.	The System shall provide end users the ability to report summarized data based on unduplicated records.	Mandatory			
RQ-44.	The System shall provide end users the ability to link provider data such that queries will return all data for a provider.	Mandatory			
RQ-45.	The System shall provide end users the ability to compare medical and dental utilization for the same user-defined group of beneficiaries.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
RQ-46.	The System shall provide end users the ability to display the rates specific to a provider type or procedure code/procedure type for a given time frame.	Mandatory			
RQ-47.	The System shall provide end users the ability to calculate current and historical expenditures by provider type and procedure code/procedure type (multiplying utilization by appropriate rate(s) for given time period).	Mandatory			
RQ-48.	The System shall provide end users the ability to link capitation rate data to other data.	Mandatory			
RQ-49.	The System shall provide end users the ability to report provider data by provider type and specialty.	Mandatory			
RQ-50.	The System shall provide end users the ability to retrieve all data for an individual during a hospital stay as an In-patient Case.	Mandatory			
RQ-51.	The System shall provide the end user the option to include or exclude claim adjustments from query results.	Mandatory			
RQ-52.	The System shall provide end users the ability to perform indexed random sampling of beneficiary, provider, and claims data.	Mandatory			
RQ-53.	The System shall provide end users the ability to query and display health care information for individual beneficiaries, as identified by either Client Index Number, MEDS ID, or Social Security Number (SSN) for a specific date range.	Mandatory			
RQ-54.	The System shall provide end users the ability to query population morbidity and co-morbidity statistics.	Mandatory			
RQ-55.	The System shall provide end users the ability to summarize data by disease groupings, as approved by	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	the DHS including but not limited to ICD9, Diagnostic Related Groups (DRG), Major Diagnostic Category (MDC), and Diagnostic and Statistical Manual of Mental Disorders (DSM).				
RQ-56.	The System shall allow the end user to query data by date of service and/or date of payment.	Mandatory			
RQ-57.	The System shall provide end users the ability to report all financial statistics at the plan, county and state levels.	Mandatory			
RQ-58.	The System shall provide end users the ability to reconcile summary level query results with detail data.	Mandatory			
RQ-59.	The System shall provide end users the ability to display data in multi-color graphical format, such as: • bar charts • area charts • line charts • pie charts • column charts • scatter charts • radar charts	Mandatory			
RQ-60.	The System shall provide end users the ability to graphically display at least three data dimensions (i.e., age, sex, ethnicity, time, etc.).	Mandatory			
RQ-61.	The System shall provide end users the ability to interactively drill down to multiple levels from within a graph or table.	Mandatory			
RQ-62.	The System shall provide end users the ability to display multiple sets of data geographically. Examples include: • By county or zip code;	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	• By distances between providers and beneficiaries; • By provider type and specialties; and • By incidents of disease stages.				
RQ-63.	The System shall provide graph axis annotations (labels and numbers) that are large, legible, customizable, and outside the chart lines.	Mandatory			
RQ-64.	The System shall provide end users the ability to customize graph axis scales and point of origin.	Mandatory			
RQ-65.	The System shall provide end users the ability to label all data sets and sub-sets displayed on graphs.	Mandatory			
RQ-66.	The System shall provide the option to resize any displayed graph.	Mandatory			
RQ-67.	The System shall permit the same scaling to be used on multiple graphs for ease of comparison.	Mandatory			
RQ-68.	The System shall provide the option to customize the colors and fill patterns for each data series on a graph.	Mandatory			
RQ-69.	The System shall provide end users the ability to display logarithmic scales on graphs.	Mandatory			
RQ-70.	The System shall provide the option to display results of a query in tabular, graph and report format.	Mandatory			
RQ-71.	The System shall provide end users the ability to sort and aggregate data by portions of field values.	Mandatory			
RQ-72.	The System shall provide end users the ability to customize report text, including, but not limited to font selection, font size and style, and text alignment.	Mandatory			
RQ-73.	The System shall provide end users the ability to select any Windows-compatible font installed at the DHS for report text.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
RQ-74.	The System shall provide end users the ability to display multiple different fonts in report and query output.	Mandatory			
RQ-75.	The System shall provide end users the ability to draw custom borders around sections of report text.	Mandatory			
RQ-76.	The System shall provide end users the ability to paste graphics, logos, etc. from standard Windows programs into a report.	Mandatory			
RQ-77.	The System shall provide the option to remove report headers and footers when exporting query results.	Mandatory			
RQ-78.	The System shall provide end users the ability to view multiple reports simultaneously in separate windows or views.	Mandatory			
RQ-79.	The System shall provide end users the ability to identify the claims and encounters for a specific provider-site, as well as to identify the claims and encounters attributed to a specific provider, aggregated across all provider-sites, and across all programs.	Mandatory			
RQ-80.	The System shall provide end users the ability to query across both production and archive data in a single query.	Mandatory			
RQ-81.	The System shall provide end users the ability to select pre-defined time periods across both production and archive data, including: • State Fiscal Year • Federal Fiscal Year • Calendar Year • Month/Year • Year-to-Date	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
RQ-82.	The System shall provide end users the ability to display graphs in a three-dimensional view.	Mandatory			
RQ-83.	The System shall enable the display of data as a Venn diagram.	Mandatory			
RQ-84.	The System shall provide the option to display full English descriptions of all metadata included in graphs.	Mandatory			
RQ-85.	The System shall provide end users the ability to view multiple graphs simultaneously in separate windows or views.	Mandatory			
RQ-86.	The System shall provide the option to customize the width and spacing of bars in a bar chart.	Mandatory			
RQ-87.	The System shall provide end user customization of report and chart colors, text, borders, viewing angles, chart types, and fonts.	Mandatory			
RQ-88.	The System shall provide end users the ability to save and re-use customized graph formats.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
ADVANCED MODELING AND ANALYSIS CAPABILITIES, UTILIZATION MANAGEMENT					
MA-1	The System shall provide a hierarchical consolidation of data **by aggregated classes, groupings, and combinations**, with drill-down capabilities for analysis, profiling, and exception reporting of eligibles, providers, services, diagnoses, capitation payments, expenditures, billing patterns and procedures.	Mandatory			
MA-2	The System shall provide data by single, individual eligible, provider, service, payment, expenditure, diagnosis, capitation payment and/or procedure.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
MA-3	The System shall provide calculation capabilities including summary values and derived fields.	Mandatory			
MA-4	The System shall provide a full range of standard descriptive and inferential statistical functions and measures including, but not limited to sum, average, mean, variance, standard deviation, coefficient of variation, correlation, T Test, distribution, regression (including linear programming), minimum, maximum, range of values and predictive modeling capabilities.	Mandatory			
MA-5	The System shall provide end users the ability to Data Mine, forecast and perform trend analyses.	Mandatory			
MA-6	The System's statistical functions shall allow queries across data dimensions for all fields in the database (e.g., compare first quarters over a period of years, add all units for numbers of services, by diagnosis)	Mandatory			
MA-7	The System's statistical functions shall allow queries of summary and detail data.	Mandatory			
MA-8	The System's statistical functions shall generate modeling and statistical data via a menu-driven GUI without the need for manually entered syntax.	Mandatory			
MA-9	The System shall provide end users the ability to specify statistical counting methods, including but not limited to unique counts for multiple fields, to specify unique (unduplicated) counts of eligibles, service recipients, and service providers.	Mandatory			
MA-9a	The System shall provide end users the ability to specify unique counts of multiple fields in a single query, such as beneficiary ID, provider ID, and claim numbers.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
MA-10	The System shall provide end users the ability to perform age-sex and case-mix adjustments of service data.	Mandatory			
MA-11	The System shall provide end users the ability to create and save norms from end user-defined data.	Mandatory			
MA-12	The System shall provide end users the ability to display data by defined episodes of care, including but not limited to utilization, diagnosis, and cost data.	Mandatory			
MA-13	The System shall provide groupings related to specific criteria, such as In-patient cases, and episodes.	Mandatory			
MA-14	The System shall provide end user-modifiable input parameters and input criteria for forecasting and trend analysis capabilities.	Mandatory			
MA-15	Requirement Deleted.				
MA-16	The System shall provide end users the ability to specify statistical counting methods on multiple columns in a data set.	Mandatory			
MA-17	The System shall provide end users the ability to create, modify and save grouping parameters.	Mandatory			
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DATA INPUT, STORAGE, AND RETENTION					
DI-1	The Contractor shall be responsible for data conversion of all current production and archive MIS/DSS data into the new System.	Mandatory			
DI-2	The database shall be capable of accepting the current number of new records monthly, approximately 50 million, while removing approximately 50 million of the	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	oldest records to an 'archive' status.				
DI-3	The DBMS shall be scalable to accommodate up to 150 percent of the current number of records, as specified in Section III.5, Current Database Table Sizes, without reprogramming or changing hardware platforms.	Mandatory			
DI-4	The production database shall include on-line, a minimum of thirty-six months of the most recent data from all data sources.	Mandatory			
DI-5	Requirement Deleted.				
DI-6	The database shall retain a total of ten years of data.	Mandatory			
DI-7	The Contractor shall perform all necessary processing for the monthly data loads and monthly data updates/refreshes. There are eight (8) data feed files, which are: • Eligibility • Managed Care Providers • Provider Master File • Capitation • Managed Care Plan Financial • Managed Care Plan Enrollment • Managed Care Plan Member • Claims and Encounters	Mandatory			
DI-8	The Contractor shall translate the Provider Service Address, Beneficiary Address, and Residence Address to latitude and longitude geographical codes.	Mandatory			
DI-9	The Contractor shall load the monthly data volumes into the database, and provide accessibility within 15 (fifteen) State business days of receipt of data from the	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	DHS.				
DI-10	The System shall provide end users the ability to link a claim record on the database with the original input record using the record identification number (RIN)/Record ID supplied by DHS.	Mandatory			
DI-11	The System shall accommodate the following three additional fields: Claim Disposition Code, Warrant Number and Cross Reference Prior to Current Meds.	Mandatory			
DI-12	The System shall retain episode treatment and case file information when production data is archived.	Mandatory			
DI-13	The Contractor shall provide a searchable, comprehensive, on-line data dictionary covering all data elements in the entire database.	Mandatory			
DI-14	The data dictionary shall include a listing of indexed fields by table, and a summary field list by table, including both long and short field description.	Mandatory			
DI-15	The Contractor shall update the data dictionary as changes occur in data sources (e.g., new codes, new data elements, changes to reference files, etc).	Mandatory			
DI-16	The Contractor shall accommodate routine changes, refinements, and additions to the data without causing any degradation in the performance and/or functionality of the System.	Mandatory			
DI-17	The System shall accommodate on-going increases in data volume, without any incremental degradation in the performance and/or functionality of the System.	Mandatory			
DI-18	DATA SOURCES: The System shall be capable of accommodating all the existing monthly data supplied	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	by the DHS, as identified in documentation in the Bidders' Library, and the new data identified below: (1) Medi-Cal Eligibility Data System (MEDS) Eligibility data on beneficiaries, aka Eligibility File (2) Provider data, aka Provider Master File (3) Paid Claims and Encounter (PCE) data, aka Claims/Encounter File (4) Other data (5) Reference data				
DI-19	Eligibility File: The System shall accommodate eligibility records for all Medi-Cal aid codes.	Mandatory			
DI-20	Eligibility File: The System shall provide the following additional data elements: - Eligibility Worker code, and District code - Death Date and Death Code	Mandatory			
DI-21	Eligibility File: The System shall be capable of accommodating data on beneficiary exemptions (reason, physician approval, dates, etc.) and managed care disenrollment data from the Health Care Options (HCO) Contractor.	Mandatory			
DI-22	Provider Master File: The System shall maintain a provider master file that is capable of cross referencing the multiple identifiers, names and addresses for a given provider.	Mandatory			
DI-23	Provider Master File: The System shall be capable of accommodating the National Provider Identification (NPI) number and develop a cross-walk to the legacy	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	system identifier.				
DI-24	Provider Master File: The System shall be capable of accommodating additional attributes when they become available, including but not limited to the OSHPD ID and provider specific rates.	Mandatory			
DI-25	Provider Master File: The System shall be capable of accommodating different long term care rates for each provider.	Mandatory			
DI-26	Provider Master File: The System shall provide end users the ability to display the full name(s) and address(es) of a provider.	Mandatory			
DI-27	Provider Master File: The System shall retain history of changes to provider data.	Mandatory			
DI-28	Provider Master File: The System shall provide a view of active provider data.	Mandatory			
DI-29	Claims/Encounter File: The System shall accommodate claims records for all Medi-Cal aid codes.	Mandatory			
DI-30	Claims/Encounter File: The System shall be capable of accommodating the biological or blood factor administered or dispensed, as indicated on physician claims that include such information.	Mandatory			
DI-31	Claims/Encounter File: The System shall be capable of accommodating the Service Authorization Request (SAR) number and the Treatment Authorization Request (TAR) number from California Children Services (CCS).	Mandatory			
DI-32	Claims/Encounter File: The System shall be capable of accommodating denied claims.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
DI-33	Claims/Encounter File: The System shall provide a default to exclude denied claim data in queries and reports.	Mandatory			
DI-34	Claims/Encounter File: The System shall provide end users the ability to include denied claim data on queries and reports, including the denial reason and the claim control number.	Mandatory			
DI-35	Other Data: The System shall provide data elements from the Procedure Master File. These data elements include the UB92/HCPCS/CPT/Local procedure codes, procedure types and the corresponding Medi-Cal rates (current and historical) for these codes. The Contractor shall upload this new reference file at least on a quarterly basis.	Mandatory			
DI-36	Reference Data: The Contractor shall use the standard definitions and data field labels for all data, as specified by the DHS in the 35 File Data Element Dictionary.	Mandatory			
DI-37	Reference Data: The System shall provide English descriptions for any metadata codes, data definitions and reference data.	Mandatory			
DI-38	Reference Data: The Contractor shall acquire, maintain and provide system access to National Standard reference tables, as specified in the Bidders' Library.	Mandatory			
DI-39	Reference Data: The System shall use First Data Bank (FDB) metadata along with the associated pharmaceutical formulary file.	Mandatory			
DI-40	Reference Data: The System shall provide all necessary standard diagnosis and procedure codes with their full	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	descriptions, including Level 3 (state-only) codes, for example: CAMMIS tables, CCS Exceptions, Step Therapy tables, Therapeutic categories, Formulary files, DHS Medical Supplies File, and Universal Product Number (UPN) codes.				
DI-41	The System shall provide the eligibility record DOB and gender and the Claims recipient DOB and gender in separate fields on the Claims record.	Mandatory			
DI-42	The System shall provide access to current capitation rate data, and shall additionally provide historical capitation rate data for all programs, including Managed Care, Dental and any other programs specified by DHS.	Mandatory			
DI-43	The System shall provide dental capitation and FFS rates paid to the dental fiscal intermediary.	Mandatory			
DI-44	The System shall be capable of accommodating claim data that does not have matching eligibility data, without impacting population-based analysis of matched claims.	Mandatory			
DI-45	The System shall provide Current Dental Terminology (CDT) – Categories of Service and user-defined service code groupings and ranges for both Medi-Cal Dental FFS claim data and Dental Managed Care (DMC) encounters.	Mandatory			
DI-46	The System shall provide access to reference files provided by the DHS.	Mandatory			
DI-47	The System shall perform an annual data reconciliation and update of production and archive data. The MIS/DSS data will be reconciled to the MEDS, Provider Master File, and Paid Claim and Encounter System data	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	feed extract files. Updates will be performed against the MIS/DSS for any identified inconsistencies or data anomalies.				
DI-48	The System shall provide and maintain, in the data dictionary, a history of changes to individual data element descriptions.	Mandatory			
DI-49	The System shall provide end user notification when changes occur in the data dictionary.	Mandatory			
DI-50	The System shall provide end users the ability to cross reference pharmacies to the Provider number from the National Council for Prescription Drug Program (NCPDP).	Mandatory			
DI-51	The System shall not truncate or round dollar amounts on detail records.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					

VI.1.2 Mandatory Technical Requirements

The following mandatory technical requirements are provided:

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
SYSTEM ARCHITECTURE					
SA-1	REQUIREMENT DELETED.				
SA-2	The System shall be web based.	Mandatory			
SA-3	The System shall be logically and physically segmented into an n-tier model separating the Presentation, Business Logic, and Database layers.	Mandatory			
SA-4	The System shall provide firewall separation for each tier of the application.	Mandatory			
SA-5	The System shall, for any browser-based interfaces, support industry standard browsers, such as Internet Explorer and Netscape.	Mandatory			
SA-6	The System shall provide a Presentation layer that contains all graphical elements and user interface components.	Mandatory			
SA-7	The System (including any third-party tools) shall provide a Presentation layer that does not have direct access to the data store.	Mandatory			
SA-8	The System shall encrypt protected health information (PHI) in the database while in storage (approximately 5 – 10 data elements) while in storage, and shall make this PHI accessible in unencrypted format to authorized end users with the appropriate role-based security level (see Bidders' Library).	Mandatory			
SA-9	The System shall encrypt all data while in transit end-	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	to-end.				
SA-10	The DBMS shall be designed and implemented using one of the following enterprise relational database: SQL Server, Oracle, DB2, Sybase, Teradata.	Mandatory			
SA-11	The System shall support redundancy, scalability, and load balancing at all layers.	Mandatory			
SA-12	The System shall adhere to W3C web content accessibility guidelines (reference http://www.w3.org).	Mandatory			
SA-13	The System shall be compatible, and maintain compatibility throughout the term of the contract, with the DHS-standard operating system(s) (currently Windows 2000 and Windows XP client workstations).	Mandatory			
SA-14	The Contractor shall provide to the DHS ownership of licenses for all software used in the System upon payment for the software licenses.	Mandatory			
SA-15	The System shall be implemented and operated at the Department of Technology Services.	Mandatory			
SA-16	The System shall be accessible to authorized users through the State's WAN and DHS LANs.	Mandatory			
SA-17	The DBMS shall support four-digit year in all date fields and functions.	Mandatory			
SA-18	The DBMS (including the engine, tools, architecture, and hardware used) shall support parallel query capabilities that execute simple and complex queries in multiple threads across multiple processors.	Mandatory			
SA-19	The DBMS (including the engine, tools, architecture, and hardware used) shall support parallel scans, queries, sorts, groupings, and indexing.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
SA-20	The System mainframe computer shall be compatible with the standard operating system/version in use at the Department of Technology Services. (Currently, this is z/OS V1R4.)	Mandatory			
SA-21	If the Contractor will be utilizing the existing MIS/DSS IBM mainframe in its proposed solution, the Contractor shall include as part of the fixed price bid the cost for upgrading the MIS/DSS IBM 9672-R26 mainframe in order to support the migration to the 64 bit, z/OS V1R6 operating system. This upgrade will occur prior to March 31, 2007, when IBM will withdraw support from z/OS V1R4.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
SYSTEM PERFORMANCE AND AVAILABILITY					
PA-1	The Contractor shall provide licenses sufficient for 300 total authorized users (excluding Contractor staff), with 50 concurrent simultaneously logged on users (excluding Contractor staff).	Mandatory			
PA-2	The Summary Level Reporting System shall return a screen display of the results from any predefined/preformatted report within 15 seconds of the last keystroke. The Contractor shall validate this response time for each monthly update using a process approved by the DHS, such as running sample queries during normal business hours.	Mandatory			
PA-3	The System shall provide simultaneous on-line query access for at least 50 users without degradation of	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	system performance or functionality.				
PA-4	The Contractor shall perform maintenance that interrupts system availability, only between the hours of 00:01 am Sunday and 6:00 am Monday, Pacific Time, unless otherwise approved by the DHS MIS/DSS Project Manager or designee. The System shall be operational and available to end users at all other times.	Mandatory			
PA-5	The Contractor shall ensure that there is no interruption to availability or degradation in performance during the monthly update process.	Mandatory			
PA-6	The System shall notify the end user whose query has been stopped prior to completion.	Mandatory			
PA-7	The DBMS shall provide indexes on commonly searched fields, as recommended and approved by the DHS for optimized query response time.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
SYSTEM SECURITY – Throughout the contract term, the Contractor will take any and all steps necessary to ensure the continuous security of the System, including all data, and provide data security procedures for the DHS' use at the end of the contract period. This shall include each of the following:					
SS-1	The System shall require the use of password-based authentication to restrict logical and physical access to authorized users only.	Mandatory			
SS-2	The System shall not store passwords in clear text form.	Mandatory			
SS-3	The System shall enforce the following password requirements: • Must be 8 characters or more in length • Must be a non-dictionary word	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	• Must be changed every 60 calendar days. • Must be composed of characters from at least three of the following four groups from the standard keyboard: o Upper case letters (A-Z); o Lower case letters (a-z); o Arabic numerals (0 through 9); and o Non-alphanumeric characters (punctuation symbols)				
SS-4	The System shall time out user sessions after the DHS-defined time limit of inactivity.	Mandatory			
SS-5	The System shall revoke the user access after three (3) consecutive entries of an invalid password.	Mandatory			
SS-6	The Contractor shall ensure that each user account assigned to Contractor staff shall be a unique account and that passwords shall not be shared.	Mandatory			
SS-7	The System shall authenticate any System request made to the Business Logic layer.	Mandatory			
SS-8	The System shall make all calls to the Database layer as a trusted sub-system that utilizes a single database access account for all transactions.	Mandatory			
SS-9	The System shall provide role-based security and administration for any authorization utilizing the security access levels defined by DHS (see Bidders' Library).	Mandatory			
SS-10	The System shall provide the ability for System administrators to restrict access to data at an individual table and field level.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
SS-11	The System shall log success and failures of user authentication at all layers, for all user privilege levels including System administrators.	Mandatory			
SS-12	The System shall provide audit logs for all user activity.	Mandatory			
SS-13	The System shall log all ~~user~~ transactions against confidential data at the Database layer. This logging shall be performed for all user privilege levels including System administrators.	Mandatory			
SS-14	The System shall prevent direct database access from the Presentation layer.	Mandatory			
SS-15	The System shall prevent in-line SQL calls from the Business Logic layer.	Mandatory			
SS-16	The System shall encrypt all transmissions of data that contains confidential information with a 128-bit industry-recognized encryption standard that is in compliance with DHS and the Department of Technology Services standards. All hardware utilized in the System must support this encryption.	Mandatory			
SS-17	During project development, the Contractor shall provide physically secure transport to, and off-site storage of a complete and up-to-date backup copy(s) of (1) the data dictionary and DBMS design (including updates and additions); (2) all software and programming code (source, object and executable code, including upgrades and subsequent releases); and (3) the latest versions of System and user documentation for each information system.	Mandatory			
SS-18	Prior to the installation of data and software (including	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	programming code and Commercial-off-the-Shelf software), including subsequent updates and additions, the Contractor shall test the data and software for the presence of viruses and eliminate any and all viruses detected.				
SS-19	The Contractor shall ensure the installation and active use of comprehensive Commercial-off-the-Shelf anti-virus and virus protection software on any servers installed to operate the System, and the routine update of such software when updates are released. Installation and use of anti-virus software can be performed by the Contractor, or coordinated with the Department of Technology Services and/or DHS, as approved by the DHS MIS/DSS Project Manager or designee, in writing.	Mandatory			
SS-20	The Contractor shall ensure the installation and active use of a comprehensive Commercial-off-the-Shelf patch management program and routinely update the System when updates are released. Installation and use of patch management software can be performed by the Contractor, or coordinated with the Department of Technology Services and/or DHS, as approved by the DHS MIS/DSS Project Manager or designee, in writing.	Mandatory			
SS-21	The Contractor shall ensure the installation and active use of a comprehensive Commercial-off-the-Shelf software inventory for all software that require tracking of user licenses. Installation and use of inventory software can be performed by the Contractor, or coordinated with the Department of Technology	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	Services and/or DHS, as approved by the DHS MIS/DSS Project Manager or designee, in writing.				
SS-22	The Contractor shall ensure the installation and active use of a comprehensive Commercial-off-the-Shelf real-time intrusion prevention program that reports security events directly to the DHS information security office. Installation and use of intrusion prevention software can be performed by the Contractor, or coordinated with the Department of Technology Services and/or DHS, as approved by the DHS MIS/DSS Project Manager or designee, in writing.	Mandatory			
SS-23	The Contractor shall comply with the DHS Mobile Computing Policy detailed in the Health Administrative Manual (HAM) Section 6-1020.9 (see Bidders' Library).				
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
DISASTER PLANNING, BACKUPS, AND RECOVERY					
DR-1	The Contractor shall establish procedures for responding to an emergency or other occurrence (e.g., fire, vandalism, system failure, and natural disaster) that damages systems that contain electronic protected health information. The procedures shall address what to do if a computer system and/or the data files are violated, lost, damaged, or inaccessible. Recovery procedures shall be developed using Appendix "J" Template from the DHS ORP (see Bidders' Library), and shall comply with all requirements under HIPAA sections 164.308 (a)(7)(i), (a)(7)(ii)(B), and 164.310	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	(a)(2)(i).				
DR-2	The Contractor shall ensure the establishment and implementation of a Data Backup Plan and the procedures to create and maintain retrievable exact copies of electronic protected health information. At a minimum, data shall be backed up once a week. Establishment and implementation of data backup plan can be performed by the Contractor, or coordinated with the Department of Technology Services and/or the DHS, as approved by the DHS MIS/DSS Project Manager or designee, in writing, and shall comply with all requirements under HIPAA 164.308 (a)(7)(ii)(A) and HAM 6-1020.6.	Mandatory			
DR-3	The Contractor shall ensure the establishment of procedures that allow facility access in support of restoration of lost data under the ORP and emergency mode operations plan in the event of an emergency. Establishment and implementation of emergency procedures can be performed by the Contractor, or coordinated with the Department of Technology Services and/or the DHS, as approved by the DHS MIS/DSS Project Manager or designee, in writing, and shall comply with all requirements under HIPAA 164.310 (a)(2)(i).	Mandatory			
DR-4	The Contractor shall ensure that system recovery procedures are tested, and revised based on the results of the testing. This testing shall be completed at a minimum annually.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					

VI.1.3 Mandatory System Development and Implementation Requirements

The following mandatory system development and implementation requirements are provided:

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
CONTRACTOR STAFFING					
CS-1	The Contractor shall provide resumes and references for all proposed staff that will fill the positions detailed in this section (Contractor Staffing Requirements), to support their qualifications. The resumes and staff references shall be provided to the DHS MIS/DSS Project Manager or designee for approval at least thirty (30) calendar days prior to the proposed staff member starting work on the contract.	Mandatory			
CS-2	The Contractor's proposed Project Manager shall be a certified Project Management Professional by the Project Management Institute.	Mandatory			
CS-3	The Contractor's proposed Project Manager shall have five (5) years experience managing large-scale system integration implementations.	Mandatory			
CS-4	The Contractor shall maintain job responsibility statements on file with the DHS MIS/DSS Project Manager or designee for all project personnel.	Mandatory			
CS-5	The Contractor shall provide a management, documentation, and administrative staff structure both during implementation and on an ongoing basis for the life of the contract. No individual will simultaneously fill more than one of the roles listed below, unless otherwise specified. This support structure shall, at a minimum, consist of: • DHS liaison who shall act as the point of contact for ad-	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	hoc data requests and special project requests; coordinate with the MIS/DSS Program Specialists/Liaisons and the MIS/DSS Project Office to establish priorities; and monitor resource allocations, schedules, and completion times. • At least one (1) Project Manager and one (1) Assistant Project Manager who shall act as the senior executive responsible for the day-to-day supervision and management of the scope of work under the Contract. The Contractor's Project Manager will work closely with the DHS MIS/DSS Project Manager to ensure the success of the project.. • Supervisory staff to ensure proper management control of the work activities. • Documentation Specialists support staff to meet the contractual requirements related to systems documentation. The Documentation Specialists can serve in another project role if qualified. • Data Element Dictionary (DED) Librarian who shall be responsible for maintaining and updating the DED. The DED Librarian can serve in another project role if qualified. • One (1) Health Care/Quality Assurance Specialist who shall be responsible for complex, clinically-oriented detection, analysis and reporting of patterns and trends focused on access, quality, and outcome, while considering health care utilization and costs. • One (1) Decision Support Specialist who shall provide expertise in the design, development, and modification of the database structure and the business intelligence applications used in the Decision Support System and make recommendations for system enhancements and				

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	modifications that will improve the intelligence capabilities of the MIS/DSS. The Decision Support Specialist shall be a dedicated and available full-time during system implementation, upgrade, and modification. • Security Officer to ensure that the System meets, on an on-going basis, all security requirements and HIPAA Business Associate Agreement provisions. • All other office and administrative support required to perform project activities.				
CS-6	The Contractor shall assign a minimum of five (5) dedicated full-time MIS/DSS Program Specialists/Liaisons to provide focused, onsite consultation to key program areas identified by the MIS/DSS Project Office, such as anti-fraud, pharmacy, managed care, etc. on an ongoing basis for the life of the Contract. The MIS/DSS Program Specialists/Liaisons shall each have the skills, knowledge, and ability to: • Evaluate MIS/DSS system outputs. • Interpret program needs and match these with MIS/DSS capabilities. • Provide support and assistance to end-users in retrieving, interpreting, and presenting MIS/DSS data. • Identify enhancements or improvements that will increase the efficient use of the system or the retrieval, interpretation, and presentation of data from the MIS/DSS. • Provide DHS with an impact analysis of system changes and their impact on the specific program areas. • Coordinate with other MIS/DSS Program Specialist/Liaisons to minimize duplication, and take advantage of previous requests and analyses.	Mandatory			
CS-7	The Contractor shall assign four (4) full-time staff who will	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	report to the DHS – ITSD/MIS/DSS Data Feeds Unit to provide technical support and troubleshooting on issues related to the Data Feed process.				
CS-8	The Contractor shall assign two (2) full-time Data Managers to work with DHS to develop a plan for assessing and improving the quality and reliability of data in the MIS/DSS; implement a process for improvement; and monitor the quality of the data submitted each month, with special emphasis on managed Care encounter data, or other areas identified by DHS both during implementation and on an ongoing basis for the life of the Contract.	Mandatory			
CS-9	The Contractor shall provide instructors experienced in adult learning principles, two (2) years of experience in Medicaid data analysis, and has expertise in the System's features and functions, including all Commercial-off-the-Shelf tools or applications included in the System	Mandatory			
CS-10	The Contractor shall provide all staffing necessary to meet the requirements of the RFP.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
SYSTEM DEVELOPMENT LIFE CYCLE					
SD-1	The Contractor shall specify and follow an industry-standard SDLC methodology, such as Waterfall, or Rational Unified Process.	Mandatory			
SD-2	The Contractor's SDLC methodology shall identify and describe all major components and technical processes, including but not limited to: • specific functional design • work plan development	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	• definition and preparation of systems and acceptance test criteria • technical system design • programming • testing • education and training • implementation • post-implementation review				
SD-3	The Contractor shall provide a testing environment. This environment shall be provided for both system implementation and on-going maintenance and enhancements.	Mandatory			
SD-4	The Contractor shall be responsible for design, development, implementation, installation, testing, maintenance, and documentation, of the data model and database schema.	Mandatory			
SD-5	The Contractor shall be responsible for maintaining the data warehouse.	Mandatory			
SD-6	The Contractor shall establish, use, document, and otherwise maintain professionally and technically sound standards, techniques, and tools including, but not limited to: • Standards and techniques for controlling data synonyms, aliases, and versions. • Standards for data characteristics. • Data element design standards and data element domain standards for logical and physical data design, and standards for data management. • Data design standards to ensure modularity, extensibility, and flexibility, and to ensure the efficient and consistent use of the data by the information	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	system. • Standards for effective data searching and cross-referencing techniques. • Standards to control data redundancy. • Standards for data views, including internal, conceptual, and external views. • Standards for data administration and database administration. • Metrics, tests-of-correctness, and objective measurements of data quality. • Quality assurance inspection checkpoints within the system development life cycle. • Formal software testing methodology.				
SD-7	Full documentation of programs shall be provided to the State, including user manuals, program descriptions, and the name and address of the software manufacturer(s) if it is not the Contractor.	Mandatory			
SD-8	The MIS/DSS shall be implemented in three (3) Phases: • Phase 1 shall include all MIS/DSS functionality. The data that will be loaded into the MIS/DSS for Phase 1 shall include the data feeds for the data that was not loaded into the existing MIS/DSS due to the gap between the previous MIS/DSS contract and this contract. • Phase 2 shall include the conversion of existing MIS/DSS data such that, at the completion of Phase 2, the MIS/DSS will contain the past 30 months of data. • Phase 3 shall include the conversion of the remaining MIS/DSS data, such that, at the completion of Phase 3,	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	the MIS/DSS will contain the past 10 years of data. Phase 1 shall be implemented within six (6) months of Contract Award. Phases 2 and 3 shall be implemented within 12 months of Contract Award.				
SD-9	The ninety (90) day Acceptance Period shall begin after the implementation of Phase 3.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
SYSTEM TRAINING					
ST-1	The Contractor shall provide initial training specific to the needs of new end users and system support staff in the following roles: • Up to 50 testers for the initial implementation User Acceptance Testing (UAT), as well as for any major upgrade to the System. • Up to 125 managers required to obtain an overview and general understanding of the System's features. • Up to 60 managers referencing the System for a general understanding of status and trends. • Up to 225 staff using the System to produce reports, and research specific information. • Up to 15 advanced staff using the System to statistically search through data, identify patterns, and report irregularities. • Up to 30 LAN support staff required to obtain a basic understanding of the System for performing PC support tasks. • Up to 10 DBMS maintenance staff on the architecture of	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	the System and how the System is run, to allow the DBMS staff to provide support. • Up to 10 technical users requiring a practical and in-depth conceptual understanding of the DBMS schema, indexing, metadata, etc. • Up to 4 Department of Technology Services staff required to obtain an understanding of the DBMS hardware, operating system, database management and support services • Up to 5 MIS/DSS Project Office staff on the detailed system components, design and operation, including measures helpful in coordinating and improving the data-feeds, systems testing, data quality assessments and error feedback.				
ST-2	The Contractor shall conduct all training sessions for groups of no more than 10 users each.	Mandatory			
ST-3	The Contractor shall provide quarterly training in a necessary number of sessions in order to train new DHS staff, estimated at a MIS/DSS user turnover rate of 20 percent per year (as identified RFP Requirement ST-1).	Mandatory			
ST-4	The initial and quarterly training shall be provided to end users in Sacramento, the Bay area, and Southern California. The approximate percentage of the staffing identified in ST-1, by location, is: • Sacramento (80%) • Bay Area (10%) • Southern California (10%)	Mandatory			
ST-5	The Contractor shall provide advanced training illustrating typical data and queries relevant to the trainee's program	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	area(s) and other topics agreed upon by the Contractor and the MIS/DSS Project Office.				
ST-6	The Contractor shall include in all user-training classes, an opportunity for the DHS to present a review of user responsibilities regarding privacy and system security.	Mandatory			
ST-7	The Contractor shall schedule initial System training so that all users will have completed training within sixty (60) State business days of the installation of the System.	Mandatory			
ST-8	The Contractor shall provide on-line, hands-on use of the System as an essential part of the training.	Mandatory			
ST-9	The training courses and sessions shall allow each trainee to exercise skills with data and queries that are relevant to his/her program area.	Mandatory			
ST-10	The Contractor shall provide instruction on the effective use of the documentation, the on-line help functions, and the Contractor's support services as a fundamental component of end user training sessions.	Mandatory			
ST-11	The Contractor shall provide each trainee/user with a detailed course outline and with training materials for later reference to refresh and retrain.	Mandatory			
ST-12	The Contractor shall provide student feedback surveys for all formal training provided by the Contractor, and shall provide copies of the completed student surveys to the DHS MIS/DSS Project Manager or designee.	Mandatory			
ST-13	The Contractor shall provide training at a Contractor-provided location approved by the DHS.	Mandatory			
ST-14	The Contractor shall provide all necessary equipment and materials for the training courses and sessions. A separate workstation must be provided for each student.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
ST-15	The Contractor shall provide user training for System functionality upgrades and enhancement upgrades within thirty (30) State business days of installation of the upgrade or enhancement.	Mandatory			
ST-16	The Contractor shall plan and facilitate monthly User Group Meetings at a DHS facility in Sacramento, CA. The DHS shall have prior approval of the content and format of the meetings.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					

VI.1.4 Mandatory Maintenance and Operations Requirements

The following mandatory maintenance and operations requirements are provided:

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
SYSTEM MAINTENANCE					
SM-1	The Contractor shall provide the necessary labor, materials, and transportation to maintain the System in good working order and in compliance with the RFP requirements.	Mandatory			
SM-2	The Contractor shall provide both preventive (scheduled) and remedial (non-scheduled) systems maintenance as part of the ongoing Maintenance, Operations, and Administration (refer to Form VII-10, Maintenance, Operations, and Administration Costs Worksheet).	Mandatory			
SM-3	The Contractor shall provide up to 2,000 hours per year of technical consultation and services for system maintenance as part of the Maintenance Request process (refer to Form VII-8, Maintenance Requests Costs Worksheet). This consultation and service shall include but not be limited to: implementation of routine changes to the system design (e.g., new database fields, revised logic for existing fields, new database tables, new or modified System questions, etc.) and other unanticipated changes (e.g., support of a new Windows operating system). Use of these services will be approved by DHS in writing prior to services being provided via a Maintenance Request process.	Mandatory			
SM-4	The Contractor shall provide on-call support 24 hours a day, 7 days a week for critical error resolution.	Mandatory			
SM-5	The Contractor shall respond in one (1) hour or less to any problem that results in the loss of user access or	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	functionality. Response is defined as the period of time between initial notification by DHS to the Contractor Project Manager and when a Contractor technical resource is working to resolve the problem.				
SM-6	The Contractor shall notify the DHS MIS/DSS Project Manager or designee within one (1) hour of the identification of any problem that results in the loss of user access or functionality, and shall immediately commence corrective action.	Mandatory			
SM-7	After the identification of any problem, DHS will determine if the system users shall be notified of the problem. If DHS determines user notification is necessary, the DHS MIS/DSS Project Manager or designee shall notify the Contractor Project Manager, and the Contractor shall be responsible for providing notification of the problem to all system users within thirty (30) minutes.	Mandatory			
SM-8	The Contractor shall attempt to resolve identified problems in two (2) hours or less. In the event that the problem is not resolved within the two (2) hour period, the Contractor shall notify the DHS MIS/DSS Project Manager or designee of the anticipated resolution time. The DHS MIS/DSS Project Manager or designee shall determine if an additional notification to the system users is necessary. If the DHS MIS/DSS Project Manager or designee determines user notification is necessary, the Contractor shall be responsible for providing a notification to all system users regarding the anticipated problem resolution timeframe.	Mandatory			
SM-9	The Contractor shall provide periodic upgrades (e.g. version upgrades, software patches) to all software and hardware	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	provided in response to meet the requirements as described this RFP, including providing all necessary software and programming services required to implement the upgrades.				
SM-10	The Contractor shall report in writing to the DHS MIS/DSS Project Manager or designee, within one (1) State business day, upon the identification of any non-catastrophic problem. Such reports shall specifically describe the following: severity, symptoms, and the causes and alternative solutions.	Mandatory			
SM-11	The Contractor shall provide a mechanism for automatic deployment of user interface fixes and upgrades to users.	Mandatory			
SM-12	The Contractor shall ensure data integrity (see Appendix D – Glossary of Terms) of the DBMS, including, but not limited to, the use of appropriate integrity constraints for entity integrity, domain integrity, and referential integrity.	Mandatory			
SM-13	The Contractor shall identify and report to the DHS MIS/DSS Project Manager or designee all database errors, integrity problems and inconsistencies. The Contractor shall estimate the time required for correction, and shall complete corrections within a timeframe agreed upon by the Contractor and the DHS MIS/DSS Project Manager or designee.	Mandatory			
SM-14	The System must provide the ability for the Contractor to add, modify and delete data to correct errors as part of maintenance.	Mandatory			
SM-15	The Contractor shall track and report to the DHS the status of all problem/error logs and change requests in an online report available to the DHS at all times.	Mandatory			
SM-16	The Contractor shall collect data on programming fixes to	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	identify if problems are occurring in patterns or trends, and report the data to the DHS on a regular basis.				
SM-17	The Contractor shall perform and implement Maintenance Requests within the time schedule and cost approved by DHS in the Maintenance Request.	Mandatory			
SM-18	The Contractor shall prepare and submit to the DHS all updates to the System documentation. Documentation updates shall be delivered to the DHS no later than the fix implementation date.	Mandatory			
SM-19	All System changes (including refinements, updates, new releases, reprogramming, additions, bug fixes, and other changes) to the System shall be subject, at the discretion of the DHS MIS/DSS Project Manager or designee, in writing, to acceptance testing and final approval by the DHS.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
SYSTEM OPERATIONS					
SO-1	The Contractor shall administer and maintain monthly MIS/DSS data updates for all data feed files received by the Contractor, including but not limited to; eligibles, claims/encounters, providers, and costs.	Mandatory			
SO-2	The Contractor shall perform monthly updates to any MIS/DSS data marts and statistical summary databases.	Mandatory			
SO-3	The Contractor shall provide reports detailing results of data feed and data update processes, including but not limited to: data not loaded due to errors, edits encountered, unexpected values (e.g. unrecognized plan codes or aid codes), load and update record counts, and other summary statistics.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
SO-4	The Contractor shall perform all regular updates required to ensure that reference table data is current and complete.	Mandatory			
SO-5	The Contractor shall perform all regular database maintenance, reorganization, and optimization required to ensure MIS/DSS System performance and availability meets the requirements documented in this RFP on an ongoing basis.	Mandatory			
SO-6	The Contractor shall provide operations support to detect and correct production-related failures, and perform recovery procedures.	Mandatory			
SO-7	The Contractor shall provide system performance measures that allow monitoring, by both the DHS and the Contractor, of System capacity, performance, and usage.	Mandatory			
SO-8	The Contractor shall coordinate with the Department of Technology Services and/or the DHS staff, as appropriate, on implementation of hardware and software upgrades.	Mandatory			
SO-9	The System shall include all support software, tools and utilities (e.g. compilers, text editors, library products, code generators, scripts) needed to perform configuration, installation, operation and maintenance tasks.	Mandatory			
SO-10	The System shall provide operating environments for development, test, training and production.	Mandatory			
SO-11	The Contractor shall provide end users the ability to track System uptime and transaction response times for both preformatted and ad-hoc queries.	Mandatory			
SO-12	The Contractor shall provide end-user desktop rollout support related to the System, including coordination with necessary DHS LAN/WAN Administrators for software upgrades, and installation of software on new desktop	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	equipment.				
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
HELP DESK					
HD-1	The Contractor's help desk personnel shall be trained and have knowledge of all aspects of System functionality. The DHS will utilize the help desk status report information (see HD-8) to monitor and evaluate help desk personnel performance.	Mandatory			
HD-2	The Contractor shall provide on-call telephone support and user-assistance during State business hours of 7:30 am to 6 pm, Pacific Time, Monday through Friday except State identified holidays including, but not limited to real-time, step-by-step support and informative suggestions for using the System. Examples include: • retrieving desired data • selectively viewing and presenting data • formatting and saving reports • specialized report development • alternative ways to group, present or otherwise enhance the understanding of reports • interpreting query results	Mandatory			
HD-3	The Contractor shall respond to all calls and on-line requests for assistance within two (2) hours. Response is defined as the period of time between initial notification by the DHS to the Contractor Project Manager and when a Contractor technical resource is providing assistance.	Mandatory			
HD-4	The Contractor shall classify, at initial request intake, the complexity of the request (i.e., simple or complex). The	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	DHS shall review request classifications as part of the help desk status report information (see HD-8) to monitor and evaluate help desk personnel performance.				
HD-5	The Contractor shall resolve a simple request within four (4) hours. Examples include: • resetting a password • system navigation	Mandatory			
HD-6	The Contractor shall resolve a complex request within twenty-four (24) hours. Examples include: • creating a new query • interpreting query results	Mandatory			
HD-7	The Contractor shall provide an estimated resolution time to the user during the initial contact.	Mandatory			
HD-8	The Contractor shall track and report the status of help desk requests (calls and on-line requests), including items such as requests received, classification on request complexity (i.e., simple or complex), requests closed (aged report), requests open.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
USER AND ANALYTICAL SUPPORT – Throughout the operations phase of the contract, the Contractor shall provide users with support services (including on-site technical assistance, as necessary) for all aspects of the System, including but not limited to the following:					
US-1	The Contractor shall provide 5,000 hours per year of analytical consulting service to users and programs, as part of the Analytical Request process (refer to Form VII-9, Analytical Requests Costs Worksheet), in areas of expertise including but not limited to: • Identification of Medi-Cal fraud and abuse.	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	• Expertise in specialized areas, such as pharmacy and dental knowledge • Private sector health industry standards related to Medicaid • Specialized report development • Expertise in HIPAA reporting requirements • Decision support and modeling concepts Use of these services will be approved by DHS prior to services being provided via an Analytical Services Request process.				
US-2	The Contractor shall provide a newsletter or other form of publication such as an email or other Online bulletins at least quarterly, aimed at improving effective use by all levels of end-users. All publications shall be approved by the DHS MIS/DSS Project Manager or designee before release.	Mandatory			
US-3	The Contractor shall provide the end users on-going access to a sample of MIS/DSS data, approved by the DHS, in the training environment to enable end users to practice skills and test queries.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
SUPPORT DOCUMENTATION					
UD-1	The Contractor shall document and provide, on a monthly basis, Frequently Asked Questions (FAQ) and their answers. FAQ's will be reviewed and approved by the MIS/DSS Project Office prior to release to end users.	Mandatory			
UD-2	The Contractor shall document and provide the rules used	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	to aggregate and summarize data into summary fields. These rules must be approved by the MIS/DSS Project Office prior to implementation.				
UD-3	Prior to the installation of the System, the Contractor shall provide the DHS with the following separate documentation in pdf, html or other industry-standard electronic file format as requested by DHS, designed to print legibly on standard 8x11 paper:	Mandatory			
UD-4	* Comprehensive User's Manual covering all features and capabilities of the System in detail, including examples, diagrams, explanations, and screen views, complete with a subject index, glossary of terms and cross-references. The Comprehensive User's Manual shall be designed for both trained users and non-technical users.	Mandatory			
UD-5	* Executive User's Guide that is shorter and less detailed than the Comprehensive User's Manual and provides non-technical users with all information, instructions, diagrams, screen views, and examples they need to effectively and efficiently use all features and capabilities of the System.	Mandatory			
UD-6	* Quick Guide focusing on basic instructions to, for example, enter and exit the System, structure and submit queries, print, save and retrieve files and reports. The Quick Guide shall be designed primarily for non-technical users.	Mandatory			
UD-7	* System Manual covering the installation, operation, maintenance, and administration of the System. The System Manual shall be designed for Database, Network	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	and System Administrators.				
UD-8	Prior to the installation of the DBMS, the Contractor shall provide the DHS with the following additional documentation in pdf, html or other industry-standard electronic file format as requested by DHS, designed to print legibly on standard 8x11 paper:	Mandatory			
UD-9	* Database Model: Comprehensive documentation (with diagrams and flow charts) of the database design and data models, logical and physical data flows, data types and elements, data sources, data structure, and data volumes. The Database Model shall be designed for Database, Network and System Administrators.	Mandatory			
UD-10	* DBMS User's Manual covering those key features and capabilities of the DBMS that are not accessible through the System, but that are accessible via external query tools. This shall include details with examples, diagrams, explanations, and screen views. The DBMS User's Manual shall be designed primarily for advanced users.	Mandatory			
UD-11	* Database Manual covering the installation, operation, maintenance, and administration of the DBMS. The Database Manual shall be designed for Database, Network and System Administrators.	Mandatory			
UD-12	The Contractor shall provide the DHS with detailed, comprehensive documentation of source, object, and executable code for each non-proprietary system for which (as specified in the Contractor's proposal) either: • ownership is transferred to the DHS or; • the Contractor provides the DHS with a royalty-free,	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	unrestricted license.				
UD-13	The Contractor shall provide the version number and modification date on all documentation.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					
TURN OVER – The objective of the turnover period is to ensure an orderly transfer of the MIS/DSS and DBMS from the Contractor to the DHS at the end of the contract and upon termination of the contract.					
TO-1	The Contractor shall assemble a Turnover Management Team six (6) months prior to the end of the Operations Period or immediately upon notification of contract termination. The Turnover Management Team shall oversee the implementation of all the Turnover tasks listed in the Turnover Plan to ensure the tasks are performed in accordance with the contract requirements including, but not limited to, the assessment and update of MIS/DSS documentation, the submission of a Work Plan and the transfer of contract operations.	Mandatory			
TO-2	The Contractor shall submit a letter to the DHS indicating which Contractor personnel have been designated to serve on the Turnover Management Team.	Mandatory			
TO-3	The Contractor shall provide, as part of the Turnover Plan, a detailed description of the methodology that shall be utilized by the Contractor to ensure the complete review, certification, and acceptance of all MIS/DSS documentation to be transferred to the DHS or a successor Contractor.	Mandatory			
TO-4	The Contractor shall provide demonstrations of the MIS/DSS to prospective successor Contractors at the request of the DHS.	Mandatory			
TO-5	The Contractor shall perform a comprehensive inventory of	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	all MIS/DSS documentation no later than two (2) years after Contract Award, and will update this inventory on an annual basis, or upon request by the MIS/DSS Project Manager or designee. This documentation inventory shall include: • General Systems Design • Detailed Program Design • Detailed Program Specifications • Report Descriptions Documentation • Screen Descriptions Documentation • Licensed Software • Computer Operations Procedures • Data Descriptions • User Documentation • Hardware/Software Configuration • Software inventory • Master Index of all records maintained by the Contractor pursuant to its records retention responsibilities that shall, for each record, include the name, span of dates covered, and volume and medium. • Inventory list of all DHS-owned and leased equipment maintained by the Contractor pursuant to the cost reimbursement provisions • List of any other DHS-approved method of accessing the System to receive information, including but not limited to, MIS/DSS forms, data, and inquiries; and a description of the purpose of each method of access				
TO-6	The Contractor shall provide a listing of all MIS/DSS	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	production jobs executed during the previous twelve (12) months. The initial listing shall be provided no later than two (2) years after Contract Award, and this listing will be updated on a monthly basis, or upon request by the MIS/DSS Project Manager or designee.				
TO-7	The Contractor shall provide, six (6) months prior to the end of the Operations Period, a Turnover Work Plan. In addition to addressing the activities associated with the Turnover process, the work plan shall include the following: • Work schedule of tasks to be performed during Turnover. • Narrative describing each task/activity on the work schedule. • Commitment to a monthly progress meeting to be attended by Contractor and DHS staff. • Commitment to producing a monthly written progress report summarizing the progress meetings. This report shall be delivered to the DHS one (1) week after each monthly progress meeting and include the following items: 1. Identities of the attendees at the monthly progress meetings; 2. Description of any progress made on each task/activity if applicable for that period of time; 3. Topics of general discussion at the monthly progress meetings; 4. Action items and decisions made at the monthly progress meetings;	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	5. List of all problems encountered and status of resolution of each problem (e.g., a corrective action plan for each problem and timeline of problem resolution); 6. Planned activities for the following two (2) months; 7. Status of contractually defined milestones and deliverables scheduled in the Turnover Plan. 8. A description of how the Contractor plans to accomplish the turnover of all responsibilities and duties to the successor Contractor and DHS staff.				
TO-8	The Contractor shall provide, six (6) months prior to the end of the Operations Period, required system files, MIS/DSS System software, and transition services including, but not limited to, delivery of files and programs for successor Contractor system testing and DHS acceptance testing of the successor Contractor's System.	Mandatory			
TO-9	The Contractor shall, six (6) months prior to the end of the Operations Period, provide to the successor Contractor, via the DHS, an initial complete set of the MIS/DSS software and documentation. The Contractor shall provide regular updates of changes to the MIS/DSS software from that date forward through the end of the Operations Period and the completion of the transfer of all residual inventory and records to the successor Contractor.	Mandatory			
TO-10	The Contractor shall provide to the DHS a current and complete set of the MIS/DSS and DBMS software documentation no later than two (2) years after Contract Award, and will update this documentation on an annual	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	basis, or upon request by the DHS MIS/DSS Project Manager or designee.				
TO-11	The Contractor shall maintain a current inventory list of all purchased or leased equipment and supplies and MIS/DSS forms, maintained by the Contractor.	Mandatory			
TO-12	The Contractor shall provide accurate, Contractor self-certified electronic copies of all files necessary to transfer MIS/DSS operations to the DHS and/or the successor Contractor. This requirement will be considered met when validated by the DHS MIS/DSS Project Office. See the Bidders' Library for the Contractor Self-Certification language.	Mandatory			
TO-13	The Contractor shall provide copies of the current production data and database files. The files shall be delivered to the DHS MIS/DSS Project Manager or designee six (6) months prior to the end of the Operations Period or immediately upon notification of contract termination.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					

VI.1.5 Mandatory Contract Deliverables

The following mandatory deliverables are required as part of this contract:

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
CONTRACT DELIVERABLES					
CD-1	PROJECT ORGANIZATION OVERVIEW The Contractor shall provide a Project Organization overview that describes the Project Team structure, external interfaces, the roles and responsibilities of project team members, including the name of the staff person who will be responsible for each phase of the project. This deliverable is due no later than thirty (30) calendar days after Contract Award.	Mandatory			
CD-2	IMPLEMENTATION PLAN This deliverable shall include: (1) a description of the System and its characteristics; (2) a description of how and why the System will meet or exceed the objectives, functional requirements, and all other applicable requirements of the RFP; (3) the Contractor's organizational structure defining the responsibilities of the Contractor's project team; (4) a description of the programming languages, engines, and automated tools to be used; (5) a description of the proposed hardware and software to be provided (if different from that described in the Technical Proposal); (6) a description of the development methodologies and project management tools to be used; (7) a detailed description of the data conversion approach and methodology; and (8) a detailed schedule and flow chart for the implementation identifying the major milestones of the MIS/DSS project, including start and end dates, explicitly	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	detailing all deliverables and the performance of all planning and implementation tasks. This deliverable shall also include a description of how and when the Contractor intends to perform the general planning and implementation tasks listed above, including the staffing and organization of each task broken down into discrete sub-tasks and activities This deliverable is due no later than thirty (30) calendar days after Contract Award.				
CD-3	SYSTEM SPECIFICATIONS (INCLUDING HARDWARE AND SOFTWARE) This deliverable shall include (1) System type definitions; (2) System schematics and a complete data dictionary; (3) a System specification document; (4) specification of data requirements; (5) specification of network and telecommunications requirements; (6) specifications for System controls (e.g., password access, recovery and restart); (7) specifications for user interface; (8) specification for security, backup, and recovery in conjunction with The State Data Center's procedures; (9) specifications for System performance (including response time, turnaround, and System throughput, timeliness of screen and printed output, refresh rates, accuracy of output, System availability, mean time between failures, mean time to repair); and (10) System structure chart. This deliverable is due no later than sixty (60) calendar days after Contract Award.	Mandatory			
CD-4	SYSTEM DESIGN (INCLUDING DATABASE) This deliverable shall include (1) a summary of the overall	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	System; (2) a detailed System description (including description and specification for machine and user interfaces, record programs, reusable modules, objects, files and databases, procedures, System and user documentation, user training, and data dictionary); (3) descriptions of System controls; (4) a recommended System design and programming alternative (if any); (5) program design techniques and standards; (6) implementation techniques; and (7) a preliminary System test plan and preliminary recommended acceptance testing support plan. This deliverable is due no later than sixty (60) calendar days after Contract Award.				
CD-5	PROGRAM DESIGN AND DEVELOPMENT Program Design includes project development and operations detail which provides: Overview, file layouts, code flow, JCL jobs/procs, job flow, and table content diagrams for programs and jobs executed during the build and update cycles used for the MIS/DSS data warehouse. The structure and overview of program design should include: Job Control Language Processes, Conversion Programs, Ad Hoc Utility Programs, Shared Subroutines/Programs, JCL/Proc/Program Cross References, Job/Process Flows, Table content diagrams. This deliverable shall include (1) detailed design documents for the System and each program within the System; (2) detailed design diagrams for the System and each program within the System; (3) detailed logic descriptions; (4) detailed program documentation for each program; (5)	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	input/output descriptions (databases, files, screens, reports, etc.); (6) program source listings, including embedded comments (when appropriate); (7) job control language listings, if necessary; (8) an operator's guide for the complete System; (9) a user's guide for the complete System; (10) a detailed System test plan; (11) detailed plans for security, backup, recovery, and contingencies in conjunction with the States Data Center processes; (12) an updated quality assurance plan; and (13) a recommended acceptance testing support plan. This deliverable is due no later than 120 calendar days after Contract Award.				
CD-6	SYSTEM TEST PLAN This deliverable shall include an updated System test plan. This document must describe test targets, testing methodology, expected results; methodology for evaluation of test results, quality assurance measures employed to ensure the testing process is in conformance with the Test Plan, and review methodologies. This deliverable is due no later than ninety (90) calendar days after Contract Award.	Mandatory			
CD-7a	SYSTEM TEST RESULTS – Phase 1 This deliverable shall include details of the System test results. This document shall include the following: (1) results of all System tests, (2) including results in variance with the expected results or in variance with RFP requirements or the Contractor's technical proposal, (3) results of documentation tests, and (4) detailed plans for the resolution and correction of all variances; including the Contractor's detailed plan (with a detailed timetable) to resolve any errors, deficiencies, malfunctions or other problems identified through the	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	System test plan process. This deliverable is due no later than 150 calendar days after Contract Award.				
CD-7b	SYSTEM TEST RESULTS – Phase 2 This deliverable shall include details of the System test results. This document shall include the following: (1) results of all System tests, (2) including results in variance with the expected results or in variance with RFP requirements or the Contractor's technical proposal, (3) results of documentation tests, and (4) detailed plans for the resolution and correction of all variances; including the Contractor's detailed plan (with a detailed timetable) to resolve any errors, deficiencies, malfunctions or other problems identified through the System test plan process. This deliverable is due no later than thirty (30) calendar days prior to the Phase 2 implementation as scheduled in the approved Implementation Plan.	Mandatory			
CD-7c	SYSTEM TEST RESULTS – Phase 3 This deliverable shall include details of the System test results. This document shall include the following: (1) results of all System tests, (2) including results in variance with the expected results or in variance with RFP requirements or the Contractor's technical proposal, (3) results of documentation tests, and (4) detailed plans for the resolution and correction of all variances; including the Contractor's detailed plan (with a detailed timetable) to resolve any errors, deficiencies, malfunctions or other problems identified through the System test plan process. This deliverable is due no later than thirty (30) calendar days prior to the Phase 3 implementation as scheduled in the approved Implementation Plan.	Mandatory			
CD-8	TURNOVER PLAN	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	This deliverable shall include a plan for the orderly turnover of the MIS/DSS from the Contractor to the DHS or a successor Contractor at the end of the Operations Period or upon termination of the contract. This deliverable shall address all of the requirements in RFP Section VI.1.4, Mandatory Maintenance and Operations Requirements, Turn Over. This deliverable is due no later than one (1) year after Contract Award, and shall be updated annually or upon request by the MIS/DSS Project Manager or designee.				
CD-9	MAINTENANCE AND ADMINISTRATION PLAN This deliverable shall include (1) a detailed plan describing and specifying the maintenance, operation, and administration of the System, including configuration management methodology; (2) a detailed ongoing log of problems and of upgrades or other changes to the System (including but not limited to software and hardware recommendations); (3) a detailed plan for periodic reviews of System performance and functionality, and of end user satisfaction. This deliverable is due no later than 150 calendar days after Contract Award.	Mandatory			
CD-10	MONTHLY STATUS REPORTS Monthly Status Reports shall be delivered to the DHS MIS/DSS Project Manager or designee once a month following the Contract Award. These reports shall contain a regular update of progress on each deliverable, as well as documentation of problems identified since the last report, and solutions being implemented for open problems. These reports shall demonstrate controls and shall keep the State informed, on an in-depth basis, about the Contractor's	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	implementation and compliance with all system development and quality assurance requirements.				
CD-11	BI-WEEKLY OPERATIONS STATUS REPORT Bi-weekly Operations Status Reports shall be delivered to the DHS MIS/DSS Project Manager or designee bi-weekly following the Contract Award. These reports shall contain Issues, including priority level and resolution. • User report activity, including summary and detailed information. • Help Desk request (calls or on-line) information, including number of requests received, number of requests resolved, each help desk request and resolution. • System Availability metrics • Summary of Training activities (provided on a quarterly basis)				
CD-12	QUALITY ASSURANCE PLAN The Quality Assurance Plan shall include but not be limited to the following: • Process Documentation - Provide documentation of the operating process, performance measures, and problem resolution process • Project management and technical standards • Testing strategy - Provide a Master Test Strategy outlining the approach to system integration and acceptance testing. Key Performance Indicators - Provide a description of key performance measures and problem indicators and how they will be jointly determined between DHS and the Contractor • Performance Reporting - Provide a description of	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	how and how often, the key performance and problem indicators will be reported • Problem Resolution -Provide a description of the problem resolution and process improvement processes • Documentation Update - Provide a description of how changes resulting from problem solving or process improvement will be documented The Bidder's proposed QA plan shall describe the proposed QA Team organization, its functions and responsibilities, its schedule for periodic meetings, and the methodologies for identification and correction of fault fixes. A Quality Assurance Plan shall be delivered to the DHS MIS/DSS Project Manager or designee no later than thirty (30) calendar days after Contract Award.				
CD-13	DISASTER MITIGATION PLAN A Disaster Mitigation Plan, developed in conjunction with the Department of Technology Services and/or the DHS, as appropriate, which shall be delivered to the DHS MIS/DSS Project Manager or designee. This deliverable is due no later than 150 calendar days after Contract Award. This Plan shall be updated annually.	Mandatory			
CD-14	CHANGE MANAGEMENT PLAN This deliverable shall include a description of the processes and tools used to authorize, track, and implement ongoing changes, and unanticipated changes. This deliverable shall also:	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	• identify the process to be used for the tracking, notification, and DHS approval of COTS software upgrades. • the lifecycle model followed • prioritizing changes • authorizing personnel to process changes • updating documentation This deliverable is due no later than sixty (60) calendar days after Contract Award.				
CD-15	COMMUNICATION PLAN The Contractor shall provide a Communication Plan detailing communications between the Contractor and the DHS, both during implementation and ongoing operations. This deliverable is due no later than thirty (30) calendar days after Contract Award.	Mandatory			
CD-16	TRAINING PLAN This deliverable shall include a description of how System Users, Program Managers, System Administrators, and LAN staff will be trained. The plan shall document training environment, staffing, training approach, proposed schedule, and evaluation techniques for initial training sessions, and for ongoing training. The initial deliverable is due no later than sixty (60) calendar days after Contract Award. An updated Training Plan shall be provided on an annual basis throughout the term of the contract.	Mandatory			
CD-17	TRAINING MATERIALS This deliverable shall include training manuals, class handouts, practice cases, and end user evaluations. The	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	Contractor shall deliver training materials for review and approval by the DHS MIS/DSS Project Manager or designee no later than thirty (30) calendar days prior to the scheduled training.				
CD-18	SECURITY PLAN This deliverable shall address how the: • System shall comply now, and in the future, with all applicable DHS Security requirements, standards and guidelines, as specified in the State Administrative Manual, Health Administrative Manual, HIPAA Privacy Act, and any other applicable state or federal regulation. All security safeguards and precautions shall be subject to the approval of the DHS. • Contractor shall implement such technical and procedural safeguards as are necessary to ensure that the information systems and data will be secure from threats to continued and error-free operations from human error, accidents, viruses, loss of electrical power, human tampering, fire, or criminal acts. • Contractor shall also implement and maintain safeguards to protect the data from (intentional or accidental) complete or partial erasure and/or corruption. • Contractor shall provide and otherwise implement and maintain such security measures as may be necessary to ensure that unauthorized persons do not have physical access to any portion of the software product or source code at any site(s) used for this project.				

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	• Contractor, during project development, shall provide physically secure transport to, and off-site storage of a complete and up-to-date backup copy(s) of (1) the data dictionary and DBMS design (including updates and additions); (2) all software and programming code (source, object and executable code, including upgrades and subsequent releases); and (3) the latest versions of System and user documentation for each information System. Describe how such off-site storage shall be reasonably secure from (1) accidental erasure, (2) fire and other natural disasters, (3) theft, (4) tampering, and (5) unauthorized access. Such storage shall be accessible to only senior staff of the Contractor and designated staff of the DHS or the Department of Technology Services. This deliverable is due no later than thirty (30) calendar days after Contract Award.				
CD-19	The Contractor must propose a format for each deliverable and gain DHS approval prior to deliverable preparation. This approval process must include submission of a Deliverable Expectation Document (DED). The goal for the use of DEDs is to ensure that a common understanding exists between the DHS and the Contractor regarding the scope and content (depth and breadth) of the deliverable prior to the Contractor beginning work on the deliverable. The complexity of the DED should be proportional to the complexity of the deliverable. The DED will include the following items: • Deliverable objectives	Mandatory			

Number	Requirement	Requirement Type	Proposal Reference Section (volume/tab/page number(s)):	Req Met?	
				Y	N
	• An outline of the deliverable, table of contents, sample format, sample pages, and a general description of the information that will be contained in the deliverable • Deliverable acceptance criteria which is consistent with the requirements of the contract • Deliverable review and approval timeline The Contractor must make all deliverables available electronically. The Contractor must supply the number of hard copies of each deliverable as specified in the DED for each deliverable.				
CD-20	Each of the above deliverables shall be provided electronically and in writing and submitted to the DHS MIS/DSS Project Manager or designee for approval. Each deliverable shall be written in a complete, clear, explicit, and precise manner without any errors, omissions, or inconsistencies. Each deliverable shall include, as necessary or appropriate, such additional materials as flow charts, diagrams, project management charts, and explanatory tables to assist the DHS in thoroughly understanding and evaluating the Contractor's respective deliverables. The DHS will review and approve all written deliverables.	Mandatory			
Bidder's Certification and Initials: We agree to meet all mandatory requirements stated above.					

VI.2 Desirable Requirements

All requirements in this paragraph are desirable. The Bidder must provide a response as to whether they will provide (or not provide) each desirable requirement. For each desirable requirement that the Bidder agrees to provide, the Bidder must include a narrative description of how that requirement will be met. If a narrative description is not included or the description does not adequately describe how the requirement will be met, in the opinion of the State Evaluation Team, the Bidder will not be awarded the points associated with that requirement, but the Bidder will be required to supply that requirement.

It is the Bidder's responsibility to ensure its proposal is submitted in a manner that enables the State Evaluation Team to easily locate all response descriptions and exhibits for each requirement in this RFP.

The Bidder must not retype or edit requirements or exhibits except to enter requested information (refer to Section II.2.2, RFP Documents). Making a material change to a requirement will make the Bidder's proposal unacceptable to the State and the Bidder's proposal will not be considered further.

The information provided by the State is:

- Requirement Number

  This denotes a unique number for each requirement.
- Requirement

  This denotes the specific requirement.
- Requirement Type

  This denotes if the requirement is mandatory or desirable. Refer to RFP Section II.1, Identification and Classification of RFP Requirements, for further information.
- Point Value

  This denotes the point value of the desirable requirement. Refer to RFP Section IX.5.4, Evaluation Factors Assessment Scoring, for further information.
- Requirement Met ? Y/N

  This column is for use by the State Evaluation Team.

The information to be included in the Bidder's response for each requirement is:

- Requirement will be Met (Y or N)

  In each box the Bidder must designate whether they agree to meet the desirable requirement or not. If the Bidder agrees to meet the requirement, complete the response with a 'Y' (or Yes). If the requirement will not be met, complete the box with a 'N' (or No).

- Narrative Description of How Requirement Will Be Met

  For each desirable requirement that the Bidder agrees to provide, the Bidder must include a narrative describing how that requirement will be met.

- Bidder's Initials

  In each box entitled "Bidder's Initials", the Bidder must initial in ink, for validation purposes.

VI.2.1 Desirable Functional Requirements

The following desirable functional requirements are provided:

Number	Requirement	Requirement Type	Point Value	Requirement Will Be Met (Y or N)	Narrative Description of How Requirement Will Be Met:	Req Met?	
						Y	N
GENERAL FUNCTIONALITY – With respect to the functional requirements for the MIS/DSS/DBMS, the DHS is interested in proposals that provide a well thought out, integrated, comprehensive, and technically sound business solution.							
DGF-1	The System should provide access to all functionality via a single login.	Desirable	2				
DGF-2	The System should provide end users the ability to query data from other end user-accessible database tables.	Desirable	1				
DGF-3	The System should provide keyboard shortcuts for commonly used commands.	Desirable	1				
DGF-4	The System should provide functionality for the creation and editing of macros.	Desirable	2				
DGF-5	The System should provide a help keyword index with multiple references to the same feature or activity.	Desirable	2				
DGF-6	The System should provide a keyword index that contains all keywords, regardless of where the index is accessed.	Desirable	2				
DGF-7	The System should provide cross references (i.e., “See also..”) to other help materials, where appropriate.	Desirable	2				

Number	Requirement	Requirement Type	Point Value	Requirement Will Be Met (Y or N)	Narrative Description of How Requirement Will Be Met:	Req Met?	
						Y	N
DGF-8	The System should provide access to public and private healthcare industry intelligence regarding cost and diagnostic standards to be used in predicting cost and utilization trends and for establishing external benchmarks.	Desirable	2				
Bidder's Certification and Initials: We agree to provide all desirable requirements as indicated by a 'Y' above.							
REPORTS AND QUERIES							
DRQ-1	The System should provide end users the ability to compare current report data to one or more previously saved reports.	Desirable	1				
DRQ-2	The System should provide end users the ability to drill down from custom report results to access data at a more detailed level.	Desirable	2				
DRQ-3	The System should accommodate comparison of all or selected plans' formularies and the Medi-Cal FFS contract drug list, by NDC numbers.	Desirable	1				
DRQ-4	The System should include geographic software that enables display of data on maps of California sub-divided by geographic groupings, in addition to counties and zip codes such as	Desirable	2				

Number	Requirement	Requirement Type	Point Value	Requirement Will Be Met (Y or N)	Narrative Description of How Requirement Will Be Met:	Req Met?	
						Y	N
	groupings of counties, metropolitan areas, non-metropolitan areas, zip codes, managed care Contractor service areas, health facility planning areas, Medical Service Study Areas, Census Tracts, Provider address and Beneficiary address.						
Bidder's Certification and Initials: We agree to provide all desirable requirements as indicated by a 'Y' above.							
ADVANCED MODELING AND ANALYSIS CAPABILITIES, UTILIZATION MANAGEMENT							
DMA-1	The System's statistical functions should allow unrestricted and unlimited length of calculations, consolidations and/or data manipulations.	Desirable	1				
DMA-2	The System should provide end users the ability to target at-risk populations from clinical or cost data.	Desirable	3				
DMA-3	The System should provide the capability to depict practice and treatment patterns, provider participation, physician prescribing patterns, and provider service areas in map format.	Desirable	2				
DMA-4	The System should provide capabilities for the depiction, profiling, and analysis of beneficiary use, and	Desirable	2				

Number	Requirement	Requirement Type	Point Value	Requirement Will Be Met (Y or N)	Narrative Description of How Requirement Will Be Met:	Req Met?	
						Y	N
	use patterns in map format.						
DMA-5	The System should provide the capability to study, track, and compare the compliance of providers (including managed care Contractors) with clinical practice guidelines and other normative benchmarks of clinical and/or financial performance.	Desirable	3				
DMA-6	The System should provide the capability to rank performance and evaluate quality of care for providers, types of providers, and managed care Contractors (e.g., based on norms defined by the DHS).	Desirable	3				
DMA-7	The System should include other special grouping methodologies to support the in-depth investigation of disease in the ambulatory or acute settings.	Desirable	2				
Bidder's Certification and Initials: We agree to provide all desirable requirements as indicated by a 'Y' above.							
DATA INPUT, STORAGE, AND RETENTION							
DDI-1	The System should be capable of accommodating the policy carrier and address, policy start and stop date, scope of coverage, policy holder name, address, phone number, and policy	Desirable	2				

Number	Requirement	Requirement Type	Point Value	Requirement Will Be Met (Y or N)	Narrative Description of How Requirement Will Be Met:	Req Met?	
						Y	N
	number from the Health Insurance System (HIS).						
DDI-2	The System should be capable of updating sixty (60) months of data (i.e., a "rolling" 60 months of data would be considered "active". See Section IV.1.3, Data Retention, for additional information.)	Desirable	3				
Bidder's Certification and Initials: We agree to provide all desirable requirements as indicated by a 'Y' above.							

VI.2.2 Desirable Technical Requirements

The following desirable technical requirements are provided:

Number	Requirement	Requirement Type	Point Value	Requirement Will Be Met (Y or N)	Narrative Description of How Requirement Will Be Met:	Req Met?	
						Y	N
	SYSTEM ARCHITECTURE						
DSA-1	The Presentation Layer should be designed on thin client technologies (see Appendix D - Glossary of Terms), based on California DHS Web-Based Application Standards and Processes (see Bidders' Library).	Desirable	3				
DSA-2	The System should support the use of data marts or other data aggregation / segmentation tools to optimize processing time and cost.	Desirable	3				
Bidder's Certification and Initials: We agree to provide all desirable requirements as indicated by a 'Y' above.							
	SYSTEM PERFORMANCE AND AVAILABILITY						
DPA-1	The System should automatically restart any query that has been interrupted by System maintenance.	Desirable	3				
DPA-2	The Contractor should provide licenses sufficient for additional concurrent simultaneously logged on users (excluding Contractor staff). [Note: Any additional costs that will be incurred due to the increase in the	Desirable	3				

Number	Requirement	Requirement Type	Point Value	Requirement Will Be Met (Y or N)	Narrative Description of How Requirement Will Be Met:	Req Met? Y	Req Met? N
	number of concurrent users must be included in the proposed costs.] This requirement will be scored as follows: • 51-75 concurrent users = 1 point • 76-99 concurrent users = 2 points • 100+ concurrent users = 3 points						
Bidder's Certification and Initials: We agree to provide all desirable requirements as indicated by a 'Y' above.							
	SYSTEM SECURITY – Throughout the contract term, the Contractor will take any and all steps necessary to ensure the continuous security of the System, including all data, and provide data security procedures for the DHS' use at the end of the contract period. This shall include each of the following:						
DSS-1	The System should enable end users to access the System through single-credential authentication.	Desirable	3				
Bidder's Certification and Initials: We agree to provide all desirable requirements as indicated by a 'Y' above.							

VI.2.3 Desirable Maintenance and Operations Requirements

The following desirable maintenance and operations requirements are provided:

Number	Requirement	Requirement Type	Point Value	Requirement Will Be Met (Y or N)	Narrative Description of How Requirement Will Be Met:	Req Met?	
						Y	N
HELP DESK							
DHD-1	The Contractor should provide end users the ability to submit on-line questions and problem tickets, and to track the resolution status on-line.	Desirable	3				
Bidder's Certification and Initials: We agree to provide all desirable requirements as indicated by a 'Y' above.							
SUPPORT DOCUMENTATION							
DUD-1	The System should provide Data User Caution statements on field integrity information, specifying the limitations of the data that may affect its usefulness in analysis, reports, and decision support. These statements shall be formatted for inclusion in reports, as needed.	Desirable	3				
DUD-2	All reference materials should provide hot-link cross references to more detailed information.	Desirable	2				
Bidder's Certification and Initials: We agree to provide all desirable requirements as indicated by a 'Y' above.							

VII COST

VII.1 Introduction

The State intends to acquire a MIS/DSS solution based on the selection criteria as set forth in this RFP. As part of the proposal, Bidders are responsible for including the costs necessary for meeting the requirements stipulated to implement, operate and support the MIS/DSS. This section defines the major cost components that must be included in each proposal as well as the required format. Additional formatting instructions are provided in Section VIII, Proposal Format.

Bidders must provide responses to all requirements and proposed costs for the components of the MIS/DSS project. Bidders must submit cost information using the forms in Appendix B, Cost Workbook, in a separately sealed envelope that is clearly marked "Volume III, Cost Data." The list of required cost forms and their respective descriptions can be found in Table VII-1, Cost Workbook Components.

Table 4. Cost Workbook Components

Workbook Component	Form	Form Description
Total Cost	VII-1	Total Cost Summary
One-Time Costs	VII-2	Detailed COTS Software Costs
	VII-3	Detailed Hardware Costs
	VII-4	Initial Training Costs
	VII-5	Phase 1 Design, Implementation and Other One-Time Costs
	VII-6	Phases 2 & 3 Design, Implementation and Other One-Time Costs
On-Going Costs	VII-7	Training Costs
	VII-8	Help Desk Costs
	VII-9	Maintenance Requests Costs
	VII-10	Analytical Requests Costs
	VII-11	Maintenance, Operations, and Administration Costs
	VII-12	On-Going COTS Software Maintenance Costs
	VII-13	On-Going Hardware Maintenance Costs
Other Costs	VII-14	Labor Rates (for Unanticipated Tasks)
	VII-15	COTS Additional User Licensing Costs

Cost data will not be opened and evaluated until after the State Evaluation Team has determined that the Bidder's proposal is fully compliant with the format and mandatory requirements of this RFP. To maintain objectivity, the scored evaluation of the cost component of each proposal will

not be conducted until the completion of other scored components. Bidders may refer to Section IX, Evaluation and Selection, for additional information on the scoring of proposals.

All proposed System components must be included in the Bidder's proposal and accounted for in the Bidder's cost data. Any proposed System component that is not specifically priced or identified in the Bidder's cost data, or that is identified after award of the contract to meet the requirements of this RFP, will be assumed by the State to be included at no additional cost.
In order to identify the project costs, various cost categories are included in the cost worksheets in Appendix B. A summary of the relevant cost categories is provided below. General instructions for completing the cost worksheets are included in Section VII.2, Cost Worksheets.

One-Time Costs
The one-time costs are comprised of: 1) Commercial Off-The-Shelf Software (COTS) Software Costs; 2) Hardware Costs; 3) Initial Training Costs; and 4) Design, Implementation and Other One-Time Costs.

- COTS Software Costs: The Bidder shall enumerate all one-time COTS software costs required to develop the MIS/DSS. These costs will contain the Bidder's price for software items and licenses proposed for the project. The Bidder shall describe all proposed software, including function, quantity, manufacturer, brand name, and version number for the items being proposed.

- Hardware Costs – The Bidder shall enumerate all one-time hardware costs required to implement the MIS/DSS. The Bidder shall describe all proposed hardware, including function, quantity, manufacturer, brand name for the items being proposed. The Bidder shall include the hardware upgrades required by the Department of Technology Services (see Requirement SA-21for further information).

- Initial Training Costs – The Bidder shall enumerate all one-time costs to provide the initial training on the MIS/DSS system. Quarterly On-Going Training Costs shall **not** be included on this Table; these costs will be included under On-Going Costs.

- Phase 1 Design, Implementation and Other One-Time Costs – The Bidder shall include the cost of **all** proposed services pertaining to a Phase 1 System Integrator design and implementation, including but not limited to those services required to effect the installation and deployment of the MIS/DSS; documentation; and data transformation (e.g., monthly data feed updates to the database). The Bidder shall indicate the one-time cost for these services.

- Phases 2 and 3 Design, Implementation and Other One-Time Costs – The Bidder shall include the cost of **all** proposed services pertaining to Phases 2 and 3 System Integrator design and implementation, including but not limited to those services required to effect the installation and deployment of the MIS/DSS; documentation; and data transformation (e.g., monthly data feed updates to the database). The Bidder shall indicate the one-time cost for these services.

On-Going Costs

The on-going costs are comprised of: 1) Training Costs; 2) Help Desk Costs; 3) Maintenance Request Costs; 4) Analytical Request Costs; and 5) Maintenance, Operations, and Administration Costs.

- Training Costs: The Bidder shall enumerate all on-going quarterly training costs required to meet the on-going training requirements specified in Section VI, Functional and Technical Requirements. The Bidder shall include costs for Years 5 – 7, which will be included in the cost evaluation. The State will have the ability to exercise up to three (3) one-year contract option(s) for on-going training support.

- Help Desk Costs: The Bidder shall enumerate a single monthly rate per year for help desk costs required to meet the help desk requirements specified in Section VI, Functional and Technical Requirements. The Bidder shall include costs for Years 5 – 7, which will be included in the cost evaluation. The State will have the ability to exercise up to three (3) one-year contract extension option(s) for on-going help desk support.

- Maintenance Requests Costs: The Bidder shall enumerate a single hourly rate per year to provide up to 2,000 hours per year of technical consultation and services for System maintenance and enhancements as specified in Section VI, Functional and Technical Requirements. The Bidder shall include costs for Years 5 – 7, which will be included in the cost evaluation. The State will have the ability to exercise up to three (3) one-year contract extension option(s) for on-going maintenance request support.

- Analytical Requests Costs: The Bidder shall enumerate a single hourly rate per year to provide a minimum of 5,000 hours per year of analytical consulting service to users and programs as specified in Section VI, Functional and Technical Requirements. The Bidder shall include costs for Years 5 – 7, which will be included in the cost evaluation. The State will have the ability to exercise up to three (3) one-year contract extension option(s) for on-going maintenance request support.

- Maintenance, Operations, and Administration Costs: The Bidder shall enumerate a single monthly rate per year for maintenance, operations, and administration costs (including turn over activities) required to meet the on-going maintenance, operations, and administration requirements specified in Section VI, Functional and Technical Requirements. The Bidder shall include costs for Years 5 – 7, which will be included in the cost evaluation. The State will have the ability to exercise up to three (3) one-year contract extension option(s) for on-going maintenance, operations, and administration support.

- COTS Software Maintenance Costs: The Bidder shall enumerate a single yearly rate for the maintenance of COTS software. The Bidder shall include costs for Years 5 – 7, which will be included in the cost evaluation. The State will have the ability to exercise up to three (3) one-year contract extension option(s) for on-going maintenance, operations, and administration support.

– Hardware Maintenance Costs: The Bidder shall enumerate a single yearly rate for the maintenance of the proposed hardware. The Bidder shall include costs for Years 5 – 7, which will be included in the cost evaluation. The State will have the ability to exercise up to three (3) one-year contract extension option(s) for on-going maintenance, operations, and administration support.

Labor Costs

The State anticipates that during the contract period legislative and/or program changes may necessitate application modifications, and/or the State may require assistance not anticipated at this time. This support shall be structured in terms of a fixed hourly rate by classification for support of Unanticipated Tasks. For evaluation purposes only, the State has estimated the number of hours per classification per year and has included this on the cost worksheet.

COTS Additional User Licensing Costs

Should the State need to increase the number of MIS/DSS users during the contract period, the State may purchase additional licensing in increments of 50 additional authorized users for the cost specified on the cost worksheet.

VII.2 Cost Worksheets

The State has made available a cost workbook (in Excel format) to each Bidder. A printed copy of this workbook is included in Appendix B. This pre-formatted workbook contains eleven (11) forms (one per sheet/tab), as follows:

Appendix B – Cost Workbook

VII-1 Total Cost Summary
VII-2 Detailed COTS Software Costs
VII-3 Detailed Hardware Costs
VII-4 Initial Training Costs
VII-5 Phase 1 Design, Implementation and Other One-Time Costs
VII-6 Phases 2 and 3 Design, Implementation and Other One-Time Costs
VII-7 Training Costs
VII-8 Help Desk Costs
VII-9 Maintenance Requests Costs
VII-10 Analytical Requests Costs
VII-11 Maintenance, Operations, and Administration Costs
VII-12 COTS Software Maintenance Costs
VII-13 Hardware Maintenance Costs
VII-14 Bidder Labor Costs
VII-15 COTS Additional User Licensing Costs

- *Total Cost Summary Worksheet* – A summary of total System costs, Form VII-1.
- *Detailed COTS Software Costs Worksheet* – For specification of all one-time COTS software costs, Form VII-2.

- *Detailed Hardware Costs Worksheet* – For specification of all one-time hardware costs, Form VII-3.
- *Initial Training Costs Worksheet* – For specification of all one-time initial training costs, Form VII-4.
- *Phase 1 Design, Implementation and Other One-Time Costs Worksheet* – For specification of all service costs associated with implementation of Phase 1 the solution, Form VII-5.
- *Phases 2 and 3 Design, Implementation and Other One-Time Costs Worksheet* – For specification of all service costs associated with implementation of Phases 2 and 3 of the solution, Form VII-6.
- *Training Costs Worksheet* – For specification of all on-going training costs, Form VII-7.
- *Help Desk Costs Worksheet* – For specification of all on-going help desk costs, Form VII-8.
- *Maintenance Requests Costs Worksheet* – For specification of all on-going maintenance requests costs, Form VII-9.
- *Analytical Requests Costs Worksheet* – For specification of all on-going analytical requests costs, Form VII-10.
- *Maintenance, Operations, and Administration Costs Worksheet* – For specification of all on-going maintenance, operations, and administration costs, Form VII-11.
- *COTS Software Maintenance Costs Worksheet* – For specification of all proposed COTS software maintenance costs, Form VII-12.
- *Hardware Maintenance Costs Worksheet* – For specification of all proposed hardware maintenance costs, Form VII-13.
- *Bidder Labor Costs Worksheet* – For specification of Bidder staff firm fixed rates for Unanticipated Tasks, Form VII-14.
- *COTS Additional User Licensing Costs Worksheet* – For specification of costs related to licensing additional users for MIS/DSS, Form VII-15.

Bidders are responsible for entering cost data in the format prescribed by the cost workbook. **Pre-set formulas must not be altered**. Further instructions for entering cost data are set within footnotes in each worksheet.

Completion of the cost workbook is mandatory. Purchases of hardware and software or other applicable items, delivery costs, tax, installation, licenses, travel, training, application development and testing, other services provided by the Bidder – any and all expenses associated with the delivery and implementation of the proposed System (MIS/DSS) must be included in the Bidder's firm fixed price.

Formulas have been inserted in the appropriate cells of the worksheets to automatically calculate summary numbers. However, it is the sole responsibility of Bidder to ensure that all cost data and mathematical calculations are correct in the proposal.

VII.2.1 Total Cost Summary Worksheet (Appendix B, Form VII-1)

The total cost summary worksheet will contain the Bidder's total price to provide systems and services as proposed, including software, implementation services and ongoing licensing and maintenance costs. All overhead or other cost items must be built into and included within the total price proposed by Bidder. These costs, when entered on worksheets VII-2 through VII-12, will be calculated and displayed automatically on this worksheet.

VII.2.2 Detailed COTS Software Costs Worksheet (Appendix B, Form VII-2)

The COTS software costs worksheet will contain the Bidder's firm fixed price for any and all pre-existing software products, including utilities, database and telecommunications software, and licenses proposed for the MIS/DSS project. The Bidder shall describe all proposed software products by product name, manufacturer, and version/release number for the items being proposed. NOTE: Do not include software necessary for the Bidders staff; the Bidder is responsible for providing all necessary software for their staff. All proposed software costs listed on this worksheet should also be documented on Hardware and Software Proposed, Appendix C, Form C10.

VII.2.3 Detailed Hardware Costs Worksheet (Appendix B, Form VII-3)

The hardware costs worksheet will contain the Bidder's firm fixed price for any and all additional hardware proposed for the MIS/DSS project. The Bidder shall describe all proposed products by product name, manufacturer, and any additional necessary specifications for the items being proposed. The Bidder must include hardware for the life of the contract; both for equipment proposed by the Bidder and existing hardware available (specified in the Bidders' Library) that the Bidder plans to utilize, to account for issues such as useful life, technology refresh, etc.) The State reserves the right to require the Bidder to provide the proposed hardware or to obtain the proposed hardware from another supplier. NOTE: Do not include hardware necessary for the Bidders staff; the Bidder is responsible for providing all necessary hardware for their staff. All proposed hardware costs listed on this worksheet should also be documented on Hardware and Software Proposed, Appendix C, Form C10.

VII.2.4 Initial Training Costs Worksheet (Appendix B, Form VII-4)

The initial training cost worksheet will contain the Bidder's firm fixed price for providing the various services associated with developing and delivering initial training on the MIS/DSS System.

VII.2.5 Phase 1 Design, Implementation and Other One-Time Costs Worksheet (Appendix B, Form VII-5)

The design, implementation, and other one-time costs worksheet will contain the Bidder's firm fixed price for providing the various services associated with delivering and implementing all the products and services required for Phase 1 of the project. COTS Software and Hardware costs (if any) must not be included here. This worksheet is designed to collect the Bidder's

costs for the design, development, and implementation services, and other overhead costs that have been proposed for Phase 1.

VII.2.6 Phases 2 and 3 Design, Implementation and Other One-Time Costs Worksheet (Appendix B, Form VII-6)

The design, implementation, and other one-time costs worksheet will contain the Bidder's firm fixed price for providing the various services associated with delivering and implementing all the products and services required for Phases 2 and 3 of the project. COTS Software and Hardware costs (if any) must not be included here. This worksheet is designed to collect the Bidder's costs for the design, development, and implementation services, and other overhead costs that have been proposed for Phases 2 and 3.

VII.2.7 Training Costs Worksheet (Appendix B, Form VII-7)

The training costs worksheet will contain the Bidder's firm fixed price for providing on-going training throughout the contract term. The State reserves the right to exercise up to three (3) 1-year contract options for the Bidder to provide these services, or to obtain these services from another provider.

VII.2.8 Help Desk Costs Worksheet (Appendix B, Form VII-8)

The help desk costs worksheet will contain the Bidder's firm fixed price for providing on-going help desk services throughout the contract term. The State reserves the right to exercise up to three (3) 1-year contract options for the Bidder to provide these services, or to obtain these services from another provider.

VII.2.9 Maintenance Requests Costs Worksheet (Appendix B, Form VII-9)

The maintenance requests costs worksheet will contain the Bidder's firm fixed price for providing maintenance request services throughout the contract term. The State reserves the right to exercise up to three (3) 1-year contract extension options for the Bidder to provide these services, or to obtain these services from another provider.

VII.2.10 Analytical Requests Costs Worksheet (Appendix B, Form VII-10)

The analytical requests costs worksheet will contain the Bidder's firm fixed price for providing analytical request services throughout the contract term. The State reserves the right to exercise up to three (3) 1-year contract extension options for the Bidder to provide these services, or to obtain these services from another provider.

VII.2.11 Maintenance, Operations, and Administration Costs Worksheet (Appendix B, Form VII-11)

The maintenance, operations, and administration costs worksheet will contain the Bidder's firm fixed price for providing on-going maintenance, operations, and administration services throughout the contract term, including turnover activities. The State reserves the right to exercise up to three (3) 1-year contract extension options for the Bidder to provide these services, or to obtain these services from another provider.

VII.2.12 COTS Software Maintenance Costs Worksheet (Appendix B, Form VII-12)

The COTS software costs worksheet will contain the Bidder's firm fixed price for the maintenance of any and all pre-existing software products, including utilities, database and

telecommunications software, and licenses proposed for the MIS/DSS project. NOTE: Do not include software maintenance costs for the software necessary for the Bidders staff; the Bidder is responsible for providing all necessary software for their staff. Proposed software maintenance costs listed on this worksheet should contain all of the times included on the Detailed COTS Software Costs Worksheet (Appendix B, Form VII-2).

VII.2.13 Hardware Maintenance Costs Worksheet (Appendix B, Form VII-13)

The hardware maintenance costs worksheet will contain the Bidder's firm fixed price for the maintenance for any and all additional hardware proposed for the MIS/DSS project. The State reserves the right to require the Bidder to provide the proposed hardware maintenance or to obtain the proposed hardware maintenance from another supplier. NOTE: Do not include hardware maintenance costs for the hardware necessary for the Bidders staff; the Bidder is responsible for providing all necessary hardware and software for their staff. Proposed hardware maintenance costs listed on this worksheet should contain all of the times included on the Detailed Hardware Costs Worksheet (Appendix B, Form VII-3).

VII.2.14 Bidder Labor Costs Worksheet (Appendix B, Form VII-14)

The Bidder labor costs worksheet shall include the Bidder's firm fixed hourly rate per classification for Unanticipated Tasks. These fixed rates shall apply throughout the term of the Contract.

VII.2.15 COTS Additional User Licensing Costs Worksheet (Appendix B, Form VII-15)

The Bidder COTS Additional User Licensing Costs worksheet shall include the Bidder's firm fixed price for licensing the MIS/DSS for additional user groups of 50 users. Costs must be provided for all COTS software listed on Appendix B, Form VII-2. These fixed rates shall apply throughout the term of the Contract.

VIII PROPOSAL FORMAT

VIII.1 Introduction

These instructions prescribe the mandatory proposal format and the approach for the development and presentation of proposals. Format instructions must be followed, requirements and questions in the RFP must be answered, and requested information must be supplied. Each Bidder is responsible for providing sufficient information and documentation for the proposal to be thoroughly evaluated. Failure to do so may result in rejection of the proposal.

Proposals must address the requirements in Section V, Administrative Requirements, and Section VI, Functional and Technical Requirements, in the order and format specified in this section. Each RFP requirement response in the proposal must reference the unique identifier for the requirement in this RFP.

The pages in the proposal must be standard 8.5" x 11" paper, except charts, diagrams, etc., which may be foldouts. If foldouts are used, the folded size must fit within the 8.5" x 11" format. Each volume of the various proposal submissions must be provided separately in an appropriately sized 3-ring binder. Double sided printing is preferred.

It is the Bidder's responsibility to ensure its proposal is submitted in a manner that enables the State Evaluation Team to easily locate response descriptions and exhibits for each requirement of this RFP. Page numbers must be located in the same page position throughout the proposal. Figures, tables, charts, etc., must be assigned index numbers and must be referenced by these numbers in the proposal text and in the proposal Table of Contents. Figures, etc., must be placed as close to text references as possible.

VIII.2 Proposal Format And Content

Each sealed proposal container must be labeled as follows:

- Name of Bidder
- RFP DHS 4260-186
- Final Proposal, Final Cost Proposal, Draft Proposal or Draft Cost Proposal

The following must be shown on each page of the proposal:

- RFP DHS 4260-186
- Final Proposal, Final Cost Proposal, Draft Proposal or Draft Cost Proposal
- Name of Bidder
- Proposal volume number
- Proposal part or exhibit number
- Page number

The proposal must be completely sealed. All copies must be submitted by the time and date identified in Section I.5, Key Action Dates. One (1) complete set of required volumes must be

clearly marked "MASTER COPY." One copy of the entire proposal, in Microsoft Word, must be submitted on Compact Disc (CD). One copy of Volume III, Costs, shall be submitted on a separate CD and enclosed with the separately sealed "Costing" envelope.

Proposal submissions must be clearly labeled "**RFP DHS 4260-186**". Submissions must be identified as the **Proposal**, or **Costing** (cost data must be sealed and submitted separately from the Proposal) and include the Bidder's name and return address.

Bidders should be sure that no costing information of any type is shown in their Proposal, except in the sealed "Costing" envelope. The inclusion of costing in any fashion or format in any other place in the Proposal may result in immediate rejection of the bid. Any product supporting literature containing costs or rates (such as catalogs, maintenance service rates, etc.) submitted as part of the Proposal must have cost figures obliterated.

VIII.2.1 Draft Proposal Format and Content

The Draft Proposal should follow the format and content of the Final Proposal except the submission must not include actual dollar cost information. All dollar cost items must be filled in using XXXs in the Draft Proposal. Costs must include any additional information or language that will be shown in the Final Proposal, without providing any cost figures. It is important that all forms and all cost worksheets be included with all entries completed except dollar figures.

Inclusion of cost figures in the Draft Proposal may result in elimination of the Bidder from further participation in the procurement process.

VIII.2.2 Final Proposal Format and Content

The Final Proposal must be submitted by the time and date identified in Section I.5, Key Action Dates, and in the manner specified in Section II.3.7.5, Delivery of Proposals. The Proposal must be submitted in the number of copies indicated and should be structured in the following manner:

Volume I – Response to Administrative Requirements — 12 copies plus a Master Copy

- Cover Letter
- Tab 1: Table of Contents
- Tab 2: Executive Summary
- Tab 3: Response to Administrative Requirements
- Tab 4: Response to Functional and Technical Requirements

Volume II – Contract — 1 Master Copy

- Tab 1: Contract

Volume III – Cost Proposal — 12 copies plus a Master Copy

- Tab 1: Cost Worksheets
- Tab 2: Summary of DVBE Participation with completed cost information
- Tab 3: Small Business Preference Notification, if applicable

- Proof of Bondability, with costs completed

Volume IV – Literature 2 copies plus a Master Copy

In addition to the number of hardcopies of the Proposal stated above, the Bidder is required to submit an electronic copy of the Proposal on a CD-ROM.

Volume I Response to Administrative Requirements

The Bidder's response for Volume I must be by section, in the order and format indicated below. Each page must be numbered in a manner of the Bidder's own choosing to make easy reference possible.

Cover Letter

This part must contain a signed Cover Letter on the Bidder's official business letterhead stationery. Cost information must not be included in the Cover Letter. The Cover Letter must contain a statement that substantiates that the person who signs the letter is authorized to bind the Bidder's firm contractually. The cover letter must state that the Bidder commits to fulfilling the requirements of this RFP.

Tab 1: Table of Contents

This part must contain a Table of Contents. Major parts of the proposal, including forms, must be identified by volume and page number.

Tab 2: Executive Summary

This part must describe the salient features of the proposal. It must contain an overview of the Bidder's company background and qualifications, and must condense and highlight the contents of the proposal to provide a broad understanding of the entire proposal and facilitate the evaluation of the proposal. Costing information must not be included in the Executive Summary.

Tab 3: Administrative Requirements Response

This part must contain a response for each Administrative Requirement identified in Section V.6, Responses To Administrative Requirements, and include the documentation requested. The Bidder must provide a response to each requirement. Instructions for completion of Appendix C are provided in Section V, Administrative Requirements.

- Form C1: Administrative Requirements Response Matrix
- Proof of Bondability (with cost figures obliterated)
- Performance Bond Terms and Conditions
- Form C2: Statement of Financial Condition
- Form C3: Financial Information Requirements
- Form C4: Subcontractor List
- Form C5: Contractor Information
- Form C6: Payee Data Record

- Form C7: Corporate Experience References
- Form C8: Non Discrimination Compliance Statement
- Form C9: Certification of Compliance with the Americans with Disabilities Act (ADA) of 1990
- Form C10: Hardware and Software Proposed
- Form C11: Bid Certification
- Form C13: Productive User Customer Reference
- Form C14: Commercially Useful Function Statement
- Workers' Compensation Policy or Certificate of Insurance (reference Administrative Requirement #11)
- DVBE Participation Form (Form STD 840)
- Small Business, TACPA, EEIA, and LAMBRA Bidding Preference forms, if applicable

Tab 4: Response to Functional and Technical Requirements

This part must contain a response for each of the functional and technical requirements included in Section VI, Functional and Technical Requirements. It can also contain other reference documentation that the Bidder chooses to include that supports statements and information provided in the Bidder's proposal. Any reference to cost figures in the literature must be obliterated.

- **Functional and Technical Requirements Response Matrix**
- **System Reporting Capabilities.** The Bidder shall describe the methodology proposed to determine an "episode" of care, and shall detail the algorithm that will identify an episode, with all the data elements involved in the calculations. The Bidder shall describe any other grouping methodology, and the underlying algorithm with all the data elements involved in the calculations. The description shall also identify any System limits the proposed solution has (e.g. a limit of 500,000 detail lines returned from queries). In particular, the Bidder shall describe any limits on size, time, and volume of queries.

  Normative Data for the purposes of this RFP is considered to be comparable health services data from other public and private healthcare industry agencies or jurisdictions. The data should include information on services, cost and diagnostic standards, which can be used in predicting service costs and utilization trends and for establishing external benchmarks. If such data is included in the proposal, any and all qualifications and constraints on its use must be specified.
- **Preliminary Implementation Plan.** Refer to Requirement CD-2 for a description.

- **Preliminary Maintenance and Administration Plan.** Refer to Requirement CD-9 for a description.
- **Preliminary Training Plan.** Refer to Requirement CD-16 for a description.
- **Preliminary Security Plan.** Refer to Requirement CD-18 for a description.

Volume II Contract
This volume must contain four (4) signed, original copies of the contract.

Volume III Cost Proposal
This volume must be submitted in a separate, sealed, and clearly identified envelope or container/carton/box. It will not be opened for evaluation until Volumes I and II have been evaluated and scored as described in Section IX, Evaluation and Selection.

Volume IV Literature
Volume IV should only contain supporting literature (i.e., manufacturers specifications, brochures, products, or services) proposed to support the requirements of this RFP.

IX EVALUATION AND SELECTION

IX.1 Introduction

This section presents the process the State will follow in evaluating proposals submitted by Bidders in response to this RFP. The evaluation process is multi-step comprised of a thorough review of each proposal to determine the responsible and responsive proposal that offers the ~~"best value"~~most effective value to the State. The ~~best value~~most value effective proposal is that proposal that meets all requirements set forth in this RFP and offers the State the best combination of value and cost as determined through the evaluation process specified in this section. The process includes reviews of the Draft Proposals, with confidential feedback to each Bidder, followed by a detailed evaluation of Final Proposals. The point structure for evaluation of the final score is not more than 60% for the proposed solution and not less than 40% for cost, with a maximum score of 587 points, as described below.

IX.2 Receipt of Proposals

Complete proposals must be delivered by the dates specified in Section I.5, Key Action Dates. Each proposal will be date and time marked as it is received and verified that all responses are submitted under an appropriate cover, sealed, and properly identified. Proposals must meet all requirements specified in Section VIII, Proposal Format, and, if not, may be rejected and deemed non-responsive.

IX.3 State Evaluation Team

The State will establish a State Evaluation Team, comprised of individuals selected from State management and staff that will be responsible for the review and evaluation of Bidder proposals. A representative from the Department of General Services (DGS) will provide guidance and oversight for the evaluation process. The State may engage additional qualified individuals, termed "Subject Matter Experts" (SMEs), during the evaluation process to assist the State Evaluation Team in gaining a better understanding of technical, financial, legal, contractual, project, or program issues. The SMEs will not have voting privileges or responsibility for the evaluation process. The State Evaluation Team will use consensus to determine pass/fail and to arrive at evaluation scores for each proposal.

IX.4 Review of Draft Proposals

Bidder Draft Proposals will be reviewed by the State Evaluation Team to identify and document areas in which a proposal appears to be non-responsive or defective, requires additional clarification, demonstrates lack of responsibility, or introduces potential risk. The review will address each Bidder's response to the following:

- Section V, Administrative Requirements
- Section VI, Functional and Technical Requirements
- Section VIII, Proposal Format

The State Evaluation Team, or member designates from within the team, may meet with each Bidder to discuss the Bidder's Draft Proposal. These confidential discussions will allow the Bidder to request clarification or ask questions specific to its proposed solution without having to

share those questions with the other participating Bidders, thus protecting the confidential nature of each unique solution.

Prior to each confidential discussion, the State Evaluation Team (or member designate(s)) and the Bidder will jointly contribute to the development of a discussion agenda. The State Evaluation Team will provide the Bidder with tentative agenda of items to be discussed and ask that the Bidder identify additional questions or discussion items to be added to the agenda. The Bidder should bring to the confidential discussion persons who can answer questions, provide clarification, and address reservations the State may have.

The State Evaluation Team will not request changes or make counter proposals during discussion of Draft Proposals. It will only identify its concerns, ask the Bidder for clarification, express reservations if a requirement of the RFP is not, in the opinion of the State Evaluation Team, appropriately satisfied, and answer questions. The State admonishes Bidders that its review of Draft Proposals shall in no way imply a warranty that all potential defects in the Draft Proposals have been detected. Notification that the State did not detect any defects does not preclude rejection of the Final Proposal if defects are later found.

Oral communications are not binding on either party and only written communications are considered to be official. The State Evaluation Team may identify issues/concerns in regards to the Draft Proposal. The Bidder will be informed of the State Evaluation Team's concerns and any non-responsive proposal items during the confidential discussions. Refer to Section II.1, Identification and Classification of RFP Requirements for a description of responsiveness.

The State reserves the right to make a final determination with respect to the Bidder's resolution of such defects.

IX.5 Evaluation of Final Proposals

The evaluation of Final Proposals consist of the following steps:

IX.5.1 Proposal Submission Requirements Review (pass/fail)

The Bidder will be given a 'pass' if the required information is included in the proposal and a 'fail' if the required information is incomplete or missing. If a proposal fails to meet any of the submission requirements in Section VIII.2.2, Final Proposal Format and Content, the State Evaluation Team will determine if the deviation is material. If the deviation is determined to be material, the proposal will be considered non-responsive and excluded from further consideration.

IX.5.2 Administrative Requirements Review (pass/fail)

The Bidder will be given a 'pass' if the required information is included in the proposal and a 'fail' if the required information is incomplete or missing. If a proposal fails to meet any of the Administrative Requirements in Section V, Administrative Requirements, the State Evaluation Team will determine if the deviation is material. If the deviation is determined to be material, the proposal will be considered non-responsive and excluded from further consideration.

IX.5.2.1 Financial Responsibility Review

Financial responsibility will be determined in part by using the required financial information provided by the Bidder and the Altman Z Score Insolvency Prediction Calculator to determine the Bidder's Z Score. This score uses statistical techniques to predict a company's probability of failure using the following 8 variables from a company's financial statements:

1. Earnings Before Interest & Taxes: EBIT
2. Total Assets
3. Net Sales
4. Market Value of Equity
5. Total Liabilities
6. Current Assets
7. Current Liabilities
8. Retained Earnings

Any Z Scores that indicate the company is financially unhealthy will be considered a material deviation.

IX.5.3 Functional and Technical Requirements Response Review (pass/fail)

Response to all Functional and Technical Requirements in Section VI is mandatory. A Pass/Fail evaluation will be used for written proposal responses to substantiate that the Functional and Technical Requirement Responses validate responsiveness (refer to Section II.1, Identification and Classification of RFP Requirements, for a description of responsiveness). If the Bidder does not agree to provide every mandatory requirement, the proposal will be given a 'fail' and considered non-responsive. No further evaluation will be performed. If the Bidder's proposed solution for a mandatory requirement is included but fails to adequately meet the requirement, the State Evaluation Team will determine if it is a material deviation. If the deviation is determined to be material, the proposal will be considered non-responsive and excluded from further consideration.

IX.5.4 Evaluation Factors Assessment Scoring

Proposals that comply with the mandatory "pass/fail" evaluation elements discussed above will then move on to the factor assessment portion of the evaluation and be given an overall score. The maximum score possible for a single proposal is 587 points (352 points maximum for the Requirements Assessment and 235 points for the Cost Assessment), which will be awarded based on a consensus of the State Evaluation Team. The scoring model to assess Bidders' proposals was developed in adherence to the business objectives and the overall goals of the project.

IX.5.4.1 Requirements Assessment

The State Evaluation Team will award to each Bidder up to the maximum number of points for each evaluation factor based on the Team's assessment. Each Bidder's individual evaluation factor points will be combined to obtain their total Requirements Assessment score. Written proposal responses will be evaluated to determine the level of responsiveness to the business solution requirements enumerated in Section VI, Functional and Technical Requirements.

Proposals that fail to earn 50% or more of the maximum points to be awarded for any segment of the Requirements Assessment, excluding the Desirable Requirements, will be considered non-responsive and excluded from further consideration.

Example - Requirements Assessment Score (w/ detail) with 3 Bidders

Bidder	Requirements Assessment Segment	Maximum Points Possible	Total Evaluation Factor Assessment Score	Points Awarded
A	Corporate Experience System	64 points	60 points	0* Preliminary Implementation Plan Score is sub-50% threshold
	Reporting Capabilities	32 points	25 points	
	Preliminary Implementation Plan	80 points	30 points	
	Preliminary Maintenance and Administration Plan	48 points	40 points	
	Preliminary Training Plan	32 points	28 points	
	Preliminary Security Plan	32 points	32 points	
	Desirable Requirements	64 points	56 points	
B	Corporate Experience System	64 points	55 points	245
	Reporting Capabilities	32 points	20 points	
	Preliminary Implementation Plan	80 points	50 points	
	Preliminary Maintenance and Administration Plan	48 points	38 points	
	Preliminary Training Plan	32 points	32 points	
	Preliminary Security Plan	32 points	20 points	
	Desirable Requirements	64 points	30 points	

Bidder	Requirements Assessment Segment	Maximum Points Possible	Total Evaluation Factor Assessment Score	Points Awarded
C	Corporate Experience System	64 points	45 points	234
	Reporting Capabilities	32 points	32 points	
	Preliminary Implementation Plan	80 points	45 points	
	Preliminary Maintenance and Administration Plan	48 points	48 points	
	Preliminary Training Plan	32 points	32 points	
	Preliminary Security Plan	32 points	32 points	
	Desirable Requirements	64 points	0 points	

* This proposal will be excluded from further consideration because the score for one segment does not reach the 50% threshold.

The evaluation factors that will be considered are listed on the following pages. The maximum score that is allowed for each factor is shown in parenthesis. The Bidder should ensure that the proposed approach to each component identified in Section VI, Functional and Technical Requirements, meets the RFP requirements.

Corporate Experience (Maximum Score = 64 Points)

Scoring of Corporate Experience includes an assessment of the length, depth and breadth of experience the Bidder has in successfully delivering similar Systems. The Corporate Experience references will be assessed and scored based on the Bidder's 1) similarity of the reference to the proposed solution; 2) ability to timely deliver the referenced project; and 3) client satisfaction with the Bidder's performance. If a proposal merits less than 32 points in this segment, it will be considered non-responsive.

System Reporting Capabilities (Maximum Score = 32 Points)

Scoring of the System Reporting Capabilities includes an assessment of the proposed algorithms and grouping methodology to meet requirements designated as "mandatory" in Section VI, Functional and Technical Requirements, Report and Query (RQ) requirements. The System Reporting Capabilities will be assessed and scored based on the Bidder's 1) completeness of the description of the methodology proposed; 2) ability of the methodology to meet reporting requirements; and 3) description of any System limitations. If a proposal merits less than 16 points in this segment, it will be considered non-responsive.

Preliminary Implementation Plan (Maximum Score = 80 Points)

Scoring of the Preliminary Implementation Plan includes an assessment of how the proposed solution and the methodology that the Bidder will use to manage the MIS/DSS

project. The Preliminary Implementation Plan will be assessed and scored based on an assessment of the Bidder's Preliminary Implementation Plan against the mandatory requirement CD-2 in Section VI, Functional and Technical Requirements. The Preliminary Implementation Plan will be assessed and scored based on the Bidder's 1) completeness of the description of the functionality proposed; 2) description of the "off the shelf" functionality and the functionality customizations needed to meet DHS's requirements; 4) data conversion approach and methodology; 4) development methodology and timelines; and 5) customization flexibility of the solution. If a proposal merits less than 40 points in this segment, it will be considered non-responsive.

Preliminary Maintenance and Administration Plan (Maximum Score = 48 Points)

Scoring of the Preliminary Maintenance and Administration Plan includes an assessment of the methodology and approach the Bidder will use to maintenance and operate the MIS/DSS. The Preliminary Maintenance and Administration Plan will be assessed and scored based on an assessment of the Bidder's Preliminary Maintenance and Administration Plan against the mandatory requirement CD-9 in Section VI, Functional and Technical Requirements. The Preliminary Maintenance and Administration Plan will be assessed and scored based on the Bidder's 1) thoroughness in including all maintenance and operation activities needed to meet the requirements of the RFP; and 2) proposed methodology for ensuring System performance and user satisfaction throughout the contract term. If a proposal merits less than 24 points in this segment, it will be considered non-responsive.

Preliminary Training Plan (Maximum Score = 32 Points)

Scoring of the Preliminary Training Plan includes an assessment of the methodology and approach the Bidder will use to train various DHS staff on the MIS/DSS. The Preliminary Training Plan will be assessed and scored based on an assessment of the Bidder's Preliminary Training Plan against the mandatory requirement CD-16 in Section VI, Functional and Technical Requirements. The Preliminary Training Plan will be assessed and scored based on the Bidder's 1) proposed training approach and schedule; and 2) proposed approach for meeting on-going training needs throughout the contract term. If a proposal merits less than 16 points in this segment, it will be considered non-responsive.

Preliminary Security Plan (Maximum Score = 32 Points)

Scoring of the Preliminary Security Plan includes an assessment of techniques and safeguards the Bidder will employ to protect the MIS/DSS. The Preliminary Security Plan will be assessed and scored based on an assessment of the Bidder's Preliminary Security Plan against the mandatory requirement CD-18 in Section VI, Functional and Technical Requirements. The Preliminary Security Plan will be assessed and scored based on the Bidder's 1) proposed techniques and safeguards needed to meet the requirements of this RFP; and 2) proposed methodology for meeting on-going security needs throughout the contract term. If a proposal merits less than 16 points in this segment, it will be considered non-responsive.

Desirable Requirements (Maximum Score = 64 Points)

The Desirable Requirements will be assessed and scored based on the Bidder's ability to meet requirements designated as "desirable" in Section VI, Functional and Technical Requirements. The points available for each "desirable" requirement are provided in Section VI.2, Desirable Requirements.

Demonstration (Pass/Fail)

The demonstration is intended to provide the State the ability to verify the claims made by the Bidder in response to the requirements specified in Section VI, Functional and Technical Requirements. The Bidder will be given a 'pass' if the Bidder successfully demonstrates each requirement. If the demonstration fails to meet any of the requirements in Section X.5, Demonstration Content, the State Evaluation Team will determine if the deviation is material. If the deviation is determined to be material, the demonstration will be 'failed' and the proposal will be considered non-responsive and excluded from further consideration.

IX.5.4.2 Cost Assessment

Sealed Cost information will not be opened until the Evaluation Team has completed the previous steps in the evaluation process. If a Bidder's proposal has been determined to be non-responsive during any of the earlier steps, its cost information will remain unopened.

The Cost Assessment consists of a computation of the **Total Solution.** The Cost Assessment will incorporate costs defined in Section VII, Cost, and provided by the Bidder in Appendix B, Cost Workbook. Determination of the cost of each Bidder's proposal will be based on an assessment of the total cost of the proposed solution, including the sum of software and hardware costs, implementation costs, and estimated labor costs for the contract. The maximum Cost Assessment score is 232.

The Cost score of each Bidder's Final Proposal will be determined after any adjustments have been made, any errors corrected, and consideration of the TACPA, LAMBRA and EEIA Bidding Preferences, if applicable. Preferences for TACPA, EEIA, and LAMBRA, shall not exceed $100,000.

Total Solution Cost (Maximum Score = 235 Points)

The maximum number of points that can be awarded for the Total Solution Cost assessment is 235. Each Bidder's cost score will be based on the ratio of its total cost to the total cost associated with the lowest responsive proposal multiplied by the maximum number of cost points (235), as shown below.

$$\frac{\text{Lowest Cost Assessment} \times 235}{\text{Bidder Cost Assessment}} = \text{Bidder Cost Score}$$

Total Solution Cost Evaluation and Scoring Methodology Example[1]

Bidder	Total Cost	Calculation	Cost Points Awarded
A	**Cost not opened as Requirements Assessment was not passed**		
B	**$10,000,000**	$\frac{\$10,000,000 \times 235}{\$10,000,000}$	**235**
C	**$15,000,000**	$\frac{\$10,000,000 \times 235}{\$15,000,000}$	**156.67**

[1] The Bidder costs presented here are not meant to be suggestive or prescriptive in regard to the bids for this project; they serve only to demonstrate how the calculations will be performed.

IX.5.5 Summary of Overall Evaluation Scoring Process

The following table provides a snapshot of the evaluation process and demonstrates how the State Evaluation Team will score each Bidder's proposal.

EVALUATION COMPONENTS	MAXIMUM SCORE	BIDDER'S SCORE
SUBMISSION REQUIREMENTS REVIEW **Section VII – Proposal Format**		
- All Submission Requirements met?	N/A	Pass/Fail
If Yes, continue, otherwise stop at this point.		
ADMINISTRATIVE REQUIREMENTS REVIEW **Section V – Administrative requirements**		
- All Administrative Requirements met?	N/A	Pass/Fail
If Pass, continue, otherwise stop at this point.		
FUNCTIONAL AND TECHNICAL REQUIREMENTS RESPONSE REVIEW **Section VI – Functional and Technical Requirements**		
- Bidder agrees to provide each mandatory requirement?	N/A	Pass/Fail
If Pass, continue, otherwise stop at this point.		
REQUIREMENTS ASSESSMENT Total Points Available = 352		
Corporate Experience	64	
System Reporting Capabilities	32	
Preliminary Implementation Plan	80	
Preliminary Maintenance and Administration Plan	48	
Preliminary Training Plan	32	

EVALUATION COMPONENTS	MAXIMUM SCORE	BIDDER'S SCORE
Preliminary Security Plan	32	
Desirable Requirements	64	
Demonstration	N/A	Pass/Fail
COST Total Points Available = 235		
Total Solution Cost Appendix B	235	
TOTAL POINTS AVAILABLE	587*	

***Note:** All pertinent preferences will be applied to the applicable evaluation criteria before selection is announced. Small Business Preference will be applied as required by law.

IX.6 Selection of Contractor

The State Evaluation Team will determine which Bidder proposal is the most responsible, responsive proposal and has the highest combined score for cost and evaluation factors, up to a maximum of 587 points.

The table below provides an example of how the final total score is determined. Bidder C is a certified California Small Business and Bidder B is a large business.

Bidder	Requirements Assessment Points (x)	Cost Points (y)	Total Points (x+y)	Small Business Preference (b * .05)	Total Score
A	0	0	0	0	0
B	245	235	480	0	480
C	234	156.67	390.67	24	414.67

In this example, Bidder B has the highest Total Score and would be selected for contract award.

X DEMONSTRATION

X.1 Demonstration Overview

The demonstration is intended to provide the State the ability to verify the claims made by the Bidder in response to the requirements specified in Section VI, Functional and Technical Requirements. During the demonstration, the Bidder must demonstrate that a State-selected sample of mandatory requirements can be satisfied by the Bidder's proposed MIS/DSS solution. The State-selected requirements are specified in Section X.5, Demonstration Content. If the State requires the Bidder to clarify any additional items through the Demonstration, the State will notify the Bidder of the additional demonstration items at least five (5) State business days in advance of the scheduled demonstration. Demonstrations will be performed as part of the State's evaluation of the Bidder's Final Proposal, and, as such, the technical score may be adjusted based on the results of the demonstration.

X.2 Bidder's Criteria

All Bidders who do not have material deviations from the requirements of this RFP in the Submission Requirements Review, Administrative Requirements Review, and the Functional and Technical Requirements Response Review will be required to conduct a demonstration for the State Evaluation Team.

X.3 Demonstration Scoring

The demonstration will be evaluated as described in Section IX.5.4, Evaluation Factors Assessment Scoring. The demonstration is pass/fail.

X.4 Demonstration Location

The State's preference is that the Bidder conducts all demonstrations at the California Department of Health Services (DHS) headquarters in Sacramento, California. However, if the Bidder believes that a more valid demonstration can be given at another location, the Bidder may request this and provide documentation as to the benefits in doing so. All proposed alternative locations must be within 25 miles of Sacramento, California. Regardless of the physical location of the demonstration, the Bidder must make all arrangements for the demonstration site preparation at no cost to the State.

X.5 Demonstration Content

The Demonstration is limited to a maximum of three (3) hours. The Bidder will have an additional hour to set-up for the demonstration and 30 minutes to remove equipment from the demonstration if held at DHS. In the course of the demonstration, the Bidder must demonstrate that the proposed MIS/DSS solution presented in the Final Proposal satisfies the following requirements selected from Section VI, Functional and Technical Requirements.

Table 5. Demonstration Content

ID Number	Demonstration Requirement	Base Requirement ID Number(s)
1	Overview of system and navigation	
2	Demonstrate user input selection criteria while producing a standard report	RQ-35
3	Drill down from Standard Report to access data at a more detailed level	RQ-2
4	Retrieve sets of records based on a custom query	RQ-5
5	Demonstrate graphical user interface for custom query generation.	RQ-38
6	Save query structure, selection criteria and report formatting for a custom report	RQ-12
7	Query across multiple (a minimum of two) dimensions and display varying levels of details	RQ –1
8	Display results of a query in tabular, graph and report format	RQ-70
9	Display data in multi-color graphical format	RQ-59
10	Join multiple tables in an ad-hoc query	GF-18
11	Demonstrate the ability to drill down to the individual record level detail	RQ-3
12	Demonstrate summary level reporting system~~.~~	GF-2/GF-3
13	Demonstrate a trend analysis where results are presented in both graphical and text format	MA-5
14	Display multiple sets of data geographically, e.g. by county, zip code, etc.	RQ-62
15	Demonstrate the ability to specify statistical counting methods, including but not limited to unique counts for multiple fields~~ability to specify statistical counting methods, including but not limited to unique (unduplicated) counts by column, cell or total~~	MA-9
16	Demonstrate the full range of standard descriptive and inferential statistical functions and measures available in the application	MA-4
17	Demonstrate a Windows Help Engine, or other industry-standard help engine of equal or greater functionality	GF-30
18	Demonstrate indexed random sampling of data	RQ-52
19	Demonstrate that all displays, screens, and print output are WYSIWYG (what you see is what you get).	GF-12
20	Demonstrate the ability to export data sets/reports returned from queries, in industry-standard file formats, such as *rtf, *txt, *csv, *gif, *jpg, html. ASCII, etc.	GF-20

APPENDICES

APPENDIX A - CONTRACT TERMS AND CONDITIONS

STATE OF CALIFORNIA
STANDARD AGREEMENT
STD. 213 (NEW 06/03)

STANDARD AGREEMENT

FOR I.T. GOODS/SERVICES ONLY

	REGISTRATION NUMBER
PURCHASING AUTHORITY NUMBER	AGREEMENT NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below
   STATE AGENCY'S NAME
   Department of Health Services (hereafter called State)
   CONTRACTOR'S NAME
   (hereafter called Contractor)
2. The term of this Agreement is: through
3. The maximum amount of this Agreement is: **$**
4. The parties agree to comply with the terms and conditions of the following attachments which are by this reference made a part of the Agreement:

   Attachment A – Statement of Work Pages
   Attachment B – Response to RFP DHS 4260-186 (Volumes I and II) Pages
   Attachment C* - IT General Provisions (Revised and Effective 08/16/2004)
   Attachment D* - IT Purchase Special Provisions (dated 01/21/03)
   Attachment E* - IT Maintenance Special Provisions (dated 01/21/03)
   Attachment F* - IT Software License Special Provisions (dated 01/21/03)
   Attachment G* - IT Personal Special Provisions (dated 01/21/03)

   Items shown with the Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at http://www.pd.dgs.ca.gov/modellang/ModelContracts.htm and http://www.pd.dgs.ca.gov/modellang/ITModules.htm

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

CONTRACTOR		CALIFORNIA **Department of General Services** Use Only
CONTRACTOR'S NAME *(If other than an individual, state whether a corporation, partnership, etc.)*		
BY *(Authorized Signature)*	DATE SIGNED	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
STATE OF CALIFORNIA		
AGENCY NAME Department of Health Services		
BY (Authorized Signature)	DATE SIGNED	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		☐ Exempt per

APPENDIX B - COST WORKBOOK

Form VII-1 - Total Cost Summary Worksheet

Cost Category	Summary Cost
*ONE-TIME COSTS**	
VII-2 COTS Software Cost	$ -
VII-3 Hardware Cost	$ -
VII-4 Initial Training Cost	$ -
VII-5 Phase 1 System Integrator Design and Implementation and Other One-Time Costs	$ -
VII-6 Phases 2 & 3 System Integrator Design and Implementation and Other One-Time Costs	$ -
TOTAL ONE-TIME COSTS	*$ -*
ON-GOING COSTS	
VII-7 On-going Training Costs	$ -
VII-8 Help Desk Costs	$ -
VII-9 Maintenance Requests	$ -
VII-10 Analytical Requests	$ -
VII-11 On-gong Maintenance, Operations and Administration Costs	$ -
VII-12 On-going COTS Software Maintenance Costs	$ -
VII-13 On-going Hardware Maintenance Costs	$ -
TOTAL ON-GOING COSTS	*$ -*
OTHER COSTS	
VII-14 Labor Rates	$ -
VII-15 COTS Additional User Licensing Costs	$ -
Total	*$ -*

***NOTES:**
The sum of VII-2 and VII-3 cannot exceed 25% of the Total One-Time Costs.
The sum of VII-4 and VII-5 cannot exceed 35% of the Total One-Time Costs.
The total of VII-6 cannot exceed ~~30~~40% of the Total One-Time Costs.

Form VII-2 – Detailed COTS Software Costs

Item Description	Version/ # of Licenses/ Specifications	Purchase Price	Tax	Delivery	Installation Charge	Total Unit Cost	Quantity Needed	Total Item Cost (Unit Cost*Quantity)
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
							Total	*$ -*

Form VII-3 – Detailed Hardware Costs

Item Description	Make/Model/ Specifications	Purchase Price	Tax	Delivery	Installation Charge	Total Unit Cost	Quantity Needed	Total Item Cost (Unit Cost*Quantity)
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
							Total	*$ -*

Form VII-4 – Initial Training Costs

Item Description	Estimated Staff Hours	Total Item Cost
Total	*0*	*$ -*

Form VII-5 - Phase 1 System Integrator Design and Implementation and Other One-Time Costs

Item Description	Estimated Staff Hours	Total Item Cost
Total	*0*	*$ -*

Form VII-6 - Phases 2 & 3 System Integrator Design and Implementation and Other One-Time Costs

Item Description	Estimated Staff Hours	Total Item Cost
Total	*0*	*$ -*

Form VII-7 - On-Going Training Costs

Item Description	Rate Per Quarter*	# of Quarters	Total Cost Per Year
Year 1 Training Costs		2	$ -
Year 2 Training Costs		4	$ -
Year 3 Training Costs		4	$ -
Year 4 Training Costs		4	$ -
Year 5 Training Costs (Optional)		4	$ -
Year 6 Training Costs (Optional)		4	$ -
Year 7 Training Costs (Optional)		4	$ -
Total			*$ -*

*The Bidder may include up to a 3% escalation per year.

Form VII-8 - Help Desk Costs

Item Description	Rate Per Month*	# of Months	Total Cost Per Year
Year 1 Help Desk Costs		6	$ -
Year 2 Help Desk Costs		12	$ -
Year 3 Help Desk Costs		12	$ -
Year 4 Help Desk Costs		12	$ -
Year 5 Help Desk Costs (Optional)		12	$ -
Year 6 Help Desk Costs (Optional)		12	$ -
Year 7 Help Desk Costs (Optional)		12	$ -
Total			*$ -*

*The Bidder may include up to a 3% escalation per year.

Form VII-9 - Maintenance Request Costs

Item Description	Rate Per Hour*	# of Hours	Total Cost Per Year
Year 1 Maintenance Request Costs		2000	$ -
Year 2 Maintenance Request Costs		2000	$ -
Year 3 Maintenance Request Costs		2000	$ -
Year 4 Maintenance Request Costs		2000	$ -
Year 5 Maintenance Request Costs (Optional)		2000	$ -
Year 6 Maintenance Request Costs (Optional)		2000	$ -
Year 7 Maintenance Request Costs (Optional)		2000	$ -
Total			*$ -*

*The Bidder may include up to a 3% escalation per year.

Form VII-10 - Analytical Request Costs

Item Description	Rate Per Hour*	# of Hours	Total Cost Per Year
Year 1 Analytical Request Costs		5000	$ -
Year 2 Analytical Request Costs		5000	$ -
Year 3 Analytical Request Costs		5000	$ -
Year 4 Analytical Request Costs		5000	$ -
Year 5 Analytical Request Costs (Optional)		5000	$ -
Year 6 Analytical Request Costs (Optional)		5000	$ -
Year 7 Analytical Request Costs (Optional)		5000	$ -
Total			*$ -*

*The Bidder may include up to a 3% escalation per year.

Form VII-11 - Maintenance, Operations and Administration Costs

Item Description	Rate Per Month*	# of Months	Total Cost Per Year
Year 1 Maint, Ops, and Admin Costs		6	$ -
Year 2 Maint, Ops, and Admin Costs		12	$ -
Year 3 Maint, Ops, and Admin Costs		12	$ -
Year 4 Maint, Ops, and Admin Costs		12	$ -
Year 5 Maint, Ops, and Admin Costs (Optional)		12	$ -
Year 6 Maint, Ops, and Admin Costs (Optional)		12	$ -
Year 7 Maint, Ops, and Admin Costs (Optional)		12	$ -
Total			*$ -*

*The Bidder may include up to a 3% escalation per year.

Form VII-12 - On-Going COTS Software Maintenance Costs

Item Description	Version/ # of Licenses/ Specifications	Year 1 Maintenance Cost	Year 2 Maintenance Cost	Year 3 Maintenance Cost	Year 4 Maintenance Cost	Year 5 Maintenance Cost (Optional)	Year 6 Maintenance Cost (Optional)	Year 7 Maintenance Cost (Optional)	Total Item Cost (Unit Cost*Quantity)
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
							Total		*$ -*

Form VII-13 - On-Going Hardware Maintenance Costs

Item Description	Make/Model/ Specifications	Year 1 Maintenance Cost	Year 2 Maintenance Cost	Year 3 Maintenance Cost	Year 4 Maintenance Cost	Year 5 Maintenance Cost (Optional)	Year 6 Maintenance Cost (Optional)	Year 7 Maintenance Cost (Optional)	Total Item Cost (Unit Cost*Quantity)
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
									$ -
							Total		*$ -*

Form VII-14 - Labor Costs

Bidder Classification	Year 1			Year 2			Year 3			Year 4		
	Hourly Rate*	Est. Hours**	Cost	Hourly Rate*	Est. Hours**	Cost	Hourly Rate*	Est. Hours**	Cost	Hourly Rate*	Est. Hours**	Cost
Manager		2064	$ -		2064	$ -		2064	$ -		2064	$ -
Asst. Manager		2064	$ -		2064	$ -		2064	$ -		2064	$ -
Health Care Specialist		2064	$ -		2064	$ -		2064	$ -		2064	$ -
Training Analyst		1032	$ -		1032	$ -		1032	$ -		1032	$ -
Business Analyst		2064	$ -		2064	$ -		2064	$ -		2064	$ -
Documentation Specialist		2064	$ -		1032	$ -		1032	$ -		1032	$ -
Librarian		516	$ -		516	$ -		516	$ -		516	$ -
Lead Developer		2064	$ -		1032	$ -		1032	$ -		1032	$ -
Developer		2064	$ -		1032	$ -		1032	$ -		1032	$ -
Database Administrator		2064	$ -		2064	$ -		2064	$ -		2064	$ -
Infrastructure Specialist		2064	$ -		2064	$ -		2064	$ -		2064	$ -
Administrative Support		2064	$ -		2064	$ -		2064	$ -		2064	$ -
			$ -			$ -			$ -			$ -

*The Bidder may include up to a 3% escalation per year.

**For Evaluation Purposes Only. This is not a commitment from the State to utilize any of these hours. The State may, at its discretion, utilize more than these number of hours.

Form VII-14 - Labor Costs

Bidder Classification	Year 5 (Optional)			Year 6 (Optional)			Year 7 (Optional)			Total Evaluation Cost
	Hourly Rate*	Est. Hours**	Cost	Hourly Rate*	Est. Hours**	Cost	Hourly Rate*	Est. Hours**	Cost	
Manager		2064	$ -		2064	$ -		2064	$ -	$ -
Asst. Manager		2064	$ -		2064	$ -		2064	$ -	$ -
Health Care Specialist		2064	$ -		2064	$ -		2064	$ -	$ -
Training Analyst		1032	$ -		1032	$ -		1032	$ -	$ -
Business Analyst		2064	$ -		2064	$ -		2064	$ -	$ -
Documentation Specialist		1032	$ -		1032	$ -		1032	$ -	$ -
Librarian		516	$ -		516	$ -		516	$ -	$ -
Lead Developer		1032	$ -		1032	$ -		1032	$ -	$ -
Developer		1032	$ -		1032	$ -		1032	$ -	$ -
Database Administrator		2064	$ -		2064	$ -		2064	$ -	$ -
Infrastructure Specialist		2064	$ -		2064	$ -		2064	$ -	$ -
Administrative Support		2064	$ -		2064	$ -		2064	$ -	$ -
			$ -			$ -			$ -	$ -

*The Bidder may include up to a 3% escalation per year.

**For Evaluation Purposes Only. This is not a commitment from the State to utilize any of these hours. The State may, at its discretion, utilize more than these number of hours.

Form VII-15 - COTS Additional User Licensing Costs

Item Description	Additional Authorized Users*	Version/ # of Licenses/ Specifications	Purchase Price	Tax	Delivery	Installation Charge	Total Unit Cost	Quantity Needed	Total Item Cost (Unit Cost*Quantity)
	50						$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
								Total	$ -

*For Evaluation Purposed Only. This is not a commitment from the State to procure any additional licenses. The State may, at its discretion, procure up to 200 additional user licenses in groups of 50 during the term of the contract at the rates specified.

APPENDIX C - PROPOSAL RESPONSE FORMS

FORM C1: ADMINISTRATIVE REQUIREMENTS RESPONSE MATRIX

FORM C2: STATEMENT OF FINANCIAL CONDITION

FORM C3: FINANCIAL INFORMATION REQUIREMENTS

FORM C4: SUBCONTRACTOR LIST

FORM C5: CONTRACTOR INFORMATION

FORM C6: PAYEE DATA RECORD – FORM STD. 204

FORM C7: CORPORATE EXPERIENCE REFERENCES

FORM C8: NON DISCRIMINATION COMPLIANCE STATEMENT – FORM STD. 019

FORM C9: CERTIFICATION OF COMPLIANCE WITH THE AMERICAN DISABILITIES ACT (ADA) OF 1990

FORM C10: HARDWARE AND SOFTWARE PROPOSED

FORM C11: BID CERTIFICATION

FORM C12: LETTER OF INTENT TO BID

FORM C13: PRODUCTIVE USE CUSTOMER REFERENCE

FORM C14: COMMERCIALLY USEFUL FUNCTION STATEMENT

FORM C1: ADMINISTRATIVE REQUIREMENTS RESPONSE MATRIX

For each Proposal Item listed in Form C1, Administrative Requirements Response Matrix, the Bidder must check "Yes" on the matrix, indicating compliance, or "No" on the matrix indicating non-compliance.

Proposal Item	Contractor Agrees to Meet?		Reference to Proposal Section
#1: The Bidder must provide the State with sufficient information to allow the State to confirm the Bidder's ability to perform successfully under the contract.	**YES** ___	**NO** ___	**V.6.1**
#2: The State requires a performance bond for this project if the Contractor will receive progress payments. Therefore, the Bidder must select which option it chooses for this Contract. ***V.6.2.1 OPTION 1: PERFORMANCE BOND AND PROGRESS PAYMENTS*** **Performance Bond** The Bidder shall provide, as part of its Draft and Final Proposal, proof of bondability and the terms and conditions of the performance bond. The proof of bondability must state that the bonding company will bond the Bidder for 50% of the value of the total contract, for the first year of the Contract. The bonding company must be a surety, licensed to do business in the state of California, with a rating of no less than A- (A minus). The awarded Contractor shall supply a performance bond in the amount of fifty percent (50%) of the contract award for the life of this Contract to ensure contract performance and guarantee deliverables by deadlines. For example, a bond amount of US $1 million shall be procured for a contract valued at US $2 million. This bond shall be delivered to the State within 21 calendar days of Contract Award and will be returned to the Contractor upon successful completion of the first year of the contract. The bond will not be returned upon contract cancellation due to non-performance. **(Attach the proof of bondability letter, sealed in the Cost Proposal.)** **Note: Within 21 calendar days after notification of Contract Award (unless submitted with the proposal), the successful Bidder MUST submit the instrument satisfying the Performance Bond Requirement. Failure to submit the required document within 21 calendar days may be cause for termination of the contract.** **Payment Milestones** The MIS/DSS shall be customized, tested and implemented using a project-phased approach with payments structured as follows: 1. Payment #1 Milestone, COTS Software Installation and Verification and Hardware Installation and Verification: The Contractor may invoice for Payment #1 (the sum of Form VII-2 COTS Software Cost and Form VII-3 Hardware Cost) after all proposed COTS software and hardware is installed on the applicable State platform	**OPTION 1:** **YES** _____ **OPTION 2:** **YES** _____ ~~**YES**~~ ~~___~~ ~~**YES**~~ ~~___~~ **NO** ___		**V.6.2**

Proposal Item	Contractor Agrees to Meet?	Reference to Proposal Section
software and hardware is installed on the applicable State platform and the State has verified the successful installation. In addition, all documentation (including licensing) shall be delivered to the State. **The Payment #1 Milestone must not exceed 25% of the total One-Time Costs.** The State will withhold 10% of the invoice amount until the completion of the MIS/DSS Production Acceptance Period. 2. Payment #2 Milestone, Initial Training, Design and Implementation of Phase 1: The Contractor may invoice for Payment # 2 (the sum of Form VII-4 Initial Training Cost and Form VII-5 Phase 1 System Integrator Design and Implementation and Other One-Time Costs) after successful completion of all initial training, design and implementation activities for Phase 1, including State User Acceptance Testing and production implementation of Phase 1. **The Payment #2 Milestone must not exceed 35% of the total One-Time Costs.** The State will withhold 10% of the invoice amount until the successful completion of the MIS/DSS Production Acceptance Period. 3. Payment #3 Milestone, Design and Implementation of Phases 2 and 3: The Contractor may invoice for Payment # 3 (the total of Form VII-6 Phases 2 & 3 System Integrator Design and Implementation and Other One-Time Costs) after successful completion of all design and implementation activities for Phases 2 and 3, including State User Acceptance Testing and production implementation of Phases 2 and 3. **The Payment #3 Milestone must not exceed 40% of the total One-Time Costs.** The State will withhold 10% of the invoice amount until the successful completion of the MIS/DSS Production Acceptance Period. 4. Payment #4 Milestone, successful Completion of MIS/DSS Production Acceptance Period: The Contractor may invoice for Payment # 4 after successful completion of a 90 calendar day MIS/DSS Production Acceptance Period. The Payment #4 Milestone must be the remainder total One-Time Costs (i.e., total One-Time Cost minus Payment #1 Milestone, Payment #2 Milestone, and Payment #3 Milestone which includes the withhold amounts). 5. On-Going Support Payment Milestones: o **Training**. The Contractor may invoice for On-Going Training on a quarterly basis, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be two (2) quarterly training sessions. Years 2 – 7 would include four (4) training sessions per year. o **Help Desk.** The Contractor may invoice for Help Desk support on a monthly basis following production implementation, in	~~NO~~	

Proposal Item	Contractor Agrees to Meet?	Reference to Proposal Section
arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Help Desk support. Years 2 – 7 would include twelve (12) months of Help Desk support per year. o **Maintenance Requests.** The Contractor may invoice for Maintenance Request support following completion and acceptance of each Maintenance Request by the DHS. o **Analytical Requests**. The Contractor may invoice for Analytical Request support following completion and acceptance of each Analytical Request by the DHS. o **Maintenance, Operations, and Administration.** The Contractor may invoice for Maintenance, Operations and Administration support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Maintenance, Operations and Administration support. Years 2 – 7 would include twelve (12) months of Maintenance, Operations and Administration support per year. o **Labor Rates (for Unanticipated Tasks).** The Contractor may invoice for Work Authorizations following completion and acceptance of each Work Authorization by the DHS. o **COTS Additional User Licensing.** The Contractor may invoice for COTS Additional User Licenses after delivery of the licensing to DHS and acceptance by DHS. ***V.6.2.2 OPTION 2: PAYMENT UPON COMPLETION OF PRODUCTION ACCEPTANCE PERIOD*** **Performance Bond** No performance bond is required under Option 2. **Payment Milestones** The MIS/DSS shall be customized, tested and implemented using a project-phased approach with payments structured as follows: 1. Payment #1 Milestone, successful Completion of MIS/DSS Production Acceptance Period: The Contractor may invoice for Payment # 1 after successful completion of a 90 calendar day MIS/DSS Production Acceptance Period. The Payment #1 Milestone it the total One-Time Costs.		

Proposal Item	Contractor Agrees to Meet?	Reference to Proposal Section
2. On-Going Support Payment Milestones: o **Training**. The Contractor may invoice for On-Going Training on a quarterly basis, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be two (2) quarterly training sessions. Years 2 – 7 would include four (4) training sessions per year. o **Help Desk.** The Contractor may invoice for Help Desk support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Help Desk support. Years 2 – 7 would include twelve (12) months of Help Desk support per year. o **Maintenance Requests.** The Contractor may invoice for Maintenance Request support following completion and acceptance of each Maintenance Request by the DHS. o **Analytical Requests**. The Contractor may invoice for Analytical Request support following completion and acceptance of each Analytical Request by the DHS. o **Maintenance, Operations, and Administration.** The Contractor may invoice for Maintenance, Operations and Administration support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Maintenance, Operations and Administration support. Years 2 – 7 would include twelve (12) months of Maintenance, Operations and Administration support per year. o **Labor Rates (for Unanticipated Tasks).** The Contractor may invoice for Work Authorizations following completion and acceptance of each Work Authorization by the DHS. o **COTS Additional User Licensing.** The Contractor may invoice for COTS Additional User Licenses after delivery of the licensing to DHS and acceptance by DHS. ~~The State requires a performance bond for this project. Therefore, the Bidder shall provide, as part of its Draft and Final Proposal, proof of bondability and the terms and conditions of the performance bond. The proof of bondability must state that the bonding company will bond the Bidder for 50% of the value of the total contract, for the first year of the Contract. The bonding company must be a~~		

Proposal Item	Contractor Agrees to Meet?		Reference to Proposal Section
~~surety, licensed to do business in the state of California, with a rating of no less than A- (A minus). The awarded Contractor shall supply a performance bond in the amount of fifty percent (50%) of the contract award for the life of this Contract to ensure contract performance and guarantee deliverables by deadlines. For example, a bond amount of US $1 million shall be procured for a contract valued at US $2 million. This bond shall be delivered to the State within 21 calendar days of Contract Award and will be returned to the Contractor upon successful completion of the first year of the contract. The bond will not be returned upon contract cancellation due to non-performance.~~ ~~(Attach the proof of bondability letter, sealed in the Cost Proposal.)~~ ~~Note: Within 21 calendar days after notification of Contract Award (unless submitted with the proposal), the successful Bidder MUST submit the instrument satisfying the Performance Bond Requirement. Failure to submit the required document within 21 calendar days may be cause for termination of the contract.~~			
#3: The State requires that the contract resulting from ~~RFP DHS 9999-99~~ RFP DHS 4260-186 be issued to one prime Contractor who shall be responsible for successful performance of this RFP. The selected prime Contractor shall be responsible for successful performance of all Subcontractors and will be required to assume responsibility for design, development, testing, and implementation of all systems in their proposal.	**YES** ___	**NO** ___	**V.6.3.1**
Furthermore, the State will consider the prime Contractor to be the sole point of contact with regard to contractual matters, payment of any and all charges resulting from the outsource or purchase of the equipment and maintenance of the equipment for the term of the contract.	**YES** ___	**NO** ___	
The prime Contractor must serve as system integrator for RFP DHS 4260-186~~RFP DHS 9999-99~~ and must coordinate services with other entities, if necessary, for hardware and software testing, and the resolution of communications problems.	**YES** ___	**NO** ___	
Bidders must provide documents to demonstrate financial capability, to demonstrate financial solvency and the capacity to fulfill the obligations of this RFP. Corporate or individual tax identification numbers must be provided to facilitate verification of tax compliance. (See Financial Information, Appendix C, Form C2 and Form C3, for additional information.) NOTE: The State may obtain independent credit statements for Bidders submitting a proposal.	**YES** ___	**NO** ___	
The Contractor will be responsible for compliance with requirements under the contract, even if requirements are delegated to subcontractors. All State policies, guidelines, and requirements apply to subcontractors. The Contractor and subcontractors shall not in any way represent themselves in the name of the DHS or the State of California without prior written approval.	**YES** ___	**NO** ___	
#4: Work to be provided by subcontractors must be documented in the RFP response. Subcontractor List, Appendix C, Form C4.	**YES** ___	**NO** ___	**V.6.3.2**

Proposal Item	Contractor Agrees to Meet?		Reference to Proposal Section
The Bidder must explain how they will manage and control the work of the subcontractors. This information must be included if subcontractors are being utilized.	**YES** ___	**NO** ___	
The Contractor must have written agreement from the State prior to replacement or substitution of any subcontractor. For any proposed replacement or substitution before or after the award, the Contractor must provide the State with references, resumes, and financial documentation, in addition to meeting all other applicable requirements, and submission of all applicable forms, in this RFP.	**YES** ___	**NO** ___	
The Bidder must agree that all requirements will be adhered to and that requirements will apply to subcontractors even if subcontractor concurrence is not specifically defined in the Administrative Requirement. The Bidder agrees that each subcontractor contributing 10% or more of the value of the contract must provide all required information and forms listed below.	**YES** ___	**NO** ___	
Any subcontractor who the Contractor chooses to use in fulfilling a contract, and who is expected to receive 10% or more of the compensation paid for the system development provided under the contract must also meet all Administrative and Functional and Technical Requirements applicable to the subcontracted work and must submit the following forms: a. Cover Letter b. Financial Information, Forms C2 and C3 c. Contractor Information, Form C5 d. Non Discrimination Compliance Statement – Form STD. 019, Form C8 e. Certification of Compliance with the American Disabilities Act (ADA) of 1990, Form C9 f. Bid Certification, Form C11	**YES** ___	**NO** ___	
#5**:** Upon award to a Contractor, notice shall be given by the State to the subcontractors listed in Subcontractor List, Appendix C, Form C4, of their participation in the contract. Notification to the subcontractor by the prime Contractor is encouraged immediately after award of an RFP. There will be no assignment of responsibility to a third party without prior written approval from the State.	**YES** ___	**NO** ___	**V.6.3.3**
#6: The Bidder's firm must have been in existence for a minimum of three (3) years prior to the due date of the Final Proposal to ensure corporate stability. The Bidder must complete and submit Contractor Information, Appendix C, Form C5. This form will provide the State information regarding firm experience, firm size, firm market focus, company background, and experience in similar or dissimilar industries with projects of same size and scope.	**YES** ___	**NO** ___	**V.6.3.4**
#7: The Contractor shall establish a physical office within fifty (50) miles of the DHS Headquarters to support MIS/DSS end users and house staff required in Section VI.1.3, Mandatory System Development and Implementation Requirements, CS-5 thru CS-10.	**YES** ___	**NO** ___	**V.6.3.5**

Proposal Item	Contractor Agrees to Meet?		Reference to Proposal Section
#8: The Bidder's Final Proposal submission must contain a fully executed copy of the Payee Data Record STD Form 204 – (reference Appendix C, Form C6, for a link to the DGS website).	**YES** ___	**NO** ___	**V.6.3.6**
#9: The Bidder must provide three (3) or more references using Corporate Experience References, Appendix C, Form C7. The purpose of this section is to provide the State the ability to verify the claims made in the proposal by the Bidder.	**YES** ___	**NO** ___	**V.6.3.7**
The references must meet the following requirements: 1. The three (3) references must be for projects implemented within the past ten (10) years; 2. The Bidder must have been the prime contractor for each of the three (3) contracts, or, a subcontractor's reference can be used if the subcontractor was the prime contractor for the contract and the subcontractor will receive at least thirty percent (30%) of the proposed one-time and on-going costs for MIS/DSS; 3. The contract scope of services for all three (3) references must have included system design, development, implementation, maintenance and operations. 4. At least one (1) of the references must be for a health care data system (see Appendix D - Glossary of Terms). 5. At least one (1) of the references must be for an integrated data warehouse (see Appendix D - Glossary of Terms) with a minimum of 1.25 billion records. 6. At least one (1) of the references must be for a United States governmental (federal, state or local) client. 7. At least one (1) of the references must be for at least a $20 million contract	**YES** ___	**NO** ___	
Each of the references provided must meet at least one of the criteria (#4 – #7) listed above; and all of the criteria (#4 - #7) must be met through the combination of all of the references.	**YES** ___	**NO** ___	
The Bidder recognizes that references will be contacted at the State's discretion. Negative comments from references may disqualify the Bidder from consideration for contract award.	**YES** ___	**NO** ___	
#10: The Bidder must agree that the State has the right to approve or reject original and replacement project team members assigned by the Bidder to this project. The Bidder will not be allowed extra time or money to replace personnel. The replacement project team member must possess the same or a higher level of technical expertise and/or experience than the original staff person leaving the project.	**YES** ___	**NO** ___	**V.6.3.8**
The Bidder must notify the DHS MIS/DSS Project Manager or designee of Key Personnel vacancies and provide résumés of replacement staff as support for the Bidder's compliance with this provision. (Designation of Key Personnel will be included as part of the Implementation Plan and approved by the State.	**YES** ___	**NO** ___	
#11: A valid Workers' Compensation Insurance Policy or a Certificate of Insurance for all employees proposed in the performance of this contract must be included in the Final Proposal.	**YES** ___	**NO** ___	**V.6.3.9**

Proposal Item	Contractor Agrees to Meet?		Reference to Proposal Section
The Bidder and proposed subcontractors must maintain in force (as required by State law) a valid Workers' Compensation Insurance Policy for all employees engaged in the performance of the contract. They agree to furnish the State satisfactory evidence thereof in the Final Proposal and at any time the State may request.			
#12: The Bidder's Final Proposal must contain a completed Nondiscrimination Compliance Statement (reference Appendix C, Form C8 for a link to the DGS website).	**YES** ___	**NO** ___	**V.6.4.1**
#13: The Bidder's Final Proposal must indicate compliance with the Americans with Disabilities Act by signing the form provided in Appendix C, Form C9.	**YES** ___	**NO** ___	**V.6.4.2**
#14: A 5% preference will be provided for Small Business participation in this procurement. To request the Small Business Preference, the Bidder's proposal must contain a letter requesting the Small Business Preference, and a copy of the Small Business approval letter from DGS, showing the Bidder's Small Business number. This should be included as Tab 3 in the Cost Proposal (see Section VIII.2.2, Final Proposal Format and Content, for additional information.) The Bidder's proposal should not contain this item if there is no intention to claim this preference. The Bidder must check "Yes" on the matrix, indicating the Bidder is claiming this preference, or "No" on the matrix indicating the Bidder is not claiming this preference. A 5% bid preference is now available to a non-small business claiming 25% California certified small business subcontractor participation. Bidders claiming the 5% preference must be certified by California as a small business or must commit to subcontract at least 25% of the net bid price with one or more California certified small businesses. Completed certification applications and required support documents must be submitted to the Office of Small Business and DVBE Certification (OSDC) no later than 5:00 p.m. on the Final Proposal due date, and the OSDC must be able to approve the application as submitted. The Small Business regulations, located at 2 CCR 1896 et seq., concerning the application and calculation of the small business preference, small business certification, responsibilities of small business, department certification, and appeals are revised, effective 9/9/04. The new regulations can be viewed at www.pd.dgs.ca.gov/smbus. Access the regulations by clicking on "Small Business Regulations" in the right sidebar.	**YES** ___ **YES** ___	**NO** ___ **NO** ___	**V.6.4.3**
#15: On January 1, 2004, Chapter 623, Statutes of 2003, became effective and required all small business, microbusinesses and disabled veteran business enterprises to perform a "commercially useful function" in any contract they perform for the State. A business that is performing a commercially useful function is one that does all of the following: • Is responsible for the execution of a distinct element of the work of the contract. • Carries out its obligation by actually performing, managing or	**YES** ___	**NO** ___	**V.6.4.3.1**

Proposal Item	Contractor Agrees to Meet?		Reference to Proposal Section
supervising the work involved. • Performs work that is normal for its business, services and function. • Is not further subcontracting a portion of the work that is greater tan that expected to be subcontracted by normal industry practices. The Bidder must provide a written statement detailing the role, services and/or goods the subcontractor(s) will provide to meet the Commercially Useful Function requirement, using the Commercially Useful Function Statement, Appendix C, Form C14.			
#16: Any equipment proposed by the Bidder must interface to all existing installed equipment, if the Bidder will be utilizing the existing equipment as part of their solution, in order to meet the specifications contained in Section VI, Functional and Technical Requirements, the prime Contractor shall agree to be responsible for making any necessary arrangements with the supplier(s) of such installed equipment, for such interface.	**YES** ___	**NO** ___	**V.6.4.4**
#17: The Bidder shall cooperate with, and provide access to the System and records associated with this contract requested by federal and/or State oversight agencies, including, but not limited to, the Centers for Medicare/Medicaid Services (CMS), Independent Project Oversight Consultant (IPOC), and Independent Verification and Validation (IV&V) Consultant.	**YES** ___	**NO** ___	**V.6.4.5**
#18: The Bidder shall provide assistance to the State and the federal Health and Human Services (HHS) to evaluate through inspection or other means, the quality, appropriateness and timeliness of services performed under this contract.	**YES** ___	**NO** ___	**V.6.4.6**
#19: The Bidder must agree that the State shall have exclusive ownership of all Medi-Cal data gathered or developed resulting from the Contract resulting from this RFP. The Contractor shall have no rights to any such data gathered as a part of the Contract resulting from this RFP. All such data shall be designated "confidential," and must be protected as specified within the Contract. At the end of the contract the State shall own all database and data storage design documents, schema, documentation, licensing, and end-user documentation developed to support the MIS/DSS system.	**YES** ___	**NO** ___	**V.6.5**
#20: The purpose of the productive use requirement is to allow time for major defects to be detected and corrected in the Bidder's software, and to ensure that the proposed base software product has a record of proven use in customer environments prior to installation at the DHS. The base MIS/DSS software product(s) proposed in response to this RFP must be installed and in productive use, in substantially the configuration proposed, by a paying customer external to the Bidder's organization or its corporate organization, for at least six (6) months prior to the Final Proposal due date. The Bidder must demonstrate that it meets the productive use requirement by providing the information, including customer reference, required on the Productive Use Customer Reference, Appendix C, Form C13.	**YES** ___	**NO** ___	**V.6.6**
#21: If the Bidder is other than the entity holding the copyright for any COTS product(s) offered, the Bidder must include written verification by the entity holding the copyright authorizing the Bidder to supply or sell the software proposed.	**YES** ___	**NO** ___	**V.6.7**
#22: Prior to any release of any information regarding the DHS MIS/DSS Project, the Bidder shall complete a detailed review of any information, promotional	**YES** ___	**NO** ___	**V.6.8**

Proposal Item	Contractor Agrees to Meet?		Reference to Proposal Section
materials, media releases, or advertising proposed to be released by it, or any subcontractor. The Bidder's review shall ensure the accuracy of terminology, numerical totals, statistical conclusions, and the like. The Bidder or any subcontractor shall make no media, news, or press release without the prior written approval of the DGS Procurement Official listed in Section I.			
#23: The Bidder shall pay all associated license, maintenance, and support fees throughout the contract term for software proposed by the Bidder as specified on Form VII-2, Detailed COTS Software Costs Worksheet. All proprietary software used in the design, development, programming, testing, installation, operation, administration, use, security, and maintenance of the system shall be licensed in the name of the DHS. The proprietary software of the Bidder and all subcontractors and suppliers proposed for installation must be available to the DHS for its use in perpetuity.. The Bidder agrees that the DHS and the Centers for Medicare/Medicaid Services (CMS) shall have a nonexclusive, royalty-free, and irrevocable license to reproduce or otherwise use and authorize others to use all software, procedures, files, and other documentation that is designed, developed, or enhanced as part of this project. All software developed as part of this project and therefore owned by the DHS shall be simultaneously owned by CMS, and freely available to them in accordance with 42 CFR Part 433.112.	**YES** ___ **YES** ___ **YES** ___	**NO** ___ **NO** ___ **NO** ___	**V.6.9**
# 24: The Bidder agrees to enter into a three party software and documentation escrow agreement with the State and an Escrow Agent. The Escrow Agent shall be chosen by the Bidder. The selected Escrow Agent shall be mutually acceptable to the State and the Bidder, and the terms and conditions of the agreement shall be approved by the State prior to entering into the agreement. The Escrow Agent shall be paid by the Contractor and shall be authorized to release the contents of the account to the State in accordance with the terms below. The Escrow Agent will be authorized to furnish the State upon request and without charge, the items described above, upon the occurrence of any of the following events: • When the owner of the software notifies the State that support or maintenance of the product are no longer available; or • In the event that Contractor shall fail to provide services pursuant to this Contract for a continuous period. Upon taking possession of the software and documentation pursuant to the above the State agrees that all such information will be subject to the confidentiality provisions of the Contract between the State and the Contractor for the MIS/DSS and will be used only by the State and its agents to support and maintain the MIS/DSS.	**YES** ___ **YES** ___	**NO** ___ **YES** ___	**V.6.9.1**

Proposal Item	Contractor Agrees to Meet?		Reference to Proposal Section
The Contractor shall deliver to the Escrow Agent all software used in the development, testing, and implementation of the MIS/DSS and all related documentation of the software and all system development (including, but not limited, programmer notes, system diagrams, flowcharts, program specifications, program run directions, configuration customizations/parameters) done as part of the Contract resulting from this RFP which is not commercially available. The delivery to the Escrow Agent shall occur within five (5) State business days of the use of the software for the MIS/DSS project. Throughout the term of this contract, the Contractor will deliver all software, including updates to the software, to the Escrow Agent within five (5) State business days of implementing the updated version, so that all software in the custody of the Escrow Agent will be the then current version reflecting all changes and upgrades, but in any event, no less frequently than every six (6) months.	**YES** ___	**NO** ___	
The Contractor also shall place in escrow one paper copy and one electronic copy of maintenance manuals and additional Documentation that are required for the proper maintenance of the MIS/DSS and the software used to develop, test, and implement the system. Revised copies of manuals and documentation shall be placed in the escrow account in the event they are changed. Such Documentation shall consist of Logic Diagrams, Installation Instructions, Operation and Maintenance Manuals, and shall be the same as that which the Contractor supplies to its maintenance personnel to maintain its software.	**YES** ___	**NO** ___	
#25: The MIS/DSS shall be customized, tested and implemented using a project-phased approach with payments structured as follows:			**V.6.10**
1. Payment #1 Milestone, COTS Software Installation and Verification and Hardware Installation and Verification: The Contractor may invoice for Payment #1 (the sum of Form VII-2 COTS Software Cost and Form VII-3 Hardware Cost) after all proposed COTS software and hardware is installed on the applicable State platform and the State has verified the successful installation. In addition, all documentation (including licensing) shall be delivered to the State. **The Payment #1 Milestone must not exceed 25% of the total One-Time Costs.** The State will withhold 10% of the invoice amount until the completion of the MIS/DSS Production Acceptance Period.	**YES** ___	**NO** ___	
2. Payment #2 Milestone, Initial Training, Design and Implementation of Phase 1: The Contractor may invoice for Payment # 2 (the sum of Form VII-4 Initial Training Cost and Form VII-5 Phase 1 System Integrator Design and Implementation and Other One-Time Costs) after successful completion of all initial training, design and implementation activities for Phase 1, including State User Acceptance Testing and production implementation of Phase 1. The Payment #2 Milestone must not exceed 35% of the total One-Time Costs. The State will withhold 10% of the invoice amount until the successful completion of the MIS/DSS Production Acceptance Period.	**YES** ___	**NO** ___	
3. Payment #3 Milestone, Design and Implementation of Phases 2 and 3: The Contractor may invoice for Payment # 3 (the total of Form VII-6 Phases 2 & 3 System Integrator Design and Implementation and Other One-Time Costs) after successful completion of all design and implementation activities for Phases 2	**YES** ___	**NO** ___	

Proposal Item	Contractor Agrees to Meet?		Reference to Proposal Section
and 3, including State User Acceptance Testing and production implementation of Phases 2 and 3. The Payment #3 Milestone must not exceed 4~~3~~0% of the total One-Time Costs. The State will withhold 10% of the invoice amount until the successful completion of the MIS/DSS Production Acceptance Period.			
4. Payment #4 Milestone, successful Completion of MIS/DSS Production Acceptance Period: The Contractor may invoice for Payment # 4 after successful completion of a 90 calendar day MIS/DSS Production Acceptance Period. The Payment #4 Milestone must be the remainder total One-Time Costs (i.e., total One-Time Cost minus Payment #1 Milestone, Payment #2 Milestone, and Payment #3 Milestone which includes the withhold amounts).	**YES** ___	**NO** ___	
5. On-Going Support Payment Milestones:			
• **Training**. The Contractor may invoice for On-Going Training on a quarterly basis, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be two (2) quarterly training sessions. Years 2 – 7 would include four (4) training sessions per year.	**YES** ___	**NO** ___	
• **Help Desk.** The Contractor may invoice for Help Desk support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Help Desk support. Years 2 – 7 would include twelve (12) months of Help Desk support per year.	**YES** ___	**NO** ___	
• **Maintenance Requests.** The Contractor may invoice for Maintenance Request support following completion and acceptance of each Maintenance Request by the DHS.	**YES** ___	**NO** ___	
• **Analytical Requests**. The Contractor may invoice for Analytical Request support following completion and acceptance of each Analytical Request by the DHS.	**YES** ___	**NO** ___	
• **Maintenance, Operations, and Administration.** The Contractor may invoice for Maintenance, Operations and Administration support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Maintenance, Operations and Administration support. Years 2 – 7 would include twelve (12) months of Maintenance, Operations and Administration support per year.	**YES** ___	**NO** ___	
• **Labor Rates (for Unanticipated Tasks).** The Contractor may invoice for Work Authorizations following completion and acceptance of each Work Authorization by the DHS.	**YES** ___	**NO** ___	
• **COTS Additional User Licensing.** The Contractor may invoice for	**YES**	**NO**	

Proposal Item	Contractor Agrees to Meet?		Reference to Proposal Section
COTS Additional User Licenses after delivery of the licensing to DHS and acceptance by DHS.	___	___	
#26: The Bidder agrees that in addition to all other remedies available to the State, the State may collect Liquidated Damages in the amounts specified below under the following circumstances:			**V.6.11**
1. If the Contractor does not meet the production installation date specified in the Implementation Plan submitted by the Contractor and approved by the State after Contract Award. Liquated damages may be assessed in the amount of $500 per calendar day, not to exceed a total of $25,000.	**YES** ___	**NO** ___	
2. If the Contractor does not meet of the system availability time specified in Section VI.1.2, Mandatory Technical Requirements, PA-4, the State may assess the Contractor Liquidated Damages for each month that the system does not meet 95% of availability requirements per calendar month. Liquidated Damages will be assessed in the amount of $5000 per month.	**YES** ___	**NO** ___	
The State may deduct monies owed for the Liquidated Damages from invoices as necessary to offset the full amount owed.	**YES** ___	**NO** ___	
The State will attempt to notify the Contractor, in writing, prior to liquidated damages being invoked. However, should the State fail to do so, the liquidated damages will still accrue. The State will, in any case, provide the Contractor a complete accounting for all liquidated damages.	**YES** ___	**NO** ___	
#27: The Bidder agrees that personnel designated under DHS' Conflict of Interest Code (see Bidders' Library) will be required to complete and submit to DHS Form 700, Statement of Economic Interest. This disclosure may include all investments, business positions, interests in real property, and sources of income. For further information, refer to the Fair Political Practices website at http://www.fppc.ca.gov/index.html?id=6. The determination of which Contractor staff will be designated under the Conflict of Interest Code will be made after Contract Award, based upon the Contractor's staffing plan.	**YES** ___	**NO** ___	**V.6.12**
# 28: The Bidder agrees that the State shall have the option of accepting the extensions a year at a time or for all three years at once. The extension(s) shall be exercised through a contract amendment. The Bidder agrees to accept the contract extension(s) should the State exercise its option(s).	**YES** ___	**NO** ___	**V.6.13**

FORM C2: STATEMENT OF FINANCIAL CONDITION

SUBMITTED BY: _____

NAME OF FIRM: _____

ADDRESS: _____

_____

DATES OF FINANCIAL STATEMENTS:

_____

PRIVACY NOTIFICATION

The State of California Information Practices Act of 1977 requires the State to provide the following information to individuals who are asked to supply information about themselves:

> The principle purpose for requesting the information on this form is to provide financial information to determine financial qualification. State policy and state and federal statutes authorize maintenance of this information.
>
> Furnishing all information on this form is mandatory. Failure to provide such information will delay or may even prevent completion of the action for which the form is being filled out.

The State will treat all financial information provided as confidential and this information will only be shared with State personnel involved in evaluation. All financial data will be returned or destroyed if requested. Contractors may be required to provide additional financial data as part of the RFP.

FORM C3: FINANCIAL INFORMATION REQUIREMENTS

Financial information shall be provided by either of the following:

Financial statements for the last two (2) complete tax years, accompanied by the following statement which has the title(s) and signature(s) of the individual(s) who (prepared / examined / reviewed) the statements:

"We have (prepared / examined / reviewed) the balance sheet of (**Bidder**) as of (**Date**) and the related statements of income, retained earnings and changes in financial position for the years ending (**years**).

In (my / our) opinion, the financial statements mentioned present fairly the financial position (**Bidder**) as of (**Date**) and the results of its operations and changes in its financial position for the years ending (**years**), in conformity with generally accepted accounting principles applied on a consistent basis."

Name of firm: _____

Address: _____

_____

Date: _____

FORM C4: SUBCONTRACTOR LIST

Subcontractors must be listed below:

Company Name	Company Name
Primary Contact/Title	Primary Contact/Title
Address	Address
City, State Phone	City, State Phone
Company Name	Company Name
Primary Contact/Title	Primary Contact/Title
Address	Address
City, State Phone	City, State Phone

% of Proposed One-Time and On-Going Costs for Each Subcontractor:

Company Name	% of Proposed One-Time and Ongoing Costs

IF THE SUBCONTRACTOR IS PROVIDING 10% OR MORE OF THE BID AMOUNT, HAS THE SUBCONTRACTOR SUBMITTED ALL REQUIRED INFORMATION FOR THE WORK THEY ARE PROVIDING? ___YES ___NO

FORM C5: CONTRACTOR INFORMATION

[Use this form to provide information about the Contractor and ALL Subcontractors being proposed as part of this bid. **A separate form must be provided for each firm. Use your word processor's copy and paste functionality to create copies of this form.**

THE TEXT WITHIN THESE BRACKETS IS TO BE DELETED IN YOUR RESPONSE.]

1. Please complete the following table:

Name of parent company	
Length of time in business	
Length of time in business of installing, implementing, licensing, and servicing the proposed hardware, software and/or communications networking infrastructure	
Gross revenue for the prior fiscal year (in US dollars)	
Percentage of gross revenue generated by implementation and licensing of proposed hardware, software and/or communications networking infrastructure	
Total number of installed clients with the proposed hardware/software or service	
Total number of clients in production with the same hardware or software version being proposed	
Number of public sector clients	
Number of full time personnel at your company in:	
• Customer services and software technical support	
• Installation and training	
• Product development	
• Sales, marketing, and administrative support	

2. Where is your headquarters located? Where are your Field offices located?

3. Which office(s) would service this account? What are the hours of operation for the office(s) that will service this account?

[Form C5 continued…]

4. In the following table, please list credit references that can verify the financial standing of your company. Additionally, attach the most recent audited financial statement or annual report for your company.

Institution	Address	Phone Number

5. If the Contractor/subcontractor has had a contract terminated for default during the past five years, all such incidents must be described. Termination for default is defined as notice to stop performance due to the Contractor's/subcontractor 's nonperformance or poor performance, and the issue was either (a) not litigated; or (b) litigated and such litigation determined the Contractor/subcontractor to be at fault.

   In the space provided, submit full details of all terminations for default experienced by the Contractor/subcontractor during the past five years, including the other party's name, address, and telephone number. Present the Contractor/subcontractor's position on the matter. The State will evaluate the facts and may, at its sole discretion, reject the Contractor/subcontractor's proposal if the facts discovered indicate that completion of a contract resulting from this RFP may be jeopardized by selection of the Contractor/subcontractor. In the case of multiple Contractor/subcontractors submitting a proposal together, at its discretion, the State will evaluate the Contractor/subcontractors in this regard individually or as a whole.

   If no such terminations for default have been experienced by the Contractor/subcontractor in the past five years, so declare in the space provided.

   A Contractor/subcontractor response that indicates that the requested information will only be provided if and when the Contractor/subcontractor is selected as the apparently successful Contractor/subcontractor is not acceptable and will result in the Bidder being rejected. Restricting the Contractor/subcontractor response to include only legal action resulting from terminations for default is not acceptable and will result in the Bidder being rejected.

FORM C6: PAYEE DATA RECORD – FORM STD. 204

Bidders must refer to the following State of California DGS website link for standard State forms. When linked to the website, Bidders can search for the Form by name or form number. Bidders have the option of ordering paper or automated eForms, or completing the Fill and Print Forms offered in .pdf format.

http://www.dgs.ca.gov

http://www.documents.dgs.ca.gov/osp/pdf/std204.pdf

FORM C7: CORPORATE EXPERIENCE REFERENCES

Instructions: ***Complete one of these forms for each reference. Duplicate these pages as needed.***

Bidder Name: _____ Contact/Name: _____

Date: _____ Phone: _____

Complete one or more of the related categories shown on page 2 of this form to indicate which type of System was installed or implemented.

Prime Contractor On Contract:

Client Name: _____ Contact Name: _____

Address: _____ Phone #: _____

_____ Fax #: _____

Project Name: _____

Project Objectives:

_____

Bidder Firm's Involvement:

_____

Project Benefits:

System Description: _____

Number of concurrent users: _____ **Network description:** _____

Name of DBMS: _____ **Number of Records:** _____

Base Software Product: _____ **Base Product Proposed for MIS/DSS:** _____

Other: _____

Project Measurements:

Contract Value: _____

Total Est. Cost: _____ **Total Actual Cost:** _____

Total Est. Hours: _____ **Total Actual Hr.:** _____

Est. Start & Completion Dates: From: _____ To: _____

Actual Start & Completion Dates: From: _____ To: _____

Staff Continuity:	Design Dev. & Imp.	Yes	No	Operations/ Maintenance	Yes	No
		_____	_____		_____	_____

	YES	NO
Was the Bidder the Prime Contractor for this project?	_____	_____
Did the Bidder perform design, development, implementation, maintenance and operations activities?	_____	_____
Is this project a health care data system?	_____	_____
Is this project an integrated data warehouse using the base product being proposed for MIS/DSS?	_____	_____
Is this a state, Federal, or local government reference?	_____	_____

Other comments about the project or client environment:

_____

_____

_____

We authorize you to contact the references above to further discuss our performance.

____YES ____NO

Submitter: _____

Signature: _____

Form C8: Non Discrimination Compliance Statement – Form STD. 019

Bidders must refer to the following State of California DGS website link for standard State forms. When linked to the website, Bidders can search for the Form by name or form number. Bidders have the option of ordering paper or automated eForms, or completing the Fill and Print Forms offered in .pdf format.

http://www.dgs.ca.gov

http://www.documents.dgs.ca.gov/osp/pdf/std019.pdf

Form C9: Certification of Compliance with the American Disabilities Act (ADA) of 1990

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

Signature	Date
Name and Title (Print or Type)	Street Address
Firm Name	City, State ZIP

FORM C10: HARDWARE AND SOFTWARE PROPOSED

Hardware Proposed:

Item Description	Make/Model/Specifications	Quantity

COTS Software Proposed:

Item Description	Make/Model/Specifications	Quantity

FORM C11: BID CERTIFICATION

Date: _____

Name of Bidder: _____

Address of Bidder: _____

_____

Phone Number of Bidder: _____

Reference: RFP DHS 4260-186

1. This is to notify you that (business' name) _____agrees to all the terms and conditions of this RFP and by signing below certifies that all requirements are met.

Or

2. This is to notify you that (business' name) _____is a Subcontractor contributing 10% or more to fulfilling the contract. The business identified agrees to all the terms and conditions identified for subcontractors. The business identified certifies by signing below that all applicable requirements will be met.

Sincerely,

_____ _____
Name Date

_____
Company

(____)_____ (____)_____
Phone Fax

FORM C12: LETTER OF INTENT TO BID

This is to notify you that it is our present intent to submit a bid response on the above noted Request For Proposal (RFP) for the MIS/DSS project. The individual to whom information regarding this RFP should be transmitted is:

_____ _____
Name Title

_____
Company

_____
Street Address City State Zip

(____)_____ (____)_____
Phone Fax

E-mail address:_____

If declining to bid, please state reason(s) why:

Sincerely,

FORM C13: PRODUCTIVE USE CUSTOMER REFERENCE

A productive use reference, which meets the requirements of the RFP, is required for the base MIS/DSS software product(s) proposed by the Bidder. If multiple base MIS/DSS software products are being proposed, a productive use reference must be provided for each product proposed.

Bidder Name:	_____	Contact/Name:	_____
Date:	_____	Phone:	_____
Client Name:	_____	Contact Name:	_____
Address:	_____	Phone #:	_____
	_____	Fax #:	_____

Project Name: _____

Project Objectives: _____

_____

_____

Bidder Firm's Involvement: _____

_____

_____

System Description:

Base MIS/DSS software product proposed:	_____	**Software product used for this project:**	_____
		Date Installed:	_____

FORM C14: COMMERCIALLY USEFUL FUNCTION CERTIFICATION

Date: _____

Name of Bidder: _____

On January 1, 2004, Chapter 623, Statutes of 2003, became effective and required all small business, microbusinesses and disabled veteran business enterprises to perform a "commercially useful function" in any contract they perform for the State.
A business that is performing a commercially useful function is one that does all of the following"

- Is responsible for the execution of a distinct element of the work of the contract.
- Carries out its obligation by actually performing, managing or supervising the work involved.
- Performs work that is normal for its business, services and function.
- Is not further subcontracting a portion of the work that is greater tan that expected to be subcontracted by normal industry practices.

The Bidder must provide a written statement below detailing the role, services and/or goods the subcontractor(s) will provide to meet the Commercially Useful Function requirement.

APPENDIX D - GLOSSARY OF TERMS

ABD: Aid for the Aged, Blind and Disabled (aka SPD)**.**

ADA: Americans with Disabilities Act (see Section I, Exhibit I-1 in the RFP)

Addendum, Contract: An addition or change made to the contract before the contract is signed into effect. The contract will include addenda added to the RFP.

Ad Hoc Analyses or Reports: User generated new or modified queries or reports with significant flexibility over content, layout and calculations.

AHRQ: Agency for Healthcare Research and Quality

Ancillary Services: Inpatient services other than basic room and board, professional services, and hospital outpatient services. They include X-ray, drug, laboratory, emergency room, physical therapy, etc.

ANSI: American National Standards Institute, an accepted standards-setting body for the computer industry.

Archive: Refers to a collection of historical records with specific characteristics that remain static (i.e. not changed during routine monthly update processes).

Array, multi-dimensional: A group of data cells arranged by the dimensions of the data. For example, a spreadsheet exemplifies a two-dimensional array with the data cells arranged in rows and columns, each being a dimension. A three-dimensional array can be visualized as a cube with each dimension forming a side of the cube, including any slice parallel with that side. Higher dimensional arrays have no physical metaphor, but they organize the data in the way users think of their enterprise.

Beneficiary: A person who has been determined eligible for Cash Assistance, Medi-Cal, Food Stamps, or the County Medical Services program. This term is used interchangeably with "recipient" and "eligible".

Beneficiary ID Card (BIC) Number: The fourteen-digit identification number assigned to each Medi-Cal recipient by the county welfare department. The BIC number consists of the 10-digit Client Index Number (CIN), 1-digit check digit, 1-digit Year followed by a 3-digit Julian date. All claims history for a recipient, prior to the date of implementation of the Social Security Number as primary ID enhancement, is filed under the FIRST beneficiary ID number known to the claims processing system. Subsequent beneficiary ID numbers are cross-referenced to this initial ID or to the permanent ID now known as the CIN or Client Index Number.

Benefit: Health care services available to Medi-Cal beneficiaries.

Business Intelligence: Business intelligence is a category of applications and technologies focused on gathering, storing, analyzing, and providing access to data to help users make better business decisions.

California Children's Services (CCS): The public health program which provides specialized medical services to financially and medically eligible children under the age of 21 years who have severe disabling conditions. The CCS program covers diagnostic treatment and therapy services.

CDHS: California Department of Health Services (also see DHS)

California's Medi-Cal (Medicaid) MIS (CA-MMIS): The CA-MMIS developed under federal guidelines, for the development and operation of California's Medicaid processing and information retrieval. The CA-MMIS processes all claims and currently edits encounters.

Cap: A method of health resource allocation in which a predetermined limit is set on the amount of health expenditures.

Capitation: A single, fixed monthly amount paid to a Medi-Cal Health Plan. A fixed rate is paid per recipient, to cover a specified package of services, regardless of actual utilization.

CCN: (Claim Control Number) The unique number assigned to each claim to identify it throughout processing. (also see ICN)

CDC: Center for Disease Control

Child Health and Disability Prevention (CHDP): The program that provides for screening children under the age of 21 for potentially disabling conditions and refers those needing additional services for diagnosis and treatment. This program is the California implementation of the federal Early and Periodic Screening and Diagnosis and Treatment Program (EPSDT).

Claim: The means for the Medi-Cal provider to submit billing for services rendered to an eligible Medi-Cal recipient. Billing can be made on a claim form or computer media.

Claim Types: Classification of claims for billing purposes by origin or type of service provided to a recipient. The current claim type classifications are: (1) Pharmacy; (2) Long Term Care; (3) Inpatient; (4) Outpatient; (5) Dental; (6) Crossover; and (7) Vision Care.

Claim Service Line: A logical detail service line on a claim form that requests payment, and contains a service code, a service description, a service fee, and a service date.

CIN: (Client Index Number) A permanent, unique nine-character number (with a 1-digit check digit in the 10th place) that is assigned to every health services recipient via the daily MEDS batch update process. Once assigned, the CIN never changes.

CMS: Centers for Medicare and Medicaid Services (formerly Health Care Financing Administration (HCFA)) see www.cms.hhs.gov for more detail

Code of Federal Regulations (CFR): A codification of the general and permanent rules published in the Federal Register by the Executive departments and agencies of the Federal Government.

COTS: Commercial-off-the-Shelf software

CPT-4: Common Procedure Terminology, 4th Revision is a listing of descriptive terms and identifying codes for reporting medical services and procedures performed by physicians. The purpose is to provide a uniform language that will accurately describe medical, surgical and diagnostic services.

Co-morbidity: A statistical relationship between a diagnosis and a different pre-existing illness that will affect the course and length of treatment.

Cost: (1) As it relates to providers, the expense incurred in delivery of health care services. (Cost is to be distinguished from charges.); (2) As it relates to the Contractor, the expense or actual cost incurred by the Contractor to perform any task as part of this contract.

COHS: County Organized Health Systems

Crossover Beneficiary: A person who is entitled to coverage under both the Medicare and the Medi-Cal programs. (also known as a Medi-Medi beneficiary)

Data: means all data files, data elements, records, directory structures, file structures, record structures, data items, data fields, data models, attributes, metadata, objects and object classes, source and control documents, electronic record layouts, data bases and data banks, imported data and output data to be used in, and/or used by one or more of the RFP systems (MIS/DSS/DBMS) including periodic updates, additions, and changes.

Database: Set of interrelated files that is created and managed by a DBMS. Any electronically stored collection of data.

Data Integrity: Data integrity is concerned with three aspects of the data in a database: accuracy, correctness, and validity. Data integrity has the following meanings: (1) The condition that exists when data is unchanged from its source and has not been accidentally or maliciously modified, altered, or destroyed; (2) The condition in which data are identically maintained during any operation, such as transfer, storage, and retrieval; and (3) The preservation of data for their intended use.

Data Mart: A logically related subset of data from the complete data warehouse, such as data from the data warehouse that meets certain criteria. An example might be all data relating to a specific procedure code that falls within the range of the last three months.

Data Mine/Data Mining: The nontrivial extraction of implicit, previously unknown, and potentially useful information from data. Extracting useful information from large data sets or databases.

DBMS: (Data Base Management System) Software that controls the organization, storage, retrieval, security, and integrity of data in a database. It accepts requests for data and instructs the operating system to transfer the appropriate data.

DED: (Data Element Dictionary) A comprehensive listing of the data elements within the MIS/DSS warehouse and their associated meanings, source and values used in the exchange of data files.

Degradation: In reference to this RFP, means a ten percent (10%) or greater increase in the response time or system performance for the MIS/DSS from the time of completing the request and the display of the report on the screen.

Deliverable(s): The specific product of a task milestone or MIS/DSS/DBMS requirement that the Contractor is required to submit upon completion of a specific task or subtask. When the deliverable is intangible, documentation must be provided demonstrating completion.

DFEH: Department of Fair Employment and Housing

DGS: Department of General Services

DHS: Department of Health Services

Dimensions: Logical groupings of data with a common key relationship including: services, provider, beneficiary, date of service, location, gender, age, ethnicity, and primary language.

DRG: Diagnosed Related Groups

Drill Down/Up: Drilling down or up is a specific analytical technique whereby the user navigates among levels of data ranging from the most summarized (up) to the most detailed (down). The drilling paths may be defined by the hierarchies within dimensions or other relationships that may be dynamic within or between dimensions. For example, when viewing data for North America, a drill-down operation in the Region dimension would then display Canada, the eastern United States and the Western United States. A further drill-down on Canada might display Toronto, Vancouver, Montreal, etc.

DSM: Diagnostic and Statistical Manual of Mental Disorders

DSS: (Decision Support System) A flexible and powerful system for analyzing large quantities of data and performing a wide variety of calculations and projections through ad hoc navigation, query and analytical capabilities. The DSS supports analysis for maximizing management control and planning related to Medi-Cal, e.g., identify, explore, and analytically investigate access, use, cost, treatment patterns, and quality of Medi-Cal funded health care using internally generated and external normative benchmarks.

DTS: (Department of Technology Services): Formally HHSDC and Teale Data Centers

DVBE: Disabled Veteran Business Enterprise (see Section V.2 in the RFP)

EEIA: Employment and Economic Incentive Act (see Section V.4 in the RFP)

Electronic Data Systems (EDS): The current fiscal agent for the State of California, Medi-Cal.

Encounter: A record of a medically related service (or visit) rendered to a Medicaid recipient who is enrolled in a participating Managed Care Plan during the date of service; it includes (but is not limited to) all services for which the Managed Care Plan incurred any financial responsibility.

Encryption: Encoding data for security purposes by converting the standard data code into a proprietary code.

EPSDT: Early and Periodic Screening, Diagnostic, and Treatment program (see www.cms.hhs.gov/medicaid/epsdt/default.asp for more detail)

ETL: (Extract, Transformation and Loading) Activities required to populate data warehouses and OLAP applications with clean, consistent, integrated data which may also include summarized data.

FDB: (First Data Bank) DHS standard for processing of Pharmacy claims

FFP: Federal Financial Participation; a percent of State expenditures to be reimbursed to the State by the Federal Government for medical services and for administrative costs of the Medicaid program.

FFS: (Fee-for-service) Reimbursement on a fixed-fee basis for each encounter or service rendered.

FI: Fiscal Intermediary (Medi-Cal currently uses EDS - Medi-Cal; Dental – Delta)

Fiscal Year (State): July 1 - June 30

Fiscal Year (Federal): October 1 - September 30

FSR: Feasibility Study Report

FTE: Full Time Equivalent

FY: Fiscal year

GIS software: Geographic Information System software

GTC: Generic Therapeutic Class (SMART KEY)

GUI: Graphical user interface

HCFA: see CMS, previously known as Health Care Financing Administration

HCO: (Health Care Options) current Medi-Cal Managed Care enrollment contractor

HCPCS: HCFA Common Procedure Coding System; a uniform health care procedural coding system approved for use by CMS, describing the physician and non-physician patient services covered by the Medicaid and Medicare programs and used primarily to report reimbursable services provided to patients.

Health Care Data System: A data system which provides reporting capabilities to support monitoring, tracking, reporting, analyzing, and projection analysis of utilization management information on all aspects of health care utilization, including service costs and use, duration of service, provider participation and trends for fee-for-service and Managed Care plans.

Healthy People 2010: A nationwide health promotion and disease prevention agenda developed by the US Department of Health and Human Services (HHS) outlining public health planning and 10-year health objectives.

HEDIS: (Health Plan Employer Data and Information Set) A medical quality measurement produced by the National Committee for Quality Assurance. HEDIS Medicaid is a version developed for the Medicaid population characteristics.

HHSDC: Previously known as the Health and Human Services Data Center. HHSDC was consolidated into the Department of Technology Services effective July 2005.

HICL: Generic Name, hierarchial ingredient code list generic name (SMART KEY)

HIPPA: Health Insurance Portability Accountability Act, includes Privacy and Security Standards

HIS: Health Insurance System

ICD-9: International Statistical Classification of Diseases, Injuries, and Causes of Death. 9th Revision. Published by the World Health Organization. This classification system is used primarily for mortality coding.

ICD-9-CM: International Classification of Diseases, 9th Revision, Clinical Modification (Published by the US Public Health Service) This classification system is used primarily for morbidity coding.

ICN: (Internal Control Number) The unique number assigned to each claim to identify it throughout processing (also see CCN)

Integrated data warehouse: The integrated data warehouse shall facilitate intuitive on-line data modeling, analysis, and reporting,, using the following data dimensions; (1) time, (2) values and amounts (3) providers, (4) recipients, (5) services, (6) procedures, (7) geography, (8) diagnoses, (9) plan, and (10) payment tape. It will have the ability to query relationships among and between all variables in the database warehouse. The integrated data warehouse shall incorporate all data identified in Section VI in this RFP. The integrated data warehouse shall maximize the online performance, functionality, accessibility, reliability, and cost effectiveness of the MIS/DSS. The integrated data warehouse shall maximize ease of use, transparency and seamless access by end users to data and information.

IT: Information Technology

ITSD: Information Technology Services Division, within the Department of Health Services

JCAHO: Joint Commission on Accreditation of Health Care Organizations

LAMBRA: Local Agency Military Base Recovery Act (see Section V.5 in the RFP)

LAN: Local Area Network

LEA: Local Education Agency Program

Linear Programming: A procedure for finding the maximum or minimum of a linear function where the arguments or variables are subject to linear constraints.

Longitude/Latitude: A measurement in degrees that enables mapping software to locate data elements that represent demographics or other identifying components of the recipient population.

Managed Care: A comprehensive approach to the provision of health care that combines clinical services and administrative procedures with an integrated and coordinated system to provide timely access to cost-effective primary care and other medically necessary services.

Managed Care Plan: A Plan contracted by the state to provide comprehensive medical or dental care for beneficiaries under a contractual and/or capitated reimbursement program.

Managed Care Carve Out: Practice of excluding specific services from a managed care organization's capitated rate. In some instances, the same provider will still provide the service, but they will be reimbursed on a fee-for-service basis. In other instances, carved out services will be provided by an entirely different provider. Because of great variations in cost from one patient to the next, HIV care, mental health services, and substance abuse treatment are types of services that are often carved out.

MDC: (Major Diagnostic Category) A grouping of diagnostic codes based on the CMS DRG grouper applied to Inpatient and Outpatient services.

Medi-Cal: The Medicaid program operated by the State of California.

Medicare Buy-In: A procedure whereby the State pays a monthly premium to the Social Security Administration on behalf of eligible medical assistance clients to enroll them in the Medicare Part B program.

MEDS: Medi-Cal Eligibility Data System (aka Eligibility File)

MIS: Management Information System (also see Summary Level) aka EIS (Executive/Enterprise/Everyone's Information System/Software). A category of applications and technologies presenting information to the user in a clear and concise manner, utilizing standardized pre-defined tables, charts and graphics where appropriate. The system allows the user to select the type and level of information to be presented and allows the user to jump to new areas or subsections easily. Extreme ease of use and fast performance is expected in such systems.

MIS/DSS: Medi-Cal Management Information System/Decision Support System

MMIS: Medicaid Management Information System

Morbidity: The sick rate, the ratio of sick to well persons in a community.

MOTS: Modified-off-the-shelf software

NDC: National Drug Code; a generally accepted system for the identification of prescription and non-prescription drugs available in the U.S.

NPI: The National Provider Identification number as defined by the Health Insurance Portability and Privacy Act.

N-Tier: Any number of levels arranged above another, each serving distinct and separate tasks in the application architecture. (i.e. a five tier application could consist of the following tiers: (1) Presentation GUI, (2) Presentation Logic Tier, (3) Business Tier, (4) Data Access Tier, and (5) Data Tier

OEM: Original Equipment Manufacturer

OLAP: On-Line Analytical Processing is a category of software technology that enables analysts, managers, and executives to gain insight into data through fast, consistent, interactive access to a wide variety of views of information that has been transformed from raw data to reflect the real dimensionality of the enterprise as understood by the user.

OMPS: Office of Medi-Cal Payment Systems

ORP: Operational Recovery Plan

OSHPD: Office of Statewide Health Planning & Development (see www.oshpd.ca.gov for more detail)

OSDC: Office of Small Business and DVBE Certification (see Section V.6.4.3 in the RFP)

PCE: Paid Claims and Encounter

PMI: Project Management Institute

PMPM: Per Member Per Month

PMPY: Per Member Per Year

PMW: (Performance Measurement Workstation) A current database that includes comprehensive reporting of NCQA's HEDIS performance measurement set for managed care plans.

Pre-defined/Pre-calculated data: Pre-calculated data is data in output member cells that are computed prior to, and in anticipation of, ad-hoc requests. Pre-definition usually results in faster response to queries at the expense of storage. Data that is not pre-calculated must be calculated at query time.

Predictive Modeling: The process used in predictive analytics to create a statistical model of future behavior. Predictive analytics is the area of data mining concerned with forecasting probabilities and trends. A predictive model is made up of a number of predictors, variable factors that are likely to influence future behavior of results.

Profile/Profiling: A statistical description of medical service activity in accordance with defined parameters. The process is a method of detecting areas of over and under utilization or for care delivery practices. This may be summarized by eligibles, providers or plans, groups of eligibles, or by procedure and/or diagnosis codes.

PS: Package Size (SMART KEY)

PSD: Payment Systems Division (a division of Health Services, Medical Care Services)

Query Language: Generalized language which allows a user to select records from a database.

Query: To interrogate a database

Relational Database: Method for organizing records, files and tables in a database.

RFP: Request for Proposals

RIN/Record ID: (Record Identification Number) field added to modified 35-file layout

ROI: Return on investment

RT: Route of Administration

SAR: (Service Authorization Request) Each SAR is assigned a unique number.

SAS: Statistical Analysis Software

SDLC: System Development Life Cycle

SMART KEY: A 24-byte numeric field on the Formulary File record which is used to identify a drug by its ingredient, form and use. It has eight fields which are: Generic Therapeutic Class, Specific Therapeutic Class, Generic Name, Drug Strength, Dosage Form, Route of Administration, Package Size/Unit of Measure and Unit Dose/Unit of Use. The Smart Key is proprietary to First Data Bank's drug information system.

SPD: Seniors and Persons with Disabilities (see ABD)

SQL: Structured Query Language for the definition, organization, and retrieval of data in a database management system (DBMS).

SSN: Social Security Number

Standard: (1) industry standard features found in off-the-shelf software packages (2) DHS approved application, procedures, policy and reports.

Standard Reports: A pre-designed pattern for a report or a type of a canned or static report. The term as used in this RFP is context sensitive meaning either: (1) MIS: a canned or static pre-defined report format displaying summarized data quickly and easily manipulated by the user (2) DSS: a report template or pattern for specific types of reports for the display of data created from a user defined subset (3) a specialized static report generated by the contractor on a set frequency as defined and approved by the DHS.

STC: Specific Therapeutic Class (SMART KEY)

STR: Drug Strength (SMART KEY)

Subset: User defined filter allowing the ability to limit a search criteria in a query.

Sub-systems: parts of a system which contribute to the making of the whole system.

Summary data: Aggregated data sets

Summary-level reporting system: Aggregated variables and measures which presents data as tables, charts, graphs or reports. Must be interactive, no batch.

SURS: Surveillance and Utilization Review Subsystem; a federally-mandated MMIS subsystem that builds a statistical base for health care delivery and utilization pattern profiles for both providers and recipients and generates a listing of potential abusers for review by Audits & Investigations.

TACPA: Target Area Contract Preference (see Section V.3 in the RFP)

TAR: (Treatment Authorization Request) Each TAR is assigned a unique number.

Thin Client: A computer (client) in client-server architecture networks which has little or no application logic, so it has to depend primarily on the central server for processing activities

Title XIX: The Title of the Social Security Act that enacted Medicaid in 1965 (synonymous with Medi-Cal in California).

TTY/TDD: Telephone device for the deaf (see Section I, Exhibit I-1 in the RFP)

UD: Unit Dose/Unit of Use (SMART KEY)

UPN: Universal Product Number

USER/USERS: Use of this term(s) is context sensitive meaning either (1) the eligibles receiving medical services; or (2) the users of the MIS/DSS.

WAN: Wide Area Network

Web Application: An application delivered to users from a web server over a network such as the DHS intranet.

Widows and Orphans: A widow is the last line of a paragraph/chart printed by itself at the top of a page. An orphan is the first line of a paragraph, table or chart printed by itself at the bottom of a page. This control is set through software pagination options and defaults.

WYSIWYG: what you see is what you get

z/OS: secure operating system, the current MIS/DSS mainframe operating system

APPENDIX E - QUESTIONS AND ANSWERS

#	DATE RECEIVED	RFP REFERENCE	QUESTION TO THE STATE	RESPONSE FROM THE STATE
1.	9/7/05		Regarding the above referenced RFP, is Administrative Requirement #25 outlined in Section V.6.10 negotiable? Having almost 80% of payment after implementation would cause us not to bid.	No. This requirement protects the State's interests and ensures that the deliverables meet the specifications in the RFP and are without material defect.
2.	9/7/05		Regarding that requirement in general, we have started to see these payment terms in more and more RFPs. Is this going to be a standard condition on IT contracts? (If so, we and I believe many other organizations are going to decline to bid for the most part and will be forced to substantially raise our prices to cover this risk and financial hardship if we ever do bid.)	Having a Performance Bond is a requirement that is determined on a procurement by procurement basis however, it is standard to require a Performance Bond for contracts where progress payments are being made. The State understands that there is a cost associated with requiring a bond but the State believes that the protections provided by having the bond add considerable protection to the State.
3.	9/8/05	III-3	The MIS/DSS data warehouse contract with the current Contractor expires April 16, 2006. This procurement is expected to result in a competitively bid Best Value contract for the transfer: enhancement: operation and maintenance of the MIS/DSS. We request that the Department clarify the requirements regarding the transfer of the current system.	At the end of the current contract, the State will own the following components of the MIS/DSS: (1) the current DB2 database, (2) six MS 2000 client/servers and, (3) a MVS mainframe. Bidders have the option of including these components in their proposed solution, or not. If the new solution requires additional or different hardware, these costs must be included in the Bidder's cost proposal. All Bidders must include end-user access software costs, as the State will own no MIS/DSS software after the end of the current contract.

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				As stated in RFP Section VI. (Contract Deliverables), the State expects the Bidder to have their proposed solution operational within 6 months of Contract award. (See Section VI, SD-8 for additional information on implementation phases.) The Bidder will not be required to "transfer or operate" the existing MIS/DSS. As stated above, the Bidder has the option of using the components that the State will own, or bidding different components. The RFP has clarified this process in Addendum 1.
4.	9/8/05	III-3	The contract with the current Contractor will end on April 16, 2006. The current projected Contract award date for this RFP is April 6, 2006. Given the short timeframe, and the gap between contract award and start-up, it is unclear what the bidder will be required to perform in the intermediate time Also, what will the status of the current system be during the 6 months between contract award and start-up of the transferred system?	The new Contractor will be required to install and operate their proposed solution within six months of Contract Award. The State is currently considering the answer to: "What will the status of the current system be during the 6 months between contract award and start-up of the transferred system?" Options under consideration include: (1) a contract extension with the current vendor during which time the current vendor will continue to operate the MIS/DSS in it current form and will work with the new contractor for an orderly transition. (2) Shut down the MIS/DSS after the current contract expires until the new solution is

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				installed, (3) allow users to access the DB2 data warehouse using COTS applications, but apply no updates for the six-month gap. Once a decision is made regarding this very important issue, it will be posted on this website. If Option 2 or Option 3 is implemented, the impact to the Bidder is that the data feed files that are produced during the "gap" period (the time between current contract expiration and the new system implementation) will be saved, and the Bidder will have to load these files into their MIS/DSS database.
5.	9/8/05	III-3	Please describe in detail what needs to transferred and what cannot be transferred. What transfer requirements, if any, would be required in case the incumbent is awarded the RFP?	Please see question 3 above regarding the transfer of responsibility, and the components remaining in the MIS/DSS after the end of the current contract. Three key components that will not remain are: (1) software for end-user access to the data, (2) a means to update the data warehouse with new data and (3) a means to present summary/MIS data. The same requirements apply to all bidders. The current software and update methodology do not meet a significant amount of the requirements in this RFP (See the Independent Assessment in the Bidder's Library).
6.	9/8/05	IV-1	The MIS/DSS system will be a stand-alone	The system will be housed at the Department of

#	Date Received	RFP Reference	Question to the State	Response From the State
			system. The only automated interfaces to the system are the monthly data-feeds (i.e., the file extracts from the various DHS legacy systems that are loaded into the data warehouse by the Contractor). HHSDC houses the current mainframe hardware and operating system, file servers, as well as the telecommunications network. The Department of Technology Services will continue to house the MIS/DSS. If the bidder has an existing hosted system that meets much of the required functionality, could the system be hosted at the vendor's data center if the bid results in the best value to the State?	Technology Services. This is a considered decision - with input from organizational units within DHS, Health and Human Services Agency, and DGS. Several factors influenced this decision including, the security and control of protected health information (PHI) and data, in general, and the impact on competition and transfer of a system to a new contractor after our contract ends.
7.	9/8/05	SA-21	The Contractor shall include as part of the fixed price bid the cost for upgrading the MIS/DSS IBM 9672-R26 mainframe in order to support the migration to the 64 bit, z/OS V1R6 operating system. This upgrade will occur prior to March 31, 2007, when IBM will withdraw support from z/OS V1R4. Will the upgrade be required if the proposed system does not require a mainframe?	If the proposed MIS/DSS does not require a mainframe, this upgrade will not be necessary. This requirement has been clarified in Addendum 1.
8.	9/8/05		What is the long-term strategic vision for the MIS/DSS system at DHS?	Please refer to the following documents in the Bidders Library: • Independent Assessment of the MIS/DSS –

#	Date Received	RFP Reference	Question to the State	Response From the State
				Final Report • Post Implementation Evaluation (PIER) Report • MIS/DSS Planning Advance Planning Document (PAPD) and Addendum
9.	9/8/05		Which of the "technological advancements and new business needs" mentioned in the RFP are particularly significant for or interesting to DHS?	All mandatory requirements in the RFP are significant to DHS. See the Independent Assessment of the MIS/DSS – Final Report, and MIS/DSS PAPD, Addendum III in the Bidder's Library for additional information.
10.	9/8/05		Who is the project sponsor (Project Executive) for the MIS/DSS system? Who provides the top-level commitment and guidance to provide timely and accurate information for the data warehouse?	Stan Rosenstein, Deputy Director – Medical Care Services (State Medicaid Director) is the Executive Sponsor of the MIS/DSS. Top-level commitment and guidance is provided by the MIS/DSS Steering Committee and the four Medical Care Services Division Chiefs (See MIS/DSS PAPD, Addendum II in the Bidder's Library).
11.	9/8/05		Who are the key departmental users of the system?	See the following documents in the Bidder's Library: • Independent Assessment of the MIS/DSS – Final Report • Post Implementation Evaluation (PIER) Report MIS/DSS Planning Advance Planning Document

#	Date Received	RFP Reference	Question to the State	Response From the State
				(PAPD) and Addendum
12.	9/8/05		Are there standards in place that govern the content and format of each source data stream for data fed into the data warehouse? If so, where are these standards located?	Yes.See the following documents in the Bidder's Library: • S35 File Layout • Paid Claims Front End Redesign (PCES) • S35 File Data Element Dictionary Detailed Data Feed Overview Chart
13.	9/8/05		What is the scope of change management (user orientation) and business process analysis activities required for any organizational changes that will accompany the initial implementation of the system?	The Contractor will be required to conduct user orientation and training on the new system once it is operational (See RFP Section IV – Training). The MIS/DSS Steering Committee will provide overall strategy and guidance of the MIS/DSS implementation, and will serve as the executive-level champions for any necessary business process or organizational changes.
14.	9/8/05		Is DHS interested in upgrading the existing DB2 DBMS or replacement of the DBMS?	We are open to any solution that will meet our needs as stated in the mandatory requirements in the RFP.
15.	9/8/05		Can you give additional detail about the existing technical infrastructure support for an enterprise-wide, web-based system?	See the following documents in the Bidder's Library: • Equipment Inventory List • Software Inventory List Daily S4 CPU Utilization Chart
16.	9/8/05	II.3.6.4 Page II-6	Bidders should be aware that making a document "confidential" or "proprietary" in a final proposal will not keep that document, after notice of intent to award, from being	You cannot make the entire Proposal document confidential. If you have to provide confidential information to answer a particular requirement, identify the type of information you must

#	Date Received	RFP Reference	Question to the State	Response From the State
			released as part of the public record, unless a court has ordered the State not to release the document. When proprietary content must be disclosed in order to demonstrate compliance with a requirement, what is the mechanism by which vendors' intellectual property may be protected?	disclose to DGS prior to submitting the information and the State will let you know if we agree that it is confidential. If we believe it is confidential you should submit the information with your Proposal and when the Evaluation Team has finished reviewing the information it will be returned to you and the State will not retain a copy. If DGS does not believe it is confidential, we will so notify you and you can choose to include the information or not. This may take some time so please submit your requests early.
17.	9/8/05	II.4.1 Page II-10	From Information Technology Purchase Special Provisions, Section 2, Page 1: Unless otherwise specified in the Statement of Work, title to the Equipment shall remain in the Contractor and assigns, if any, until such time as successful acceptance testing has been achieved. Title to a special feature installed on a Machine and for which only a single installation charge was paid shall pass to the State at no additional charge, together with title to the Machine on which it was installed. After successful acceptance testing, will the State hold title for and own the hardware included in the vendor's proposal?	Yes.
18.	9/8/05	II.4.1 Page II-10	From The IT General Provisions, Section 83, Page 7:	The IT General Provisions you quoted covers what will happen during the contract term.

#	Date Received	RFP Reference	Question to the State	Response From the State
			State agrees that all material appropriately marked or identified in writing as proprietary and furnished hereunder are provided for State's exclusive use for the purposes of this Contract only. All such proprietary data shall remain the property of the Contractor. State agrees to take all reasonable steps to insure that such proprietary data are not disclosed to others, without prior written consent of the Contractor, subject to the California Public Records Act. When proprietary content must be disclosed in order to demonstrate compliance with a requirement, what is the mechanism by which vendors' intellectual property may be protected?	Please see response to Question 16 for how confidential information will be handled prior to contract award.
19.	9/8/05	V.6 Page V-2	If the Bidder identifies any of the submitted information as confidential, and the State agrees, it shall be treated as described in Section II.3.6.4, Confidentiality. When proprietary content must be disclosed in order to demonstrate compliance with a requirement, what is the mechanism by which vendors' intellectual property may be protected?	Please see response to Question 16.
20.	9/8/05	V.6.10.4 Page V-13	Maintenance, Operations, and Administration. The Contractor may invoice for Maintenance,	This requirement has been corrected in Addendum 1.

#	DATE RECEIVED	RFP REFERENCE	QUESTION TO THE STATE	RESPONSE FROM THE STATE
			Operations and Administration support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of Help Desk support. Years 2 – 7 would include twelve (12) months of Help Desk support per year. **Question**: Should this section be reworded as follows? Maintenance, Operations, and Administration. The Contractor may invoice for Maintenance, Operations and Administration support on a monthly basis following production implementation, in arrears. It is anticipated that design and implementation will be completed within the first six (6) months of the contract. Therefore, for Year 1, it is anticipated that there will be six (6) months of *Maintenance, Operations and Administration* support. Years 2 – 7 would include twelve (12) months of *Maintenance, Operations and Administration* support per year.	
21.	9/8/05	V.6.11.2 Page V-13	If the Contractor does not meet of the system availability time specified in Section VI.1.2,	System availability calculations will not include the time period between 00:01 am Sunday and

#	Date Received	RFP Reference	Question to the State	Response From the State
			Mandatory Technical Requirements, PA-4, the State may assess the Contractor Liquidated Damages for each month that the system does not meet 95% of availability requirements per calendar month. Liquidated Damages will be assessed in the amount of $5000 per month. Does the 95% rule exclude any of the following outages (see PA-4 on page VI-32 and SM-4 on page VI-4): • Planned outages, e.g., those approved by the DHS MIS/DSS Project Manager • Outages between 00:01 am Sunday and 6:00 am Monday Outages outside regular State business hours	6:00 am Monday. This time period is available for the Contractor to perform system maintenance activities.
22.	9/8/05	SA-1 Page VI-29	The System shall conform to the California DHS Web-based Application Architecture Standards and Processes (see Bidders' Library). The California DHS Web-based Application Architecture Standards and Processes document contains a subset of service descriptions pertaining to hosting application services by the Division, and not the full range of services provided by the Division. The full range of services is posted internally at CDHS at the intranet site http://itsd.int.dhs.ca.gov. Do vendors need to understand the full range of	This requirement has been deleted in Addendum 1.

#	Date Received	RFP Reference	Question to the State	Response From the State
			services and if so, can CDHS provide access to this intranet site?	
23.	9/8/05	SA-1 Page VI-29	The System shall conform to the California DHS Web-based Application Architecture Standards and Processes (see Bidders' Library). If the Project Initiation Volume of the CDHSAASP applies to this RFP process, can DCHS provide full access to the detailed project management practices posted on their intranet at http://itsd.int.dhs.ca.gov/Planning%20and%20Project%20Management?	This requirement has been deleted in Addendum 1.
24.	9/8/05	SA-1 Page VI-29	The System shall conform to the California DHS Web-based Application Architecture Standards and Processes (see Bidders' Library). The California DHS Web-based Application Architecture Standards and Processes document addresses development practices and methodologies to be adopted by new software development activity within CDHS. Which sections would apply to vendors external to CDHS?	This requirement has been deleted in Addendum 1.
25.	9/8/05	SA-10 Page VI-30	The DBMS shall be designed and implemented using one of the following enterprise relational database: SQL Server,	This requirement has been modified in Addendum 1.

#	Date Received	RFP Reference	Question to the State	Response From the State
			Oracle, DB2, Sybase. Would DHS consider a Teradata-based solution, as Teradata is a leading DBMS used in large-scale database applications such as the Teradata Integrated Data Repository that will be implemented by CMS?	
26.	9/8/05	CS-2 Page VI-39	The Contractor's proposed Project Manager shall be a certified Project Management Professional by the Project Management Institute, or have successfully completed a project management training program from an accredited University. **Does a Bachelor of Science degree in a program for analysis, design, and implementation of information systems from a University accredited by the International Assembly for Collegiate Business Education (IACBE) and the Western Association of Schools and Colleges (WASC) and a member of the American Assembly of Collegiate Schools of Business (AACSB) qualify?**	This requirement has been modified in Addendum 1.
27.	9/8/05	CS-5 Page VI-39	The Contractor shall provide a management, documentation, and administrative staff structure to support system development and implementation. No individual will simultaneously fill more than one of the roles	This qualification is specific to C-5. However, please note that the modified descriptions in C-6, C-7, and C-8 specify that the staff assigned to the tasks identified must be dedicated, full time staff.

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			listed below, unless otherwise specified. Does the CS-5 requirement that no individual will fill more than one role listed in the CS-5 also apply to the roles specified in CS-6 through CS-10, or is it that the roles in CS-5 cannot overlap but other roles in CS-6 through CS-10 can overlap with roles in CS-5 through CS-10?	
28.	9/8/05	SM-4 Page VI-47	The Contractor shall provide preventative maintenance during regular State business hour (defined as 7:30 am to 6:00 pm Pacific Time), five days a week, Monday through Friday, excluding State observed holidays, plus on-call support 24 hours a day, 7 days a week for critical error resolution. Does CDHS require preventive maintenance to occur during business hours or during non-business hours?	This requirement has been modified in Addendum 1.
29.	9/8/05	VIII.1 Page VIII-1	Page numbers must be located in the same page position throughout the proposal. Will page numbers placed on the bottom outside corners on a double-sided page satisfy this requirement?	Yes.
30.	9/8/05	VIII.2.1 Page VIII-2	The Draft Proposal should follow the format and content of the Final Proposal except the submission must not include actual dollar cost	Yes.

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			information. Are the number and format of Draft Proposal copies required the same as for the Final Proposal (e.g., 13 copies plus 1 CD)?	
31.	9/8/05	VIII.2 Page VIII-2	One copy of the entire proposal, in Microsoft Word, must be submitted on Compact Disc (CD). If some of the supporting documentation were prepared in other software packages, would the State accept electronic files embedded in a Word file or submitted in Adobe Acrobat format as sufficient to meet this requirement?	Yes.
32.	9/8/05	SA-15 Page VI-30	The System shall be implemented and operated at the Department of Technology Services. Do all production, development, operations and testing hardware need to be located at DTS?	Yes.
33.	9/8/05	CS-1 through CS-10 Page VI-39	Contractor Staffing Including the analytic consulting and technical consultation hours required elsewhere in the document, is it correct that the vendor must provide approximately 28 staff to support the Medi-Cal MISDSS?	Please see response to Question 27.

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34.	Bidders Conference		What is the approved budget for this project? Has a budget been developed for the MIS/DSS contract being procured and, if so, is that information available to potential bidders?	The MIS/DSS is an approved project with an ongoing budget allocation. For planning purposes, estimates for the new contract have been budgeted at the level of the current contract amount which is $5.8 million, annually. If additional funding is required the State will request legislative approval prior to Contract Award.
35.	Bidders Conference		It appears that ITSD has primary responsibility for integrating for the multiple files that are provided…is this correct? The vendor then does some duplicate removal, etc.	ITSD is responsible for gathering and consolidating the data from all 80 submitters. That data is processed in various ways; e.g., to verify, and if necessary, assign the primary identifier for the beneficiaries. ITSD also performs "de-duplication" effort for managed care encounters and County Organized Health Plan (COHS) claims. ITSD also puts all of the claim records in a standardized format that is then passed on to the MIS/DSS Contractor. The MIS/DSS contractor is responsible for putting data into the data warehouse.
36.	Bidders Conference		How will DGS answer questions submitted throughout the process?	Answers will be posted to this website.
37.	Bidders Conference		Will DHS list the proprietary components of the system?	The proprietary components of the current system are: • Panorama View • DataScan • CASE • Episodes • CORE conversion/Update Processes

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				See questions 3 and 5 above. Also see Background Documents Section in the Bidder's Library.
38.	Bidders Conference		How did you determine that 6 months was a reasonable timeframe for the transfer process and 12 months was a reasonable date for full implementation?	The six-month timetable is based on the collective experience of DHS in bringing up information technology systems.
39.	Bidders Conference		The RFP states an extension of current Medstat contract is not authorized or feasible. Did DHS request or attempt to extend the current contract for the requirements of the current RFP?	No, DHS did not attempt to extend the current contract for the requirements of the current RFP. However, extending the contract to cover the 6 month turnover period is an option under consideration by DHS.
40.	Bidders Conference		The RFP states an extension of current Medstat contract is not authorized or feasible. How does the RFP define "feasible"? Was the contract extension not feasible due to policy/regulation administration, or are there technical limitations making current contract continuance not feasible?	This is not stated in the RFP. However, technical limitations make the current system incapable of meeting the current business needs and requirements of this RFP.
41.	Bidders Conference		The cost evaluation includes one-time costs. These costs include: 1) Commercial Off-The-Shelf Software (COTS) Software Costs; 2) Hardware Costs; 3) Initial Training Costs; and 4) Design, Implementation and Other One-Time Costs. Since the State is requiring a transfer of the existing solution, the current incumbent would not have to incur many of the costs in this section. Can the one time cost	The State is not requiring the transfer of the existing system (see questions 3 and 4 above). The State is interested in the total cost to the State therefore, one-time only costs will not be removed.

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			be removed from the cost evaluation process? If not, how will the state make sure other bidders are not deemed non-competitive due to these costs that will have to be borne by all bidders except for the incumbent?	
42.	9/22/05	General	MIS/DSS Implementation: The Contractor will bid to transfer the existing MIS/DSS system and to enhance and upgrade the system. The RFP purpose is not clear on this matter: Is the State requesting that the bidder transfer the existing system (i.e. take ownership of all existing system components) and then 1) replace the proprietary components and 2) make required functional enhancements OR is the State requesting the bidder to propose a replacement system as implied in other sections of the RFP (i.e. The State intends to acquire a MIS/DSS solution based on the selection criteria as set forth in this RFP …. Pg VII-1).? If the intent is to "transfer and enhance" then please provide a specific list of what proprietary components need to be replaced and which components will remain in place. If the intent is to propose a replacement system please confirm that this RFP represent	This subject was clarified in Addendum 1. It is the intent that the Bidder implements a system that meets all of the requirements specified in the RFP. The RFP represents a complete set of requirements for the MIS/DSS system to be proposed.

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			a complete set of requirements for that replacement system?	
43.	9/22/05	General	IX.5.4.2 Cost Assessment Sealed Cost information will not be opened until the Evaluation Team has completed the previous steps in the evaluation process. If a Bidder's proposal has been determined to be non-responsive during any of the earlier steps, its cost information will remain unopened. The Cost Assessment consists of a computation of the Total Solution. The Cost Assessment will incorporate costs defined in Section VII, Cost, and provided by the Bidder in Appendix B, Cost Workbook. Determination of the cost of each Bidder's proposal will be based on an assessment of the total cost of the proposed solution, including the sum of software and hardware costs, implementation costs, and estimated labor costs for the contract. The maximum Cost Assessment score is 230. It is evident that the incumbent will have a significant cost advantage over any other vendor for the transfer of the existing system. To encourage competition, the state should eliminate all or part of the one-time costs from	Please see Addendum 1 modifications and the answers to Questions #3, #4, and #41 in Appendix E: Questions and Answers. The State is not requiring the transfer of the existing system. The State will evaluate proposals on the total cost to the State therefore, one-time only costs will not be removed.

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			the evaluated price to encourage more bidders to pursue the contract and compete to deliver the best value.	
44.	9/22/05	I.1 Purpose of this Request for Proposal AND III.4 Existing Technical Infrastructure	The new Contractor will be required to replace proprietary components and applications used in the current system. AND Medstat proprietary software includes DataScan, Panorama View, Panorama Briefing Book and Performance Measurement Workstation (PMW). Third-party proprietary software includes My Eureka!, and MapInfo. Is this a complete list of proprietary components, code and applications that need to be replaced? If not, please provide a complete listing. Please confirm that data models, measures, reports, groupers, custom coding (i.e. all ETL processes including those used to create the DSS Database, the Performance Summary Database and the HEDIS Reporting Database), etc. are not proprietary and can be used as needed in the new/enhanced system.	DHS "owns" some of the "transform" programs (from the Extract, Transform, Load process). The programs that are available for Bidders to re-use, if they so choose, are located in the Bidders Library under Phase 5 Program Design; Deliverable Contents-Jobs; Program Design. The Data Model and Schema are available in the Bidders Library. The reporting and query structure and underlying logic are proprietary to the current vendor. To the best of DHS' knowledge, all components that can be re-used by the Bidder, if they so choose, are listed in the Bidders Library.
45.	9/22/05	General	Timeframes required: CD-7 System Test Results …. This deliverable is due no later than 150 calendar days after Contract Award.	Please see clarifications in Addendum 1. The State is not requiring a "transfer" of the existing system. The State is requiring the proposed system to be operational in six months. The State

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			Contract Award. Having system test results 5 months after the award date implies that the current system has been transferred and all planning, analysis, requirements, design, build, unit tests and system tests, etc. have been completed. This appears to be an aggressive schedule given the complexities of the process for any vendor other than the incumbent. According to the Independent Assessment Report, MIS/DSS was in development for approximately 3 years; how did the State determine that 6 months and the enhancements in 12 months? Also, please clarify what specifically is required to be operational 6 months after contract award?	believes that six months is a reasonable timeframe, given the specificity of the requirements, the knowledge of the DHS MIS/DSS staff, the use of Commercial off the Shelf software, and that the original MIS/DSS functionality was initially implemented in six months. See the Post Implementation Evaluation Report (PIER) in the Bidders Library, Section 2.5, for further information on the implementation timeframe of the original MIS/DSS.
46.	9/22/05	I.2 Overview	MIS/DSS integrates data from various sources including … other reference data What all is included in "other reference data"?	Please refer to RFP Section VI, Requirements DI-18, DI-36 through DI-40.
47.	9/22/05	I.2 Overview	…(ITSD) is responsible for the data preparation from legacy paid claim reporting systems across more than 80 sources.	ITSD will be the exclusive data provider.

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			Must we continue to use ITSD as the exclusive data provider or can we leverage data already cleansed and processed in other systems.	
48.	9/22/05	II.3.8	During the demonstration, the Bidder must demonstrate that a State-selected sample of mandatory requirements can be satisfied by the Bidder's proposed MIS/DSS solution. If this RFP is to "transfer the existing Medi-Cal Management Information System/Decision Support System (MIS/DSS) from the current Contractor, and provide enhancement, operation and maintenance services for the transferred MIS/DSS" then how could the Bidder be expected to provide a demonstration when the Bidder will not be in possession of the system to be transferred and enhanced?	Please see Addendum 1 modifications and the answers to Questions #3, #4, and #41 in Appendix E: Questions and Answers. The State is not requiring the transfer of the existing system.
49.	9/22/05	V.6.2 Letter of Bondability - Performance Bond	ADMINISTRATIVE REQUIREMENT 2: The State requires a performance bond for this project. Therefore, the Bidder shall provide, as part of its Draft and Final Proposal, proof of bondability and the terms and conditions of the performance bond. The proof of bondability must state that the bonding company will bond the Bidder for 50% of the value of the total contract, for the life of the Contract. The bonding company must be a surety, licensed to do business in the state of	This requirement has been modified in Addendum 3.

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			California, with a rating of no less than A- (A minus). The awarded Contractor shall supply a performance bond in the amount of fifty percent (50%) of the contract award for the life of this Contract to ensure contract performance and guarantee deliverables by deadlines. Since a significant percentage of total contract value will be earned when the system is fully implemented and accepted the requirement to maintain the bond at 50% of the total value presents an additional cost to the vendor that is passed on to the state through the bid price. Suggest that this sentence be amended to read: The proof of bondability must state that the bonding company will initially bond the Bidder for 50% of the value of the total contract; in each subsequent year, the amount of the contract value subject to the 50% bond will be reduced by the contract value paid to the contractor in the previous year.	
50.	9/22/05	Administrative Requirement 24	The Contractor shall deliver to the Escrow Agent the latest version of the COTS product (s), the source code for the COTS product(s), and all software used in the development, testing, and implementation of the MIS/DSS including all related documentation of the	This requirement has been modified in Addendum 2.

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			software and all system development done as part of the Contract resulting from this RFP which is not commercially available. Generally the vendors of COTS products do not make their source code available, thus it is likely that the Contractor would not have this source code unless they were the vendor of the product.	
51.	9/22/05	GF-4, MA-5	The System shall provide end users the ability to Data Mine and aggregate data in the Decision Support database. Does this require Data Mining Software or just the data available for the users to do their own data mining? If so, what specific data mining functionality or techniques are required? Does the current system contain any data mining capabilities? If so, is it proprietary?	The software provided to meet various requirements to perform aggregating functions and reporting functions will be used for the data mining. The current system functionality is proprietary.
52.	9/22/05	GF-9	The System shall provide the end users the capability to study, track, and compare the compliance of providers (including managed care Contractors) with clinical practice guidelines and other normative benchmarks of clinical and/or financial performance, such as National Council on Quality Assurance (NCQAs) and Health Plan Employer Data and Information Set (HEDIS) performance measures.	The Contractor will supply the normative benchmark data.

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			Will the department supply the normative benchmark data or is that the responsibility of the contractor?	
53.	9/22/05	GF-19	The System shall provide end users the ability to perform SQL queries against the database using SAS or SPSS tools. SA-7 - The System (including any third-party tools) shall provide a Presentation layer that does not have direct access to the data store. Are these in conflict? GF-19 and SA-7 seem to be in conflict. Does requirement SA-7 require some type of presentation layer on top of the SPSS or SAS applications?	Requirement GF-19 has been modified in Addendum 2. The proposed architecture must support end user SAS access to the MIS/DSS through the presentation layer (i.e., no direct access).
54.	9/22/05	RQ-51	The system shall provide the option to exclude a beneficiary from query results, including beneficiary, claim or other types of counts, when a claim has been adjusted. Is this requirement basically requiring the ability to include or exclude adjustments in queries and reports?	This requirement has been modified in Addendum 2.
55.	9/22/05	DI-27	Provider Master File – The System shall retain history of changes to provider data. Does MIS/DSS retain history of PMF changes	The current system is being modified to retain a history of PMF changes (i.e., effective and termination dates are being added to PMF

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			today? How long is history to be retained? What is the scope of fields that are key for this history retention? How does PMF history get used for reporting?	records in MIS/DSS). There will be a rolling history with the latest 5 PMF records being reflected. The key fields are Provider ID, Enrollment Status Data, Category of Service Code, Provider Type, Provider Specialty, Federal ID Number, License Number, Medicare Number, National Provider Identifier, and Provider Service Address. PMF history is used for various activities, including provider profiling fraud prevention activities.
56.	9/22/05	DI-36	Reference Data: The Contractor shall use the standard definitions and data field labels for all data, as specified by the DHS in the 35 File Data Element Dictionary. This requirement conflicts with requirement SD-6 "The Contractor shall establish, use, document, and otherwise maintain professionally and technically sound standards, techniques, and tool including, but not limited to: Data naming standards Definition standards Standards for data characteristics, etc Can we defer to the more open requirement SD-6?	Requirement SD-6 has been modified in Addendum 2.

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57.	9/22/05	DI-47	The System shall perform an annual data reconciliation and update of production and archive data. What is the MIS/DSS data being reconciled to? What kind of updates would need to be performed?	The MIS/DSS data is being reconciled to the MEDS, Provider Master File, and Paid Claim and Encounter System data feed extract files. Updates would be performed against the MIS/DSS for any identified inconsistencies or data anomalies. This requirement has been modified in Addendum 2.
58.	9/22/05	PA-1	The Contractor shall provide licenses sufficient for 300 total authorized users with 50 concurrent simultaneously logged on users. This states "50 concurrent simultaneously logged on users". Is the requirement to only support 50 logged on users (some or all of whom can be inactive) or to support 50 concurrent queries against the system?	50 concurrent users who may be submitting concurrent queries against the system. This requirement has been modified in Addendum 2.
59.	9/22/05	PA-4	The Contractor shall perform maintenance that interrupts system availability, only between the hours of 1 am Sunday and 6 am Monday, Pacific Time… What is the current maintenance window for MIS/DSS?	Under the current MIS/DSS contract, the Contractor schedules maintenance that interrupts system availability with the MIS/DSS Project Office. There is no defined maintenance window.
60.	9/22/05	SS-8	The System shall make all calls to the Database layer as a trusted sub-system that utilizes a single database access account for all	The rationale for this requirement is to assure the requests performed by the database layer have been authorized through the application layer.

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			transactions. With this approach, there is no control or knowledge of who is accessing what and thus makes SS-12 (audit logs for all user activity) and SS-13 (log all user transactions against confidential data at the Database layer) challenging. Can the department please explain the rationale for this requirement?	The application layer should still log the requests of users made to the database layer. This protects the database layer from inappropriate requests that have not been validated through the application layer. SS-13 has been clarified in Addendum 4.~~Answer pending~~.
61.	9/22/05	VI-ST-4	The initial and quarterly training shall be provided end users in Sacramento, the Bay area, and Southern California. Does the state pay for all travel costs?	Contractor travel costs may be included as a line item in Cost Table Form VII-4 and may be included in the "Rate Per Quarter" in Cost Table Form VII-6. The State will not reimburse travel costs that are not included in the Cost Tables.
62.	9/22/05	SO-2	The Contractor shall perform monthly updates to any MIS/DSS data marts and statistical summary databases. Does this requirement preclude the contractor from offering Episode Grouped data (for example) on a bi-annual or quarterly basis, or at a refresh interval other than monthly?	Yes, this requirement precludes the contractor from offering Episode Grouped data (for example) on a refresh interval other than monthly.
63.	9/22/05	VI-SM-9	The Contractor shall provide periodic upgrades (e.g. version upgrades, software patches) to all hardware provided in response to meet the requirements as described in this RFP including providing all necessary software and programming services required	This work is to be included in the fixed price bid.

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			to implement the upgrades. Is this work billable or considered fixed price?	
64.	9/22/05	V-DGF-8	The Systems should provide access to public and private healthcare industry and intelligence regarding cost and diagnostic standards to be used in predicting cost and utilization trends and for establishing external benchmarks. Can the department expand on this desirable requirement?	If the Contractor has access to non-published normative data, this would be provided by the Contractor and used in MIS/DSS analysis. For purposes of this RFP, Normative Data is considered comparable health services data from other public and private healthcare industry agencies or jurisdictions. The data diagnostic standards, which can be used in predicting service costs and utilization trends and for establishing external benchmarks. These Normative Data will be used to compare summary level data from the MIS/DSS.
65.	9/22/05	RQ-40	The System shall provide end users the ability to array and analyze time series data. Can you please clarify this requirement and provide specific examples?	This requirement will be modified in Addendum 2. An example would be a query that lists the number of eligibility records by month and year.
66.	9/22/05	RQ-42	The System shall provide end users the ability to create normative comparisons from any set or subset of the complete database. Can you please clarify this requirement and provide specific examples?	Ends users would have the capability to generate normative data within the database. For example, end users would have the ability to identify the population or study group, and then compute norms for the identified group. An example would be to look at all the providers in Sacramento County and establish a norm for the

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				number of services provided in a given time period, then compare a provider outside of the identified group (e.g., a Los Angeles provider) to assess the differences in their practice patterns.
67.	9/22/05	RQ-80, DI-6	The System shall provide end users the ability to query across both the active and the online archive database in a single query. Please describe an Online Archive database. Is this a requirement of the transfer or enhanced system?	These requirements have been modified in Addendum 3.
68.	9/22/05	MA-1	The System shall provide a hierarchical consolidation of data by aggregated classes, groupings, and combinations, with drill-down capabilities for analysis, profiling, and exception reporting of eligibles, providers, services, diagnoses, capitation payments, expenditures, billing patterns and procedures. Can you please clarify this requirement and provide specific examples?	The System shall provide hierarchical consolidation of data (roll-ups) such as Eligibility Aid category (aid codes); Age Group (age); Plan Model Type (PHP code) and advanced drill-down for simplified and complex analysis, profiling, and exception reporting of eligibles, providers, services, diagnoses, capitation payments, expenditures, billing patterns and procedures. This shall include aggregated classes, grouping, and combinations, as well as individual-level analyses of single eligibles, providers, services, diagnoses, capitation payments, expenditures, billing patterns, and/or procedures.
69.	9/22/05	MA-15	The System shall provide linear programming modeling capabilities. Can you please clarify this requirement and	This requirement has been deleted in Addendum 3.

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			provide specific examples?	
70.	9/22/05	MA-17	The System shall provide end users the ability to create, modify and save grouping parameters. Can you please clarify this requirement and provide specific examples?	Two types of "grouping parameters" are currently used in 1) sub-setting and/or 2) defining the report. These grouping parameters can be saved to the user's library. The sub-set criteria define the limits of the desired data when accessing the database. This sub-set can then be saved by the user to use in the future. This sub-set can be modified by the user by deleting or adding different criteria to the previously saved sub-set, and then saved under a different name. This same process is used when defining the parameters of a report to be prepared. These parameters can be saved and modified in the future by the user, if desired.
71.	9/22/05	DI-10	The System shall provide end users the ability to link a claim record on the database with the original input record using the record identification number (RIN) supplied by DHS. Can you please clarify this requirement and provide specific examples?	The RIN allows a user to match the data warehouse record to the original data feed flat file record. This is used most often to reconcile data validation/integrity issues.
72.	9/22/05	VII	Maintenance Request Costs: The Bidder shall enumerate a single hourly rate per year to provide up to 2,000 hours per year of technical	Please refer to RFP Requirement SM-3, which states "The Contractor shall provide up to 2,000 hours per year of technical consultation and

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			consultation and services for System Requirements. Are all tasks within this work billable?	services for system maintenance as part of the Maintenance Request process (refer to Form VII-8, Maintenance Requests Costs Worksheet). This consultation and service shall include but not be limited to: implementation of routine changes to the system design (e.g., new database fields, revised logic for existing fields, new database tables, new or modified System questions, etc.) and other unanticipated changes (e.g., support of a new Windows operating system). Use of these services will be approved by DHS in writing prior to services being provided via a Maintenance Request process." After completion of the Maintenance Request, the contractor can bill the State for the number of hours approved in the Maintenance Request at the Rate Per Hour provided on Form VII-8.
73.	9/22/05	VII	Analytical Requests Costs: The Bidder shall enumerate a single hourly rate per year to provide a minimum of 5,000 hours per year. Are all tasks within this work billable?	Please refer to RFP Requirement US-1, which states "The Contractor shall provide 5,000 hours per year of analytical consulting service to users and programs, as part of the Analytical Request process (refer to Form VII-9, Analytical Requests Costs Worksheet), in areas of expertise including but not limited to: Identification of Medi-Cal fraud and abuse. Expertise in specialized areas, such as pharmacy and dental knowledge Private sector health industry standards related to

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				Medicaid Specialized report development Expertise in HIPAA reporting requirements Decision support and modeling concepts Use of these services will be approved by DHS prior to services being provided via an Analytical Services Request process." After completion of the Analytical Services Request, the Contractor can bill the State for the number of hours approved in the Analytical Services Request at the Rate Per Hour provided on Form VII-9.
74.	9/22/05	VII	Maintenance, Operations, and Administration Costs Are all tasks within this work billable?	The Bidder shall enumerate a single monthly rate per year for maintenance, operations, and administration costs (including turn over activities) required to meet the on-going maintenance, operations, and administration requirements specified in Section VI, Functional and Technical Requirements. DHS will pay the Contractor the fixed monthly rate for these services.
75.	10/11/05	III.6.2	Will the successful bidder be able to keep the data in the current formats/models during the transition period? Will the successful bidder be able to use these	The non-proprietary information for the data models is contained in the Bidders Library. See answer to Question #44 for additional

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			data formats/models and enhance as (or if) needed as part of the new system? Will the full data models be made available in the library? Are the existing data models proprietary?	information.
~~75.7~~	10/26/05	Section VI.1.3 Mandatory System Development and Implementation Requirements SD-8	Current Language (Requirement SD-8): The MIS/DSS shall be implemented in three (3) Phases: ▪ Phase 1 shall include all MIS/DSS functionality. The data that will be loaded into the MIS/DSS for Phase 1 shall include the data feeds for the data that was not loaded into the existing MIS/DSS due to the gap between the previous MIS/DSS contract and this contract. ▪ Phase 2 shall include the conversion of existing MIS/DSS data such that, at the completion of Phase 2, the MIS/DSS will contain the past 30 months of data. ▪ Phase 3 shall include the conversion of the remaining MIS/DSS data, such that, at the completion of Phase 3, the MIS/DSS will contain the past 10 years of data. Phase 1 shall be implemented within six (6) months of Contract Award. Phases 2 and 3 shall be implemented within 12 months of	The State has considered the proposal, and has determined that the defined approach in the RFP meets the State's requirements while creating a competitive bidding environment.

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			Contract Award. Would the State be willing to change the requirement to the following ~~P~~proposed ~~L~~language: The MIS/DSS shall be implemented in three (3) Phases: ▪ Phase 1 shall include the procurement, installation, configuration and testing of the Production and Test infrastructure environments, the implementation of the MIS and DSS Databases, the implementation of the reporting and analysis COTS and the loading of 3 years of data. Additionally, phase 1 shall include the development and implementation of all reports that have been defined in detail at the time of Contract Award. ▪ Phase 2 shall include the loading of the remaining data to get to 10 years and the installation, configuration and testing of the remaining infrastructure environment. ▪ Phase 3 shall include the implementation of the remaining COTS and the development and implementation of the remaining reports.	

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			Phase 1 shall be implemented within six (6) months of Contract Award. Phases 2 and 3 shall be implemented within 12 months of Contract Award. Benefits of Proposed Approach We propose that the largest and most important benefit to the State is easy access to meaningful data, and this is what our proposed Phase 1 provides. While the advanced functionality is important, it is typically utilized by a small group of power users and thus less beneficial overall. Thus, the remaining COTS functionality was moved to Phase 3. This proposed approach puts the emphasis on providing the most users easy access to as much data as possible as soon as possible.	
~~75.~~7	10/28/05	Appendix E – Questions and Answers # 44 and #75, October 20, 2005	Original RFP reference: #44 I.1 Purpose of this Request for Proposal AND III.4 Existing Technical Infrastructure #75 III.6.2 State response:	Graphical representations of the data model are not available.

#	Date Received	RFP Reference	Question to the State	Response From the State
			#44: DHS "owns" some of the "transform" programs (from the Extract, Transform, Load process). The programs that are available for Bidders to re-use, if they so choose, are located in the Bidders Library under Phase 5 Program Design; Deliverable Contents-Jobs; Program Design. The Data Model and Schema are available in the Bidders Library. The reporting and query structure and underlying logic are proprietary to the current vendor. To the best of DHS' knowledge, all components that can be re-used by the Bidder, if they so choose, are listed in the Bidders Library. #75: The non-proprietary information for the data models is contained in the Bidders Library. See answer to Question #44….. Please describe specifically where in the Bidders Library the data models for the MIS and DSS databases can be found. We found data dictionary and record layouts in our detailed of review of the library but were unable to locate data models. By data model, we mean the graphical representation of the tables (aka entities) and columns and their relationships to each other. Please see below	

#	Date Received	RFP Reference	Question to the State	Response From the State
			for sample data models.	
~~75.7~~		VII-1 Total Cost Summary	The "VII-1 Total Cost Summary" worksheet appears to include optional costs from the "VII-11 Labor Costs" worksheet. If so, this suggests the cost scoring may include about 10 optional FTEs per contract year. Are these FTEs somehow included in requirements from the Contractor Staffing section and the 7,000 hours required for maintenance and analytic requests? Alternately, does this mean that the proposal cost scoring will include optional staff that are not part of the Functional and Technical Requirements? How does this relate to the current budget or the budgeted amounts outlined above?	The cost scoring does include the additional hours estimated on the Labor Costs worksheet. Labor Costs are included in the bid evaluation to evaluate the potential cost to the State for "unanticipated tasks" that may occur during the contract period that would be authorized through the Work Authorization process. These hours are not related to the 7,000 hours required for maintenance and analytic services. The State will determine how much, if any, will be budgeted for Unanticipated Tasks when the contract is executed.
~~75.7~~	11/11/05	Cost Worksheet, Tab VII-1 Total Cost Summary	The notes at the bottom of the worksheet indicate that the sum of all the components of the One-Time Cost categories add up to 90% of the Total One-Time Costs. In effect, there is no way to charge the state for 100% of the Total One-Time Costs. We considered that the "missing" 10% might be related to the hold back, but we see no place in the spreadsheet to include that amount.	Formula corrected in Addendum 4.
~~75.8~~	11/11/05	Cost Worksheet, Tab VII-1 Total Cost Summary	Cell B10 (Total One-Time-Costs) is the sum of B5:B8, but not B9. The effect is to ignore Phase 2 and Phase 3 costs in the total.	Formula corrected in Addendum 4.
~~75.8~~	11/11/05	Cost Worksheet, VII-14 Labor Costs	Cells AG5 to AG16 (the Total Evaluation Cost) include references to Year 7 cells that are 50 rows below the actual numbers. The affect is to	Formula corrected in Addendum 4.

#	Date Received	RFP Reference	Question to the State	Response From the State	
			ignore Year 7 costs.		
~~75.8~~	11/11/05	Appendix E, Answer 45, VI.1.1, ST-7, V.6.10, Item 5, Training	The RFP timing of the first year of training is: [Appendix E, Answer 45] Design and Development is expected to take 6 months, or 2 quarters. [VI.1.1, ST-7] Initial Training follows Design and Development and takes 60 State-business days, or 90 calendar days, or 1 quarter. [V.6.10, Item 5, Training] Ongoing Training follows Initial Training and takes 2 quarters. The effect is to have 2 quarters of development, followed by 1 quarter of initial training, followed by 2 quarters of ongoing training – for a total of 5 quarters in the first year.	Answer pending.	
~~75.8~~	11/11/05	VI.1.2, SA-4	The RFP states that the Vendor must provide firewalls for each tier of the application. However, the CDHS Web-Based Application Architecture Standards and Processes document appears to state that the State is responsible for supplying, installing, and configuring all firewalls. Since the MIS/DSS will be within the State's Intranet, and the State appears to be responsible for supplying and configuring firewalls, it is not clear what role the Vendor would have.	Answer pending.	
~~75.8~~	11/11/05	SA-4	Reference Data: The System shall provide firewall separation for each tier of the application.	Answer pending.	

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			Placing firewalls between each tier of the application (i.e. data, application, presentation) would be costly and complex, and far exceed the industry best practices for securing an application of this nature. We suggest that an appropriate level of firewall security for the MIS/DSS is to place a firewall at the network boundary between the application and the rest of the Department's networks.	
~~75.8~~	11/11/05	DI – 38	Reference Data: The Contractor shall acquire, maintain and provide system access to National Standard reference tables, as specified in the Bidders' Library. We were unable to find the listing of National Standard reference tables in the bidder's library. Please indicate what document in the bidder's library contains this information.	Answer pending.
~~75.8~~	11/11/05	RQ-24	Service access and quality assurance information for comparison to public health objectives, such as Healthy People 2010, EPSDT objectives and HEDIS Medicaid standards; as well as for analysis of patterns of prevention, treatment and severity of illness. Comparative quality assurance information includes quality of services, as documented in the Bidders' Library Agency for Health Care Research and Quality (AHRQ), Joint Commission on Accreditation of Health Care Organizations (JCAHO), and Center for	Answer pending.

#	Date Received	RFP Reference	Question to the State	Response From the State	
			Disease Control (CDC) references. We were unable to find the references regarding Health Care Research and Quality (AHRQ), Joint Commission on Accreditation of Health Care Organizations (JCAHO), and Center for Disease Control (CDC) in the bidder's library. Please indicate what document(s) in the bidder's library contains this information.		

APPENDIX F - HIPAA BUSINESS ASSOCIATE ATTACHMENT

I. Recitals

A. This Contract (Agreement) has been determined to constitute a business associate relationship under the Health Insurance Portability and Accountability Act ("HIPAA") and its implementing privacy and security regulations at 45 CFR Parts 160 and 164 ("the HIPAA regulations:").

B. The Department of Health Services ("DHS") wishes to disclose to Business Associate certain information pursuant to the terms of this Agreement, some of which may constitute Protected Health Information ("PHI").

C. "Protected Health Information" or "PHI" means any information, whether oral or recorded in any form or medium that relates to the past, present, or future physical or mental condition of an individual, the provision of health and dental care to an individual, or the past, present, or future payment for the provision of health and dental care to an individual; and that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. PHI shall have the meaning given to such term under HIPAA and HIPAA regulations, as the same may be amended from time to time.

D. "Security Incident" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI, or confidential data that is essential to the ongoing operation of the Business Associate's organization and intended for internal use; or interference with system operations in an information system.

E. As set forth in this Agreement Contractor, here and after, is the Business Associate of DHS that provides services, arranges, performs or assists in the performance of functions or activities on behalf of DHS and creates, receives, maintains, transmits, uses or discloses PHI.

F. DHS and Business Associate desire to protect the privacy and provide for the security of PHI created, received, maintained, transmitted, used or disclosed pursuant to this Agreement, in compliance with HIPAA and HIPAA regulations and other applicable laws.

G. The purpose of this Attachment is to satisfy certain standards and requirements of HIPAA and the HIPAA regulations.

H. The terms used in this Attachment, but not otherwise defined, shall have the same meanings as those terms in the HIPAA regulations.

In exchanging information pursuant to this Agreement, the parties agree as follows:

1. Permitted Uses and Disclosures of PHI by Business Associate

A. ***Permitted Uses and Disclosures***. Except as otherwise indicated in this Attachment, Business Associate may use or disclose PHI only to perform functions, activities or services specified

in this Agreement, for, or on behalf of DHS, provided that such use or disclosure would not violate the HIPAA regulations, if done by DHS.

B. ***Specific Use and Disclosure Provisions***. Except as otherwise indicated in this Attachment, Business Associate may:

1) ***Use and disclose for management and administration***. Use and disclose PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate, provided that disclosures are required by law, or the Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware that the confidentiality of the information has been breached.

2) ***Provision of Data Aggregation Services***. Use PHI to provide data aggregation services to DHS. Data aggregation means the combining of PHI created or received by the Business Associate on behalf of DHS with PHI received by the Business Associate in its capacity as the Business Associate of another covered entity, to permit data analyses that relate to the health care operations of DHS.

2. Responsibilities of Business Associate

Business Associate agrees:

A. ***Nondisclosure***. Not to use or disclose Protected Health Information (PHI) other than as permitted or required by this Agreement or as required by law.

B. ***Safeguards***. To implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the PHI, including electronic PHI, that it creates, receives, maintains, uses or transmits on behalf of DHS; and to prevent use or disclosure of PHI other than as provided for by this Agreement. Business Associate shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Business Associate's operations and the nature and scope of its activities, and which incorporates the requirements of section C, Security, below. Business Associate will provide DHS with its current and updated policies.

C. ***Security***. To take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI, and provide data security procedures for the use of DHS at the end of the contract period. These steps shall include, at a minimum:

1) Complying with all of the data system security precautions listed in this Agreement or in an Exhibit attached to this Agreement;

2) Achieving and maintaining compliance with the HIPAA Security Rule (45 CFR Parts 160 and 164), as necessary in conducting operations on behalf of DHS under this Agreement;
3) Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III- Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies; and
4) Complying with the safeguard provisions in the Department's Information Security Policy, embodied in Health Administrative Manual (HAM), sections 6-1000 et seq. and in the Security and Risk Management Policy in the Information Technology Section of the State Administrative Manual (SAM), sections 4840 et seq., in so far as the security standards in these manuals apply to Business Associate's operations. In case of a conflict between any of the security standards contained in any of these four enumerated sources of security standards, the most stringent shall apply. The most stringent means that safeguard which provides the highest level of protection to PHI from unauthorized disclosure. Further, Business Associate must comply with changes to these standards that occur after the effective date of this Agreement.

Business Associate shall designate a Security Officer to oversee its data security program who shall be responsible for carrying out the requirements of this section and for communicating on security matters with DHS.

D. ***Mitigation of Harmful Effects***. To mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate or its subcontractors in violation of the requirements of this Attachment.

E. ***Business Associate's Agents***. To ensure that any agents, including subcontractors, to whom Business Associate provides PHI received from or created or received by Business Associate on behalf of DHS, agree to the same restrictions and conditions that apply to Business Associate with respect to such PHI, including implementation of reasonable and appropriate administrative, physical, and technical safeguards to protect such PHI; and to incorporate, when applicable, the relevant provisions of this Attachment into each subcontract or subaward to such agents or subcontractors.

F. ***Availability of Information to DHS and Individuals***. To provide access as DHS may require, and in the time and manner designated by DHS (upon reasonable notice and during Business Associate's normal business hours) to PHI in a Designated Record Set, to DHS (or, as directed by DHS), to an Individual, in accordance with 45 CFR Section 164.524. Designated Record Set means the group of records maintained for DHS that includes medical, dental and billing records about individuals; enrollment, payment, claims adjudication, and case or medical management systems maintained for DHS health plans; or those records used to make decisions about individuals on behalf of DHS. Business Associate shall use the forms and processes developed by DHS for this purpose and shall respond to requests for access to records transmitted by DHS within fifteen (15) calendar days of receipt of the request by producing the records or verifying that there are none.

G. ***Amendment of PHI***. To make any amendment(s) to PHI that DHS directs or agrees to pursuant to 45 CFR Section 164.526, in the time and manner designated by DHS.

H. ***Internal Practices***. To make Business Associate's internal practices, books and records relating to the use and disclosure of PHI received from DHS, or created or received by Business Associate on behalf of DHS, available to DHS or to the Secretary of the U.S. Department of Health and Human Services in a time and manner designated by DHS or by the Secretary, for purposes of determining DHS's compliance with the HIPAA regulations.

I. ***Documentation of Disclosures***. To document and make available to DHS or (at the direction of DHS) to an Individual such disclosures of PHI, and information related to such disclosures, necessary to respond to a proper request by the subject Individual for an accounting of disclosures of PHI, in accordance with 45 CFR 164.528.

J. ***Notification of Breach***. During the term of this Agreement:

1) ***Discovery of Breach***. To notify DHS **immediately by telephone call plus e-mail or fax** upon the discovery of breach of security of PHI in computerized form if the PHI was, or is reasonably believed to have been, acquired by an unauthorized person; or **within 24 hours by e-mail or fax** of any suspected security incident, intrusion or unauthorized use or disclosure of PHI in violation of this Agreement and this Attachment, or potential loss of confidential data affecting this Agreement. Notification shall be provided to the DHS contract manager, the DHS Privacy Officer and the DHS Information Security Officer. If the incident occurs after business hours or on a weekend or holiday and involves electronic PHI, notification shall be provided by calling the DHS ITSD Help Desk. Business Associate shall take:
   i. Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment and
   ii. Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.

2) ***Investigation of Breach***. To immediately investigate such security incident, breach, or unauthorized use or disclosure of PHI or confidential data. Within 72 hours of the discovery, to notify the DHS contract manager, the DHS Privacy Officer, and the DHS Information Security Officer of:
   i. What data elements were involved and the extent of the data involved in the breach,
   ii. A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PHI or confidential data,
   iii. A description of where the PHI or confidential data is believed to have been improperly transmitted, sent, or utilized,
   iv. A description of the probable causes of the improper use or disclosure; and
   v. Whether Civil Code sections 1798.29 or 1798.82 or any other federal or state laws requiring individual notifications of breaches are triggered.

3) ***Written Report***. To provide a written report of the investigation to the DHS contract manager, the DHS Privacy Officer, and the DHS Information Security Officer within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall include, but not be limited to, the information specified above, as well as a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure.

4) ***Notification of Individuals***. To notify individuals of the breach or unauthorized use or disclosure when required under state or federal law and to pay any costs of such notifications, as well as any costs associated with the breach. The DHS contract manager, the DHS Privacy Officer, and the DHS Information Security Officer shall approve the time, manner and content of any such notifications.

5) ***DHS Contact Information***. To direct communications to the above referenced DHS staff, the Contractor shall initiate contact as indicated herein. DHS reserves the right to make changes to the contact information below by giving written notice to the Contractor. Said changes shall not require an amendment to this Agreement or Attachment.

DHS Privacy Officer	**DHS Information Security Officer**
Privacy Officer % Office of Legal Services California Department of Health Services P.O. Box 997413, MS 0011 Sacramento, CA 95899-7413 Telephone: (916) 440-7750 Email: privacyofficer@dhs.ca.gov	Information Security Officer Information Security Office P.O. Box 997413, MS 6302 Sacramento, CA 95899-7413D Email: dhsiso@dhs.ca.gov Telephone: ITSD Help Desk 916-440-7000 or 800-579-0874

K. ***Employee Training and Discipline***. To train and use reasonable measures to ensure compliance with the requirements of this Attachment by employees who assist in the performance of functions or activities on behalf of DHS under this Agreement and use or disclose PHI; and discipline such employees who intentionally violate any provisions of this Attachment, including by termination of employment.

3. Obligations of DHS

DHS agrees to:

A. ***Notice of Privacy Practices***. Provide Business Associate with the Notice of Privacy Practices that DHS produces in accordance with 45 CFR 164.520, as well as any changes to such notice. Visit this Internet address to view the most current Notice of Privacy Practices: http://www.dhs.ca.gov/hipaa.

B. ***Permission by Individuals for Use and Disclosure of PHI***. Provide the Business Associate with any changes in, or revocation of, permission by an Individual to use or disclose PHI, if such changes affect the Business Associate's permitted or required uses and disclosures.

C. ***Notification of Restrictions***. Notify the Business Associate of any restriction to the use or disclosure of PHI that DHS has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect the Business Associate's use or disclosure of PHI.

D. ***Requests Conflicting with HIPAA Rules***. Not request the Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA regulations if done by DHS.

4. Audits, Inspection and Enforcement

From time to time, DHS may inspect the facilities, systems, books and records of Business Associate to monitor compliance with this Agreement and this Attachment. Business Associate shall promptly remedy any violation of any provision of this Attachment and shall certify the same to the DHS Privacy Officer in writing. The fact that DHS inspects, or fails to inspect, or has the right to inspect, Business Associate's facilities, systems and procedures does not relieve Business Associate of its responsibility to comply with this Attachment, nor does DHS's:

A. Failure to detect or
B. Detection, but failure to notify Business Associate or require Business Associate's remediation of any unsatisfactory practices constitute acceptance of such practice or a waiver of DHS's enforcement rights under this Agreement and this Attachment.

5. Termination

A. ***Termination for Cause***. Upon DHS's knowledge of a material breach of this Attachment by Business Associate, DHS shall:

1) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by DHS;

2) Immediately terminate this Agreement if Business Associate has breached a material term of this Attachment and cure is not possible; or

3) If neither cure nor termination is feasible, report the violation to the Secretary of the U.S. Department of Health and Human Services.

B. ***Judicial or Administrative Proceedings***. Business Associate will notify DHS if it is named as a defendant in a criminal proceeding for a violation of HIPAA. DHS may terminate this Agreement if Business Associate is found guilty of a criminal violation of HIPAA. DHS may terminate this Agreement if a finding or stipulation that the Business Associate has violated any standard or requirement of HIPAA, or other security or privacy laws is made in any administrative or civil proceeding in which the Business Associate is a party or has been joined.

C. ***Effect of Termination***. Upon termination or expiration of this Agreement for any reason, Business Associate shall return or destroy all PHI received from DHS (or created or received by Business Associate on behalf of DHS) that Business Associate still maintains in any form, and shall retain no copies of such PHI or, if return or destruction is not feasible, shall continue to extend the protections of this Attachment to such information, and shall limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate.

6. Miscellaneous Provisions

A. ***Disclaimer***. DHS makes no warranty or representation that compliance by Business Associate with this Attachment, HIPAA or the HIPAA regulations will be adequate or satisfactory for Business Associate's own purposes or that any information in Business Associate's possession or control, or transmitted or received by Business Associate, is or will be secure from unauthorized use or disclosure. Business Associate is solely responsible for all decisions made by Business Associate regarding the safeguarding of PHI.

B. ***Amendment***. The parties acknowledge that federal and state laws relating to electronic data security and privacy are rapidly evolving and that amendment of this Attachment may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HIPAA regulations and other applicable laws relating to the security or privacy of PHI. Upon DHS's request, Business Associate agrees to promptly enter into negotiations with DHS concerning an amendment to this Attachment embodying written assurances consistent with the standards and requirements of HIPAA, the HIPAA regulations or other applicable laws. DHS may terminate this Agreement upon thirty (30) days written notice in the event:

1) Business Associate does not promptly enter into negotiations to amend this Attachment when requested by DHS pursuant to this Section or

2) Business Associate does not enter into an amendment providing assurances regarding the safeguarding of PHI that DHS in its sole discretion, deems sufficient to satisfy the standards and requirements of HIPAA and the HIPAA regulations.

C. ***Assistance in Litigation or Administrative Proceedings***. Business Associate shall make itself and any subcontractors, employees or agents assisting Business Associate in the performance of its obligations under this Agreement, available to DHS at no cost to DHS to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against DHS, its directors, officers or employees based upon claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves inactions or actions by the Business Associate, except where Business Associate or its subcontractor, employee or agent is a named adverse party.

D. ***No Third-Party Beneficiaries***. Nothing express or implied in the terms and conditions of this Attachment is intended to confer, nor shall anything herein confer, upon any person other than DHS or Business Associate and their respective successors or assignees, any rights, remedies, obligations or liabilities whatsoever.

E. ***Interpretation***. The terms and conditions in this Attachment shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HIPAA regulations and applicable state laws. The parties agree that any ambiguity in the terms and conditions of this Attachment shall be resolved in favor of a meaning that complies and is consistent with HIPAA and the HIPAA regulations.

F. ***Regulatory References***. A reference in the terms and conditions of this Attachment to a section in the HIPAA regulations means the section as in effect or as amended.

G. ***Survival***. The respective rights and obligations of Business Associate under Section 6.C of this Attachment shall survive the termination or expiration of this Agreement.

H. ***No Waiver of Obligations***. No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.