



## **REQUEST FOR PROPOSALS**

PHARMACY BENEFITS MANAGER / POINT OF SALE PROCESSOR  
FOR PEOPLE LIVING WITH HIV IN LOUISIANA

STD/HIV PROGRAM  
OFFICE OF PUBLIC HEALTH  
LOUISIANA DEPARTMENT OF HEALTH

**RFP # (3000010642)**

**Proposal Due Date/Time:  
Friday, October 19, 2018 4:00PM CT**

Release Date: Wednesday, September 19, 2018

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# Glossary

340B: Federal drug discount program that was established in 1992.

ADAP: AIDS Drug Assistance Program (national).

ADR: ADAP Data Report.

ANSI: American National Standards Institute.

AWP: Average Wholesale Price.

CAREWare: Free, scalable software for managing and monitoring Ryan White Services.

CBO: Community Based Organization.

CMS: Centers for Medicare and Medicaid Services.

COB: Coordination of Benefits.

Contractor: The successful proposer who is awarded a contract.

CQI: Continuous Quality Improvement.

Department or LDH: Louisiana Department of Health.

Discussions: For the purposes of this RFP, a formal, structured means of conducting written or oral communications/presentations with responsible Proposers who submit proposals in response to the RFP.

Dispensing Fee: The cost to fill a prescription.

DMR: Direct Member Reimbursement.

EDI: Electronic Data Interface.

FFM: Federally Facilitated Marketplace.

FPL: Federal Poverty Level.

HIP: Health Insurance Program.

HIPAA: Health Insurance Portability and Accountability Act of 1996.

HITECH: Health Information Technology for Economic and Clinical Health Act of 2009.

HIV: Human Immunodeficiency Virus.

HRSA: Health Resources and Services Administration.

LA HAP: Louisiana Health Access Program (local).

LDAP: Louisiana Drug Assistance Program (local).

LIS: Low Income Subsidy.

Must: Denotes a mandatory requirement.

NCPDP: National Council for Prescription Drug Programs.

NDC: National Drug Code.

NHAS: National HIV/AIDS Strategy.

Original: Denotes must be signed in ink.

PBM: Pharmacy Benefits Manager.

PCN: Processor Control Number.

PDP: Prescription Drug Plan.

POS: Point of Sale.

PPACA: Patient Protection and Affordable Care Act.

Proposer: An Individual or organization submitting a proposal in response to an RFP.

Redacted Proposal: The removal of confidential and/or proprietary information from one copy of the proposal for public records purposes.

RxBIN: Prescription Bank Identification Number.

Shall: Denotes a mandatory requirement.

Should, May, Can: Denotes a preference, but not a mandatory requirement.

SHP: STD/HIV Program.

State: The State of Louisiana.

STD: Sexually Transmitted Disease.

Transaction Fee: cost to execute a pharmacy claim.

TrOOP: True Out-of-Pocket.

Will: Denotes a mandatory requirement.

## **I. GENERAL INFORMATION**

### **A. Background**

1. The mission of the Louisiana Department of Health (LDH) is to protect and promote health and to ensure access to medical, preventive, and rehabilitative services for all citizens of the State of Louisiana. The Louisiana Department of Health is dedicated to fulfilling its mission through direct provision of quality services, the development and stimulation of services of others, and the utilization of available resources in the most effective manner.
2. LDH is comprised of the Medical Vendor Administration (Medicaid), the Office for Citizens with Developmental Disabilities, the Office of Behavioral Health, the Office of Aging and Adult Services, and the Office of Public Health. Under the general supervision of the Secretary, these principal offices perform the primary functions and duties assigned to LDH.
3. LDH, in addition to encompassing the program offices, has an administrative office known as the Office of the Secretary, a financial office known as the Office of Management and Finance, and various bureaus and boards. The Office of the Secretary is responsible for establishing policy and administering operations, programs, and affairs.
4. The STD/HIV Program (SHP), located within the Office of Public Health (OPH), is responsible for coordinating the state's response to the STD/HIV epidemics. The program conducts activities to: 1) provide medical and social services to persons with HIV infection and treat persons diagnosed with a STD, 2) prevent new cases of HIV and STD infection, and 3) collect data and compile, analyze and distribute information about the progression of the HIV and STD epidemics in the state.
5. The Louisiana Drug Assistance Program (LDAP) helps Louisiana residents who are living with HIV disease gain access to medications prescribed by a licensed clinician. This benefit is available to persons who are insured, as well as those who are uninsured. To be eligible for these services, clients must be living with HIV, have a household income less than or equal to 400% of the federal poverty level (FPL), be a Louisiana resident, be ineligible for coverage through Louisiana Medicaid, enroll in Medicare Part D and Low Income Subsidy (LIS) if eligible, and have prescriptions for medications written by a licensed Louisiana clinician.

### **B. Purpose**

1. The purpose of this RFP is to solicit proposals from qualified proposers to provide pharmacy benefits management services, including claims adjudication, coordination of benefits and point-of-sale processing for LDAP clients. The contract will begin on or about January 1, 2019 and the annual budget will be contingent upon the availability of federal funding.
2. A contract is necessary to provide pharmacy benefits management services to all eligible clients with coverage through third party providers, including (but not limited to) plans on and off the Federally Facilitated Marketplace (FFM), employer-based insurance, Medicare Parts A - D, and individual plans written prior to the implementation of the Patient Protection and Affordable Care Act (PPACA), as well as uninsured clients. The successful proposer will implement and maintain an efficient and cost-effective program

with a comprehensive distribution network of pharmacies that provides services to eligible clients residing in all 64 parishes in Louisiana.

### **C. Goals and Objectives**

The goal of the Pharmacy Benefits Manager (PBM) RFP is to improve the health outcomes of low income persons living with HIV in Louisiana. Prior to the availability of expanded Medicaid services in Louisiana, more than 7,000 individuals accessed medication services through the Louisiana Health Access Program (LA HAP) and the current PBM provider. This level of coverage is in compliance with the goals and objectives established by the National HIV/AIDS Strategy (NHAS) for 2020. These goals can be achieved and maintained through several key objectives:

1. Coordinate with SHP/LA HAP staff to assure that eligible clients are able to access their medications through point-of-sale adjudication. The current client census is approximately 3,400 individuals, but may fluctuate significantly with the programmatic changes proposed by the new federal administration.
2. Maintain a network of pharmacies for insured and uninsured program participants that assures equitable geographical availability of medication, as well as one or more mail order options for clients who indicate that they have challenges in accessing transportation to visit a “brick and mortar” pharmacy location.
3. Make payments to participating pharmacies for cost shares (co-payments, coinsurance payments, deductible requirements, etc.) in a timely manner to assure continued access to services for clients and a positive network experience for pharmacies.
4. Provide and maintain a secure, web-based electronic data system that allows for SHP-specified client information (demographics, program eligibility, benefits data, etc.) to be added, viewed, and edited by LA HAP staff in order to facilitate timely enrollment and re-certification. The system must currently be utilized by other jurisdictions and/or similar programs, and will be customized to meet SHP’s requirements as necessary. Provide community partners real-time, view-only access to the same system.
5. Initiate and maintain a public facing, user-friendly, and secure web portal for the submission of LA HAP client service applications. The web portal will interface with the electronic data system used for enrollment data and eligibility tracking and be customized to meet SHP’s data element requirements, allow for secure messaging between the applicant and LA HAP staff, and be accessible via a user-friendly version on all major mobile devices in addition to traditional personal computers.

### **D. Invitation to Propose**

LDH Office of Public Health, STD/HIV Program (SHP) is inviting qualified proposers to submit proposals for services to provide pharmacy benefits management services through the Federally Facilitated Marketplace, managed care organizations, self-insured companies, retail pharmacies and government programs to manage prescription drug benefits for clients eligible for LA HAP in accordance with the specifications and conditions set forth herein.



## E. RFP Addenda

In the event it becomes necessary to revise any portion of the RFP for any reason, the Department shall post addenda, supplements, and/or amendments to all potential proposers known to have received the RFP. Additionally, all such supplements shall be posted at the following web address:

<http://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm>

May also be posted at:

<http://www.ldh.la.gov/index.cfm/newsroom/category/47>

*It is the responsibility of the proposer to check the DOA website for addenda to the RFP, if any.*

## II. ADMINISTRATIVE INFORMATION

### A. RFP Coordinator

1. Requests for copies of the RFP and written questions or inquiries must be directed to the RFP Coordinator listed below:

**Capucinca Harris-Roberts**  
**Louisiana Department of Health**  
**Office of Public Health, STD/HIV Program**  
**1450 Poydras Street, Suite 2136**  
**New Orleans, LA 70112**  
**Email: [Capucinca.Harris-Roberts@la.gov](mailto:Capucinca.Harris-Roberts@la.gov)**  
**Office: 504-568-7474**  
**Fax: 504-568-7044**

2. All communications relating to this RFP must be directed to the LDH RFP Coordinator named above. All communications between Proposers and other LDH staff members concerning this RFP shall be strictly prohibited. Failure to comply with these requirements shall result in proposal disqualification.
3. This RFP is available in pdf at the following web links:  
<http://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm>  
<http://www.ldh.la.gov/index.cfm/newsroom/category/47>

### B. Proposer Inquiries

1. LDH will consider written inquiries regarding the requirements of the RFP or Scope of Services to be provided before the date specified in the Schedule of Events. To be considered, written inquiries and requests for clarification of the content of this RFP must be received at the above address or via email address by the date specified in the Schedule of Events. Any and all questions directed to the RFP Coordinator will be deemed to require an official response and a copy of all questions and answers will be posted by the date specified in the Schedule of Events to the following web link:  
<http://wwwcfprd.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>  
May also be posted at:  
<http://www.ldh.la.gov/index.cfm/newsroom/category/47>

2. Action taken as a result of verbal discussion shall not be binding on the Department. Only written communication and clarification from the RFP Coordinator shall be considered binding.

### **C. Blackout Period**

The Blackout Period is a specified period of time during a competitive sealed procurement process in which any proposer, bidder, or its agent or representative, is prohibited from communicating with any state employee or contractor of the State involved in any step in the procurement process about the affected procurement. The Blackout Period applies not only to state employees, but also to any contractor of the State. "Involvement" in the procurement process includes but may not be limited to project management, design, development, implementation, procurement management, development of specifications, and evaluation of proposals for a particular procurement. All solicitations for competitive sealed procurements will identify a designated contact person, as per the RFP Coordinator and Proposer Inquiries sections of this RFP. All communications to and from potential proposers, bidders, vendors and/or their representatives during the Blackout Period must be in accordance with this solicitation's defined method of communication with the designated contact person. The Blackout Period will begin upon posting of the solicitation. The Blackout Period will end when the contract is awarded.

In those instances in which a prospective proposer is also an incumbent contractor, the State and the incumbent contractor may contact each other with respect to the existing contract only. Under no circumstances may the State and the incumbent contractor and/or its representative(s) discuss the blacked-out procurement.

Any bidder, proposer, or state contractor who violates the Blackout Period may be liable to the State in damages and/or subject to any other remedy allowed by law.

Any costs associated with cancellation or termination will be the responsibility of the proposer or bidder.

Notwithstanding the foregoing, the Blackout Period shall not apply to:

1. A protest to a solicitation submitted pursuant to La. R.S. 39:1671;
2. Duly noticed site visits and/or conferences for bidders or proposers;
3. Oral presentations during the evaluation process; or
4. Communications regarding a particular solicitation between any person and staff of the procuring agency provided the communication is limited strictly to matters of procedure. Procedural matters include deadlines for decisions or submission of proposals and the proper means of communicating regarding the procurement, but shall not include any substantive matter related to the particular procurement or requirements of the RFP.

### **D. Pre-Proposal Conference**

1. A non-mandatory pre-proposal conference will be held on the date and time listed on the Schedule of Events. Prospective proposers are encouraged to participate in the conference to obtain clarification of the requirements of the RFP and to receive answers to relevant questions. Conference call and/or webinar technology will be available to those proposers who cannot attend this conference in person. Proposers who desire webinar technology should call 504-568-7474 to explore the options available. Interested proposers wishing to connect by conference call may use the numbers below:

Call in number: 888-398-2342  
Passcode: 5018903#

2. Although impromptu questions will be permitted and spontaneous answers provided during the conference, the only official answer or position of the Department in response to written questions will be stated in writing and signed by an authorized agent of the Department. Therefore, proposers should submit all questions in writing (even if an answer has already been given to an oral question). After the conference, questions will be researched and the official response will be posted on the Internet at the following link: <http://www.ldh.la.gov/index.cfm/newsroom/category/47>

## E. Schedule of Events

LDH reserves the right to revise this schedule. Revisions, if any, before the Proposal Submission Deadline will be formalized by the issuance of an addendum to this RFP. Revisions after the Proposal Submission Deadline, if any, will be by written notification to the eligible proposers.

<b>Schedule of Events</b>	
Public Notice of RFP	Wednesday, September 19, 2018
Non-Mandatory Pre-Proposal Conference	Monday, September 24, 2018 2:00pm CT
Deadline for Receipt of Written Questions	Thursday, September 27, 2018 4:00 pm CT
Response to Written Questions	Tuesday, October 9, 2018
Deadline for Receipt of Written Proposals	Friday, October 19, 2018 4:00pm CT
Contract Award Announced on or about	Tuesday, November 13, 2018
Contract Begins on or about	Tuesday, January 1, 2019

## III. SCOPE OF WORK

### A. Project Overview

The Contractor will provide pharmacy benefits management services, including claims adjudication, coordination of benefits and point-of-sale processing services to eligible clients living with HIV in all sixty-four (64) parishes in Louisiana in an effective and efficient manner. These clients may have comprehensive insurance coverage through plans on and off the Federally Facilitated Marketplace (FFM), employer-based insurance, Medicare Parts A - D, and/or individual plans written prior to the implementation of the Patient Protection and Affordable Care Act (PPACA); other clients may be uninsured.

The Contractor will maintain a comprehensive network of pharmacies, and must provide client and claims level data that meet the requirements of the Louisiana Health Access Program (LA HAP) and the Ryan White HIV/AIDS Treatment Extension Act of 2009 (Public Law 111-87, October 30, 2009). Eligibility determination services for all of the persons applying to LA HAP will be performed by a separate entity.

The Contractor must have a ready to use data system, accessible to SHP via a web portal and

with customization, for SHP's requirements as necessary, to electronically receive and provide eligibility information that matches the data and usage requirements of SHP and the Health Resources and Services Administration (HRSA). This includes a public-facing web portal for applicant/client use that interfaces directly with the web portal data system used by SHP staff to manage client records and securely communicate with clients. The ideal primary data system and applicant/client web portal will have previously met the needs of other jurisdictions and/or similar programs.

OPH SHP will retain authority in the development and management of the LA HAP uninsured formulary.

## **B. Deliverables**

### **1. Pharmacy Network**

The Contractor shall create, maintain and/or expand a pharmacy distribution network within Louisiana for both insured and uninsured program participants, and contract with at least one (1) established and operational single source mail order distribution system capable of serving the needs of eligible clients in all sixty-four (64) parishes of the state. The Contractor shall:

- a. Establish and maintain a network of pharmacy locations capable of providing walk-in service to one hundred percent (100%) of LA HAP program participants (insured and uninsured), while ensuring communication of billing procedures, access to client eligibility information, facilitation of claims adjudication and coordination of benefits.
- b. Communicate with the pharmacy network any program updates or changes via broadcast fax, email or mail, and provide copies of all pharmacy and client correspondence to the LDAP Coordinator and/or Services Manager.
- c. Provide payment to retail network pharmacies on a regular basis in accordance with NCPDP Guidelines. The Contractor must also provide detailed invoice information to SHP staff on all reimbursable charges incurred for each invoice period, such as the cost of medication, applicable copayments and deductible charges, dispensing fees, etc.
- d. Not receive payment from SHP for ineligible charges, and any payments made for ineligible charges will be recouped by SHP.
- e. Have an established mail order pharmacy as an option to clients that:
  - i. Ensures that all eligible clients receive mail order prescriptions less than five (5) working days from the time the prescription is submitted by the client to the Contractor.
  - ii. Addresses special shipping needs of homeless and transient LA HAP clients by ensuring mail order pharmacies ship prescriptions to client's preferred address.
  - iii. Confirms delivery of medications to LA HAP client's preferred address, assumes responsibility for costs associated with repeat delivery events and works with SHP on loss reduction activities.
- f. Have a documented and routinely tested emergency response/preparedness plan that, once implemented, has operations of retail pharmacy network and/or mail order pharmacy back to ninety-five percent (95%) within seventy-two (72) hours of the conclusion of the emergency. On an annual basis, the Contractor must provide the

LDAP Coordinator with documentation of this plan and frequency of testing, as well as any contingency plans.

- g. Transition clients to either mail order and/or the retail walk-in pharmacy network within seventy-two (72) hours if there is an interruption of service in either distribution system that requires implementation of the emergency response/preparedness plan.
- h. Enter all data into, or prepare data for import into, CAREWare—a HRSA-developed, web-based data management system. CAREWare software, relevant software updates and all relevant training will be provided by staff employed or contracted by SHP.

## **2. Claims Processing**

The Contractor shall provide an efficient electronic system for point-of-sale (POS) claims adjudication and coordination of benefits, making payments to network pharmacies, coordinating with other third-party payers, providing high level electronic data management, and supporting member services. Electronic claims processing capacity must be sufficient to allow pharmacies to do online adjudication and split billing, so that pharmacies or clients will not need to submit manual claims for secondary payment. The Contractor shall:

- a. Allow for coordination of primary, secondary and tertiary payers of prescription claims. Prescription claims must always pay with LA HAP as final payer based on other payers' payment of claim using "lesser of" logic. LA HAP will always be the payer of last resort.
- b. Retain the primary payer status of an insurance policy or Medicare Part D Prescription Drug Plan (PDP) so that LA HAP will always be considered a secondary payer.
- c. Have the ability to transmit primary and/or secondary insurance information to the pharmacy.
- d. Provide remote access to the Contractor's claim system to include:
  - i. Pharmacy locator;
  - ii. Real-time claim tracking/history to include retail, mail order and direct client reimbursement claims history;
  - iii. Drug formulary and pricing information;
  - iv. Client benefit level information;
  - v. Client prescription history; and
  - vi. Prior authorization.
- e. Identify and report LA HAP client enrollment in and eligibility for other third party payers, including (but not limited to) plans on and off the Federally Facilitated Marketplace (FFM), employer-based insurance, Medicare Parts A - D, and individual plans written prior to the implementation of the Patient Protection and Affordable Care Act (PPACA).
- f. Provide an automated process of ongoing screening for other prescription benefits for LA HAP clients.
- g. Have a detailed, mapped recoupment process for instances where other prescription

coverage has been identified, so that claims can be reversed and rebilled to other payers. Facilitate and report to SHP staff the recoupment process and progress. Utilize outside vendors and software programs as necessary to communicate with LA HAP and/or the pharmacy.

- h. Coordinate coverage and benefits with insurance providers, including (but not limited to) plans on and off the Federally Facilitated Marketplace (FFM), employer-based insurance, Medicare Parts B - D, and individual plans written prior to the implementation of the Patient Protection and Affordable Care Act (PPACA), in order to assure that applicable expenditures are credited toward meeting the client's minimum/maximum out of pocket expenditure requirements.
  - i. Oversee the payment of medication deductibles, coinsurance, co-payments and costs of medications during any gaps in coverage for clients enrolled in third party insurance providers.
  - ii. Ensure that the LA HAP does not pay for a medication that is not on the formulary for the specific insurance plan in which an individual client is enrolled.
  - iii. Establish a network of pharmacies that will be able to split the billing of prescription drug costs between third party insurance plans and LA HAP. The network of pharmacies must be geographically dispersed throughout the state of Louisiana and have at least one (1) mail order pharmacy option available to all eligible LA HAP clients.
- i. For Medicare Part D Prescription Drug Plans (PDPs), ensure that applicable expenditures are credited toward meeting the client's true out-of-pocket (TrOOP) expenditure requirement.
  - i. Oversee the payment of medication deductibles, coinsurance, co-payments and costs of medications during any gaps in coverage for clients enrolled in Medicare Part D PDPs.
  - ii. Coordinate prescription benefits with all Medicare Part D PDPs in the state of Louisiana, without discrimination, based upon the Medicare Part D PDP in which the individual is enrolled, as clarified by the CMS Coordination of Benefits (COB) guidelines dated July 1, 2005, and any subsequent updates to these guidelines that are available at: [http://cms.hhs.gov/PrescriptionDrugCovContra/02\\_RxContracting\\_COB.asp](http://cms.hhs.gov/PrescriptionDrugCovContra/02_RxContracting_COB.asp).
  - iii. Ensure that the LA HAP does not pay for a medication that is not on the formulary for the specific Medicare Part D PDP in which an individual client is enrolled.
  - iv. Establish a network of pharmacies that will be able to split the billing of prescription drug costs between third party insurance plans including Medicare Part D PDPs and LA HAP. The network of pharmacies must be geographically dispersed throughout the state of Louisiana and have at least one (1) mail order pharmacy option available to all eligible LA ADAP clients.
- j. Participate in data sharing with CMS to ensure that paid claim data is captured by the CMS TrOOP Facilitation Contractor in the claim response from the payer to the pharmacy provider.
  - i. Coordinate coverage and benefits with CMS and the Medicare Part D PDP and ensure that applicable expenditures are credited toward meeting the

enrollee's TrOOP expenditure requirement. As part of this duty, the Contractor shall participate in the electronic data exchange processes as specified by CMS for reporting enrollee TrOOP expenses to the CMS data Contractor.

- ii. Maintain for LA HAP a unique Prescription Bank Identification Number (Rx BIN) and a unique Pharmacy Benefit Processor Control Number (PCN) to code for coverage that is supplemental to Medicare Part D. The Input and Response Files used by the CMS Data Sharing Agreement program include data fields for both Rx BIN and PCN reporting. This unique coding will assure that the supplemental paid claim is captured by the CMS TrOOP Facilitation Contractor in the claim response from the payer to the pharmacy provider. The TrOOP Facilitation Rx BIN(s) or PCN(s) will be separate and distinct from a PBM's standard Rx BIN and PCN. Rx BIN(s) and/or PCN(s) may be obtained from the American National Standards Institute (ANSI) located at <http://www.ansi.org/> or the National Coalition for Prescription Drug Programs (NCPDP) located at <http://www.ncdp.org/>.

### **3. Drug Pricing**

The Contractor shall continuously maximize the cost effectiveness of LA HAP through drug pricing negotiation. The Contractor shall:

- a. Provide monthly reporting of up-to-date drug pricing to include Average Wholesale Price (AWP) and contracted AWP discounted rate.
- b. Agree to biannual renegotiation of contracted AWP discount rate, as well as dispensing and transaction fees (when applicable), in order to pass along further savings to the program. This will ensure that the LA HAP program is able to respond to the changing needs of a program participant population that may increase or decrease significantly based on the proposed programmatic changes under the new federal administration. At a minimum, AWP discounted rate must increase by one-half ( $\frac{1}{2}$ ) of one percent for every year the Contract remains in place for a total of three (3) years or one and one-half ( $1\frac{1}{2}$ ) of one percent for the initial contracting period.
- c. Ensure that discounted rate for mail order prescriptions is at least three and one-half percent ( $3\frac{1}{2}\%$ ) higher than the retail rate with biannual renegotiation of mail order AWP discount based on increases in the number of patients utilizing mail order as a method of accessing medication.

### **4. Technical/Customer support**

The Contractor shall provide knowledgeable staff who are readily available to answer calls or emails from SHP staff, community based organization (CBO) staff, clinicians, providers, pharmacists and clients. The Contractor shall:

- a. Provide technical guidance to SHP staff and pharmacy service providers on inquiries including but not limited to access to medications supported by LA HAP resources, third party coordination of benefits, claims processing for both adjudication and reimbursement, data collection systems, and billing/invoicing.
- b. Maintain current contact information for network pharmacies, prescribing physicians and insurance companies.
- c. Assign a designated phone number to respond to client inquiries. The individual or individuals who staff this phone line must have customer service experience, be

trained and knowledgeable of the program's services, and have access to client-level information to respond to participants' inquiries regarding program enrollment and coverage information. This person or persons must also have a designated back up.

- d. Maintain a toll-free client support number, which will be staffed (at a minimum) from 7:00 am – 5:00 pm Central Time (CT) Monday through Friday, and 10:00 am – 5:00 pm CT on Saturday, excluding federal holidays. The toll-free client support number must also be available in the event of SHP staff furlough, government shut down, emergency evacuation or other unforeseen events.
- e. Maintain a help desk that will provide technical assistance to network pharmacies for billing and claims system issues. At a minimum, the help desk staff must be readily available between the hours of 7:00 am – 7:00 pm Central Time (CT), Monday through Friday. In place of twenty-four (24) hour access, an automated phone system must be maintained for telephone calls received after hours with response to messages occurring the next business day.
- f. Maintain, at minimum, monthly contact via in person meetings or phone calls with SHP staff to review and discuss contract objectives and program performance, share challenges and barriers to progress and propose resolutions, as well as convey general program updates and specific changes in staffing. The LDAP Coordinator will be the staff member designated as the primary contact for communication with SHP staff.
- g. Prepare a monthly call log that documents problem calls, and include, at a minimum: date, caller, type of problem, how the problem was resolved, and when it was resolved.

## **5. Data system and ADAP Portal**

The Contractor shall provide and maintain a secure web-based integrated data system that is capable of receiving and managing client eligibility information to use for claims processing, monthly invoicing, reports and billing. The Contractor shall:

- a. Provide and manage a secure web-based data system to document client level data on each person for whom payment was provided on behalf of LA HAP. This information will be provided to SHP staff in an aggregate, summarized format, with an indication of total charges, no later than the 15<sup>th</sup> of each month, following the month in which services were provided. SHP will specify the format for the file to be created and transmitted
- b. Ensure that this secure web-based data system:
  - i. Allows for SHP-specified client information (including but not limited to data elements related to demographics, program eligibility, benefits status, and program-specific requirements) to be added, viewed, and edited by LA HAP staff in order to facilitate timely AIDS Drug Assistance Program (ADAP) enrollment and re-certification;
  - ii. Is customizable by the Contractor to meet SHP's requirements as necessary;
  - iii. Can be configured for limited, view-only access by SHP-approved community partner staff;
  - iv. Is user-friendly and designed for efficient data entry and application processing;
  - v. Implements and monitors cost containment measures (such as annual



expenditure caps on client services, medication prior authorizations, etc.) should any be established by SHP;

- vi. Provides access for LA HAP staff to view live claims adjudication;
  - vii. Includes on-demand access to ad hoc reporting tools;
  - viii. Will interface with the electronic data system used for enrollment data and eligibility tracking;
  - ix. Allows for secure messaging between the applicant and LA HAP staff, and is accessible via a user-friendly version on all major mobile devices in addition to traditional personal computers; and
  - x. Is compatible with Internet Explorer 10.0.
- c. Provide training for LA HAP staff on the use of the secure, web-based data system.
  - d. Provide SHP on-demand access to downloadable real-time client and service data in one of the following formats: XML, CSV, XLSX, or ACCDB.
  - e. Provide claims level data upon request, in order to complete required reports for pharmaceutical manufacturers to achieve the collection of rebates.

## **6. Applicant and Client Web Portal**

The Contractor shall provide and maintain a secure public-facing web portal for the submission of client applications and re-certifications. The Contractor shall:

- a. Provide and maintain a secure, web-based, and public-facing web portal for applicants and existing clients to submit and manage applications for LA HAP services. The portal shall act as a single point of access for the online completion, submission, tracking, determinations, and management of applications for LA HAP services.
- b. Ensure that the public-facing application portal:
  - i. Allows for the creation of applicant and case management staff accounts;
  - ii. Allows existing clients to update their own information including, but not restricted to; contact information, benefits details and status, releases of information, and income information;
  - iii. Allows account holders to upload required documents, including photos of required documents, and view and print enrollment information including but not limited to LA HAP benefits card and eligibility history;
  - iv. Interfaces directly with the ADAP portal used by LA HAP staff to manage client enrollment and services and will update data elements in the ADAP portal when approved by LA HAP staff;
  - v. Includes options for opt-in secure email, text, or internal messaging options for notices of recertification requirements, application status, and secure messaging with LA HAP staff;
  - vi. Is available in English and Spanish; and
  - vii. Is compatible with Internet Explorer and alternative web browsers such as Google Chrome and Firefox.
- c. Include an option for LA HAP to work with the Contractor to develop a section for clients to view records of their previous eligibility periods, claims data, and record of

non-drug cost share and premium payments (from an outside data system).

- d. Ensure that the web portal will be an integrated component of, or will interface directly with the system utilized by LA HAP staff to manage client enrollment and services, and will update data elements when indicated by LA HAP staff.
- e. Ensure that the web portal is accessible in a user-friendly format on all major mobile devices, including but not limited to smart phones and tablet devices. The mobile user interface must allow for submission of required application documents via picture upload.

## 7. Reporting

The Contractor shall provide all required annual, semi-annual, quarterly, and monthly reports and exchange of data. The Contractor shall:

- a. Submit required program data by the deadlines set forth in the final, approved contract.
- b. Provide the following deliverables within the specified timeframes, as required by HRSA or SHP:

<b>Report</b>	<b>Schedule</b>	<b>Description</b>
Drug Pricing Summary	Quarterly: due to SHP the last day of the month following the end of calendar year quarter.	Summary of all drug prices and drug price changes. Fields & format to be determined during contract negotiation.
ADAP & Insurance Enrollment Status Summary	Quarterly: due to SHP the last day of the month following the end of calendar year quarter.	Individual and aggregate reports on client enrollment/disenrollment for each service type. Fields & format to be determined during contract negotiation.
ADAP & Insurance Program Aggregate Utilization	Monthly: due to SHP by the 15 <sup>th</sup> of following month.	Summary report on service utilization. Fields and format to be determined during contract negotiation.
ADAP Adherence Summary	Monthly: due to SHP with the monthly invoice	List of clients who were late or missed picking up refills. Fields & format to be determined during contract negotiation.
ADAP Data Report	Annually: Due to SHP 20 days prior to the HRSA deadline (HRSA deadline TBD)	Client level data report using HRSA's required fields and XML format. (See Attachment VI for the current field list)

- c. Capture required information for payment and analysis of program statistics, including (but not limited to) Louisiana Legislative requests, LDH data analyses, HRSA ADAP reporting requirements and data for the submission of pharmaceutical manufacturer rebate requests.
- d. Provide additional monthly and quarterly reports as requested that describe various aspects of program activity. Additional reporting requirements shall be identified as state and federal legislation is updated.
- e. Ensure network pharmacies resolve payment errors made to third party insurance and Medicare Part D PDPs within ninety (90) days.

- f. Report LA HAP client out-of-pocket payments to the CMS TrOOP facilitator by the 5<sup>th</sup> of each month, following the month in which payments were provided.
- g. Schedule, organize and conduct, at least quarterly, a SHP/Contractor conference call to discuss programmatic issues that occurred during the previous quarter. The Contractor shall submit a written summary of each call to SHP within ten (10) business days of the call.
- h. SHP may request an action plan from the Contractor regarding programmatic issues or deficiencies that are identified. Such action plans must be submitted to SHP within ten (10) business days of the date they are requested. The Contractor must address any corrective actions identified by SHP staff following the review of the current issues or deficiencies, and must do so within the timeframes directed by SHP.

## **8. Monthly Payment**

The Contractor must provide monthly services, employ staff, pay claims, and perform all other required work prior to receiving payment from SHP.

The Contractor shall:

- a. Reimburse the network pharmacies in accordance with recommended timelines in the NCPDP Guideline for prescriptions filled for eligible clients. The contractor will then also submit an invoice for review to SHP by the 15<sup>th</sup> of each month, following the month in which services were provided. Reimbursement to the contractor will be made once the invoice review process is complete.
- b. Generate and transmit invoices that include all costs for claims processed.
- c. Provide by the 10<sup>th</sup> of each month, following the month in which services were provided, a data file or a complete data set that contains all of the previous month's claims in client level detail and in an electronic format that can be imported into CAREWare (or the data system selected for use by SHP) or matched with data that already exists in CAREWare.
- d. Add or remove specific drugs to the uninsured formulary as directed by SHP staff. SHP defines the LA HAP formulary. The formulary includes individual drugs and whole classes of drugs.

## **9. Client Confidentiality and Data Security**

- a. The Contractor must comply with all applicable privacy and security requirements imposed by LDH or the Division of Administration, Office of Technology Services, as well as the requirements of HIPAA and the HITECH Act and their associated regulations. Confidential information shall include sensitive health and treatment information, as well as client personal identifiers, potentially identifying information, and any other information provided to the Contractor for which confidentiality was assured when the individual or Department provided the information.
- b. Extremely stringent standards of client confidentiality must be maintained, and the Contractor should perform, or subcontract with a qualified entity to perform, routine technological and physical risk assessments. The use of client information for commercial purposes shall be prohibited. Likewise, the Contractor shall not publish any information about program participants, even in the aggregate, without SHP review and prior written permission.

- c. The Contractor shall provide a SOC report from a Statement on Standards for Attestation Engagements No. 18 (SSAE 18) and a summary of any corrective actions taken at the end of each year of the contract.

## **10. Conflict of Interest**

- a. Neither the Contractor nor any subcontractors shall have ownership or any financial interest in any pharmacies in Louisiana which will participate in the provider network created or utilized under the contract awarded through this RFP.
- b. The Contractor and any subcontractors must divulge all formal or informal relationships with pharmaceutical manufacturers. These relationships must be fully disclosed to SHP prior to the effective date of the contract and updated as appropriate.

## **11. Staffing and Organization Plan**

- a. The Contractor shall provide a Staffing and Organization Plan to complete all aspects of the proposed work.

## **12. Quality Assurance/Monitoring Requirements**

- a. The Contractor shall produce monthly, quarterly, and annual reports to assist SHP staff in monitoring service utilization and expenditures, and to ensure that the program is being implemented and delivered as required.
  - i. Within ninety (90) calendar days of the contract start date, the Contractor shall work collaboratively with key SHP staff to establish a quality assurance and monitoring protocol. The Contractor will also be subject to an annual in-person site visit from a cross-disciplinary SHP monitoring and review team.
  - ii. The Contractor shall collaborate with SHP staff to conduct annual client and provider satisfaction surveys.
  - iii. Prior to delivering services, the Contractor must have a policy or protocol that outlines clients' "Rights and Responsibilities" and have a detailed client grievance policy in effect.

## **13. Transition Plan**

- a. The Contractor must have a task-specific and time-limited transition plan that will successfully implement Contractor responsibilities upon initiation of the contract, and transfer Contractor activities upon termination of the contract, without interrupting services to clients.

## **C. Liquidated Damages**

1. In the event the Contractor fails to meet the performance standards specified within the contract, the liquidated damages defined below may be assessed. If assessed, the liquidated damages will be used to reduce the Department's payments to the Contractor or if the liquidated damages exceed amounts due from the Department, the Contractor will be required to make cash payments for the amount in excess. The Department may also delay the assessment of liquidated damages if it is in the best interest of the Department to do so. The Department may give notice to the Contractor of a failure to meet performance standards but delay the assessment of liquidated damages in order to

give the Contractor an opportunity to remedy the deficiency; if the Contractor subsequently fails to remedy the deficiency to the satisfaction of the Department, LDH may reassert the assessment of liquidated damages, even following contract termination.

- a. Late submission of a SHP required report - \$50 per working day, per report, beginning the day after the stated due date.
  - b. Late submission of a HRSA required report - \$100 per working day, per report, beginning the day after the stated due date.
  - c. Failure to address client grievance within a ten (10) day period - \$50 per working day, per documented grievance, beginning on the 11<sup>th</sup> day after the submission of the grievance.
  - d. Failure to provide prescriptions for an eligible client that results in treatment interruption - \$100 per day, per incident.
  - e. Failure to address any urgent situation that results in a program participant losing comprehensive insurance coverage - \$1000 per incident.
  - f. Failure to transmit monthly CMS data share file beginning ten (10) business days after the stated due date - \$50 per working day.
  - g. Failure to maintain all client files securely and perform all file updates according to the requirements in the contract, as evidenced in client files when reviewed during monitoring site visit - \$100 per client file.
  - h. Late submission of invoices beginning ten (10) business days after the stated due date - \$50 per working day per invoice.
2. The decision to impose liquidated damages may include consideration of some or all of the following factors:
- a. The duration of the violation;
  - b. Whether the violation (or one that is substantially similar) has previously occurred;
  - c. The Contractor's history of compliance;
  - d. The severity of the violation and whether it imposes an immediate threat to the health or safety of the consumers; and/or
  - e. The "good faith" exercised by the Contractor in attempting to stay in compliance.

#### **D. Fraud and Abuse**

1. The Contractor shall have internal controls and policies and procedures in place that are designed to prevent, detect, and report known or suspected fraud and abuse activities.
2. Such policies and procedures must be in accordance with state and federal regulations. The Contractor shall have adequate staffing and resources to investigate unusual

incidents and develop and implement corrective action plans to assist the Contractor in preventing and detecting potential fraud and abuse activities.

## **E. Technical Requirements**

1. The Contractor will be required to transmit all non-proprietary data which is relevant for analytical purposes to LDH on a regular schedule in XML format. Final determination of relevant data will be made by LDH based on collaboration between both parties. The schedule for transmission of the data will be established by LDH and dependent on the needs of the Department related to the data being transmitted. XML files for this purpose will be transmitted via SFTP to the Department. Any other data or method of transmission used for this purpose must be approved via written agreement by both parties.
  - a. The Contractor is responsible for procuring and maintaining hardware and software resources which are sufficient to successfully perform the services detailed in this RFP.
  - b. The Contractor should adhere to state and federal regulations and guidelines as well as industry standards and best practices for systems or functions required to support the requirements of this RFP.
  - c. Unless explicitly stated to the contrary, the Contractor is responsible for all expenses required to obtain access to LDH systems or resources which are relevant to successful completion of the requirements of this RFP. The Contractor is also responsible for expenses required for LDH to obtain access to the Contractor's systems or resources which are relevant to the successful completion of the requirements of this RFP. Such expenses are inclusive of hardware, software, network infrastructure and any licensing costs.
  - d. Any confidential information must be encrypted to FIPS 140-2 standards when at rest or in transit.
  - e. Contractor owned resources must be compliant with industry standard physical and procedural safeguards (NIST SP 800-114, NIST SP 800-66, NIST 800-53A, ISO 17788, etc.) for confidential information (HITECH, HIPAA Part 164).
  - f. Any Contractor use of flash drives or external hard drives for storage of LDH data must first receive written approval from the Department and upon such approval shall adhere to FIPS 140-2 hardware level encryption standards.
  - g. All Contractor utilized computers and devices must:
    - i. Be protected by industry standard virus protection software which is automatically updated on a regular schedule.
    - ii. Have installed all security patches which are relevant to the applicable operating system and any other system software.
    - iii. Have encryption protection enabled at the Operating System level.

## **F. Subcontracting**

1. The State shall have a single prime Contractor as the result of any contract negotiation, and that prime contractor shall be responsible for all deliverables specified in this RFP and proposal. This general requirement notwithstanding, proposers may enter into subcontractor arrangements, however, they should acknowledge in their proposals total responsibility for the entire contract.

2. Unless provided for in the contract with the State, the prime Contractor shall not contract with any other party for any of the services herein contracted without the express prior written approval of the Department.
3. For subcontractor(s), before commencing work, the Contractor will provide letters of agreement, contracts or other forms of commitment which demonstrate that all requirements pertaining to the Contractor will be satisfied by all subcontractors through the following:
  - a. The subcontractor(s) will provide a written commitment to accept all contract provisions.
  - b. The subcontractor(s) will provide a written commitment to adhere to an established system of accounting and financial controls adequate to permit the effective administration of the contract.

## **G. Compliance With Civil Rights Laws**

1. The Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and the Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.
2. The Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment. Any act of discrimination committed by the Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

## **H. Insurance Requirements**

Insurance shall be placed with insurers with an A.M. Best's rating of no less than A-: VI. This rating requirement shall be waived for Workers' Compensation coverage only.

### **1. Contractor's Insurance**

The Contractor shall not commence work under this contract until it has obtained all insurance required herein, including but not limited to Automobile Liability Insurance, Workers' Compensation Insurance and General Liability Insurance. Certificates of Insurance, fully executed by officers of the Insurance Company shall be filed with the Department for approval prior to commencement of work. The Contractor shall not allow any subcontractor to commence work on his subcontract until all similar insurance required for the subcontractor has been obtained and approved. In the event of a claim or dispute of a claim, the Department reserves the right to request copies of insurance policies. Said policies shall not thereafter be canceled, permitted to expire, or be changed without thirty (30) days' written notice in advance to the Department and consented to by the Department in writing and the policies shall so provide.

## **2. Workers' Compensation Insurance**

Before any work is commenced, the Contractor shall obtain and maintain during the life of the contract, Workers' Compensation Insurance for all of the Contractor's employees employed to provide services under the contract. In case any work is sublet, the Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees, unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in work under the contract at the site of the project is not protected under the Workers' Compensation Statute, the Contractor shall provide for any such employees, and shall further provide or cause any and all subcontractors to provide Employer's Liability Insurance for the protection of such employees not protected by the Workers' Compensation Statute.

## **3. Commercial General Liability Insurance**

The Contractor shall maintain during the life of the contract such Commercial General Liability Insurance which shall protect the Contractor, the Department, and any subcontractor during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as for claims for property damages, which may arise from operations under the contract, whether such operations be by the Contractor or by a subcontractor, or by anyone directly or indirectly employed by either of them, or in such a manner as to impose liability to the Department. Such insurance shall name the Department as additional insured for claims arising from or as the result of the operations of the Contractor or its subcontractors. In the absence of specific regulations, the amount of coverage shall be as follows: Commercial General Liability Insurance, including bodily injury, property damage and contractual liability, with combined single limits of \$1,000,000.

## **4. Insurance Covering Special Hazards**

Special hazards as determined by the Department shall be covered by rider or riders in the Commercial General Liability Insurance Policy or policies herein elsewhere required to be furnished by the Contractor, or by separate policies of insurance in the amounts as defined in any Special Conditions of the contract included therewith.

## **5. Licensed and Non-Licensed Motor Vehicles**

The Contractor shall maintain during the life of the contract, Automobile Liability Insurance in an amount not less than combined single limits of \$1,000,000 per occurrence for bodily injury/property damage. Such insurance shall cover the use of any non-licensed motor vehicles engaged in operations within the terms of the contract on the site of the work to be performed thereunder, unless such coverage is included in insurance elsewhere specified.

## **6. Subcontractor's Insurance**

The Contractor shall require that any and all subcontractors, which are not protected under the Contractor's own insurance policies, take and maintain insurance of the same nature and in the same amounts as required of the Contractor.



## **I. Resources Available to Contractor**

1. The Office of Public Health STD/HIV Program will have an assigned staff member who will be responsible for primary oversight of the contract. This individual will schedule meetings to discuss progress of activities and problems identified.

## **J. No Guarantee of Quantities**

1. Utilization data provided by SHP for the purpose of this RFP are estimates based on previous claims. Variation in future services, funding and utilization trends in any of the contract years will be based on the results of legislative challenges to the Patient Protection and Affordable Care Act (PPACA), the availability of federal funds, and the continued support of expanded Medicaid services within the State of Louisiana. Program participation and client service utilization could also be impacted by new guidance or requirements from federal or State administrations, and all of these variables should be considered in the proposer's calculation. Fees proposed will not be negotiated based on volume.

## **K. Contract Monitor**

1. All work performed by the Contractor will be monitored by the Louisiana Drug Access Program (LDAP) Coordinator, with support from other essential SHP staff and supervision from the Services Program Manager or designee:

Matt Arnold, Louisiana Drug Assistance Program (LDAP) Coordinator  
Louisiana Department of Health  
Office of Public Health STD/HIV Program  
1450 Poydras Street, Suite 2136  
New Orleans, LA 70112

## **L. Term of Contract**

1. The contract resulting from this RFP shall commence on or near the date approximated in the Schedule of Events. The initial term of this contract shall be three (3) years. With all proper approvals and concurrence with the successful contractor, LDH may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, terms and conditions of the initial contract term. Prior to the extension of the contract beyond the initial thirty-six (36) month term, approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the contract amendment to the Office of State Procurement (OSP) to extend contract terms beyond the initial three (3) year term.
2. No contract/amendment shall be valid, nor shall the state be bound by the contract/amendment, until it has first been executed by the head of the using agency, or his designee, the Contractor and has been approved in writing by the director of the Office of State Procurement. Total contract term, with extensions, shall not exceed five (5) years. The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract.

## **M. Payment Terms**

1. The contractor shall submit deliverables in accordance with established timelines and shall submit itemized invoices monthly or as defined in the contract terms. Payment of invoices shall be subject to approval of the Director of Bureau of Infectious Diseases as the approval authority or designee. Continuation of payment shall be dependent upon available funding.
2. Payments will be made to the Contractor after written acceptance by the Louisiana Department of Health of the payment task and approval of an invoice. LDH will make every reasonable effort to make payments within **30 calendar days** of the approval of invoice and under a valid contract. Such payment amounts, for work performed, must be based on at least equivalent services rendered, and to the extent practical, will be keyed to clearly identifiable stages of progress as reflected in written reports submitted with the invoices. Contractor will not be paid more than the maximum amount of the contract.

## **IV. PROPOSALS**

### **A. General Information**

This section outlines the provisions which govern determination of compliance of each proposer's response to the RFP. The Department shall determine, at its sole discretion, whether or not the requirements have been reasonably met. Omissions of required information shall be grounds for rejection of the proposal by the Department.

### **B. Contact After Solicitation Deadline**

After the date for receipt of proposals, no proposer-initiated contact relative to the solicitation will be allowed between the proposers and LDH until an award is made.

### **C. Code of Ethics**

1. The Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (R.S. 42:1101 *et seq.*, Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this contract. The Contractor agrees to immediately notify the State if potential violations of the Code of Governmental Ethics arise at any time during the term of this contract.
2. Proposers are responsible for determining that there will be no conflict or violation of the Ethics Code if their company is awarded the contract. The Louisiana Board of Ethics is the only entity which can officially rule on ethics issues. Notwithstanding, any potential conflict of interest that is known or should reasonably be known by a proposer as it relates to the RFP should be immediately reported to the Department by proposer.

### **D. Rejection and Cancellation**

Issuance of this solicitation does not constitute a commitment by LDH to award a contract(s) or to enter into a contract after an award has been made. The Department reserves the right to take any of the following actions that it determines to be in its best interest:

1. Reject, in whole or part, all proposals submitted in response to this solicitation;

2. Cancel this RFP; or
3. Cancel or decline to enter into a contract with the successful proposer at any time after the award is made and before the contract receives final approval from the Division of Administration, Office of State Procurement.

#### **E. Contract Award and Execution**

1. The Secretary of LDH reserves the right to:
  - a. Make an award without presentations by proposers or further discussion of proposals received;
  - b. Enter into a contract without further discussion of the proposal submitted based on the initial offers received; or
  - c. Contract for all or a partial list of services offered in the proposal.
2. The RFP and the proposal of the selected Proposer shall become part of any contract initiated by the State.
3. The selected Proposer shall be expected to enter into a contract that is substantially the same as the sample contract included in Attachment III. In no event shall a Proposer submit its own standard contract terms and conditions as a response to this RFP. The Proposer should submit with its proposal any exceptions or exact contract deviations that its firm wishes to negotiate. Negotiations may begin with the announcement of the selected Proposer.
4. If the contract negotiation period exceeds thirty (30) calendar days or if the selected Proposer fails to sign the final contract within fifteen (15) business days of delivery, the State may elect to cancel the award and award the contract to the next-highest-ranked Proposer.

#### **F. Assignments**

Any assignment, pledge, joint venture, hypothecation of right or responsibility to any person, firm or corporation should be fully explained and detailed in the proposal. Information as to the experience and qualifications of proposed subcontractors or joint ventures should be included in the proposal. In addition, written commitments from any subcontractors or joint ventures should be included as part of the proposal. All assignments must be approved of by the Department.

#### **G. Determination of Responsibility**

1. Determination of the proposer's responsibility relating to this RFP shall be made according to the standards set forth in LAC 34:V.2536. The Department must find that the selected proposer:
  - a. Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;
  - b. Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;

- c. Is able to comply with the proposed or required time of delivery or performance schedule;
  - d. Has a satisfactory record of integrity, judgment, and performance; and
  - e. Is otherwise qualified and eligible to receive an award under applicable laws and regulations.
- 2. The proposer must ensure that its proposal contains sufficient information for the Department to make its determination by presenting acceptable evidence of the above to perform the contracted services.
  - a. The Proposer shall include with its proposal copies of audited financial statements for each of the last three (3) years, including at least a balance sheet and profit and loss statement, or other appropriate documentation, which would demonstrate to LDH the Proposer's financial resources sufficient to conduct the project, as required by Section G.1.a above.

## **H. Proposal and Contract Preparation Costs**

The State shall not be liable for any costs incurred by proposers prior to issuance of or entering into a contract. Costs associated with developing the proposal, preparing for oral presentations, and any other expenses incurred by the Proposer in responding to this RFP shall be entirely the responsibility of the Proposer and shall not be reimbursed in any manner by the State. The proposer shall not include these costs or any portion thereof in the proposed contract cost. The proposer is fully responsible for all preparation costs associated therewith even if an award is made but subsequently terminated by the Department.

The proposer to which the contract is awarded assumes sole responsibility for any and all costs and incidental expenses that it may incur in connection with: (1) the preparation, drafting or negotiation of the final contract; or (2) any activities that the proposer may undertake in preparation for, or in anticipation or expectation of, the performance of its work under the contract before the contract receives final approval from the Division of Administration, Office of State Procurement.

## **I. Errors and Omissions**

The Department reserves the right to make corrections due to minor errors of proposer identified in proposals by the Department or the proposer. The Department, at its option, has the right to request clarification or additional information from proposer.

## **J. Ownership of Proposal**

All proposals become the property of the Department and will not be returned to the proposer. The Department retains the right to use any and all ideas or adaptations of ideas contained in any proposal received in response to this solicitation. Selection or rejection of the offer will not affect this right. Once a contract is awarded, all proposals will become subject to the Louisiana Public Records Act.

## **K. Procurement Library/Resources Available To Proposer**

Relevant material related to this RFP will be posted at the following web address:  
<http://www.ldh.la.gov/index.cfm/newsroom/category/47>

## **L. Proposal Submission**

1. All proposals must be received by the due date and time indicated on the Schedule of Events. Proposals received after the due date and time will not be considered. It is the sole responsibility of each proposer to assure that its proposal is delivered at the specified location prior to the deadline. Proposals which, for any reason, are not so delivered will not be considered.
2. Proposer shall submit one (1) original hard copy (the Certification Statement must have original signature signed in ink), five (5) duplicate hard copies, and one (1) electronic copy (CD on USB flash drive) of the entire proposal. Proposer shall also submit one (1) electronic copy (CD on USB flash drive) of its Redacted Proposal, if applicable. All electronic copies must be searchable. No facsimile or emailed proposals will be accepted. The cost proposal and financial statements shall be submitted separately from the technical proposal; however, for mailing purposes, all packages may be shipped in one container.
3. Proposals must be submitted via U.S. mail, courier or hand delivered to:

Capucinca Harris-Roberts, RFP Coordinator  
Louisiana Department of Health  
Office of Public Health STD/HIV Program  
1450 Poydras Street, Suite 2136  
New Orleans, LA 70112  
(504) 568-7474

## **M. Legibility/Clarity**

Responses to the requirements of this RFP in the formats requested are desirable with all questions answered in as much detail as practicable. The Proposer's response should demonstrate an understanding of the requirements. Proposals prepared simply and economically, providing a straightforward, concise description of the Proposer's ability to meet the requirements of the RFP are also desired. Each Proposer shall be solely responsible for the accuracy and completeness of its proposal.

## **N. Confidential Information, Trade Secrets, and Proprietary Information**

1. All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this contract, or which become available to the Contractor in carrying out this contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of the paragraph to keep confidential any data or information which is or

becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the contract, or is rightfully obtained from third parties.

2. Under no circumstance shall the Contractor discuss and/or release information to the media concerning this project without prior express written approval of the Department.
3. Only information which is in the nature of legitimate trade secrets or non-published financial data shall be deemed proprietary or confidential. Any material within a proposal identified as such must be clearly marked in the proposal and will be handled in accordance with the Louisiana Public Records Act, R.S. 44:1, *et seq.*, and applicable rules and regulations. Any proposal marked as confidential or proprietary in its entirety shall be rejected without further consideration or recourse.

## **O. Proposal Format**

1. An item-by-item response to the Request for Proposals is requested.
2. There is no intent to limit the content of the proposals, and proposers may include any additional information deemed pertinent. Emphasis should be on simple, straightforward and concise statements of the proposer's ability to satisfy the requirements of the RFP.

## **P. Requested Proposal Outline:**

- Approach and Methodology
- Relevant Corporate Experience
- Personnel Qualifications
- Additional Information
- Cost and Pricing Analysis

## **Q. Proposal Content**

### **1. Cover Letter**

A cover letter should be submitted on the Proposer's official business letterhead explaining the intent of the Proposer.

### **2. Table of Contents**

The contents of the proposal should be organized in the order set forth in section IV.P above.

### **3. Quality And Timeliness**

Proposals should include information that will assist the Department in determining the level of quality and timeliness that may be expected. The Department shall determine, at its sole discretion, whether or not the RFP provisions have been reasonably met. The proposal should describe the background and capabilities of the proposer, give details on how the services will be provided, and shall include a breakdown of proposed costs. Work samples may be included as part of the proposal.

#### **4. Assume Complete Responsibility**

Proposals should address how the proposer intends to assume complete responsibility for timely performance of all contractual responsibilities in accordance with federal and state laws, regulations, policies, and procedures.

#### **5. Approach and Methodology**

Proposals should define the proposer's functional approach in providing services and identify the tasks necessary to meet the RFP requirements for the provision of services, as outlined in Section III (Scope of Work). Proposals should include enough information to satisfy evaluators that the Proposer has the appropriate experience, knowledge and qualifications to perform the scope of services as described herein. Proposers should respond to all requested areas.

##### **a. Administrative Data**

- i.** This section should contain summary information about the proposer's organization. This section should state proposer's knowledge and understanding of the needs and objectives of LDH Office of Public Health STD/HIV Program as related to the scope of this RFP. It should further cite its ability to satisfy the requirements of this RFP.
- ii.** This section should include a description of how the proposer's organizational components communicate and work together in both an administrative and functional capacity from the top down. This section should contain a brief summary setting out the proposer's management philosophy including, but not limited to, the role of Quality Control, Professional Practices, Supervision, Distribution of Work and Communication Systems. This section should include an organizational chart displaying the proposer's overall structure.
- iii.** This section should also include the following information:
  - 1.** Location of Administrative Office with Full Time Personnel, include all office locations (address) with full time personnel;
  - 2.** Name and address of principal officer;
  - 3.** Name and address for purpose of issuing checks and/or drafts;
  - 4.** For corporations, a statement listing name(s) and address (es) of principal owners who hold five percent interest or more in the corporation;
  - 5.** If out-of-state proposer, give name and address of local representative; if none, so state;
  - 6.** If any of the proposer's personnel named is a current or former Louisiana state employee, indicate the Agency where employed, position, title, termination date, and social security number;
  - 7.** If the proposer was engaged by LDH within the past twenty-four (24) months, indicate the contract number and/or any other information available to identify the engagement; if not, so state;
  - 8.** Proposer's state and federal tax identification numbers; and

9. Veteran/Hudson Initiative: Proposer should demonstrate participation in Veteran Initiative and Hudson Initiative Small Entrepreneurships or explanation if not applicable. (See Attachment I)

**b. Work Plan/Project Execution**

The proposer should articulate an understanding of, and ability to effectively implement services as outlined within Section III (Scope of Work) of this RFP. In this section the proposer should state the approach it intends to use in achieving each objective of the project as outlined, including a project work plan and schedule for implementation. In particular, the proposer should describe the plan for implementing pharmacy benefits management services, including claims adjudication, coordination of benefits and point-of-sale processing for LA HAP consistent with this RFP. Please note that client eligibility determination services for LA HAP clients are not included in this RFP.

The work plan should include a narrative addressing the following:

- i. Describe the proposer's existing pharmacy network in Louisiana or the proposer's ability and experience in developing other statewide pharmacy networks. If the proposer currently has a network of pharmacies in Louisiana, please include the complete list of pharmacies.
- ii. Outline the ability to provide a mail order option for clients, with consideration for the special shipping needs of homeless and transient LA HAP clients.
- iii. Describe the mechanism by which communication with pharmacies in the network occurs to inform them of significant events, such as the addition or deletion of formulary medications, changes in protocol, program announcements, etc.
- iv. Provide documentation of the emergency response/preparedness plan and describe how all clients will be able to access alternative services in the event of an emergency.
- v. Provide a written explanation of the organizational structures of both operations and program administration, and how those structures will support service implementation. Individual components should include plans for supervision, training, technical assistance, and collaboration with other organizations as appropriate.
- vi. Elaborate on the process by which staff with the necessary professional experience and skill sets will be hired to effectively meet the needs of consumers served.
- vii. Demonstrate an understanding of, and ability to implement, the various types of organizational strategies to be integrated within the day-to-day operations, which are critical in maximizing productivity, accuracy and cost effectiveness.
- viii. Describe the overall approach and strategy for project oversight and management.



- ix.** Articulate the need for, and the ability to implement, a plan for continuous quality improvement; this includes (but is not limited to) reviewing the quality of services to be provided to LA HAP program participants and an assessment of staff productivity.
- x.** Demonstrate an understanding of and ability to implement data collection and data system requirements.
- xi.** Refer to specific documents and reports that can be produced as a result of completing tasks, to achieve the requested deliverables.
- xii.** Articulate the ability to develop and implement an All Hazards Response plan in the event of an emergency event.
- xiii.** Identify all assumptions or constraints on tasks.
- xiv.** Discuss what flexibility exists within the work plan to address unanticipated problems which might develop during the contract period.
- xv.** If the proposer intends to subcontract for portions of the work, include specific designations of the tasks to be performed by the subcontractor.
- xvi.** Document procedures to protect the confidentiality and security of patient information in LDH or Contractor databases, including patient information that may be transmitted electronically via e-mail or the Internet.

**c. Claims Processing**

- i.** Describe how the proposer will provide an electronic point-of-sale (POS) claims adjudication system, make payments to network pharmacies and coordinate with other payers. Provide a plan for achieving accurate client level data management and providing client support services.
- ii.** Provide a detailed description of how the recoupment process will be performed. This should include type(s) of software used, third party vendor(s) used (if any), frequency at which tasks are performed, and how information will be communicated to and from LA HAP and/or the network pharmacies.
- iii.** Describe how the proposer will monitor billings to assure non-duplication and the proper split between primary, secondary and (if applicable) tertiary payers. Include an explanation of recoupment and reimbursement procedures.
- iv.** Describe the proposer's ability and experience in coordinating and communicating with insurance plans, including (but not limited to) plans on and off the Federally Facilitated Marketplace (FFM), employer-based insurance, Medicare Parts A - D, and individual plans written prior to the implementation of the Patient Protection and Affordable Care Act (PPACA).

- v. Describe in detail the workflow process to be implemented between SHP, network pharmacies, third party payers, clients, SHP staff and the proposer. The description should include timelines for accomplishments, as well as flowcharts or other visual presentations of the process.
- vi. Include how expenditures for LA HAP Medicare Part D clients will be reported to the True Out-of-Pocket (TrOOP) facilitator to ensure applicable expenditures are credited toward the client's TrOOP.
- vii. Provide information regarding the capability to split bill and track multiple third-party payer sources including, but not limited to, Medicare Part D PDPs, private insurance plans, and LA HAP.
- viii. Describe how the process identified in item vii above will prevent LA HAP from making erroneous payments. Include how the proposer will ensure that LA HAP does not pay for medications that are not on a client's insurance formulary or that are covered by the Medicare Part D PDPs.
- ix. Describe the process for resolving issues surrounding client billing and prescription fulfillment that occur at the point of sale between the retail pharmacy, LA HAP and the insurance or Medicare Part D PDP.
- x. Describe the process for obtaining credits and adjustments on behalf of LA HAP for any possible overpayments that have been made; include the timeframes or other parameters in which such adjustments and credits will be allowed and recorded.
- xi. Describe how the system will be able to effectively monitor an annual benefits cap for each client.
- xii. Provide information on the capability to pay incurred expenses on behalf of LA HAP clients at the point of service and bill LA HAP afterward.

**d. Technical Support**

- i. Describe the proposer's ability and experience in providing technical support to program staff, pharmacies and clients. Include a description of how the proposer ensures that there is adequate staff who are trained to provide coverage during transition times, such as when a key staff position becomes vacant.
- ii. Describe the ability to document problem resolution with both network pharmacies and clients.

**e. Data System**

- i. Describe how the proposer will provide and maintain a data system that is capable of receiving and managing client eligibility information to use for claims processing, monthly invoicing, reports and billing.
- ii. Describe how the proposer will meet the following requirements:

1. Provide and manage a secure and web-based data system to collect client level data on each person for whom payment was provided on behalf of LA HAP.
  2. Ensure that this secure and web-based data system will:
    - a. Allow for SHP-specified client information (including but not limited to data elements related to demographics, program eligibility, benefits status, and program-specific requirements) to be added, viewed, and edited by LA HAP staff in order to facilitate timely ADAP enrollment and recertification;
    - b. Be customizable to meet SHP's requirements as necessary;
    - c. Be configured for limited, view-only access by SHP-approved community partner staff;
    - d. Be user-friendly and designed for efficient data entry and application processing;
    - e. Be capable of implementing and monitoring cost containment measures (such as annual expenditure caps on client services, medication prior authorizations, etc.) established by SHP;
    - f. Provide access for LA HAP staff to view live claims adjudication;
    - g. Include on-demand access to ad hoc reporting tools;
    - h. Be compatible with Internet Explorer 11.0 and alternative web browsers such as Google Chrome and Firefox; and
    - i. Be accessible in a user-friendly format on all major mobile devices, including, but not limited to, smart phones and tablet devices. The mobile user interface must allow for submission of required application documents via picture upload.
  3. Provide training for LA HAP staff on the use of the secure, web-based data system.
  4. Provide SHP on-demand access to downloadable real-time client and service data in one of the following formats: XML, CSV, XLSX, or ACCDB.
  5. Provide claims level data upon request, in order to complete required reports for pharmaceutical manufacturers to achieve the collection of rebates.
- iii. Describe the proposer's ability and experience to create and manage data systems that will receive detailed client eligibility information from LA HAP staff and interface with payment information from pharmacies. Include a description of how the proposer ensures that client eligibility information is accessible to the network pharmacies the same day in which it is received. Include information about technical resources that will be available to SHP through the proposer's systems, including but not limited to remote access, report builders and claims data review. Include previous experience

implementing a system that has been utilized by other jurisdictions and/or similar programs.

- iv. Describe the ability to submit a monthly electronic data file of all transactions provided to individual eligible clients, to include: the medication dispensed; amount paid for each medication; and the location where the medication was dispensed or delivered. Include a description of the type of data file that will be provided and how it will be transmitted to SHP.
- v. Describe in detail any initial, and subsequent, network, hardware, software, and/or system requirements that SHP would need to have in order to electronically interface with the proposer's program/system. Include any special software or hardware that would need to be installed on SHP servers or computers. Specify if the web-based portals will be fully compatible with Windows Internet Explorer Version 11.0 or above, as well as other web browser applications. Include a description of how the interface provides secure/encrypted data transmission in compliance with all applicable security requirements imposed by LDH or the Division of Administration, Office of Technology Services, as well as the requirements of HIPAA and the HITECH Act and their associated regulations.
- vi. Describe challenges anticipated in the implementation and stabilization phases of meeting the ADAP portal and applicant/client portal requirements.
- vii. Describe the proposer's ability and experience to create reports that describe monthly user activity and prescription drug costs. Include a description of standard reports, if any, and the ability to create custom reports.
- viii. Describe the ability to provide standardized monthly utilization and expenditure reports. Include how this report will be submitted to SHP staff and in what format (i.e., PDF, Excel, Word).
- ix. Describe how the proposer will provide and maintain a secure public-facing web portal for the submission of client applications and re-certifications. Describe how the proposer will meet the following requirements:
  1. Provide and maintain a secure, web-based, and public-facing web portal for applicants and existing clients to submit and manage applications for LA HAP services. The portal shall act as a single point of access for the online completion, submission, tracking, determinations, and management of applications for LA HAP services.
  2. Ensure that the public-facing application portal:
    - a. Allows for the creation of applicant and case management staff accounts;
    - b. Allows existing clients to update their own information including, but not restricted to; contact information, benefits details and status, releases of information, and income information;
    - c. Allows account holders to upload required documents, including photos of required documents, and view and print enrollment

information including but not limited to LA HAP benefits card and eligibility history;

- d. Interfaces directly with the ADAP portal used by LA HAP staff to manage client enrollment and services and will update data elements in the ADAP portal when approved by LA HAP staff;
  - e. Includes options for opt-in secure email, text, or internal messaging options for notices of recertification, application status, and secure messaging with LA HAP staff;
  - f. Is available in English and Spanish; and
  - g. Is compatible with Internet Explorer 11.0 and alternative web browsers such as Google Chrome and Firefox.
3. Propose the mechanism or process by which LA HAP staff would work with the Contractor to develop a section for clients to view records of their previous eligibility periods, claims data, and record of non-drug cost share and premium payments (from an outside data system).
  4. Ensure that the web portal is accessible in a user-friendly format on all major mobile devices, including but not limited to smart phones and tablet devices. The mobile user interface must allow for submission of required application documents via picture upload.

**f. Monthly Payment**

- i. Describe the proposer's ability and experience in providing payment upfront to the network pharmacies for the duration of a month while preparing an invoice to SHP at the end of each month. Include a description of how the proposer will ensure that payment is only requested for valid claims; include details about the claims checking processes that will eliminate duplicate or invalid claims.
- ii. Describe the ability to create and provide to SHP staff a monthly, claim-level detail file in electronic format.
- iii. Describe how the proposer would manage a closed formulary that includes specific drugs and drug classes. Include a description of how the proposer would ensure that routine FDA decisions and NDC changes that affect approved formulary drugs would be noted and applied in a timely manner.

**g. Treatment Adherence**

- i. Describe the proposer's current experience or ability to provide treatment adherence activities (services provided to encourage, support, and enhance adherence to and compliance with treatment regimens, including related medical monitoring) to improve access to medications, increase and support adherence to medication regimens and/or assist clients with monitoring their progress in taking HIV-related medications.

**h. Client Confidentiality and Data Security**

- i. Describe the proposer's ability and experience in assuring client confidentiality. Describe in detail any security or confidentiality breaches experienced by the proposer in the past five (5) years. Also, describe how the proposer will protect client information from being used for commercial purposes or published, even in the aggregate, without SHP review and written permission.
- ii. Provide a detailed description of how secure data will be transmitted between the different parties involved in pharmacy service coordination (CMS, SHP, insurance plans, Medicare Part D PDPs, and pharmacies).
- iii. Provide the results of any third-party data system security assessments conducted in the past five (5) years on the systems to be used in meeting the requirements of this RFP, as well as the action plans resulting from these assessments and subsequent corrective actions taken. If assessment results cannot be provided due to security concerns, an executive summary or description of findings and corrective actions may be substituted. Submit the most recent SOC 2 report. If the SOC 2 report is not available, the completion of a questionnaire from Louisiana Department of Health may be required.

**i. Conflict of Interest**

- i. Describe any potential conflicts of interest related to the provision of HIV treatment that the proposer and/or any proposed subcontractors may have.

**j. Quality Assurance/Monitoring Requirements**

- i. Describe current quality assurance activities and measures, including the ability and timeline required to produce utilization and expenditure reports.
- ii. Describe the experience or ability to conduct client satisfaction and provider surveys. Include an example(s) of previous survey tools and outcomes as an attachment.
- iii. Provide documentation of the policy or protocol that outlines clients' "Rights and Responsibilities" as an attachment and provide a copy of the current client grievance policy as an attachment.

**k. Transition Plan**

- i. Describe in detail the plan and the proposed timeline to successfully transition clients from the current LA HAP service provision model to the proposer's service delivery system.
- ii. Explain how contract activities would be transitioned upon termination of the contract without interrupting services to clients.

**l. Fraud and Abuse**

- i. Describe the fiscal controls and accounting practices that assure against fraud or abuse of funds, including the fiscal accountability of any proposed subcontractors. Include a description of how the proposer would take

corrective/disciplinary action upon detection of fraud or abuse, and describe how you would notify SHP.

## **6. Relevant Corporate Experience**

- a.** The proposal should indicate that the proposer's firm has a record of prior successful experience in the implementation of the services sought through this RFP. Proposers should include statements specifying the extent of responsibility on prior projects and a description of the projects' scope and similarity to the projects outlined in this RFP. All experience under this section should be in sufficient detail to allow an adequate evaluation by the Department. The proposer should have, within the last twenty-four (24) months implemented a similar type project. Proposers should give at least two (2) customer references for projects implemented in at least the last twenty-four (24) months. References shall include the name, email address and telephone number of each contact person.
- b.** In this section, a statement of the proposer's involvement in litigation that could affect this work should be included. If no such litigation exists, proposer should so state.

## **7. Personnel Qualifications**

- a.** The purpose of this section is to evaluate the relevant experience, resources, and qualifications of the proposed staff to be assigned to this project. The experience of proposer's personnel in implementing similar services to those to be provided under this RFP will be evaluated. The adequacy of personnel for the proposed project team will be evaluated on the basis of project tasks assigned, allocation of staff, professional skill mix, and level of involvement of personnel.
- b.** Proposers should state job responsibilities, workload and lines of supervision. An organizational chart identifying individuals and their job titles and major job duties should be included. The organizational chart should show lines of responsibility and authority.
- c.** Proposers should:
  - i.** Provide a Staffing and Organization Plan required to complete the proposed work.
  - ii.** Provide a list and overview of staffing positions needed to successfully meet the program objectives. Include business hours of operation and primary methods of contact.
  - iii.** Describe the responsibilities and qualifications of key staff. Note: any staff replaced during the period of performance of any resulting contract must be replaced with staff with equivalent or superior qualifications.
  - iv.** Describe the responsibilities and qualifications of any subcontractor who would likely be assigned to this contract.
  - v.** Describe how the proposer ensures that functions of the contract will be maintained in the absence of key staff. For example, if a staff member leaves unexpectedly, describe who would assume his/her duties and how quickly that would happen. The

proposer should have an emergency preparedness plan in place and included in the proposal as an attachment.

- vi. Describe how implementation of the Staffing and Organization Plan will be consistent with the designated contract start date and services start date, as listed in this RFP.
- d. Job descriptions, including the percentage of time allocated to the project and the number of personnel should be included and should indicate minimum education, training, experience, special skills and other qualifications for each staff position as well as specific job duties identified in the proposal. Job descriptions should indicate if the position will be filled by a subcontractor.
- e. Key personnel and the percentage of time directly assigned to the project should be identified.
- f. Résumés of all known personnel should be included. Resumes of proposed personnel should include, but not be limited to:
  - i. Experience with proposer,
  - ii. Previous experience in projects of similar scope and size.
  - iii. Educational background, certifications, licenses, special skills, etc.
- g. If subcontractor personnel will be used, the proposer should clearly identify these persons, if known, and provide the same information requested for the proposer's personnel.

## **8. Additional Information**

As an appendix to its proposal, if available, proposers should provide copies of any policies and procedures manuals applicable to this contract, inclusive of organizational or ethical standards. This appendix should also include a copy of proposer's All Hazards Response Plan, if available.

## **9. Cost and Pricing Analysis**

- a. Proposer shall specify costs for performance of tasks. Proposal shall include all anticipated costs of successful implementation of all deliverables outlined.
- b. Proposers shall submit the breakdown in a format similar to the attached sample cost template form (See **Attachment Va**) for each year of the contract to demonstrate how cost was determined. Proposers must complete a cost proposal in a similar format provided to be considered for award. Failure to complete a cost proposal will result in the disqualification of the proposal.
- c. Proposers shall submit the per transaction and per dispensing fee for each item in **Attachment Vb** for each of the three years of the contract.
- d. Proposer shall specify AWP discount rates for both generic and brand name drugs for both retail and mail order dispensing. Proposer shall submit the rates in a similar



format, and are strongly encouraged to use the same format as provided in **Attachment Vc – AWP Discount Pricing**.

## **10. Certification Statement**

The proposer must sign and submit an original Certification Statement (See Attachment II).

## **R. Waiver of Administrative Informalities**

The Louisiana Department of Health reserves the right, at its sole discretion, to waive minor administrative informalities contained in any proposal.

## **S. Withdrawal of Proposal**

A proposer may withdraw a proposal that has been submitted at any time up to the date and time the proposal is due. To accomplish this, a written request signed by the authorized representative of the proposer must be submitted to the RFP Coordinator identified in this RFP.

## **T. Acceptance of Proposal Content**

All proposals will be reviewed to determine compliance with administrative and mandatory requirements as specified in this RFP. Proposals that are not in compliance will be rejected and excluded from further consideration.

## **U. Prohibition of Discriminatory Boycotts of Israel**

In preparing its response, the Proposer has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any subcontractor or supplier, refused to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with the specific intent to accomplish a boycott or divestment of Israel. Proposer also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting actions. The State reserves the right to reject the response of the proposer if this certification is subsequently determined to be false, and to terminate any contract awarded based on such a false response.

## **V. EVALUATION AND SELECTION**

### **A. Evaluation Criteria**

The following criteria will be used to evaluate proposals:

1. Evaluations will be conducted by an evaluation team.
2. Scoring will be based on a possible total of **100** points and the proposal with the highest total score will be recommended for award.
3. **Cost Evaluation:**

- a. The proposer with the lowest total cost for all three years (from **Attachment Va**) shall receive eight (8) points. Other proposers shall receive points for cost based upon the following formula:

Annual Fee Schedule (**Attachment Va**)

$$\text{CCS} = (\text{LPC}/\text{PC}) * 8$$

**CCS**= Computed Cost Score (points) for proposer's Annual Fee Schedule being evaluated

**LPC** = Lowest Annual Fee Schedule Proposal Cost of all proposers

**PC** = Individual Annual Fee Schedule Proposal Cost

- b. The proposer with the lowest total weighted per claim cost (from **Attachment Vb**) shall receive ten (10) points. Other proposers shall receive points for cost based upon the following formula:

Claims Table (**Attachment Vb**)

$$\text{CCS} = (\text{LPC}/\text{PC}) * 10$$

**CCS**= Computed Cost Score (points) for proposer's Claims Table being evaluated

**LPC** = Lowest Proposal Cost of all proposers

**PC** = Individual Proposal Cost

- c. The proposer with the highest total weighted AWP discount percentage (from **Attachment Vc**) shall receive seven (7) points. Other proposers shall receive points for cost based upon the following formula:

AWP Discount Pricing (**Attachment Vc**)

$$\text{CCS} = (\text{PC}/\text{HPC}) * 7$$

**CCS**= Computed Cost Score (points) for proposer's AWP Discount Pricing being evaluated

**HPC** = Highest AWP Discount Pricing Proposal Rate of all proposers

**PC** = Individual AWP Discount Pricing Proposal

- d. The assignment of the twenty-five (25) points based on the above formula will be calculated by the STD/HIV Program of the Office of Public Health.

#### 4. Hudson/Veteran Small Entrepreneurship Program

- a. Twelve percent (12%) of the total evaluation points in this RFP are reserved for Proposers who are certified small entrepreneurs, or who will engage the participation of one or more certified small entrepreneurs as subcontractors. Reserved points shall be added to the applicable Proposers' evaluation score as follows:

**b. Proposer Status and Allotment of Reserved Points**

- i.** If the Proposer is a certified Veterans Initiative small entrepreneurship, the Proposer shall receive points equal to twelve percent (12%) of the total evaluation points in this RFP.
  - ii.** If the Proposer is a certified Hudson Initiative small entrepreneurship, the Proposer shall receive points equal to ten percent (10%) of the total evaluation points in this RFP.
  - iii.** If the Proposer demonstrates its intent to use certified small entrepreneurship(s) in the performance of contract work resulting from this solicitation, the Proposer shall receive points equal to the net percentage of contract work which is projected to be performed by or through certified small entrepreneurship subcontractors, multiplied by the appropriate number of evaluation points.
  - iv.** The total number of points awarded pursuant to this Section shall not exceed twelve percent (12%) of the total number of evaluation points in this RFP.
- c.** If the Proposer is a certified Veterans Initiative or Hudson Initiative small entrepreneurship, the Proposer must note this in its proposal in order to receive the full amount of applicable reserved points.
- d.** If the Proposer is not a certified small entrepreneurship, but has engaged one (1) or more Veterans Initiative or Hudson Initiative certified small entrepreneurship(s) to participate as subcontractors, the Proposer shall provide the following information for each certified small entrepreneurship subcontractor in order to obtain any applicable Veterans Initiative or Hudson Initiative points:
- i.** Subcontractor's name;
  - ii.** Subcontractor's Veterans Initiative and/or the Hudson Initiative certification;
  - iii.** A detailed description of the work to be performed; and
  - iv.** The anticipated dollar value of the subcontract for the three-year contract term.

*Note – it is not mandatory to have a Veterans Initiative or Hudson Initiative certified small entrepreneurship subcontractor. However, it is mandatory to include this information in order to receive any allotted points when applicable.*

- e.** If multiple Veterans Initiative or Hudson Initiative subcontractors will be used, the above required information should be listed for each subcontractor. The Proposer should provide a sufficiently detailed description of each subcontractor's work so the Department is able to determine if there is duplication or overlap, or if the subcontractor's services constitute a distinct scope of work from other subcontractor(s).

**5. Evaluation Criteria and Assigned Weights**

Proposals that pass the preliminary screening and mandatory requirements review will be evaluated based on information provided in the proposal. The evaluation will be conducted according to the following:

<b>Evaluation Criteria</b>	<b>Assigned Weight</b>
Approach and Methodology	33
Corporate Experience	20
Qualification of Personnel	10
Cost	25
Veteran and Hudson Initiatives <ul style="list-style-type: none"> <li>• <i>Up to 10 points available for Hudson-certified proposers;</i></li> <li>• <i>Up to 12 points available for Veteran-certified proposers;</i></li> <li>• <i>If no Veteran-certified proposers, those two points are not awarded.</i></li> </ul> <i>See Section V.A.4 for details.</i>	12
<b>Total</b>	<b>100</b>

## **B. Oral Presentation/Demonstration**

The State, at its sole discretion, may require all proposers reasonably susceptible of being selected for the award to provide an oral presentation of how they propose to meet the agency's program objectives. Commitments made by the Proposer at the oral presentation, if any, will be considered binding. The Department reserves the right to adjust the original scores based upon information received in the presentation, using original evaluation criteria.

## **C. Evaluation Team**

The evaluation of proposals will be accomplished by an evaluation team, to be designated by the Department, which will determine the proposal most advantageous to the Department, taking into consideration cost and the other evaluation factors set forth in this RFP.

## **D. Clarification of Proposals**

The Department reserves the right to seek clarification of any proposal for the purpose of identifying and eliminating minor irregularities or informalities, including resolving inadequate proposal content, or contradictory statements in a proposer's proposal.

## **E. Announcement of Award**

1. The evaluation team will compile the scores and make a recommendation to the head of the agency on the basis of the responsive and responsible proposer with the highest score.
2. The State will notify the successful Proposer and proceed to negotiate terms for final contract. Unsuccessful proposers will be notified in writing accordingly.
3. The State reserves the right to make multiple awards.
4. The proposals received (*except for that information appropriately designated as confidential in accordance with R.S. 44:3.2*), selection memorandum along with list of criteria used along with the weight assigned each criteria, scores of each proposal considered along with overall scores of each proposal considered, and a narrative

justifying selection shall be made available, upon request, to all interested parties after the "Notice of Intent to Award" letter has been issued.

5. Any Proposer aggrieved by the proposed award has the right to submit a protest in writing to the State Chief Procurement Officer within *fourteen (14) calendar days* after the award has been announced.
6. The award of a contract is subject to the approval of the Division of Administration, Office of State Procurement.

#### **F. Best and Final Offers (BAFO)**

1. The State reserves the right to conduct a BAFO with one or more proposers identified by the committee to be reasonably susceptible of being selected for award. If conducted, the proposers selected will receive written notification of their selection, with a list of specific items to be addressed in the BAFO along with instructions for submittal. The BAFO negotiation may be used to assist the State in clarifying the scope of work or to obtain the most cost effective pricing available from the proposers.
2. The written invitation to participate in BAFO will not obligate the State to a commitment to enter into a contract.

#### **G. Right To Prohibit Award**

In accordance with the provisions of R.S. 39:2192, in awarding contracts after August 15, 2010, any public entity is authorized to reject a proposal or bid from, or not award the contract to, a business in which any individual with an ownership interest of five percent or more, has been convicted of, or has entered a plea of guilty or nolo contendere to any state felony or equivalent federal felony crime committed in the solicitation or execution of a contract or bid awarded under the laws governing public contracts under the provisions of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950, and all contracts under Title 39, Chapter 17 of the Louisiana Procurement Code, including contracts for professional, personal, consulting, and social services.

### **VI. SUCCESSFUL CONTRACTOR REQUIREMENTS**

#### **A. Confidentiality of Data**

1. All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by LDH and made available to the Contractor in order to carry out this contract, or which become available to the Contractor in carrying out this contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to LDH. The identification of all such confidential data and information as well as LDH's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by LDH in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by LDH to be adequate for the protection of LDH's confidential information, such methods and procedures may be used, with the written consent of LDH, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of the paragraph to keep

confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the contract, or is rightfully obtained from third parties.

2. Under no circumstance shall the Contractor discuss and/or release information to the media concerning this project without prior express written approval of the ***Louisiana Department of Health***.

## **B. Taxes**

1. The Contractor is responsible for payment of all applicable taxes from the funds to be received under this contract.
2. In accordance with R.S. 39:1624(A)(10), the Louisiana Department of Revenue must determine that the prospective contractor is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the state and collected by the Department of Revenue prior to the approval of this contract by the Office of State Procurement. The prospective contractor shall attest to its current and/or prospective compliance by signing the Certification Statement, Attachment I, submitted with its proposal, and also agrees to provide its seven-digit LDR Account Number to the contracting agency so that the prospective contractor's tax payment compliance status may be verified. The prospective contractor further acknowledges understanding that issuance of a tax clearance certificate by the Louisiana Department of Revenue is a necessary precondition to the approval and effectiveness of this contract by the Office of State Procurement. The contracting agency reserves the right to withdraw its consent to this contract without penalty and proceed with alternate arrangements should the vendor fail to resolve any identified apparent outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of such notification.

## **C. Fund Use**

The Contractor agrees not to use contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

# **VII. CONTRACTUAL INFORMATION**

## **A. Contract**

The contract between LDH and the Contractor shall include the standard LDH contract form CF-1 (Attachment III) including a negotiated scope of work, the RFP and its amendments and addenda, and the Contractor's proposal. The attached CF-1 contains basic information and general terms and conditions of the contract to be awarded. In addition to the terms of the CF-1 and supplements, the following will be incorporated into the contract awarded through this RFP:

## **1. Substitution of Personnel**

The Contractor's key personnel assigned to this contract shall not be replaced without the written consent of the Department. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. Key personnel for these purposes will be determined during contract negotiation.

## **2. Force Majeure**

The Contractor and the Department are excused from performance under contract for any period they may be prevented from performance by an Act of God, strike, war, civil disturbance, epidemic or court order.

## **3. Order of Precedence**

The contract shall, to the extent possible, be construed to give effect to all provisions contained therein; however, where provisions conflict, the intent of the parties shall be determined by giving first priority to provisions of the contract excluding the RFP and the proposal; second priority to the provisions of the RFP and its amendments and addenda; and third priority to the provisions of the proposal.

## **4. Entire Agreement**

This contract, together with the RFP and its amendments and addenda issued thereto by the Department, the proposal submitted by the Contractor in response to the Department's RFP, and any exhibits specifically incorporated herein by reference constitute the entire agreement between the parties with respect to the subject matter.

## **5. Board Resolution/Signature Authority**

The Contractor, if a corporation, shall secure and attach to the contract a formal Board Resolution indicating the signatory to the contract is a corporate representative and authorized to sign said contract.

## **6. Warranty to Comply with State and Federal Regulations**

The Contractor shall warrant that it shall comply with all state and federal regulations as they exist at the time of the contract or as subsequently amended.

## **7. Warranty of Removal of Conflict of Interest**

The Contractor shall warrant that it, its officers, and employees have no interest and shall not acquire any interest, direct or indirect, which conflicts in any manner or degree with the performance of services hereunder. The Contractor shall periodically inquire of its officers and employees concerning such conflicts, and shall inform the Department promptly of any potential conflict. The Contractor shall warrant that it shall remove any conflict of interest prior to signing the contract.

## **8. Corporation Requirements**

If the Contractor is a corporation, the following requirements must be met prior to execution of the contract:

- a. If the Contractor is a for-profit corporation whose stock is not publicly traded, the Contractor shall ensure that a disclosure of ownership form has been properly filed with the Secretary of State of Louisiana.
- b. If the Contractor is a corporation not incorporated under the laws of the State of Louisiana, the Contractor must obtain a Certificate of Authority pursuant to R.S. 12:301-302 from the Louisiana Secretary of State.
- c. The Contractor must provide written assurance to the Department from Contractor's legal counsel that the Contractor is not prohibited by its articles of incorporation, bylaws or the laws under which it is incorporated from performing the services required under the contract.

## **9. Contract Controversies**

Any claim or controversy arising out of the contract shall be resolved by the provisions of Louisiana Revised Statutes 39:1672.2-1672.4.

## **10. Right To Audit**

The State Legislative Auditor, agency, and/or federal auditors and internal auditors of the Division of Administration shall have the option to audit all accounts directly pertaining to the contract, inclusive of all network pharmacies, for a period of five (5) years from the date of the last payment made under this contract. Records shall be made available during normal working hours for this purpose.

## **11. Contract Modification**

No amendment or variation of the terms of this contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in the contract is binding on any of the parties.

## **12. Severability**

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Contract are declared severable.

## **13. Applicable Law**

This contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

## **B. Mutual Obligations and Responsibilities**

The state requires that the mutual obligations and responsibilities of LDH and the successful proposer be recorded in a written contract. While final wording will be resolved at contract time, the intent of the provisions will not be altered and will include all provisions as specified in the attached CF-1 (Attachment III).



### **C. Retainage**

The Department shall secure a retainage of ten percent (10%) from all billings under the contract as surety for performance. On successful completion of contract deliverables, the retainage amount may be released on an annual basis. Within ninety (90) calendar days of the termination of the contract, if the contractor has performed the contract services to the satisfaction of the Department and all invoices appear to be correct, the Department shall release all retained amounts to the contractor.

Fees passed through the PBM to SHP on behalf of network pharmacies as part of the Pharmacy Provider Agreements will not be assessed a ten percent (10%) retainage. These pass through fees include but may not be limited to insured drug copay payment, pharmacy acquired inventory, dispensing fees, and delivery fees.

### **D. Indemnification and Limitation of Liability**

1. Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.
2. The Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the State and its Authorized Users from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by the Contractor, its agents, employees, partners or subcontractors, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of the State. If applicable, the Contractor will indemnify, defend and hold the State and its Authorized Users harmless, without limitation, from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs which may be finally assessed against the State in any action for infringement of a United States Letter Patent with respect to the Products furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at the Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of the Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, the State or its Authorized Users may require the Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.
3. The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) Authorized User's unauthorized modification or alteration of a Product, Material or Service; ii) Authorized User's use of the Product in combination with other products not furnished by the Contractor; iii) Authorized User's use in other than the specified operating conditions and environment.
4. In addition to the foregoing, if the use of any item(s) or part(s) thereof shall be enjoined for any reason or if the Contractor believes that it may be enjoined, the Contractor shall have the right, at its own expense and sole discretion as the Authorized User's exclusive remedy to take action in the following order of precedence: (i) to procure for the State

the right to continue using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes non-infringing equipment of at least equal quality and performance; or (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to the State up to the dollar amount of the Contract.

5. For all other claims against the Contractor where liability is not otherwise set forth in the Contract as being "without limitation", and regardless of the basis on which the claim is made, the Contractor's liability for direct damages, shall be the greater of \$100,000, the dollar amount of the Contract, or two (2) times the charges rendered by the Contractor under the Contract. Unless otherwise specifically enumerated herein or in the work order mutually agreed between the parties, neither party shall be liable to the other for special, indirect or consequential damages, including lost data or records (unless the Contractor is required to back-up the data or records as part of the work plan), even if the party has been advised of the possibility of such damages. Neither party shall be liable for lost profits, lost revenue or lost institutional operating savings.
6. The State and Authorized User may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

## **E. Termination**

### **1. Termination For Cause**

The State may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation of the contract.

The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract provided that the Contractor shall give the State written notice specifying the State agency's failure and a reasonable opportunity for the state to cure the defect.

### **2. Termination For Convenience**

The State may terminate the Contract at any time without penalty by giving thirty (30) calendar days written notice to the Contractor of such termination or negotiating with the Contractor an effective date. The Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

### **3. Termination For Non-Appropriation Of Funds**

The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

### **F. Independent Assurances**

The State will require the Contractor and/or subcontractors, if performing a key internal control, to provide some form of assurances that internal controls over the process being administered by the contractor for the user agency is operating properly. The assurances provided by the contractor may be in the form of SOC I and/or type II reports resulting from independent SSAE 18 engagement of internal controls, quality assurance reports, or other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. If an SSAE 18 review is required, the audit firm will conduct tests of the contractor's activities and render an independent opinion on the operating effectiveness of the controls and procedures.

Other forms of assurances may be required by the State Agency. The Contractor may be required to provide a quality control plan, such as third party Quality Assurance (QA), Independent Verification and Validation (IV & V), or other internal project/program reviews or audits.

These audits and/or assurances will require the Contractor to provide any assistance, records access, information system access, staff access, and space access to the party selected to perform the indicated audit. If a SSAE 18 review or audit is required of the Contractor, an audit firm will submit to the State and/or Contractor a final report on controls placed in operations for the project and include a detailed description of the audit firm's tests of the operating effectiveness of controls.

The Contractor shall supply the State with an exact copy of the report within thirty (30) calendar days of completion. When required by the State, such audits may be performed annually during the term of the Contract. The Contractor shall agree to implement recommendations as suggested by the audits within three (3) months of report issuance at no cost to the State. The cost of the SSAE 18 engagement is to be borne by the Contractor and it shall be included in the cost being proposed in response to this RFP.

Attachments:

- I. Veteran and Hudson Initiatives
- II. Certification Statement
- III. LDH Standard Contract Form (CF-1)
- IV. HIPAA Business Associate Addendum
- Va. Cost Template– Annual Fee Schedule
- Vb. Cost Template– Claims Table
- Vc. Cost Template – AWP Discount Pricing
- VI. Minimum Required Data Fields/Variables
- VII. Regional Map

**Veteran-Owned And Service-Connected Small Entrepreneurships  
(Veteran Initiatives) And Louisiana Initiative  
For Small Entrepreneurships (Hudson Initiative) Programs**

The State of Louisiana Veteran and Hudson Initiatives are designed to provide additional opportunities for Louisiana-based small entrepreneurships (sometimes referred to as LaVet's and SE's respectively) to participate in contracting and procurement with the State. A certified Veteran-Owned and Service-Connected Disabled Veteran-Owned small entrepreneurship (LaVet) and a Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) small entrepreneurship are businesses that have been certified by the Louisiana Department of Economic Development. All eligible vendors are encouraged to become certified. Qualification requirements and online certification are available at:

<https://smallbiz.louisianaeconomicdevelopment.com>.

If a Proposer is not a certified small entrepreneurship as described herein, but plans to use certified small entrepreneurship(s), Proposer shall include in their proposal the names of their certified Veteran Initiative or Hudson Initiative small entrepreneurship subcontractor(s), a description of the work each will perform, and the dollar value of each subcontract.

During the term of the contract and at expiration, the Contractor will also be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

In RFP's requiring the compliance of a good faith subcontracting plan, the State may require Proposers to submit information on their business relationships and arrangements with certified LaVet or Hudson Initiative subcontractors at the time of proposal review. Agreements between a Proposer and a certified LaVet or Hudson Initiative subcontractor in which the certified LaVet or Hudson Initiative subcontractor promises not to provide subcontracting quotations to other Proposers shall be prohibited.

If performing its evaluation of proposals, the State reserves the right to require a non-certified Proposer to provide documentation and information supporting a good faith subcontracting plan. Such proof may include contracts between proposer and certified Veteran Initiative and/or Hudson Initiative subcontractor(s).

If a contract is awarded to a Proposer who proposed a good faith subcontracting plan, the using agency, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit Contractor to determine whether Contractor has complied in good faith with its subcontracting plan. The Contractor must be able to provide supporting documentation (i.e., phone logs, fax transmittals, letter, e-mails) to demonstrate its good faith subcontracting plan was followed. If it is determined at any time by the using agency, LED, or the OSP Director that the Contractor did not in fact perform in good faith its subcontracting plan, the contract award or the existing contract may be terminated.

The statutes (La. R.S. 39:2171 *et. seq.*) concerning the Veteran Initiative may be viewed at:

<http://www.legis.la.gov/Legis/Law.aspx?d=671504>.

The statutes (La. R.S. 39:2001 *et. seq.*) concerning the Hudson Initiative may be viewed at:

<http://www.legis.la.gov/Legis/Law.aspx?d=96265>.

The rules for the Veteran Initiative (LAC 19:VII. Chapters 11 and 15) and for the Hudson Initiative (LAC 19:VIII Chapters 11 and 13) may be viewed at:

<http://www.doa.la.gov/pages/osp/se/secv.aspx>.

A current list of certified Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small businesses may be obtained from the Louisiana Economic Development Certification System at: <https://smallbiz.louisianaeconomicdevelopment.com>

Additionally, a list of Hudson and Veteran Initiative small businesses, which have been certified by the Louisiana Department of Economic Development and who have opted to register in the State of Louisiana LaGov Supplier Portal:

[https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest\\_user=self\\_reg](https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest_user=self_reg).

This may be accessed from the State of Louisiana Procurement and Contract (LaPAC) Network:

<https://wwwcfprd.doa.louisiana.gov/OSP/LaPAC/vendor/VndPubMain.cfm>.

When using this site, determine the search criteria (i.e. alphabetized list of all certified vendors, by commodities, etc.) and select SmallE, VSE, or DVSE.

## CERTIFICATION STATEMENT

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The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.

**OFFICIAL CONTACT:** The State requests that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. Identify the Contact name and fill in the information below: (Print Clearly)

<b>Date</b>	
<b>Official Contact Name</b>	
<b>Email Address</b>	
<b>Fax Number with Area Code</b>	
<b>Telephone Number</b>	
<b>Street Address</b>	
<b>City, State, and Zip</b>	

Proposer certifies that the above information is true and grants permission to the Department to contact the above named person or otherwise verify the information I have provided.

By its submission of this proposal and authorized signature below, proposer certifies that:

1. The information contained in its response to this RFP is accurate.
2. Proposer complies with each of the mandatory requirements listed in the RFP and will meet or exceed the functional and technical requirements specified therein.
3. Proposer accepts the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
4. Proposer's technical and cost proposals are valid for at least 90 calendar days from the date of proposer's signature below.
5. Proposer understands that if selected as the successful Proposer, he/she will have 30 calendar days from the date of delivery of initial contract in which to complete contract negotiations, if any, and 15 business days to execute the final contract document. The Department has the option to waive this deadline if actions or inactions by the Department cause the delay.
6. Proposer certifies, by signing and submitting a proposal for \$25,000 or more, that their company, any subcontractors, or principals are not suspended or debarred by the General Services Administration (GSA) in accordance with the requirements in 2 CFR §200 Subpart F. (A list of parties who have been suspended or debarred can be viewed via the internet at <https://www.sam.gov>).
7. Proposer understands that, if selected as a contractor, the Louisiana Department of Revenue must determine that it is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the state and collected by the LDR. Proposer shall comply with R.S. 39:1624(A)(10) by providing its seven-digit LDR account number in order for tax payment compliance status to be verified.
8. Proposer further acknowledges its understanding that issuance of a tax clearance certificate by LDR is a necessary precondition to the approval of any contract by the Office of State Procurement. The contracting agency reserves the right to withdraw its consent to any contract without penalty and proceed with alternate

arrangements, should a prospective contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven (7) days of such notification.

9. Proposer certifies and agrees that the following information is correct: In preparing its response, the Proposer has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any subcontractor or supplier, refused to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with the specific intent to accomplish a boycott or divestment of Israel. Proposer also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting actions. The State reserves the right to reject the response of the proposer if this certification is subsequently determined to be false, and to terminate any contract awarded based on such a false response.

**Authorized Signature:**

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*Original Signature Only: Electronic or Photocopy Signature are NOT Allowed*

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**Print Name:**

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**Title:**

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**CONTRACT BETWEEN STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH**

**LAGOV:**   
**LDH:**   
**Agency #**

**AND**

**FOR**

Interagency     Personal Services     Professional Services     Consulting Services     Social Services

RFP NUMBER (if )

1) Contractor (Registered Legal Name)			5) Federal Employer Tax ID#	State LDR Account #
2) Street Address			6) Parish(es) Served	
City	State	Zip Code	7) License or Certification #	
3) Telephone Number			8) Contractor Status	
4) Mailing Address (if different)			Subrecipient: <input type="checkbox"/> Yes <input type="checkbox"/> No	
			Corporation: <input type="checkbox"/> Yes <input type="checkbox"/> No	
			For Profit: <input type="checkbox"/> Yes <input type="checkbox"/> No	
			Publicly Traded: <input type="checkbox"/> Yes <input type="checkbox"/> No	
City	State	Zip Code	8a) CFDA#(Federal Grant #)	

9) Brief Description Of Services To Be Provided:

10) Effective Date

11) Termination Date

12) Maximum Contract Amount

13) Amounts by Fiscal Year

14) Terms of Payment

If progress and/or completion of services are provided to the satisfaction of the initiating Office/Facility, payments are to be made as follows:

Contractor obligated to submit final invoices to Agency within fifteen (15) days after termination of contract.

**PAYMENT WILL  
BE MADE  
ONLY UPON  
APPROVAL OF:**

<b>First Name</b>	<b>Last Name</b>
<b>Title</b>	<b>Phone Number</b>

15) **Special or Additional Provisions which are incorporated herein, if any (IF NECESSARY, ATTACH SEPARATE SHEET AND REFERENCE):**

**During the performance of this contract, the Contractor hereby agrees to the following terms and conditions:**

1. **Discrimination Clause:** Contractor hereby agrees to abide by the requirements of the following as applicable: Titles VI and VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972; the Vietnam Era Veterans' Readjustment Assistance Act of 1974; Americans with Disabilities Act of 1990; the Rehabilitation Act of 1973; Federal Executive Order 11246 as amended; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; the Fair Housing Act of 1968; and all applicable requirements imposed by or pursuant to the regulations of the U. S. Department of Health and Human Services.

Contractor agrees not to discriminate in the rendering of services to and/or employment of individuals because of race, color, religion, sex, sexual orientation, age, national origin, disability, political affiliation, veteran status, or any other non-merit factor. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable, shall be grounds for termination of this contract.

2. **Confidentiality:** Contractor shall abide by the laws and regulations concerning confidentiality which safeguard information and the patient/client confidentiality. Information obtained shall not be used in any manner except as necessary for the proper discharge of Contractor's obligations. (The Contractor shall establish, subject to review and approval of the Department, confidentiality rules and facility access procedures.)
3. **Auditors:** The State Legislative Auditor, Office of the Governor, Division of Administration, and Department Auditors or those designated by the Department shall have the option of auditing all accounts pertaining to this contract during the contract and for a five year period following final payment.

Contractor grants to the State of Louisiana, through the Office of the Legislative Auditor, Louisiana Department of Health, and Inspector General's Office, Federal Government and/or other such officially designated body the right to inspect and review all books and records pertaining to services rendered under this contract, and further agrees to guidelines for fiscal administration as may be promulgated by the Department. Records will be made available during normal working hours.

Contractor shall comply with federal and state laws and/or LDH Policy requiring an audit of the Contractor's operation as a whole or of specific program activities. Audit reports shall be sent within thirty (30) days after the completion of the audit, but no later than six (6) months after the end of the audit period. If an audit is performed within the contract period, for any period, four (4) copies of the audit report shall be sent to the Louisiana Department of Health, Attention: **Division of Fiscal Management, P.O. Box 91117, Baton Rouge, LA 70821-3797** and one (1) copy of the audit shall be sent to the **originating LDH Office**.

4. **Record Retention:** Contractor agrees to retain all books, records and other documents relevant to the contract and funds expended thereunder for at least four (4) years after final payment or as prescribed in 45 CFR 74:53 (b) whichever is longer. Contractor shall make available to the Department such records within thirty (30) days of the Department's written request and shall deliver such records to the Department's central office in Baton Rouge, Louisiana, all without expense to the Department. Contractor shall allow the Department to inspect, audit or copy records at the contractor's site, without expense to the Department.
5. **Record Ownership:** All records, reports, documents and other material delivered or transmitted to Contractor by the Department shall remain the property of the Department, and shall be returned by Contractor to the Department, at Contractor's expense, at termination or expiration of this contract. All records, reports, documents, or other material related to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of the Department, and shall, upon request, be returned by Contractor to the Department, at Contractor's expense, at termination or expiration of this contract.
6. **Nonassignability:** Contractor shall not assign any interest in this contract and shall not transfer any interest in the same (whether by assignment or novation), without written consent of the Department thereto, provided, however, that claims for money due or to become due to Contractor from the Department under this contract may be assigned to a bank, trust company or other financial institution without advanced approval. Notice of any such assignment or transfer shall be promptly furnished to the Department and the Division of Administration, Office of State Procurement.
7. **Taxes:** Contractor hereby agrees that the responsibility for payment of taxes from the funds received under this contract shall be Contractor's. The Contractor assumes responsibility for its personnel providing services hereunder and shall make all deductions for withholding taxes, and contributions for unemployment compensation funds.
8. **Insurance:** Contractor shall obtain and maintain during the contract term all necessary insurance including automobile insurance, workers' compensation insurance, and general liability insurance. The required insurances shall protect the Contractor, the Louisiana Department of Health, and the State of Louisiana from all claims related to Contractor's performance of this contract. Certificates of Insurance shall be filed with the Department for approval. Said policies shall not be canceled, permitted to expire,

or be changed without thirty (30) days advance written notice to the Department. Commercial General Liability Insurance shall provide protection during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as claims for property damages, with combined single limits prescribed by the Department.

9. **Travel:** In cases where travel and related expenses are required to be identified separate from the fee for services, such costs shall be in accordance with State Travel Regulations. The contract contains a maximum compensation which shall be inclusive of all charges including fees and travel expenses.
10. **Political Activities:** No funds provided herein shall be used to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition or any election ballot or a proposition or matter having the effect of law being considered by the Legislature or any local governing authority. Contracts with individuals shall be exempt from this provision.
11. **State Employment:** Should Contractor become an employee of the classified or unclassified service of the State of Louisiana during the effective period of the contract, Contractor must notify his/her appointing authority of any existing contract with State of Louisiana and notify the contracting office of any additional state employment. This is applicable only to contracts with individuals.
12. **Ownership of Proprietary Data:** All non-third party software and source code, records, reports, documents and other material delivered or transmitted to Contractor by State shall remain the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract. All non-third party software and source code, records, reports, documents, or other material related to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract.
13. **Subcontracting:** Contractor shall not enter into any subcontract for work or services contemplated under this contract without obtaining prior written approval of the Department. Any subcontracts approved by the Department shall be subject to conditions and provisions as the Department may deem necessary; provided, however, that notwithstanding the foregoing, unless otherwise provided in this contract, such prior written approval shall not be required for the purchase by the contractor of and services which are incidental but necessary for the performance of the work required under this contract.

No subcontract shall relieve the Contractor of the responsibility for the performance of contractual obligations described herein.

14. **Conflict of Interest:** Contractor warrants that no person and no entity providing services pursuant to this contract on behalf of Contractor or any subcontractor is prohibited from providing such services by the provisions of R.S. 42:1113.
15. **Unauthorized Services:** No claim for services furnished or requested for reimbursement by Contractor, not provided for in this contract, shall be allowed by the Department. In the event the

Department determines that certain costs which have been reimbursed to Contractor pursuant to this or previous contracts are not allowable, the Department shall have the right to set off and withhold said amounts from any amount due the Contractor under this contract for costs that are allowable.

16. **Fiscal Funding:** This contract is subject to and conditioned upon the availability and appropriation of Federal and/or State funds; and no liability or obligation for payment will develop between the parties until the contract has been approved by required authorities of the Department; and, if contract exceeds \$2,000, the Division of Administration, Office of State Procurement.

The continuation of this contract is contingent upon the appropriation of funds from the legislature to fulfill the requirements of the contract. If the Legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

17. **State and Federal Funding Requirements:** Contractor shall comply with all applicable requirements of state or federal laws or regulations relating to Contractor's receipt of state or federal funds under this contract.

If Contractor is a "subrecipient" of federal funds under this contract, as defined in 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), Contractor shall comply with all applicable requirements of 2 CFR Part 200, including but not limited to the following:

- Contractor must disclose any potential conflict of interest to the Department and the federal awarding agency as required by 2 CFR §200.112.
- Contractor must disclose to the Department and the federal awarding agency, timely and in writing, all violations of federal criminal laws that may affect the federal award, as required by 2 CFR §200.113.
- Contractor must safeguard protected personally identifiable information and other sensitive information, as required by 2 CFR §200.303.
- Contractor must have and follow written procurement standards and procedures in compliance with federally approved methods of procurement, as required by 2 CFR §§200.317 - 200.326.
- Contractor must comply with the audit requirements set forth in 2 CFR §§200.501 - 200.521, as applicable, including but not limited to:
  - Electronic submission of data and reports to the Federal Audit Clearinghouse (FAC) (2 CFR §200.512(d)).
  - Ensuring that reports do not include protected personally identifiable information (2 CFR §200.512(a)(2)).

Notwithstanding the provisions of paragraph 3 (Auditors) of these Terms and Conditions, copies of audit reports for audits conducted pursuant to 2 CFR Part 200 shall not be required to be sent to the Department.

18. **Amendments:** Any alteration, variation, modification, or waiver of provisions of this contract shall be valid only when reduced to writing, as an amendment duly signed, and approved by required authorities

of the Department; and, if the contract exceeds \$2,000, by the Division of Administration, Office of State Procurement. Budget revisions approved by both parties in cost reimbursement contracts do not require an amendment if the revision only involves the realignment of monies between originally approved cost categories.

19. **Non-Infringement:** Contractor will warrant all materials, products and/or services produced hereunder will not infringe upon or violate any patent, copyright, trade secret, or other proprietary right of any third party. In the event of any such claim by any third party against LDH, the Department shall promptly notify Contractor in writing and Contractor shall defend such claim in LDH's name, but at Contractor's expense and shall indemnify and hold harmless LDH against any loss, expense or liability arising out of such claim, whether or not such claim is successful. This provision is not applicable to contracts with physicians, psychiatrists, psychologists or other allied health providers solely for medical services.
20. **Purchased Equipment:** Any equipment purchased under this contract remains the property of the Contractor for the period this contract and future continuing contracts for the provision of the same services. Contractor must submit vendor invoice with reimbursement request. For the purpose of this contract, equipment is defined as any tangible, durable property having a useful life of at least (1) year and acquisition cost of \$1000.00 or more. The contractor has the responsibility to submit to the Contract Monitor an inventory list of LDH equipment items when acquired under the contract and any additions to the listing as they occur.  
Contractor will submit an updated, complete inventory list on a quarterly basis to the Contract Monitor. Contractor agrees that upon termination of contracted services, the equipment purchased under this contract reverts to the Department. Contractor agrees to deliver any such equipment to the Department within 30 days of termination of services.
21. **Indemnity:** Contractor agrees to protect, indemnify and hold harmless the State of Louisiana, LDH, from all claims for damages, costs, expenses and attorney fees arising in contract or tort from this contract or from any acts or omissions of Contractor's agents, employees, officers or clients, including premises liability and including any claim based on any theory of strict liability. This provision does not apply to actions or omissions for which R.S. 40:1237.1 et seq. provides malpractice coverage to the Contractor, nor claims related to treatment and performance of evaluations of persons when such persons cause harm to third parties (R.S. 13:5108.1(E)). Further, it does not apply to premises liability when the services are being performed on premises owned and operated by LDH.
22. **Severability:** Any provision of this contract is severable if that provision is in violation of the laws of the State of Louisiana or the United States, or becomes inoperative due to changes in State and Federal law, or applicable State or Federal regulations.
23. **Entire Agreement:** Contractor agrees that the current contract supersedes all previous contracts, negotiations, and all other communications between the parties with respect to the subject matter of the current contract.
24. **E-Verify:** Contractor acknowledges and agrees to comply with the provision of R.S. 38:2212.10 and federal law pertaining to E-Verify in the performance of services under this contract.
25. **Remedies for Default:** Any claim or controversy arising out of this contract shall be resolved by the provisions of R.S. 39:1672.2-1672.4.

26. **Governing Law:** This contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to R.S. 39:1551-1736; rules and regulations; executive orders; standard terms and conditions, and specifications listed in the RFP (if applicable); and this Contract.
27. **Contractor's Cooperation:** The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the state when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.
28. **Continuing Obligation:** Contractor has a continuing obligation to disclose any suspension or debarment by any government entity, including but not limited to the General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of the Contract and debarment from future contracts.
29. **Eligibility Status:** Contractor and each tier of Subcontractors, shall certify that it is not excluded, disqualified, disbarred, or suspended from contracting with or receiving federal funds or grants from the Federal Government. Contractor and each tier of Subcontractors shall certify that it is not on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs promulgated in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24CFR Part 24, and "NonProcurement Debarment and Suspension" set forth at 2CFR Part 2424.
30. **Act 211 Taxes Clause:** In accordance with R.S. 39:1624(A)(10), the Louisiana Department of Revenue must determine that the prospective contractor is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the state and collected by the Department of Revenue prior to the approval of this contract by the Office of State Procurement. The prospective contractor hereby attests to its current and/or prospective compliance, and agrees to provide its seven-digit LDR Account Number to LDH so that the prospective contractor's tax payment compliance status may be verified. The prospective contractor further acknowledges understanding that issuance of a tax clearance certificate by the Louisiana Department of Revenue is a necessary precondition to the approval and effectiveness of this contract by the Office of State Procurement. LDH reserves the right to withdraw its consent to this contract without penalty and proceed with alternate arrangements should the vendor fail to resolve any identified apparent outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) business days of such notification.
31. **Termination for Cause:** The Department may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided that the Department shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the Department may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the Department to comply with the terms and conditions of this contract; provided

that the Contractor shall give the Department written notice specifying the Department's failure and a reasonable opportunity for the state to cure the defect.

32. **Termination for Convenience:** The Department may terminate this Contract at any time by giving thirty (30) days written notice to the Contractor. The Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.
33. **Commissioner's Statements:** Statements, acts and omissions made by or on behalf of the Commissioner of Administration regarding the RFP or RFP process, this Contract, any Contractor and/or any subcontractor of the Contractor shall not be deemed a conflict of interest when the Commissioner is discharging his duties and responsibilities under law, including, but not limited, to the Commissioner of Administration's authority in procurement matters.
34. **Order of Precedence Clause:** In the event of any inconsistent or incompatible provisions in an agreement which resulted from an RFP, this signed agreement (excluding the RFP and Contractor's proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of the Contractor's proposal. *This Order of Precedence Clause applies only to contracts that resulted from an RFP.*

#### **VIII. SIGNATURES TO FOLLOW ON THE NEXT PAGE**



**THIS CONTRACT CONTAINS OR HAS ATTACHED HERETO ALL THE TERMS AND CONDITIONS AGREED UPON BY THE CONTRACTING PARTIES. IN WITNESS THEREOF, THIS CONTRACT IS SIGNED ON THE DATE INDICATED BELOW.**

[Redacted Signature Area]

**STATE OF LOUISIANA LOUISIANA  
DEPARTMENT OF HEALTH**

<b>SIGNATURE</b>	<b>DATE</b>
[Redacted Signature]	[Redacted Date]
<b>NAME</b>	
[Redacted Name]	
<b>TITLE</b>	

<b>SIGNATURE</b>	<b>DATE</b>
[Redacted Signature]	[Redacted Date]
<b>NAME</b>	
[Redacted Name]	
<b>TITLE</b>	

[Redacted Signature Area]

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<b>SIGNATURE</b>	<b>DATE</b>
[Redacted Signature]	[Redacted Date]
<b>NAME</b>	
[Redacted Name]	
<b>TITLE</b>	

<b>SIGNATURE</b>	<b>DATE</b>
[Redacted Signature]	[Redacted Date]
<b>NAME</b>	
[Redacted Name]	
<b>TITLE</b>	

HIPAA Business Associate Addendum

This HIPAA Business Associate Addendum is hereby made a part of this contract in its entirety as Attachment \_\_\_\_\_ to the contract.

1. The Louisiana Department of Health (“LDH”) is a Covered Entity, as that term is defined herein, because it functions as a health plan and as a health care provider that transmits health information in electronic form.
2. Contractor is a Business Associate of LDH, as that term is defined herein, because contractor either: (a) creates, receives, maintains, or transmits PHI for or on behalf of LDH; or (b) provides legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, or financial services for LDH involving the disclosure of PHI.
3. Definitions: As used in this addendum –
  - a. The term “HIPAA Rules” refers to the federal regulations known as the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules, found at 45 C.F.R. Parts 160 and 164, which were originally promulgated by the U. S. Department of Health and Human Services (DHHS) pursuant to the Health Insurance Portability and Accountability Act (“HIPAA”) of 1996 and were subsequently amended pursuant to the Health Information Technology for Economic and Clinical Health (“HITECH”) Act of the American Recovery and Reinvestment Act of 2009.
  - b. The terms “Business Associate”, “Covered Entity”, “disclosure”, “electronic protected health information” (“electronic PHI”), “health care provider”, “health information”, “health plan”, “protected health information” (“PHI”), “subcontractor”, and “use” have the same meaning as set forth in 45 C.F.R. § 160.103.
  - c. The term “security incident” has the same meaning as set forth in 45 C.F.R. § 164.304.
  - d. The terms “breach” and “unsecured protected health information” (“unsecured PHI”) have the same meaning as set forth in 45 C.F.R. § 164.402.
4. Contractor and its agents, employees and subcontractors shall comply with all applicable requirements of the HIPAA Rules and shall maintain the confidentiality of all PHI obtained by them pursuant to this contract and addendum as required by the HIPAA Rules and by this contract and addendum.
5. Contractor shall use or disclose PHI solely: (a) for meeting its obligations under the contract; or (b) as required by law, rule or regulation (including the HIPAA Rules) or as otherwise required or permitted by this contract and addendum.
6. Contractor shall implement and utilize all appropriate safeguards to prevent any use or disclosure of PHI not required or permitted by this contract and addendum, including administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information that it creates, receives, maintains, or transmits on behalf of LDH.
7. In accordance with 45 C.F.R. § 164.502(e)(1)(ii) and (if applicable) § 164.308(b)(2), contractor shall ensure that any agents, employees, subcontractors or others that create, receive, maintain, or transmit PHI on behalf of contractor agree to the same restrictions, conditions and requirements that apply to contractor with respect to such information, and it shall ensure that they implement reasonable and appropriate safeguards to protect such information. Contractor shall take all reasonable steps to ensure that its agents’, employees’ or subcontractors’ actions or omissions do not cause contractor to violate this contract and addendum.
8. Contractor shall, within three (3) days of becoming aware of any use or disclosure of PHI, other than as permitted by this contract and addendum, report such disclosure in writing to the person(s) named in section 14 (Terms of Payment), page 1 of the CF-1. Disclosures which must be reported by contractor include, but are not limited to, any security incident, any breach of unsecured PHI, and any “breach of the security system” as defined in the Louisiana Database Security Breach Notification Law, La.R.S. 51:3071 *et seq.* At the option of LDH, any harm or damage resulting from any use or disclosure which violates this contract and addendum shall be

mitigated, to the extent practicable, either: (a) by contractor at its own expense; or (b) by LDH, in which case contractor shall reimburse LDH for all expenses that LDH is required to incur in undertaking such mitigation activities.

9. To the extent that contractor is to carry out one or more of LDH's obligations under 45 C.F.R. Part 164, Subpart E, contractor shall comply with the requirements of Subpart E that apply to LDH in the performance of such obligation(s).
10. Contractor shall make available such information in its possession which is required for LDH to provide an accounting of disclosures in accordance with 45 CFR § 164.528. In the event that a request for accounting is made directly to contractor, contractor shall forward such request to LDH within two (2) days of such receipt. Contractor shall implement an appropriate record keeping process to enable it to comply with the requirements of this provision. Contractor shall maintain data on all disclosures of PHI for which accounting is required by 45 CFR § 164.528 for at least six (6) years after the date of the last such disclosure.
11. Contractor shall make PHI available to LDH upon request in accordance with 45 CFR § 164.524.
12. Contractor shall make PHI available to LDH upon request for amendment and shall incorporate any amendments to PHI in accordance with 45 CFR § 164.526.
13. Contractor shall make its internal practices, books, and records relating to the use and disclosure of PHI received from or created or received by contractor on behalf of LDH available to the Secretary of the U. S. DHHS for purposes of determining LDH's compliance with the HIPAA Rules.
14. Contractor shall indemnify and hold LDH harmless from and against any and all liabilities, claims for damages, costs, expenses and attorneys' fees resulting from any violation of this addendum by contractor or by its agents, employees or subcontractors, without regard to any limitation or exclusion of damages provision otherwise set forth in the contract.
15. The parties agree that the legal relationship between LDH and contractor is strictly an independent contractor relationship. Nothing in this contract and addendum shall be deemed to create a joint venture, agency, partnership, or employer-employee relationship between LDH and contractor.
16. Notwithstanding any other provision of the contract, LDH shall have the right to terminate the contract immediately if LDH determines that contractor has violated any provision of the HIPAA Rules or any material term of this addendum.
17. At the termination of the contract, or upon request of LDH, whichever occurs first, contractor shall return or destroy (at the option of LDH) all PHI received or created by contractor that contractor still maintains in any form and retain no copies of such information; or if such return or destruction is not feasible, contractor shall extend the confidentiality protections of the contract to the information and limit further uses and disclosure to those purposes that make the return or destruction of the information infeasible.

## **Cost Templates**

Proposers shall submit a cost proposal in the following formats to be considered for award. Failure to complete the required information will result in the disqualification of the proposal.

Fees proposed will not be negotiated based on volume.

**Attachment Va:** Cost Template– Annual Fee Schedule and Administrative Fees Breakdown

**Attachment Vb:** Cost Template– Claims Table

**Attachment Vc:** Cost Template – AWP Discount Pricing

**Cost Template – Annual Fee Schedule**

Proposers shall include all anticipated costs of successful implementation of all deliverables outlined in the RFP.

Services descriptions:

1. Implementation Fee – One-time costs associated with initial implementation of services.
2. Monthly Administrative Fees\* – Costs associated with execution of services.
3. Training Fees – Costs associated with participating in and/or providing annual trainings.
4. Reporting Fees – Monthly cost associated with generating required reports.
5. Recoupment Fee – Monthly costs associated with claims recoupment.
6. Third Party Enrollment Match Fee – Monthly costs associated with third party enrollment identification and reporting.

<b>Annual Fee Schedule</b>			
<b>Year One Services</b>	<b>Cost per Transaction (or unit)</b>	<b>Estimated Transactions (or units) per Year</b>	<b>Yearly Total</b>
1. Implementation Fee	\$	1 (first year only)	\$
2. Monthly Administrative Fees*	\$	12	\$
3. Training Fees	\$	5	\$
4. Reporting Fees	\$	12	\$
5. Recoupment Fee	\$	12	\$
6. Third Party Enrollment Match Fee	\$	12	\$
7. Other Fees (Please specify)	\$		\$
<b>Estimated Year One Fee Total:</b>			<b>\$</b>
<b>Year Two Services</b>	<b>Cost per Transaction (or Unit)</b>	<b>Estimated Transactions (or units) per Year</b>	<b>Yearly Total</b>
1. Monthly Administrative Fees*	\$	12	\$
2. Training Fees	\$	5	\$
3. Reporting Fees	\$	12	\$
4. Recoupment Fee	\$	12	\$
5. Third Party Enrollment Match Fee	\$	12	\$
6. Other Fees (Please Specify)	\$		\$
<b>Estimated Year Two Fee Total:</b>			<b>\$</b>
<b>Year Three Services</b>	<b>Cost per Transaction (or unit)</b>	<b>Estimated Transactions (or units) per Year</b>	<b>Yearly Total</b>
1. Monthly Administrative Fees*	\$	12	\$
2. Training Fees	\$	5	\$
3. Reporting Fees	\$	12	\$
4. Recoupment Fee	\$	12	\$
5. Third Party Enrollment Match Fee	\$	12	\$
6. Other Fees (Please Specify)	\$		\$
<b>Estimated Year Three Fee Total:</b>			<b>\$</b>
<b>Estimated Total Three (3) Year Fee Total:</b>			<b>\$</b>

## Administrative Fees\* Breakdown

Proposers shall complete this chart to show the breakdown of Year 1 Administrative Fees\* proposed above to be considered for award. Proposers may add rows as necessary.

Expenditure Categories	Hourly Rate (for staff)	Total cost Year 1
Administrative Staff (list by position)		
Direct Labor Staff (list by position)		
Contracted Staff (list by position)		
Benefits		
Travel		
Operating Costs:		
Rent		
Utilities		
Telephone		
Insurance		
Other(list):		
Office Supplies (list)		
Professional Services (list)		
Other Administrative Costs (list)		

**\*Administrative Costs may include:**

- Usual and recognized overhead activities, including rent, utilities, and facility costs.
- Costs of management oversight of specific programs funded under this title, including program coordination; clerical, financial, and management staff not directly related to patient care; program evaluation; liability insurance; audits; and computer hardware/ software not directly related to patient care.

In accordance with the legislative mandates of the Ryan White HIV/AIDS Treatment Extension Act of 2009, and the Monitoring Standards for Ryan White Part A and B Grantees, Administrative Costs must be documented and shall not exceed 10% of the total resources contracted for direct client services.

**Cost Template - Claims Table**

Proposers shall use the following template to propose per transaction and per dispensing fees for each of the items listed for each of the three (3) years. Proposers shall enter the proposed costs in the Proposed Cost column. The corresponding Multipliers (weights) will be applied to arrive at the Weighted Cost and the total for the three (3) years will be used in the cost evaluation.

Services	Proposed Cost	Multiplier	Weighted Cost (Proposed Cost x Multiplier)
<b>Third Party Claims</b>			
Dispensing fee per claim	\$	0.20	\$
Transaction fee per claim	\$	0.20	\$
<b>340B Claims</b>			
Dispensing fee per claim	\$	0.15	\$
Transaction fee per claim	\$	0.15	\$
<b>Mail Order Claims</b>			
Shipping fee per claim	\$	0.10	\$
Transaction fee per claim	\$	0.10	\$
<b>Manual / Direct Member Reimbursement Third Party Claims</b>			
Transaction fee per claim	\$	0.10	\$
<b>Total Weighted Per Claim Cost Year 1:</b>			<b>\$</b>

Services	Proposed Cost	Multiplier	Weighted Cost (Proposed Cost x Multiplier)
<b>Third Party Claims</b>			
Dispensing fee per claim	\$	0.20	\$
Transaction fee per claim	\$	0.20	\$
<b>340B Claims</b>			
Dispensing fee per claim	\$	0.15	\$
Transaction fee per claim	\$	0.15	\$
<b>Mail Order Claims</b>			
Shipping fee per claim	\$	0.10	\$
Transaction fee per claim	\$	0.10	\$
<b>Manual / Direct Member Reimbursement Third Party Claims</b>			
Transaction fee per claim	\$	0.10	\$
<b>Total Weighted Per Claim Cost Year 2:</b>			<b>\$</b>

Services	Proposed Cost	Multiplier	Weighted Cost (Proposed Cost x Multiplier)
<b>Third Party Claims</b>			
Dispensing fee per claim	\$	0.20	\$
Transaction fee per claim	\$	0.20	\$
<b>340B Claims</b>			
Dispensing fee per claim	\$	0.15	\$
Transaction fee per claim	\$	0.15	\$
<b>Mail Order Claims</b>			
Shipping fee per claim	\$	0.10	\$
Transaction fee per claim	\$	0.10	\$
<b>Manual / Direct Member Reimbursement Third Party Claims</b>			
Transaction fee per claim	\$	0.10	\$
<b>Total Weighted Per Claim Cost Year 3:</b>			<b>\$</b>

In 2016, approximately 6,600 clients were served by the current PBM contractor, through approximately 111,500 transactions.

Utilization data provided by SHP for the purpose of this RFP are estimates based on previous claims. Variation in future services, funding and utilization trends in any of the three (3) years will be based on the result of litigation regarding the Patient Protection and Affordable Care Act, the availability of federal funds, as well as guidance requirements from federal funders and should be considered in the proposer's calculation. Fees proposed will not be negotiated based on volume.



**Attachment Vc: Cost Template – AWP Discount Pricing**

**Cost Template - AWP Discount Pricing**

Proposers shall specify AWP discount rates for both generic and brand name drugs for both retail and mail order dispensing. Proposers shall submit the rates for all three (3) years in a similar format, and are strongly encouraged to use this template.

<b>YEAR 1 - Retail Pharmacy Claims</b>			
<b>Services</b>	<b>Percent Discount Year 1</b>	<b>Multiplier</b>	<b>(Proposed % x Multiplier)</b>
1. Discounts from AWP for generic drugs	%	0.25	xx.xx%
2. Discounts from AWP for brand drugs	%	0.35	xx.xx%
<b>YEAR 1 - Mail Order Claims</b>			
<b>Services</b>	<b>Percent Discount Year 1</b>	<b>Multiplier</b>	<b>(Proposed % x Multiplier)</b>
1. Discounts from AWP for generic drugs	%	0.15	xx.xx%
2. Discounts from AWP for brand drugs	%	0.25	xx.xx%
<b>Total Weighted Discount % Year 1</b>			<b>XX.XX%</b>

<b>YEAR 2 - Retail Pharmacy Claims</b>			
<b>Services</b>	<b>Percent Discount Year 2</b>	<b>Multiplier</b>	<b>(Proposed % x Multiplier)</b>
1. Discounts from AWP for generic drugs	%	0.25	xx.xx%
2. Discounts from AWP for brand drugs	%	0.35	xx.xx%
<b>YEAR 2 - Mail Order Claims</b>			
<b>Services</b>	<b>Percent Discount Year 2</b>	<b>Multiplier</b>	<b>(Proposed % x Multiplier)</b>
1. Discounts from AWP for generic drugs	%	0.15	xx.xx%
2. Discounts from AWP for brand drugs	%	0.25	xx.xx%
<b>Total Weighted Discount % Year 2</b>			<b>XX.XX%</b>

<b>YEAR 3 - Retail Pharmacy Claims</b>			
<b>Services</b>	<b>Percent Discount Year 3</b>	<b>Multiplier</b>	<b>(Proposed % x Multiplier)</b>
1. Discounts from AWP for generic drugs	%	0.25	xx.xx%
2. Discounts from AWP for brand drugs	%	0.35	xx.xx%
<b>YEAR 3 - Mail Order Claims</b>			
<b>Services</b>	<b>Percent Discount Year 3</b>	<b>Multiplier</b>	<b>(Proposed % x Multiplier)</b>
1. Discounts from AWP for generic drugs	%	0.15	xx.xx%
2. Discounts from AWP for brand drugs	%	0.25	xx.xx%
<b>Total Weighted Discount % Year 3</b>			<b>XX.XX%</b>

## Attachment VI: Minimum Required Data Fields/Variables

### Minimum Required Data Fields/Variables

<b>ADAP Data Report Client-Level Data Elements</b>
Encrypted UDC
Ethnicity
Hispanic/Latino Subgroup
Race
Asian Subgroup
Native American/Pacific Islander Subgroup
Gender
Sex at Birth
Date of Birth
Poverty Level
High Risk Insurance
Health Insurance Type
HIV/AIDS Status
New or Existing Client
Date Completed Application Received
Date Application Approved
Date of Recertification
Enrollment Status
Reasons for Disenrollment
Receipt of Health Insurance Services
ADAP-funded Health Insurance Assistance
Months of Coverage for Premiums Paid
Amount Paid for Co-Pays and Deductibles
Receipt of Medication Services
Medications Dispensed
Dispense Date for Medication
Days' Supply of Medication
Amount Paid for Medication
CD4 Count Date
CD4 Count Value
Viral Load Date
Viral Load Value

# Regional Map



**DEPARTMENT OF HEALTH AND HOSPITALS**

