



## REQUEST FOR PROPOSALS (RFP)

MHBE CONSOLIDATED SERVICE CENTER

SOLICITATION NO. BPM028490

**Issue Date: March 11, 2022**

### NOTICE

A Prospective Offeror that has received this document from the Maryland Health Benefit Exchange website <https://www.marylandhbe.com/solicitations> or <https://emma.maryland.gov>, or that has received this document from a source other than the Procurement Officer, and that wishes to assure receipt of any changes or additional materials related to this RFP, should immediately contact the Procurement Officer and provide the Prospective Offeror's name and mailing address so that addenda to the RFP or other communications can be sent to the Prospective Offeror.

**Minority Business Enterprises Are Encouraged to Respond to this Solicitation**

**STATE OF MARYLAND  
NOTICE TO VENDORS**

In order to help us improve the quality of State solicitations, and to make our procurement process more responsive and business friendly, we ask that you take a few minutes and provide comments and suggestions regarding this solicitation. Please return your comments with your response. If you have chosen not to respond to this Contract, please email or fax this completed form to the attention of the Procurement Officer (see Key Information Sheet below for contact information).

**Title: MHBE Consolidated Service Center**

**Solicitation No: BPM028490**

1. If you have chosen not to respond to this solicitation, please indicate the reason(s) below:

- ☐ Other commitments preclude our participation at this time.
- ☐ The subject of the solicitation is not something we ordinarily provide.
- ☐ We are inexperienced in the work/commodities required.
- ☐ Specifications are unclear, too restrictive, etc. (Explain in REMARKS section.)
- ☐ The scope of work is beyond our present capacity.
- ☐ Doing business with the State of Maryland is simply too complicated. (Explain in REMARKS section.)
- ☐ We cannot be competitive. (Explain in REMARKS section.)
- ☐ Time allotted for completion of the Bid/Proposal is insufficient.
- ☐ Start-up time is insufficient.
- ☐ Bonding/Insurance requirements are restrictive. (Explain in REMARKS section.)
- ☐ Bid/Proposal requirements (other than specifications) are unreasonable or too risky. (Explain in REMARKS section.)
- ☐ MBE requirements. (Explain in REMARKS section.)
- ☐ Prior State of Maryland contract experience was unprofitable or otherwise unsatisfactory. (Explain in REMARKS section.)
- ☐ Payment schedule too slow.
- ☐ Other: \_\_\_\_\_

2. If you have submitted a response to this solicitation, but wish to offer suggestions or express concerns, please use the REMARKS section below. (Attach additional pages as needed.).

REMARKS:

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Vendor Name: \_\_\_\_\_ Date: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**STATE OF MARYLAND  
MARYLAND HEALTH BENEFIT EXCHANGE  
RFP KEY INFORMATION SUMMARY SHEET**

**Request for Proposals:** **MHBE CONSOLIDATED SERVICE CENTER**

**Solicitation Number:** **BPM028490**

**RFP Issue Date:** **March 11, 2022**

**Procurement Officer:** **Tony Armiger**  
**Maryland Health Benefit Exchange**  
**750 East Pratt Street, 6th floor**  
**Baltimore, MD, 21202**  
**Phone: 443-986-4616**  
**e-mail: [hix.procurement@maryland.gov](mailto:hix.procurement@maryland.gov)**

**Contract Monitor:** **LeeAnn Sapp, Program Manager**  
**Maryland Health Benefit Exchange**  
**750 East Pratt Street, 6<sup>th</sup> floor**  
**Baltimore, MD, 21202**

**Proposals are to be sent to:** **Maryland Health Benefit Exchange**  
**e-mail: [hix.procurement@maryland.gov](mailto:hix.procurement@maryland.gov)**

Note: Proposals are to be emailed to the Procurement Officer at the e-mail address above

**Pre-Proposal Conference:** **March 23, 2022, 1:00 PM, Local Time**

**Closing Date and Time:** **April 11, 2022, 10:00 AM, Local Time**

**MBE Subcontracting Goal:** **10%**

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## **SECTION 1 - BACKGROUND AND VISION**

The Maryland Health Benefit Exchange (MHBE) is an independent unit of state government responsible for the administration of Maryland Health Connection, the state's health insurance marketplace, under the Patient Protection and Affordable Care Act of 2010 (ACA) and subsequent state legislation. The MHBE works with the Maryland Department of Health, Department of Human Services, Maryland Insurance Administration, and stakeholders statewide to make insurance affordability programs available to all eligible Marylanders.

The mission of the MHBE is to improve the health and well-being of Marylanders by connecting them with high-quality, affordable health coverage through innovation, technology and customer service. We value diversity, innovation, collaboration, and the highest standards of professional ethics. To that end we issue the following RFP seeking a qualified Offeror to operate our integrated consolidated service center functions.

The first year of this contract will coincide with the MHBE's 10th open enrollment period. Over the last several years, the MHBE has grown from a faltering start-up to a nationally recognized leader in IT development, operations, and customer service excellence. As we approach the next five to ten years, the MHBE seeks to continue and extend its commitment to providing Marylanders exemplary systems and services.

The RFP outlines the technical specifications required, but the MHBE also invites Offerors to suggest alternative approaches if they can demonstrate an effective strategy for meeting the overall goal of excellence in customer service in an inclusive and employee-engaged manner. The MHBE seeks a contractual partner that will foster employee retention and advancement, take pride in the delivery of exceptional customer service, and respond efficiently to rapidly evolving changes in technology, policy, and customer service expectations. The Offeror should demonstrate their willingness to be flexible and transparent in all aspects of engagement with this project.

### **1.1 Summary Statement**

- 1.1.1 It is MHBE's intention to obtain services, as specified in this RFP, through a Contract between the selected Offeror and the MHBE. The anticipated duration of services to be provided under this Contract is three (3) years with one (1) two-year renewal option. See Section 1.4 for more information.
- 1.1.2 The MHBE intends to make a single award as a result of this RFP. See RFP Section 1.15 for more information.
- 1.1.3 An Offeror, either directly or through its subcontractor(s), must be able to provide all services and meet all of the requirements requested in this solicitation. The successful Offeror (the Contractor) shall remain responsible for Contract performance regardless of subcontractor participation in the work.



## 1.2 Abbreviations and Definitions

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

Term	Definition
Affordable Care Act (ACA)	The Patient Protection and Affordable Care Act of 2010 (Pub. L. 111-148) as amended, including by the Health Care and Education Reconciliation Act of 2010 (Public Law No. 111-152), and all regulations promulgated pursuant thereto.
Agency	The Maryland Health Benefit Exchange (MHBE).
Annual Right to Change (ARC)	Recipient who has been continuously enrolled in the same MCO during the preceding twelve (12) months may change to a different MCO during this period.
Authorized Representative	A representative who has authority to act on someone's behalf
Average Speed to Answer	Average length of time between when the call leaves the IVR and when it is answered by a CSR.
Business Day(s)	The official working days of the week to include Monday through Friday. Official working days exclude State Holidays (see definition of "Normal State Business Hours" below).
COBRA	Consolidated Omnibus Budget Reconciliation Act.
COMAR	Code of Maryland Regulations (available on-line at <a href="http://www.dsd.state.md.us">www.dsd.state.md.us</a> ).
Chat Pickup	The act of a CSR making initial contact to answer a customer's live chat message.
Consolidated Service Center (CSC)	Formal and contractual name for the call center.
Consumer	Individual seeking assistance in determining eligibility for health care coverage and/or enrollment assistance for themselves and/or their household.
Contract	The Contract awarded to the successful Offeror(s) pursuant to this RFP, the form of which is attached to this RFP as Attachment A.
Consumer Portal (CP)	Consumer Portal is the public facing website component of the HBX System that offers users the ability to apply for health insurance coverage online.

Contract Commencement	The date the Contract is signed by the MHBE following execution by a successful Offeror and any required approvals of the Contract, including approval by the MHBE Board of Trustees, if such approval is required. See Section 1.4.
Contract Monitor	The MHBE representative identified in RFP § 1.6 who is primarily responsible for Contract administration functions, including issuing written direction, invoice approval, monitoring the Contract to ensure compliance with the terms and conditions of the Contract, and achieving completion of the Contract on budget, on time, and within scope. The Contract Monitor may authorize in writing one or more State representatives to act on behalf of the Contract Monitor in the performance of the Contract Monitor's responsibilities.
Contractor(s)	The successful Offeror(s) awarded the Contract as a result of this RFP.
Coverage Month	A month in which qualified plan coverage is effective.
CRM Case	Term used to refer to a record of a consumer request in the CRM. The Case is assigned a reference number.
Customer Service Representatives (CSRs)	Official name of service center staff managing inbound/outbound calls
Customer Relationship Management (CRM)	Database utilized by all Exchange workers to record and work on customer-related transactions.
Disenrollment/Transfer	The process of disenrolling a member from one MCO and enrolling that same member into another MCO with one system transaction.
eMaryland Marketplace (eMMA)	Maryland's online procurement system.
Employee	Has the meaning provided in 45 C.F.R. § 155.20; includes any individual employed for wages or salary by an employer.
Employer	Has the meaning provided in 45 C.F.R. § 155.20; includes an individual or organization that employs one or more employees.
Enrollment Broker	Current entity that performs managed care enrollment functions. These functions will be incorporated into roles and functions within the MHBE call center.
Flora	The Maryland Health Connection web page digital assistant that responds to frequently asked questions (FAQs).

Go-Live Date	The date on which the Contractor(s) must begin providing all services required by this solicitation.
Handled Call	Handled call is defined as a call where a CSR and a consumer interact. It does not include dropped calls lasting less than 30 seconds, dead air or abandoned calls.
HBX	Synonymous with “System”. See definition of “System”.
Head of Household (HOH)	The head of a household consisting of one or more HealthChoice recipients. The HOH is the only recipient in that household who can choose a Managed Care Organization and Primary Care Provider for all household members.
HealthChoice	The Medical Assistance statewide mandatory Managed Care program administered by the DHMH pursuant to COMAR 10.09.62 - 10.09.73 and Title XIX of the Social Security Act and other applicable laws and waivers to furnish and to pay for medical services for eligible individuals.
Health Service Needs Information Form (HSNI)	Instrument designed to establish the recipient’s basic health status and identify individuals in need of expedited contact or services from their selected MCO.
Inbound File Processing	Generation of files by the interfacing systems which are processed by the HBX.
Incident	<p>The act of violating an explicit or implied Security policy, which includes attempts (either failed or successful) to gain unauthorized Access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of mail, all of which may have the potential to put the data at risk of unauthorized</p> <p>Access, use, disclosure, modification or destruction. While certain adverse events, (e.g., floods, fires, electrical outages, excessive heat, etc.) can cause system crashes, they are not considered incidents. An Incident becomes a Breach when there is the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have Access or potential Access to personally identifiable information or personal health information, whether physical or electronic.</p>
Incumbent Contractor	The Contractor currently performing the System operations services to be assumed by Contractor as a result of this RFP.
Interactive Voice Response (IVR)	Automated telephony system that interacts with callers, gathers information and routes calls to the appropriate recipient.

IRS Form 1095-A	IRS tax form that serves as proof that Quality Health Plan consumers and members of household met the Affordable Care Act requirement to have health coverage. The form is also used to file a federal income tax return and report any received tax credits.
IRS Form 1095-B	IRS tax form that serves as proof that Medicaid consumers and members of household met the Affordable Care Act requirement to have health coverage.
Key Personnel	All personnel identified in the solicitation as such, or personnel identified by the Offeror in its Proposal that are essential to the work being performed under the Contract. See RFP Section 1.23 and 4.4.2.7. Key Personnel shall include, at a minimum: Project Director, Account Manager, Operations Manager, Training Manager, Quality Assurance Manager, and Security Specialist
Live Chat	Method of customer service delivery offered through the MHC webpage digital assistant (Flora) and routed to CSRs for response to specific inquiries that cannot be answered by Flora.
Local Time	Time in the Eastern Time zone as observed by the State of Maryland. Unless otherwise specified, all stated times shall be Local Time, even if not expressly designated as such.
Managed Care	A system of primary care and other medical services that are provided and coordinated by HealthChoice providers in accordance with the provisions of COMAR 10.09.62 -10.09.73 Maryland Medicaid Managed Care Program.
Managed Care Organization (MCO)	Any entity which DHMH contracts to provide primary care and certain other medical services to HealthChoice recipients on a capitated (per member per month) basis.
Maryland Department of Health	The unit of State Government that oversees Medicaid and MCHIP
Maryland Health Benefit Exchange (MHBE or Exchange or Agency)	The unit of Maryland State government issuing this RFP.
Maryland Health Connection (MHC)	The MHBE web-based eligibility and enrollment application.
Material Disruptions	When the IVR cannot receive calls, play the appropriate message and distribute the calls according to approved programming.

Medicaid	The program administered by the State under Title XIX, which provides comprehensive medical and other health related care for eligible categorically and medically needy persons. This is also referred to as Medical Assistance.
Maryland Children's Health Program (MCHP)	This program gives full health benefits for eligible children up to age 19.
Normal State Business Hours	Normal State Business Hours are 8:00 a.m. – 5:00 p.m. Monday through Friday except State Holidays, which can be found at: <a href="http://www.dbm.maryland.gov">www.dbm.maryland.gov</a> – keyword: State Holidays.
Notice to Proceed (NTP)	A written notice from the Procurement Officer that work on the Contract shall begin on a specified date. Additional NTPs may be issued by either the Procurement Officer or the Contract Monitor regarding the start date for any service included within this solicitation with a delayed or non-specified implementation date.
Notice to Proceed Date	The date specified in an NTP for work on the Contract to begin
Offeror	An entity that submits a proposal in response to this RFP
Open Enrollment Period	Period of time for consumers to renew and sign up for quality health plan coverage for the new year. Typically a 3-month period during November-January. Consumers can sign up for coverage to begin effective January, February and March. Call center volumes are at highest during this period and usually require additional staffing.
Personally Identifiable Information (PII)	Personally Identifiable Information (PII) as defined by U.S. Office of Management and Budget Memorandum M-07-16 (May 22, 2007) (“PII refers to information which can be used to distinguish or trace an individual’s identity, such as their name, social security number, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name, etc.”) PII is a broad category of information that includes subsets of other information, such as Personal Health Information (PHI) and “personal information”, as the latter term is used in the following sections of the Maryland Code Annotated: Section 14-3501(d) of the Commercial Law Article and Section 10-1301(c) of the State Government Article.

Primary Care Provider (PCP)	A practitioner (listed in COMAR 10.09.66.05) who is the primary coordinator of care for the Enrollee and whose responsibility is to provide accessible, continuous, comprehensive, and coordinated health care services covering the full range of benefits required by the Maryland Medicaid Managed Care Program.
Procurement Officer	The MHBE representative identified in RFP § 1.5 who is responsible for the Contract, determining scope issues and is the only MHBE representative that can authorize changes to the Contract.
Proposal	As appropriate, either or both of an Offeror's Technical or Financial Proposal.
Protected Health Information (PHI)	Has the meaning provided in 45 C.F.R. § 160.103; generally, information transmitted or maintained in any form or medium that is (1) created or received by a health care provider, health plan, employer, or health care clearinghouse and (2) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and (i) that identifies the individual; or (ii) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.
Qualified Health Plan (QHP)	Under the Affordable Care Act (ACA) is a Qualified Health Plan (QHP) is an insurance plan that is certified by the Health Insurance Marketplace, and meets ACA requirements such as coverage of essential health benefits.
Request for Proposals (RFP) or Solicitation	This Request for Proposals for the MHBE, including any amendments / addenda thereto.
Security or Security Measures	The technology, policy and procedures that a) protect and b) control access to networks, systems, and data.
Service Level Agreement (SLA)	Measurable levels governing Contractor performance and establishing associated liquidated damages for failure to meet those performance standards.
Service Level Agreement Activation Date(s)	The date(s) on which the SLA requirements shall commence under the Contract; see RFP § 3.4.2
Service Level	Service Level measures the percentage of calls answered within a certain number of seconds from calls offered.
Schedule Adherence	Schedule adherence is measured by taking the total time a call center agent is available and dividing it by the time they are scheduled to work, expressed as

	a percentage. Schedule adherence can take into account time spent on breaks or doing non-call related work.
State	The State of Maryland
Subcontractor	An agent, service provider, supplier, or vendor selected by the Contractor to provide subcontracted services or products under the direction of the Contractor or other Subcontractors, and including any direct or indirect Subcontractors of a Subcontractor.
System or HBX	The MHBE's underlying mission critical IT systems and applications are collectively referred to as the HBX System ("HBX") or the "System". The System has two major web application components, namely, the Consumer Portal (CP) that the Maryland residents access to seek health insurance coverage, and the Worker Portal (WP) that supports approximately 1,800 social and health exchange workers, producers and navigators to provide various services for the consumers.
System Availability	The period of time the System is operational and accessible.
Technical Safeguards	The technology and the policy and procedures for its use that protect PII and control access to it.
Tier I	Customer Service Representatives that provide assistance with general questions, status checks, password resets and other shorter handle time inquiries.
Tier II	Customer Service Representatives that provide assistance related to eligibility determination and enrollment services by completing applications and enrollments with consumers seeking help by phone. Tier II also provides all levels of customer service to consumers seeking 3rd party language translation.
Total Evaluated Price	The Offeror's total evaluated price for services in response to this solicitation, included in the Financial Proposal with Attachment E – Financial Proposal Form, and used in the evaluation of Proposals (see RFP Section 5.3).
Working Day(s)	Same as "Business Day(s)".
Worker Portal or WP	Worker Portal is the non-public facing website component of the HBX system that provides the capabilities for the MHBE authorized workers to facilitate the health insurance application and enrollment process.

### 1.3 Contract Type

The Contract resulting from this solicitation shall be an Indefinite Quantity Contract with fixed price in compliance with COMAR 21.06.03.06. Operational costs shall be a fixed monthly cost and the per call rate shall be a fixed unit cost as described in the Financial Proposal (ATTACHMENT E).

#### **1.4 Contract Duration**

- 1.4.1 The Contract that results from this solicitation shall commence as of the date the Contract is fully executed by both Parties (the “Commencement Date”), following any required approvals of the Contract, including approval by the MHBE Board of Trustees.
- 14.2 The duration of the Contract will be for a base term of three years from the Commencement Date for the provision of all services required by the Contract and the requirements of this solicitation. The Contract may be extended for one period of two years at the sole discretion of the MHBE and at the prices quoted in the Financial Proposal for Option Years.
- 1.4.3 During the Transition-In Period (refer to RFP Section 3.3), the Contractor shall perform Transition-In activities such as are necessary to enable the Contractor to begin the successful performance of all Contract activities as of the end of the Transition-In period. The Transition-In period shall be no longer than 90 calendar days. Contractor shall perform all activities required by the Contract, including the requirements of this solicitation, the offerings in its Technical Proposal, and any activities it performs during the Transition-In Period, for the compensation described in its Financial Proposal.
- 1.4.4 The Contractor’s obligations to pay invoices to subcontractors that provided services during the Contract term, as well as the audit, confidentiality, document retention, and indemnification obligations of the Contract (see Attachment A) shall survive expiration or termination of the Contract and continue in effect until all such obligations are satisfied.

#### **1.5 Procurement Officer**

The sole point of contact in the MHBE for purposes of this solicitation prior to the award of any Contract is the Procurement Officer at the address listed below:

Tony Armiger  
Interim Procurement Officer  
Maryland Health Benefit Exchange  
750 East Pratt Street, 6<sup>th</sup> Floor  
Baltimore, MD 21202  
Phone Number: 443-986-4616  
E-mail: [hix.procurement@maryland.gov](mailto:hix.procurement@maryland.gov)

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

#### **1.6 Contract Monitor**





The Contract Monitor is:

Ms. LeeAnn Sapp  
Program Manager, Consolidated Service Center,  
Maryland Health Benefit Exchange  
750 East Pratt Street, 6th Floor  
Baltimore, MD 21202  
Phone Number: 410-547-8150  
Email: [leeann.sapp@maryland.gov](mailto:leeann.sapp@maryland.gov)

The MHBE may change the Contract Monitor at any time by written notice.

### **1.7 Pre-Proposal Conference**

A Virtual Pre-Proposal Conference (the Conference) will be held on March 23, 2022 beginning at 1:00 PM Local Time. All prospective Offerors are encouraged to attend in order to facilitate better preparation of their Proposals.

The Conference will be summarized. As promptly as is feasible subsequent to the Conference, a summary of the Conference and all questions and answers known at that time will be distributed to all prospective Offerors known to have received a copy of this RFP. This summary, as well as the questions and answers, will also be posted on eMaryland Marketplace Advantage and the MHBE website. See RFP Section 1.8.

Please e-mail the Pre-Proposal Conference Response Form to the attention of the Procurement Officer no later than 4:00 PM Local Time on March 21 (final date for submission of Attachment D). The Pre-Proposal Conference Response Form is included as **Attachment D** to this RFP. In addition, if there is a need for sign language interpretation and/or other special accommodations due to a disability, please notify the Procurement Officer no later than (final date for request for special accommodations). The MHBE will make a reasonable effort to provide such special accommodation.

### **1.8 eMarylandMarketplace**

Each Offeror is required to indicate its eMaryland Marketplace Advantage (eMMA) vendor number in the Transmittal Letter (cover letter) submitted at the time of its Proposal submission to this RFP.

eMMA is an electronic commerce system administered by the Maryland Department of General Services. In addition to using the MHBE website <https://www.marylandhbe.com/solicitations/>, and possibly other means for transmitting the RFP and associated materials, the solicitation and summary of the Pre-Proposal Conference, Offeror questions and the Procurement Officer's responses, addenda, and other solicitation-related information will be provided via eMMA.

In order to receive a contract award, a vendor must be registered on eMMAA. Registration is free. Go to <https://emma.maryland.gov>, click on "New Vendor Register Now" to begin the process, and then follow the prompts.

## 1.9 Questions

Written questions from prospective Offerors will be accepted by the Procurement Officer prior to the Conference. If possible and appropriate, such questions will be answered at the Conference. (No substantive question will be answered prior to the Conference.) Questions to the Procurement Officer shall be submitted via e-mail to the following e-mail address: [hix.procurement@maryland.com](mailto:hix.procurement@maryland.com). Please identify in the subject line the Solicitation Number and Title. Questions, both oral and written, will also be accepted from prospective Offerors attending the Conference. If possible and appropriate, these questions will be answered at the Conference.

Questions will also be accepted subsequent to the Conference and should be submitted to the Procurement Officer (**see above email address**) in a timely manner. Questions are requested to be submitted by 2:00 PM, March 31, 2022. The Procurement Officer, based on the availability of time to research and communicate an answer, shall decide whether an answer can be given before the Proposal due date. Time permitting, answers to all substantive questions that have not previously been answered, and are not clearly specific only to the requestor, will be distributed to all vendors that are known to have received a copy of the RFP in sufficient time for the answer to be taken into consideration in the Proposal.

## 1.10 Procurement Method

This Contract will be awarded in accordance with the Competitive Sealed Proposals method under Section II.B of MHBE's Procurement Policies and Procedures.

## 1.11 Proposals Due (Closing) Date and Time

Proposals, in the form set forth in Section 4.2 "Proposals" must be received by the Procurement Officer at the e-mail address listed on the Key Information Summary Sheet, no later than **April 11, 2022, 10:00 AM** Local Time in order to be considered.

Requests for extension of this time or date will not be granted. Except as provided in COMAR 21.05.03.02.F and 21.05.02.10, Proposals received after the due date and time listed in this section will not be considered.

Proposals may be modified or withdrawn by written notice received by the Procurement Officer before the time and date set forth in this section for receipt of Proposals.

**Proposals must be submitted by e-mail. Proposals will not be opened publicly.**

Vendors not responding to this solicitation are requested to submit the "Notice to Vendors" form, which includes company information and the reason for not responding (e.g., too busy, cannot meet mandatory requirements, etc.). This form is located in the RFP immediately following the Title Page (page ii).

## 1.12 Multiple or Alternate Proposals

Multiple and/or alternate Proposals will not be accepted.

### **1.13 Economy of Preparation**

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

### **1.14 Public Information Act Notice**

An Offeror should give specific attention to the clear identification of those portions of its Proposal that it considers confidential and/or proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Public Information Act, Md. Code Ann., General Provisions Article, Title 4. (Also, see RFP Section 4.4.2.2 "Claim of Confidentiality"). This confidential and/or proprietary information should be identified by page and section number and placed after the Title Page and before the Table of Contents in the Technical Proposal and if applicable, separately in the Financial Proposal.

Offerors are advised that, upon request for this information from a third party, the MHBE is required to make an independent determination whether the information must be disclosed.

### **1.15 Award Basis**

The Contract shall be awarded to the responsible Offeror submitting the Proposal that has been determined to be the most advantageous to the State, considering price and evaluation factors set forth in this RFP for providing the services as specified in this RFP. In order for MHBE to achieve its overall minority participation goal, MHBE may recommend and award a contract to a certified minority business enterprise or to a person whose offer otherwise reflects the greatest amount of certified MBE or minority participation in the event of two or more offers in which the Offerors' Technical and Price proposals are determined by the Procurement Officer to be equally most advantageous to the State. The MBE documentation required by COMAR 21.11.03.10B(2)-(6) shall be used in making this determination. See RFP Section 5 for further award information.

### **1.16 Oral Presentation**

The MHBE may request Offerors make oral presentations to State representatives. Offerors must confirm in writing any substantive oral clarification of, or change in, their Proposals made in the course of discussions. Any such written clarifications or changes then become part of the Offeror's Proposal and are binding if the Contract is awarded. The Procurement Officer will notify Offerors of the time and place of oral presentations.

### **1.17 Duration of Proposal**

Proposals submitted in response to this RFP are irrevocable for 120 days following the closing date for submission of Proposals or best and final offers if requested. This period may be extended at the Procurement Officer's request only with the Offeror's written agreement.

#### **1.18 Revisions to the RFP**

If it becomes necessary to revise this RFP before the due date for Proposals, the MHBE shall endeavor to provide addenda to all prospective Offerors that were sent this RFP or which are otherwise known by the Procurement Officer to have obtained this RFP. In addition, addenda to the RFP will be posted on the MHBE's procurement web page and through eMMA. It remains the responsibility of all prospective Offerors to check all applicable websites for any addenda issued prior to the submission of Proposals. Addenda made after the due date for Proposals will be sent only to those Offerors that submitted a timely Proposal and that remain under award consideration as of the issuance date of the addenda.

Acknowledgment of the receipt of all addenda to this RFP issued before the Proposal due date shall be included in the Transmittal Letter accompanying the Offeror's Technical Proposal (see RFP Section 4.4.2.3). Acknowledgement of the receipt of addenda to the RFP issued after the Proposal due date shall be in the manner specified in the addendum notice. Failure to acknowledge receipt of an addendum does not relieve the Offeror from complying with the terms, additions, deletions, or corrections set forth in the addendum.

#### **1.19 Cancellation of the RFP and Discretion to Award the Contract**

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

#### **1.20 Incurred Expenses**

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

#### **1.21 Protest/Disputes**

Any protest related to this solicitation shall be subject to the provisions of Section VII of the MHBE Procurement Policies & Procedures. Any dispute related to the Contract shall be subject to the Disputes provisions of the Contract resulting from this RFP (refer to RFP Attachment A).

#### **1.22 Offeror Responsibilities**

The selected Offeror shall be responsible for all products and services required by this RFP. All subcontractors must be identified and a complete description of their role relative to the Proposal ("Role") must be included in the Offeror's Proposal. If applicable, subcontractors utilized in meeting the established MBE participation goal(s) for this solicitation shall be identified as provided in the appropriate Attachment(s) of this RFP (see Section 1.33 "Minority Business Enterprise Goals").

If an Offeror that seeks to perform or provide the services required by this RFP is the subsidiary of another entity, all information submitted by the Offeror, including but not limited to references, financial reports, or experience and documentation (e.g. insurance policies, bonds, letters of credit) used to meet minimum qualifications, if any, shall pertain exclusively to the Offeror, unless the parent organization will guarantee the performance of the subsidiary. If applicable, the Offeror shall submit with its Proposal an explicit statement, signed by an authorized representative of the parent organization, stating that the parent organization will guarantee the performance of the subsidiary.

A parental guarantee of the performance of the Offeror under this Section will not automatically result in crediting the Offeror with the experience and/or qualifications of the parent under any evaluation criteria pertaining to the Offeror's experience and qualifications. Instead, the Contractor shall be evaluated on the extent to which the State determines that the experience and qualification of the parent are transferred to and shared with the Offeror, the parent is directly involved in the performance of the Contract, and the value of the parent's participation as determined by the State.

### 1.23 Substitution of Personnel

#### A. Continuous Performance of Key Personnel

Unless substitution is approved per paragraphs B-D of this section, Key Personnel shall be the same personnel proposed in the Contractor's Technical Proposal, which will be incorporated into the Contract by reference. Such identified Key Personnel shall perform continuously for the duration of the Contract, or such lesser duration as specified in the Technical Proposal. Key Personnel may not be removed by the Contractor from working under this Contract, as described in the RFP or the Contractor's Technical Proposal, except with the prior written approval of the Contract Monitor.

#### B. Definitions

For the purposes of this section, the following definitions apply:

**Extraordinary Personal Circumstance** – means any circumstance in an individual's personal life that reasonably requires immediate and continuous attention for more than fifteen (15) days and that precludes the individual from performing his/her job duties under this Contract. Examples of such circumstances may include, but are not limited to: a sudden leave of absence to care for a family member who is injured, sick, or incapacitated; the death of a family member, including the need to attend to the estate or other affairs of the deceased or his/her dependents; substantial damage to, or destruction of, the individual's home that causes a major disruption in the individual's normal living circumstances; criminal or civil proceedings against the individual or a family member; jury duty; and military service call-up.

**Incapacitating** – means any health circumstance that substantially impairs the ability of an individual to perform the job duties described for that individual's position in the RFP or the Contractor's Technical Proposal.

**Sudden** – means when the Contractor has less than thirty (30) days’ prior notice of a circumstance beyond its control that will require the replacement of any Key Personnel working under the Contract.

C. Key Personnel General Substitution Provisions

The following provisions apply to all of the circumstances of staff substitution described in paragraph D of this section.

1. The Contractor shall demonstrate to the Contract Monitor’s satisfaction that the proposed substitute Personnel have qualifications at least equal to those of the Key Personnel for whom the replacement is requested.
2. The Contractor shall provide the Contract Monitor with a substitution request that shall include:
  - A detailed explanation of the reason(s) for the substitution request;
  - The resume of the proposed substitute personnel, signed by the substituting individual and his/her formal supervisor;
  - The official resume of the current personnel for comparison purposes; and
  - Any evidence of any required credentials.
3. The Contract Monitor may request additional information concerning the proposed substitution. In addition, the Contract Monitor and/or other appropriate State personnel involved with the Contract may interview the proposed substitute personnel prior to deciding whether to approve the substitution request.
4. The Contract Monitor will notify the Contractor in writing of: (i) the acceptance or denial, or (ii) contingent or temporary approval for a specified time limit, of the requested substitution. The Contract Monitor will not unreasonably withhold approval of a requested Key Personnel replacement.

D. Replacement Circumstances

1. Voluntary Key Personnel Replacement

To voluntarily replace any Key Personnel, the Contractor shall submit a substitution request as described in paragraph C of this section to the Contract Monitor at least fifteen (15) days prior to the intended date of change. Except in a circumstance described in paragraph D.2 of this clause, a substitution may not occur unless and until the Contract Monitor approves the substitution in writing.

2. Key Personnel Replacement Due to Vacancy

The Contractor shall replace Key Personnel whenever a vacancy occurs due to the sudden termination, resignation, leave of absence due to an Extraordinary Personal Circumstance, Incapacitating injury, illness or physical condition, or death of such personnel. (A

termination or resignation with thirty (30) days or more advance notice shall be treated as a Voluntary Key Personnel Replacement as per Section D.1 of this section.).

Under any of the circumstances set forth in this paragraph D.2, the Contractor shall identify a suitable replacement and provide the same information or items required under paragraph C of this section within fifteen (15) days of the actual vacancy occurrence or from when the Contractor first knew or should have known that the vacancy would be occurring, whichever is earlier.

### 3. Key Personnel Replacement Due to an Indeterminate Absence

If any Key Personnel has been absent from his/her job for a period of ten (10) days due to injury, illness, or other physical condition, leave of absence under a family medical leave, or an Extraordinary Personal Circumstance and it is not known or reasonably anticipated that the individual will be returning to work within the next twenty (20) days to fully resume all job duties, before the 25th day of continuous absence, the Contractor shall identify a suitable replacement and provide the same information or items to the Contract Monitor as required under paragraph C of this section.

However, if this person is available to return to work and fully perform all job duties before a replacement has been authorized by the Contract Monitor, at the option and sole discretion of the Contract Monitor, the original personnel may continue to work under the Contract, or the replacement personnel will be authorized to replace the original personnel, notwithstanding the original personnel's ability to return.

### 4. Directed Personnel Replacement

- a. The Contract Monitor may direct the Contractor to replace any personnel who are perceived as being unqualified, non-productive, unable to fully perform the job duties due to full or partial Incapacity or Extraordinary Personal Circumstance, disruptive, or known, or reasonably believed, to have committed a major infraction(s) of law, Agency, or Contract requirements. Normally, a directed personnel replacement will occur only after prior notification of problems with requested remediation, as described in paragraph 4.b. If after such remediation the Contract Monitor determines that the personnel performance has not improved to the level necessary to continue under the Contract, if at all possible at least fifteen (15) days notification of a directed replacement will be provided. However, if the Contract Monitor deems it necessary and in the State's best interests to remove the personnel with less than fifteen (15) days' notice, the Contract Monitor can direct the removal in a timeframe of less than fifteen (15) days, including immediate removal.

In circumstances of directed removal, the Contractor shall, in accordance with paragraph C of this section, provide a suitable replacement for approval within fifteen (15) days of the notification of the need for removal, or the actual removal, whichever occurs first.

- b. If deemed appropriate in the discretion of the Contract Monitor, the Contract Monitor shall give written notice of any personnel performance issues to the Contractor,



describing the problem and delineating the remediation requirement(s). The Contractor shall provide a written Remediation Plan within ten (10) days of the date of the notice and shall implement the Remediation Plan immediately upon written acceptance by the Contract Monitor. If the Contract Monitor rejects the Remediation Plan, the Contractor shall revise and resubmit the plan to the Contract Monitor within five (5) days, or in the timeframe set forth by the Contract Monitor in writing.

Should performance issues persist despite the approved Remediation Plan, the Contract Monitor will give written notice of the continuing performance issues and either request a new Remediation Plan within a specified time limit or direct the substitution of personnel whose performance is at issue with a qualified substitute, including requiring the immediate removal of the Key Personnel at issue.

Replacement or substitution of personnel under this section shall be in addition to, and not in lieu of, the State's remedies under the Contract or which otherwise may be available at law or in equity.

#### **1.24 Mandatory Contractual Terms**

By submitting a Proposal in response to this RFP, an Offeror, if selected for award, shall be deemed to have accepted the terms and conditions of this RFP and the Contract, attached herein as **RFP Attachment A**. Any exceptions to this RFP or the Contract shall be clearly identified in the Executive Summary of the Technical Proposal. **A Proposal may be rejected if it takes exception to these terms or fails to state that it has taken no exceptions (reference RFP Section 4.4.2.4).**

#### **1.25 Bid/Proposal Affidavit**

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

#### **1.26 Contract Affidavit**

All Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Contractor shall be required to complete a Contract Affidavit. A copy of this Affidavit is included as **Attachment C** of this RFP. This Affidavit must be provided within five (5) Business Days of notification of proposed Contract award. This Contract Affidavit is also required to be submitted by the Contractor with any Contract renewal, including the exercise of any options or modifications that may extend the Contract term. For purposes of completing Section "B" of this Affidavit (Certification of Registration or Qualification with the State Department of Assessments and Taxation), note that a business entity that is organized outside of the State of Maryland is considered to be a "foreign" business.

#### **1.27 Compliance with Laws/Arrearages**





By submitting a Proposal in response to this RFP, the Offeror, if selected for award, agrees that it will comply with all Federal, State, and local laws applicable to its activities and obligations under the Contract.

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

### **1.28 Verification of Registration and Tax Payment**

Before a business entity can do business in the State it must be registered with the State Department of Assessments and Taxation (SDAT). SDAT is located at State Office Building, Room 803, 301 West Preston Street, Baltimore, Maryland 21201. The SDAT website can be found at [Pages - Businesses in Maryland](#).

It is strongly recommended that any potential Offeror complete registration prior to the due date for receipt of Proposals. An Offeror's failure to complete registration with SDAT may disqualify an otherwise successful Offeror from final consideration and recommendation for Contract award.

### **1.29 False Statements**

Offerors are advised that Md. Code Ann., State Finance and Procurement Article, § 11-205.1 provides as follows:

1.29.1 In connection with a procurement contract a person may not willfully:

- (a) Falsify, conceal, or suppress a material fact by any scheme or device;
- (b) Make a false or fraudulent statement or representation of a material fact; or
- (c) Use a false writing or document that contains a false or fraudulent statement or entry of a material fact.

1.29.2 A person may not aid or conspire with another person to commit an act under subsection (1) of this section.

1.29.3 A person who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding five years or both.

### **1.30 Payments by Electronic Funds Transfer**

By submitting a response to this solicitation, the Bidder/Offeror agrees to accept payments by electronic funds transfer (EFT) unless the State Comptroller's Office grants an exemption. Payment by EFT is mandatory for contracts exceeding \$200,000. The selected Bidder/Offeror shall register using the COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form, must include the business identification information as stated on the form, and

must include the reason for the exemption. The COT/GAD X-10 form may be downloaded from the Comptroller's website at:

<https://www.marylandtaxes.gov/forms/state-accounting/static-files/GADX10Form.pdf>

### **1.31 Prompt Payment Policy**

This procurement and the Contract to be awarded pursuant to this solicitation are subject to the Prompt Payment Policy Directive issued by the Governor's Office of Minority Affairs (GOMA) and dated August 1, 2008. Promulgated pursuant to Md. Code Ann., State Finance and Procurement Article, §§ 11-201, 13-205(a), and Title 14, Subtitle 3, and COMAR 21.01.01.03 and 21.11.03.01, the Directive seeks to ensure the prompt payment of all subcontractors on non-construction procurement contracts. The Contractor must comply with the prompt payment requirements outlined in the Contract, Section 29.3 "Prompt Payment" (see **Attachment A**). Additional information is available on GOMA's website at:

<http://goma.maryland.gov/Documents/Legislation/PromptPaymentFAQs.pdf>

### **1.32 Electronic Procurements Authorized**

- A. Unless otherwise prohibited by law, MHBE may conduct procurement transactions by electronic means, including the solicitation, bidding, award, execution, and administration of a contract, as provided in the Maryland Uniform Electronic Transactions Act, Md. Code Ann., Commercial Law Article, Title 21.
- B. Participation in the solicitation process on a procurement contract for which electronic means has been authorized shall constitute consent by the Offeror to conduct by electronic means all elements of the procurement of that Contract which are specifically authorized under the solicitation or the Contract.
- C. "Electronic means" refers to exchanges or communications using electronic, digital, magnetic, wireless, optical, electromagnetic, or other means of electronically conducting transactions. Electronic means includes facsimile, e-mail, internet-based communications, electronic funds transfer, specific electronic bidding platforms (e.g., <https://emma.maryland.gov>), and electronic data interchange.
- D. In addition to specific electronic transactions specifically authorized in other sections of this solicitation (e.g., § 1.30 "Payments by Electronic Funds Transfer"), the following transactions are authorized to be conducted by electronic means on the terms described:
  - 1. The Procurement Officer may conduct the procurement using eMMAA or e-mail to issue:
    - (a) the solicitation (RFP);
    - (b) any amendments;
    - (c) pre-Proposal conference documents;
    - (d) questions and responses;
    - (e) communications regarding the solicitation or Proposal to any Offeror or potential Offeror;
    - (f) notices of award selection or non-selection; and

- (g) the Procurement Officer's decision on any Bid protest or Contract claim.
- 2. An Offeror or potential Offeror may use e-mail to:
  - (a) ask questions regarding the solicitation;
  - (b) submit the Proposal (including technical and financial);
  - (c) reply to any material received from the Procurement Officer by electronic means that includes a Procurement Officer's request or direction to reply by e-mail, but only on the terms specifically approved and directed by the Procurement Officer;
  - (d) submit a "No Bid/Proposal Response" to the solicitation; and
  - (e) submit documents determined by the MHBE to require original signatures (contract execution or modifications).
- 3. The Procurement Officer, the Contract Monitor, and the Contractor may conduct day-to-day Contract administration utilizing e-mail, facsimile, or other electronic means if authorized by the Procurement Officer or Contract Monitor.
- 4. Notwithstanding the foregoing provisions of this Section 1.32, MHBE requires all Transmittal Letters, Proposals and any Contract resulting from this RFP to contain original signatures executed in ink by a person authorized to bind the Contractor. However, the Contractor may scan and submit electronically any document containing such original signature(s). The Contract may be signed by the Parties in counterparts, each of which shall be deemed to be an original but all of which, taken together, shall constitute one and the same Contract.

### 1.33 Minority Business Enterprise Goal

#### 1.33.1 Establishment of Goal

An overall MBE subcontractor participation goal of **10%** of the total contract dollar amount as set forth in the Offeror's Price Proposal (Attachment E), including all option years, has been established for this procurement.

The Contractor is encouraged to use a diverse group of subcontractors and suppliers from any/all of the various MBE classifications to meet the remainder of the overall MBE participation goal.

There are no MBE subcontractor participation subgoals for this procurement.

#### 1.33.2 Attachments L-1 to L-5 – The following Minority Business Enterprise participation instructions, and forms are provided to assist Offerors:

<b>Attachment L-1A</b>	MBE Utilization and Fair Solicitation Affidavit & MBE Participation Schedule ( <b>must be submitted with Proposal</b> )
<b>Attachment L-1B</b>	Waiver Guidance
<b>Attachment L-1C</b>	Good Faith Efforts Documentation to Support Waiver Request
<b>Attachment L-2</b>	Outreach Efforts Compliance Statement
<b>Attachment L-3A</b>	MBE Subcontractor Project Participation Certification

<b>Attachment L-3B</b>	MBE Prime Project Participation Certification
<b>Attachment L-4A</b>	Prime Contractor Paid/Unpaid MBE Invoice Report
<b>Attachment L-4B</b>	MBE Prime Contractor Report
<b>Attachment L-5</b>	Subcontractor/Contractor Unpaid MBE Invoice Report

1.33.3 A Offeror shall include with its Proposal a completed MBE Utilization and Fair Solicitation Affidavit (**Attachment L-1A**) whereby:

- (a) The Offeror acknowledges the certified MBE participation goal and commits to make a good faith effort to achieve the goal, or requests a waiver, and affirms that MBE subcontractors were treated fairly in the solicitation process; and
- (b) The Offeror responds to the expected degree of MBE participation, as stated in the solicitation, by identifying the specific commitment of certified MBEs at the time of Proposal submission. The Offeror shall specify the percentage of total contract value associated with each MBE subcontractor identified on the MBE participation schedule, including any work performed by the MBE Prime (including a Prime participating as a joint venture) to be counted towards meeting the MBE participation goals.
- (c) An Offeror requesting a waiver should review Attachment L-1B (Waiver Guidance) and L-1C (Good Faith Efforts Documentation to Support Waiver Request) prior to submitting its request.

***If an Offeror fails to submit a completed Attachment L-1A with the Bid/Proposal as required, the Procurement Officer shall determine that the Proposal is not reasonably susceptible of being selected for award.***

1.33.4 Offerors are responsible for verifying that each MBE (including any MBE Prime and/or MBE Prime participating in a joint venture) selected to meet the goal subsequently identified in **Attachment L-1A** is appropriately certified and has the correct NAICS codes allowing it to perform the committed work.

1.33.5 Within ten (10) Business Days from notification that it is the recommended awardee or from the date of the actual award, whichever is earlier, the Offeror must provide the following documentation to the Procurement Officer.

- (a) Outreach Efforts Compliance Statement (**Attachment L-2**).
- (b) MBE Subcontractor/Prime Project Participation Certification (**Attachment L-3A/3B**).
- (c) If the recommended awardee believes a waiver (in whole or in part) of the overall MBE goal is necessary, the recommended awardee must submit a fully-documented waiver request that complies with COMAR 21.11.03.11.
- (d) Any other documentation required by the Procurement Officer to ascertain Offeror responsibility in connection with the certified MBE subcontractor participation goal.

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

- 1.33.6 A current directory of certified MBEs is available through the Maryland State Department of Transportation (MDOT), Office of Minority Business Enterprise, 7201 Corporate Center Drive, Hanover, Maryland 21076. The phone numbers are (410) 865-1269, 1-800-544-6056, or TTY (410) 865-1342. The directory is also available on the MDOT website at <http://mbe.mdot.state.md.us/directory/>. The most current and up-to-date information on MBEs is available via this website. **Only MDOT-certified MBEs may be used to meet any MBE subcontracting goals.**
- 1.33.7 The Contractor, once awarded a Contract, will be responsible for submitting or requiring its subcontractor(s) to submit the following forms to provide the State with ongoing monitoring of MBE Participation:
  - (a) **Attachment L-4A** (Prime Contractor Paid/Unpaid MBE Invoice Report).
  - (b) **Attachment L- 4B** (MBE Prime Contractor Report, *if applicable*)
  - (c) **Attachment L-5** (MBE Subcontractor/Contractor Unpaid MBE Invoice Report).
- 1.33.8 A Offeror that requested a waiver of the goal will be responsible for submitting the Good Faith Efforts Documentation to Support Waiver Request (**Attachment L-1C**) and all documentation within ten (10) Business Days from notification that it is the recommended awardee or from the date of the actual award, whichever is earlier, as required in **COMAR 21.11.03.11**.
- 1.33.9 All documents, including the MBE Utilization and Fair Solicitation Affidavit & MBE Participation Schedule (**Attachment L-1A**), completed and submitted by the Offeror in connection with its certified MBE participation commitment shall be considered a part of the resulting Contract and are hereby expressly incorporated into the Contract by reference thereto. All of the referenced documents will be considered a part of the Technical Proposal for order of precedence purposes (see Contract – **Attachment A**, Section 2.1).
- 1.33.10 The Offeror is advised that liquidated damages will apply in the event the Contractor fails to comply in good faith with the requirements of the MBE program and pertinent Contract provisions. (See Contract – **Attachment A**, Section 29.2).
- 1.33.11 As set forth in COMAR 21.11.03.12-1(D), when a certified MBE firm participates on a Contract as a Prime Contractor (including a joint-venture where the MBE firm is a partner), a procurement agency may count the distinct, clearly defined portion of the work of the contract that the certified MBE firm performs with its own work force towards fulfilling up to fifty-percent (50%) of the MBE participation goal (overall) and up to one hundred percent (100%) of not more than one of the MBE participation sub-goals, if any, established for the contract.

In order to receive credit for self-performance, an MBE Prime must list its firm in Section 4A of the MBE Participation Schedule (**Attachment L-1A**) and include information regarding the work it will self-perform. For the remaining portion of the overall goal and the sub-goals, the MBE Prime must also identify certified MBE subcontractors (see Section 4B of the MBE Participation Schedule (**Attachment L-1A**) used to meet those goals. If dually-certified, the MBE Prime can

be designated as only one of the MBE sub-goal classifications but can self-perform up to 100% of the stated sub-goal.

As set forth in COMAR 21.11.03.12-1, once the Contract work begins, the work performed by a certified MBE firm, including an MBE Prime, can only be counted towards the MBE participation goal(s) if the MBE firm is performing a commercially useful function on the Contract.

1.33.12 With respect to Contract administration, the Contractor shall:

- (a) Submit to the MHBE's designated representative by the 10th of the month following the reporting period:
  - i. A Prime Contractor Paid/Unpaid MBE Invoice Report (Attachment L-4A) listing any unpaid invoices, over 45 days old, received from any certified MBE subcontractor, the amount of each invoice and the reason payment has not been made; and
  - ii. (If Applicable) An MBE Prime Contractor Report (Attachment L-4B) identifying an MBE Prime's self-performing work to be counted towards the MBE participation goals.
- (b) Include in its agreements with its certified MBE subcontractors a requirement that those subcontractors submit to the MHBE's designated representative by the 10th of the month following the reporting period an MBE Subcontractor Paid/Unpaid Invoice Report (**Attachment L-5**) that identifies the Contract and lists all payments to the MBE subcontractor received from the Contractor in the preceding reporting period month, as well as any outstanding invoices, and the amounts of those invoices.
- (c) Maintain such records as are necessary to confirm compliance with its MBE participation obligations. These records must indicate the identity of certified minority and non-minority subcontractors employed on the Contract, the type of work performed by each, and the actual dollar value of work performed. Subcontract agreements documenting the work performed by all MBE participants must be retained by the Contractor and furnished to the Procurement Officer on request.
- (d) Consent to provide such documentation as reasonably requested and to provide right-of-entry at reasonable times for purposes of the State's representatives verifying compliance with the MBE participation obligations. Contractor must retain all records concerning MBE participation and make them available for State inspection for three years after final completion of the Contract.
- (e) Upon completion of the Contract and before final payment and/or release of retainage, submit a final report in affidavit form and under penalty of perjury, of all payments made to, or withheld from MBE subcontractors.

#### 1.34 Federal Funding Acknowledgement

1.34.1 There are programmatic conditions that apply to this Contract due to Federal funding (refer to **RFP Attachment F**).



- 1.34.2 The total amount of Federal funds allocated for the MHBE is \$426.5 million in Maryland State fiscal year 2022. This represents 92.4% of all funds budgeted for the unit in that fiscal year. This does not necessarily represent the amount of funding available for any particular grant, contract, or solicitation.
- 1.34.3 This Contract contains federal funds. The source of these federal funds is Medicaid. The CFDA number is 93.778. Execution of a Contract awarded as a result of this RFP indicates the Contractor's agreement with all federal funding terms and conditions that apply to contractors receiving federal funds from Medicaid, including the provisions described in RFP **Attachment F**.

### **1.35 Conflict of Interest Affidavit and Disclosure**

Offerors shall complete and sign the Conflict of Interest Affidavit and Disclosure (RFP **Attachment G**) and submit it with their Proposal. All Offerors are advised that if a Contract is awarded as a result of this solicitation, the Contractor's personnel who perform or control work under this Contract and each of the participating subcontractor personnel who perform or control work under this Contract shall be required to complete agreements substantially similar to RFP **Attachment G** Conflict of Interest Affidavit and Disclosure. For policies and procedures applying specifically to Conflict of Interests, the Contract is governed by COMAR 21.05.08.08, which is hereby incorporated into this RFP by reference.

### **1.36 Non-Disclosure Agreement**

All Offerors are advised that this solicitation and any resultant Contract is subject to the terms of the Non-Disclosure Agreement (NDA) contained in this solicitation as RFP **Attachment H**. This Agreement must be provided within five (5) Business Days of notification of proposed Contract award; however, to expedite processing, it is suggested that this document be completed and submitted with the Proposal.

### **1.37 Non-Exchange Entity Agreement**

Based on the MHBE's determination that the Contract awarded as a result of this RFP will involve the Contractor's Access to PII protected under 45 C.F.R. § 155.260, the Contractor shall be considered a Non-Exchange Entity under 45 C.F.R. § 155.260(b)(1). Therefore, pursuant to 45 C.F.R. § 155.260(b)(2), the recommended awardee shall execute a Non-Exchange Entity Agreement as set forth in RFP **Attachment I**. This Agreement must be provided within five (5) Business Days of notification of proposed Contract award; however, to expedite processing, it is suggested that this document be completed and submitted with the Proposal. Should the Non-Exchange Entity Agreement not be submitted upon expiration of the five (5) Business Day period as required by this solicitation, the Procurement Officer, upon review of the Office of the Attorney General and approval of the Executive Director, may withdraw the recommendation for award and make the award to the responsible Bidder/Offeror with the next lowest Bid or next highest overall-ranked Proposal.

### **1.38 HIPAA — Business Associate Agreement**

Based on the determination by MHBE that certain functions to be performed in accordance with this solicitation constitute Business Associate functions as defined in HIPAA, the recommended awardee shall execute a Business Associate Agreement as required by HIPAA regulations at 45

C.F.R. §164.501 and in substantially similar form to that set forth in **Attachment K**. This Agreement must be provided within five (5) Business Days of notification of proposed Contract award. Should the Business Associate Agreement not be submitted upon expiration of the five (5) Business Day period as required by this solicitation, the Procurement Officer, upon review of the Office of the Attorney General and approval of the MHBE Board of Trustees, may withdraw the recommendation for award and make the award to the responsible Bidder/Offeror with the next lowest Bid or next highest overall-ranked Proposal.

### **1.39 Nonvisual Access**

This solicitation does not contain Information Technology (IT) provisions requiring Nonvisual Access.

### **1.40 Mercury and Products That Contain Mercury**

This solicitation does not include the procurement of products known to likely include mercury as a component.

### **1.41 Performance Bond**

- 1.41.1 The successful Offeror shall deliver a performance bond or other security acceptable to MHBE to the MHBE within five (5) working days after notification of recommended award (the “Performance Bond”).
- 1.41.2 The successful Offeror must submit a Performance Bond in the amount of \$4,000,000, guaranteeing that the Contractor shall well and truly perform the Contract.
- 1.41.3 The Performance Bond shall be in the form provided in RFP **Attachment J** and underwritten by a surety company authorized to do business in the State and shall be subject to approval by the State, or shall be in the form of another security acceptable to MHBE. Acceptable security for the Performance Bond is limited to a bond in a form satisfactory to the MHBE underwritten by a surety company authorized to do business in this State.
- 1.41.4 The Performance Bond shall be maintained throughout the term of this Contract, and renewal option periods, if exercised. Evidence of renewal of the Performance Bond and payment of the required premium shall be provided to the MHBE. This Performance Bond shall also secure liquidated damages.
- 1.41.5 The Performance Bond may be renewable annually. The Contractor shall provide to the MHBE, 30 days before the annual expiration of the Performance Bond, confirmation from the surety that the Performance Bond will be renewed for the following year. Failure to timely provide this notice shall constitute an event of default under the Contract. Such a default may be remedied if the Contractor obtains a replacement bond that conforms to the requirements of the Contract and provides that replacement bond to the MHBE prior to the expiration of the existing Performance Bond.



- 1.41.6 The cost of this Performance Bond is to be included in the total price proposed and is not to be proposed and will not be recoverable as a separate cost item.
- 1.41.7 After the first year of the Contract, the Contractor may request a reduction in the amount of the Performance Bond. The amount and the duration of the reduction, if any, will be in the MHBE's sole discretion. If any reduction is granted, the MHBE shall have the right to increase the amount of the Performance Bond to any amount, up to the original amount, at any time and at the MHBE's sole discretion.
- 1.41.8 The Performance Bond shall include terms that guarantee substitute performance under the Contract in the event of default. Specifically, whenever the Contractor shall be declared by the MHBE to be in default under the Contract, the Surety may, within 15 days after notice of default from the MHBE, notify the MHBE of its election to either promptly proceed to remedy the default or promptly proceed to complete the contract in accordance with and subject to its terms and conditions. In the event the Surety does not elect to exercise either of the above stated options, then the MHBE thereupon shall have the remaining contract work completed, Surety to remain liable thereunder for all expenses of completion up to but not exceeding the sum of \$1,500,000.00.

#### **1.42 Surety Bond Assistance Program**

- 1.42.1 Assistance in obtaining bid, performance and payment bonds may be available to qualifying small businesses through the Maryland Small Business Development Financing Authority (MSBDFA). MSBDFA can directly issue bid, performance or payment bonds up to \$750,000. MSBDFA may also guarantee up to 90% of a surety's losses as a result of a Contractor's breach of Contract; MSBDFA exposure on any bond guaranteed may not, however, exceed \$900,000. Bonds issued directly by the program will remain in effect for the duration of the Contract, and those surety bonds that are guaranteed by the program will remain in effect for the duration of the surety's exposure under the Contract. To be eligible for bonding assistance, a business must first be denied bonding by at least one surety on both the standard and specialty markets within 90 days of submitting a bonding application to MSBDFA. The applicant must employ fewer than 500 full-time employees or have gross sales of less than \$50 million annually, have its principal place of business in Maryland or be a Maryland resident, must not subcontract more than 75 percent of the work, and the business or its principals must have a reputation of good moral character and financial responsibility. Finally, it must be demonstrated that the bonding or guarantee will have a measurable economic impact, through job creation and expansion of the state's tax base. Applicants are required to work through their respective bonding agents in applying for assistance under the program. Questions regarding the bonding assistance program should be referred to:

Maryland Department of Business and Economic Development  
Maryland Small Business Development Financing Authority  
MMG Ventures  
826 E. Baltimore Street  
Baltimore, Maryland 21202  
Phone: (410) 333-4270  
Fax: (410) 333-2552

## **SECTION 2 – MINIMUM QUALIFICATIONS**

### **2.1 Offeror Minimum Qualifications**

The Offeror shall have at least three (3) years of experience within the past ten (10) years with: (1) government entitlement program eligibility and enrollment, preferably with eligibility and enrollment in Medicaid programs; (2) experience utilizing a third party customer relationship management (CRM) solution such as Salesforce; and (3) experience operating and maintaining a telephony system. As proof of meeting this requirement, the Offeror shall submit a reference or combination of references who can attest to the Offeror's above experience with the information required in Section 4.4.2.10 for each reference.

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## **SECTION 3 – SCOPE OF WORK**

### **3.1 Introduction**

The Maryland Health Benefit Exchange utilizes a Consolidated Service Center (CSC) to assist consumers seeking support in determining eligibility and enrollment in insurance affordability programs including private health and dental plans and Medicaid programs. During the course of this contract the MHBE may develop and offer other related insurance products such as a Vision Plan or a stand-alone prescription drug plan. The Offerer, in partnership with MHBE, should be able to revise its staffing plan or other procedures to accommodate customer needs with additional products.

The Consolidated Service Center operations include but are not limited to: inbound call management, outbound calls, live chat service, social media response support, Interactive Voice Response (IVR) provision and management, case escalation support, telephony systems provision and management, quality assurance management, training and development, workforce management and reporting. In addition, the Consolidated Service Center will assist Medicaid recipients with the enrollment into a Managed Care Organization (MCO), selection of a primary care provider (PCP), and completion of a health assessment questionnaire. The contractor shall provide permanent dedicated direct dial lines designated for Brokers and Application Counselors seeking case escalation support. During annual Open Enrollment periods, contractor shall provide telephony connectivity and technical support for the MHBE program referred to as Broker Assisted Transfer service (BATPhone) which is currently active during open enrollment periods. This support may extend beyond the open enrollment period if determined in the best interest of the MHBE.

The Consolidated Service Center will provide Full-Time Equivalent (FTE) staff and provide equipment, materials, facilities, and required connectivity to receive and respond to calls and data all year with a maximum effort expected during projected peak call volume periods. The MHBE expects that staffing numbers will include a minimum of 150 FTE total customer service representatives (CSRs) for February through October; 200 CSRs in October and November; and 250 CSRs from December through January. These staffing numbers are minimums and subject to change based on forecast and unforeseen events. At least 40 bilingual Spanish speaking CSRs should be maintained all year. The MHBE will support a work from home or hybrid home/office model contingent on Offeror providing a comprehensive plan for training and oversight of work from home staff.

If there is a significant shift in customer service delivery methods as a result of new technologies such that it becomes appropriate to change the method of measuring interactions with consumers, the MHBE may exercise its option to adjust the manner in which compensation is calculated to accommodate the change.

### **3.2 Scope of Work**

The following Scope of Work outlines the Exchange's overall expectations. Potential Bidders are encouraged to develop their own, more detailed approach in response to this RFP. The successful Offeror shall provide Consolidated Service Center operations from the Go-Live Date through the Contract end date, including any option years, in compliance with all applicable State and federal laws in effect at the time the services are offered, including the Affordable Care Act and its regulations together with any regulations promulgated thereunder.

The following chart depicts monthly call volumes offered year over year from November 1, 2019 (Open Enrollment 7) through January 31, 2022 (Open Enrollment 9). Please note that Open Enrollment 9 was not concluded before release of this RFP and this chart does not include final data for February 2022.

Month	Calls Offered	Calls Handled	Avg. call handle time	Medicaid Calls	QHP Calls	Live Chat	Spanish Calls Offered	Spanish Language Line Calls	Total Spanish Call Volume	Comments
<b>Average Annual Enrolled</b>				1,406,033	183,083		Hispanic 225,879			
19-Nov	146424	83175	13.1	61,055	17,693		14,450	1,309	15,759	<b>Open Enrollment (OE7) 11/1/19 - 12/15/19</b>
19-Dec	185794	119451	11:45	119,134	31,711		10,296	838	11,134	Highest volume of MA during OE to date
20-Jan	149397	87339	12:09	48,520	7,490		10,305	393	10,698	
20-Feb	96684	73795	12:04	67,325	7,598		8,374	962	9,336	
20-Mar	88555	83863	12:11	64,396	11,143		8,328	719	9,047	<b>COVID-19; telework implemented</b>
20-Apr	77868	71637	12:05	57,779	9,330		11,108	1,937	13,045	
20-May	80550	69177	10:48	58,930	6,645		14,879	2,626	17,505	
20-Jun	93184	80797	10:53	45,549	6,223		18,411	2,167	20,578	
20-Jul	91046	84905	10:58	71,701	8,319		20,462	2,604	23,066	
20-Aug	80574	77152	11:17	57,825	9,693		18,350	2,815	21,165	
20-Sep	77418	73878	11:00	54,004	7,511		16,229	1,458	17,687	
20-Oct	81099	75966	11:22	55,322	8,001		15,113	304	15,417	
20-Nov	99389	86530	12:25	34,281	15,383		18,161	449	18,610	<b>OE8 11/1/2020 - 12/15/2020</b>
20-Dec	129760	101566	12:37	71,556	30,621		19,002	1,151	20,153	<b>ARPA post OE8 - MA Redets extended to 12/31/21</b>
21-Jan	77248	71743	11:46	50,871	11,136		14,878	1,086	15,964	
21-Feb	71650	68137	11:26	45,847	12,357		14,131	1,796	15,927	
21-Mar	79899	74690	11:22	52,956	10,854		16,191	2,106	18,297	
21-Apr	70097	65316	10:56	46,130	11,067		13,527	2,094	15,621	
21-May	61339	57725	11:24	41,558	8,100		12,699	1,239	13,938	
21-Jun	62997	59082	10:54	44,785	6,015		13,318	1,022	14,340	
21-Jul	59231	55922	10:37	42,229	6,588		11,136	1,461	12,597	
21-Aug	80750	58555	11:23	41,242	6,180	1,266	17,149	951	18,100	<b>COVID SEP ends 8/15/21 - Launched Live Chat on 8/2/2021 - high volume due to end of public health emergency messaging and redets</b>
21-Sep	69433	46550	11:52	49,786	5,820	2,693	9,270	293	9,563	
21-Oct	62154	51765	13:02	42,508	5,844	2,652	10,735	2,804	13,539	
21-Nov	78113	70184	13:04	43,068	20,395	2,594	11,560	3,280	14,840	<b>OE9 11/1/21 - 1/15/22 - extended to 2/28/22</b>
21-Dec	100170	91591	11:37	40,536	21,053	3,200	14,642	4,870	19,512	
22-Jan	105509	84449	11:31	39,793	19,724	5,769	16,633	4,311	20,944	

The Chart below depicts categories of call types, approximate handle time and volumes for the past six month period, July through December 2021.

Call Type, Handle Time, Volume Chart for Jul - Dec 2021							
Call Type	Call Handle Time (approx.)	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
General Inquiry	5 - 7 mins	14,749	17,193	15,386	14,564	22,421	28,191
1095 A&B	7 - 10 mins	142	114	92	91	61	32
Password Reset	3 - 5 mins	4,463	4,191	3,711	5,727	6,571	8,429
Applications & Enrollment	15 - 30 mins	20,737	23,731	21,161	21,126	27,898	35,408
MCO Enrollments (Escalate Manuals)	7 - 10 mins	3,480	3,350	2,671	2,588	2,113	1,684
Change Reports	15 - 30 mins	8,259	8,639	6,892	6,732	10,186	12,493

The chart below depicts 7 months of escalated cases and special projects work conducted for the period July 2021 - January 2022.

Month	Escalated Cases	Social Media Contacts	Producer Calls	AC Support Calls	Manual MCO Enrollments
21-Jul	1396	78	1254	699	814
21-Aug	1569	74	438	266	982
21-Sep	1280	73	1025	752	937
21-Oct	4245	84	1139	719	1016
21-Nov	2139	110	2686	891	643
21-Dec	2241	70	3928	1027	466
22-Jan	2562	37	2780	902	672

### 3.2.1 Contractor Requirements

For certain deliverables related to the following requirements, see Section 3.2.2.2.

ID #	Task	Requirement
3.2.1.1	Account Management Services	<p>The Contractor shall provide an Account Manager, see Section 3.7b, to ensure service expectations and performance standards are being met across all aspects of provided services. The Account Manager must be dedicated to MHBE on a full-time basis.</p> <p>Account Management responsibilities include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>a. Serving as liaison between the MHBE and Contractor's leadership and support teams;</li> <li>b. Updating MHBE on an ongoing basis of all Service-Center issues, joint initiatives, and change requests;</li> <li>c. Providing reports as specified in the mutually agreed upon format and on an ad hoc basis; and</li> <li>d. Ensuring deliverables are met in accordance with contractual and service level requirements.</li> <li>e. In the event of systems-related occurrences that impact the Service Center, acting as the primary point of contact for all solution participants and ensuring the MHBE is involved in the event via a common communication bridge.</li> <li>f. Acting as primary point of contact for the MHBE when service impacting events occur and participating in issue resolution conference calls as needed.</li> <li>g. Coordination of information flow from the MHBE to operations staff.</li> <li>h. Coordination of urgent escalations, call reviews and corrective actions.</li> <li>i. Participation in and response to SOC 2 audit requests, PII Breach reporting and general compliance.</li> </ul>
3.2.1.2	Customer Service Representative (CSR) staffing and functions	<p>The Contractor shall recruit, develop and retain highly skilled and informed Customer Service Representatives. The following are minimum competencies required for <b>Tier I</b>, entry level CSRs:</p> <ul style="list-style-type: none"> <li>a. High school diploma or GED required</li> <li>b. Associates degree or higher from an accredited college or university preferred</li> </ul>

		<ul style="list-style-type: none"> <li>c. At least three (3) years of relevant experience required</li> <li>d. Proficiency in Microsoft Word</li> <li>e. Willingness to work with culturally and linguistically diverse and disadvantaged populations in a courteous and effective manner</li> <li>f. Must be able to navigate and efficiently use customer relationship management (CRM) and Maryland Health Connection (MHC) systems</li> <li>g. Effective communication skills</li> <li>h. Ability to perform comfortably in a fast-paced environment</li> </ul> <p>The Contractor shall be able to plan and execute swift recruitment, training and testing activities during annual Open Enrollment periods and as required to sustain staff levels. Contractor should thoroughly describe their hiring, training and long term retention methods. Include attrition targets and how to achieve them.</p> <p>The following are minimum competencies required for <b>Tier II</b>, CSRs:</p> <ul style="list-style-type: none"> <li>a. Associates degree required, Bachelor's degree preferred</li> <li>b. At least three (3) years of relevant experience required (healthcare, case worker, call center)</li> <li>c. Proficiency in Microsoft Office (Word and Excel)</li> <li>d. Experience working with culturally and linguistically diverse and disadvantaged populations in a courteous and effective manner</li> <li>e. Must be able to navigate and efficiently use customer relationship management (CRM) and Maryland Health Connection (MHC) systems</li> <li>f. Excellent organizational, interpersonal, written, and verbal communication skills</li> <li>g. Ability to perform comfortably in a fast-paced environment</li> <li>h. Superior problem solving and critical thinking skills</li> </ul> <p>The Contractor shall offer a minimum starting pay rate for <b>Tier I</b> of at least \$15.00 per hour, and a differential of at least \$3.00 per hour for Spanish-speaking bi-lingual CSRs. The pay of Team Leads, Supervisors, and Managers should be proportionately increased based on these starting rates.</p>
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		<p>If Contractor uses a temporary staff hire practice, the Contractor should have a plan to convert high-performing staff from temporary to permanent upon 90 or 120 days with a pay rate of \$17.00 for <b>Tier I</b> - if CSRs are converted and/or promoted to <b>Tier II</b>, conversion should be to a pay rate minimum of \$19.00 and a differential of at least \$3.80 per hour for Spanish-speaking bi-lingual CSRs.</p> <p>The contractor shall ensure that all staff engaged for this project have access to high-quality, affordable health insurance either through a group health plan or by helping staff secure coverage in the individual marketplace.</p> <p>The Contractor shall offer a minimum starting pay rate for <b>Tier II</b> that is the equivalent of \$39,500 per year, with a 20% differential for Spanish-speaking bi-lingual CSRs in <b>Tier II</b>. The pay of Team Leads, Supervisors, and Managers should be proportionately increased based on these starting rates.</p> <p>The Contractor shall provide staff sufficient to support forecasted call center volumes and maintain levels of service as described throughout this solicitation for <b>Tiers I and II</b>.</p> <p><b>Tier I</b> Customer Service Representatives shall provide assistance with general questions, status checks, password resets and other shorter handle time inquiries that include but are not limited to the following:</p> <ul style="list-style-type: none"> <li>a. Documenting all consumer interactions and work processes in State-provided Customer Relationship Management (CRM) solution and the MHC worker portal</li> <li>b. Providing information about QHP, SADP and Medicaid/MCHP Managed Care Organizations (MCOs) offerings</li> <li>c. Informing consumers how to make premium payments to carriers</li> <li>d. Assisting Medicaid eligible consumers in selection of a MCO and choosing a Primary Care Provider (PCP). Following MDH MCO scripts precisely</li> <li>e. Assisting Medicaid eligible consumers in completing a Health Service Needs Information (HSNI) form</li> </ul>
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		<ul style="list-style-type: none"> <li>f. Responding to inquiries related to eligibility status, enrollment status, coverage dates and change in circumstances</li> <li>g. Researching and resolving or escalating consumer issues and account discrepancies</li> <li>h. Assisting and educating consumers on appeal and complaint processes; properly escalating when necessary</li> <li>i. Assisting Medicaid-eligible consumers with Annual Right to Change (ARC) requests for MCO Enrollment</li> <li>j. Assisting Medicaid eligible consumers with transfers between MCOs if disenrolled “For Cause” reasons.</li> <li>k. Answering questions and assisting with problems related to 1095A and 1095B forms</li> <li>l. Providing assistance with password resets (tech support)</li> <li>m. Provide referrals to appropriate agencies including the Attorney General’s Health Education and Advocacy Unit, the MIA, and local departments of social services for applicants and enrollees with grievances, complaints, questions, or the need for other social services;</li> </ul> <p><b>Tier II</b> The primary purpose of <b>Tier II</b> is to provide assistance related to eligibility determination and enrollment services by completing applications and enrollments with consumers seeking help by phone. The MHBE expects <b>Tier II</b> calls to have a higher average handle time than <b>Tier I</b> calls. Support services may include but are not limited to the following:</p> <ul style="list-style-type: none"> <li>a. Documenting all consumer interactions and work processes in State-provided Customer Relationship Management (CRM) solution and the MHC worker portal</li> <li>b. Providing consumers assistance in navigating the web portal, assisting with enrollment and financial assistance eligibility and comparing health and dental plans</li> <li>c. Collecting the necessary eligibility criteria into an online application to assist individuals with applying for or renewing health coverage</li> </ul>
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		<ul style="list-style-type: none"> <li>d. Providing information about QHP, SADP and Medicaid/MCHP Managed Care Organizations (MCOs) offerings</li> <li>e. Providing information about Advance Premium Tax Credit (APTC) and cost sharing reductions.</li> <li>f. Informing consumers how to make premium payments to carriers</li> <li>g. Assisting consumers with changes during the plan year including: income changes, address changes, and qualifying special enrollment period (SEP) events. Assisting Medicaid eligible consumers in selection of a MCO and choosing a Primary Care Provider (PCP). Following MDH MCO scripts precisely.</li> <li>h. Assisting Medicaid eligible consumers in completing a Health Service Needs Information (HSNI) form</li> <li>i. Responding to inquiries related to eligibility status, enrollment status, coverage dates and change in circumstances</li> <li>j. Researching and resolving or escalating consumer issues and account discrepancies</li> <li>k. Assisting and educating consumers on appeal and complaint processes; properly escalating when necessary</li> <li>l. Assisting Medicaid-eligible consumers with Annual Right to Change (ARC) requests for MCO Enrollment</li> <li>m. Assisting Medicaid eligible consumers with transfers between MCOs if disenrolled "For Cause" reasons.</li> <li>n. Answering questions and assisting with problems related to 1095A and 1095B forms</li> <li>o. Providing assistance with password resets (tech support)</li> <li>p. Reciting attestations upon completion of applications for consumers' acknowledgements.</li> </ul> <p>The wait/hold time for callers to receive a live voice response in <b>Tier I</b> calls shall be no longer than three (3) minutes (180 Secs.) average speed of answer (ASA) for 80% of all incoming calls during non-open enrollment periods and six (6) minutes (360 Secs) ASA for 80% of all incoming calls during open enrollment periods. The Wait Time shall be defined as the time elapsed between a call being</p>
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		<p>initially answered including answered by an Automated Call Distribution (ACD) System and a response by a live operator to a caller's inquiry.</p> <p><b>Tier I</b> calls' typical handle times:</p> <ul style="list-style-type: none"> <li>• general questions - 5-7 minutes</li> <li>• 1095 forms - 7-10 minutes</li> <li>• password resets - 3-5 minutes</li> <li>• MCO enrollments - 10-15 minutes</li> </ul> <p><b>Tier I</b> calls for applications and enrollment should be transferred to <b>Tier II</b>.</p> <p>The wait/hold time for callers to receive a live voice response in <b>Tier II</b> calls shall be no longer than ten (10) minutes average speed of answer (ASA) for 80% of all incoming calls during non-open enrollment periods and thirty (30) minutes ASA for 90% of all incoming calls during open enrollment periods. The Wait Time shall be defined as the time elapsed between a call being initially answered including answered by an Automated Call Distribution (ACD) System and a response by a live operator to a caller's inquiry.</p> <p><b>Tier II</b> calls' typical handle times:</p> <ul style="list-style-type: none"> <li>• applications and enrollments - 15-30 minutes</li> <li>• change reports - 15-30 minutes</li> <li>• 3rd party translation calls - 15-30 minutes</li> <li>• Spanish Queue - 15- 20 minutes</li> </ul> <p><b>Tier II</b> calls that pertain to something other than applications and enrollments should be handled by <b>Tier II</b>.</p>
3.2.1.3	CSR Support Staff	<p>The Contractor's CSC organizational structure shall have an adequate team lead, supervisor, and manager staff to CSR ratio to ensure a culture of continuous CSR support, coaching and development.</p> <p>The Contractor shall provide sufficient management staff to support supervisors and perform other operational and project related duties. For specific management staff job titles, refer to Section 3.7.</p> <p>The Contractor shall provide supervisory staff to oversee CSR staff functions as described in Section 3.2.1.2. Supervisors may also perform escalation functions such as</p>

		<p>calls requesting a supervisor, administrative tasks, staff feedback, coaching, mentoring, development, recognition and retention activities.</p> <p>The Contractor shall engage team leads to focus on the important task of first line support to staff answering calls (call assist, navigation, finding/interpreting scripts, task guides, call documentation and data entry review for compliance). The team lead may also triage escalated calls prior to them going to a supervisor.</p>
3.2.1.4	Consumer Assistance Worker Support	<p>The Contractor shall provide a direct phone line and dedicated resources, known as Consumer Assistance Worker Support, for Producers and Application Counselors who need assistance with application and enrollment issue troubleshooting. These should be dedicated CSRs with fluency in communicating with a wide variety of worker types and knowledge levels.</p> <p>The Contractor shall evaluate the number of required Consumer Assistance Worker Support staff annually based on the volume of incoming calls to determine and assign the number of resources necessary to meet MHBE required service level agreements to perform the tasks described in this section.</p>
3.2.1.5	Web-Based Support	<p>The Contractor shall provide dedicated resources to receive and respond to social media and live chat inquiries on the Maryland Health Connection website.</p> <p>Those dedicated to provide Web-Based Support Staff and/or Live Chat support should have excellent problem solving and writing skills.</p> <p>The Contractor shall evaluate the number of Web-Based Support and Live Chat staff routinely to ensure based on the volume of incoming calls to determine the number of resources necessary to meet MHBE required service level agreements to and perform the tasks described in this section.</p>
3.2.1.6	Special Projects Team	<p>a.) The Contractor shall provide dedicated resources, also known as the Special Projects Team to handle escalated case issues; IRN outreach; compliance outreach; case tracking; and occasional other projects as required</p> <p>b.) Escalation Team staff are required to be subject matter experts (SMEs), through joint Contractor and MHBE</p>

		<p>provided training and experience, who have the responsibility for managing the escalated enrollment cases and processes. They serve as subject matter experts for internal escalation within the Consolidated Service Center, and will often be asked to utilize special data sources and tools to complete assigned tasks and projects. Staffing should be sufficient to ensure an on average 7 calendar day closure rate of escalated cases. The team will work closely with the MHBE Escalations Team and follow case resolution procedures as established by MHBE.</p> <p>c.) Adhoc outreach for MHBE Compliance – occasional outbound calls made to consumers to seek correction to an account that may have PII exposure. Up to 3 attempts to reach a consumer with follow up email.</p> <p>d.) IRN outreach - The MHBE Medicaid team currently escalates approximately 10 to 25 cases per month for outreach. Assigned Special Projects will make two (2) outreach attempts per case to secure the requested documents from consumers. This effort will continue until other solutions remedy the need to outreach to consumers to resolve occasional data conflicts in the Medicaid (MA) enrollment systems.</p> <p>e.) MCO Tracker Cases – Medicaid cases requiring manual MCO enrollments must be escalated, vetted, entered on tracker spreadsheet and handed off to MDH monitors. Average of 2,600 cases handled per month.</p> <p>f.) The Contractor shall evaluate the number of Special Projects Team staff routinely based on the volume of incoming calls and escalated cases to determine the number of resources necessary to handle incoming call volume and escalated case volume to meet MHBE required service level agreements. to perform the tasks described in this section.</p> <p>g.) Review and compare consumer provided annual income documents, uploaded into the HBX, against information provided in the consumer application to verify attested income. Up to 70% of annual income documents are verified through RPA (robotic process automation), but remaining documents need worker intervention. In</p>
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		<p>addition, workers may need to recheck documents failed by RPA. Expected monthly volume is between 1,000 (non open enrollment periods) and 3,000 (open enrollment periods) cases per month. Expected handle time is 10 to 15 minutes per case. Documents in queue should be verified within 30 days. Volumes may decrease as RPA is enhanced over time. This task alone will likely require 2-4 dedicated staff to manage to service level.</p>
3.2.1.7	Quality Assurance Team	<p>The Contractor shall manage all processes related to quality monitoring and controls. The Contractor shall provide Quality Assurance staff to monitor CSRs' interaction with consumers and to provide feedback to the training team to assist in any additional training needs for staff.</p> <p>The Contractor shall review a sampling of twelve calls per CSR per month or 3 calls per week per CSR. All scores from all evaluated calls for CSRs with tenure over 90 days will be averaged for the subject month's service level score. MHBE and/or MDH-designated staff may also provide independent quality assessment reviews.</p>
3.2.1.8	Broker Assisted Transfer (BATPhone)	<p>The MHBE requires Broker connectivity to the call center telephony system for each annual open enrollment period. Telephony connection, set-up and training for approximately 30 Brokers will occur in each October prior to Open Enrollment. The participating Brokers will receive calls transferred from call center representatives to assist eligible consumers in selecting QHP insurance plans during Open Enrollment. Contractor is required to provide thorough training to the participating Brokers to ensure they know how to connect. Two technical support representatives must be assigned to provide direct technical support to BATPhone brokers during the open enrollment period.</p>
3.2.1.9	Live Chat Service	<p>Live Agent Chat functionality is used in conjunction with the current MHBE Chatbot, "Flora". Flora provides automated responses to frequently asked questions (FAQs) as specified by MHBE, facilitates automated password reset functionality and other consumer queries. Within Flora, consumers have the option to click a button to connect to a "Live Chat Agent" at any time or be presented with an option to transfer to a live chat agent when Flora detects a comprehensive response may be required for the</p>

		consumer query. The Live Chat Agent is responsible for PII validation, Salesforce CRM documentation, HBX application assistance and, if applicable, escalated Supervisor assistance and/or return outbound call assistance for longer handle time inquiries. Live Chat demand may increase as future updates are made to the MHC application to give greater access to a live chat agent.
3.2.1.10	Training	<p>The Contractor shall be responsible for administering a comprehensive MHBE-specific customer service training program delivered through a variety of modalities, tools, and adult learning methodologies.</p> <p>a. The Contractor shall provide sufficient qualified staff to provide new hire training, refresher training and new procedural training. Contractor is to provide adequate training staff to effectively train new hires until fully staffed at initial ramp up and during seasonal ramp up periods. Training is ongoing and driven by monthly system updates, performance trends and concerns, new processes and policy updates.</p> <p>b. Training staff, along with quality assurance staff is expected to continue the learning cycle by listening to calls and documenting any gaps in training. Materials should be continuously updated with new MHBE-provided information and job aids, and gap training should be delivered as needed. Materials are to be presented to MHBE for review prior to roll out.</p> <p>c. The Contractor shall create all training content and materials relative to customer service protocols, scripts, work instructions and CRM use utilizing training content provided by the MHBE.</p> <p>d. CSR training will consist of a minimum of approximately three weeks of classroom training with weekly proficiency testing, and a 'nesting' period for continued development and observation. Contractor should require CSRs to demonstrate their work performance level before they are assigned a teleworking role.</p> <p>e. A CSR candidate must pass a MHBE provided final exam achieving a score of eighty percent (80%) or higher to qualify for a CSC enrollment permit and be able to assist consumers in determining eligibility. The final exam may be taken two times. CSR candidates who do not pass the</p>



		<p>final exam after two attempts will not be able to become a CSR.</p> <p>f. A CSR will be placed into an on-the-job training role (i.e.: Nesting, Peer Mentoring, or transition training) for at least 2 weeks before being allowed to answer calls unassisted once formal training has concluded.</p> <p>g. Contractor will submit a training work plan, schedule and all training materials for approval by MHBE annually (August 1) or as materially modified or newly developed.</p> <p>h. The contractor should utilize independent training tools and applications that allow CSRs to sharpen their knowledge and reinforce knowledge if trouble areas are identified. Contractor should describe what is used.</p>
3.2.1.11	Workforce Management	<p>The Contractor shall provide workforce management support for real-time call management, forecasting and staffing, and service level attainment.</p> <p>The Contractor shall maintain an appropriate level of Workforce Management (WFM) staff to support the CSC operations. WFM staff will be expected to provide services including but not limited to: preparing call volume forecasts, managing staff schedules, monitoring real-time schedule adherence and monitoring all related processes to optimize resource utilization.</p> <p>The WFM staff shall develop a plan to achieve and maintain weekly schedule adherence standards of eighty-five (85%) percent or higher.</p>
3.2.1.12	Culturally and linguistically appropriate services	<p>The Consolidated Service Center will be fully compliant with American Disabilities Act requirements.</p> <p>The contractor will ensure representatives support video relay 3<sup>rd</sup> party calls for hearing impaired consumers.</p> <p>The Consolidated Service Center will meet the needs of Maryland consumers with Bi-Lingual English-Spanish speaking representatives, and ensure handling all languages via 3<sup>rd</sup> party interpreter service. Currently 3<sup>rd</sup> party interpreter services are provided by MHBE through a separate state contract with Language Line but the MHBE may ask the Contractor to provide the services on a pass-through basis during the term of this contract. Providing the services as pass-through will only be required with the</p>

		<p>agreement of the Contractor.</p> <p>At the end of the transition in period, a minimum of 35 CSR staff shall be bilingual in Spanish/English languages. This number will be evaluated routinely by the contractor and MHBE and determined based upon the percentage of Spanish speaking enrollees and Spanish call volumes to ensure sufficient staffing to respond to calls in the Spanish queue within service level and to minimize reliance on 3<sup>rd</sup> party interpreter services for Spanish calls. The contractor can recruit nationally for bi-lingual staff as long as it meets the requirement to staff 51% within the state.</p> <p>To the extent that any additional other limited English proficient population might exceed 10% of the population of Maryland, the Contractor shall provide call center staff bilingual in the appropriate language in a percentage to be determined by the MHBE.</p>
3.2.1.13	Reporting	<p>The Contractor shall produce standard and ad hoc reporting and analysis to demonstrate work product and contract compliance.</p> <p>All reporting will be made available to the MHBE and identified partners via MHBE and Contractor provided systems (hourly, daily, weekly and monthly).</p> <p>The Contractor shall report and track systems-related occurrences that impact the Service Center to include:</p> <ul style="list-style-type: none"> <li>a. Date, time, triage steps, Service Level Impact, steps recommended to resolve, steps taken to resolve outage or system delay events and outcomes.</li> <li>b. Prepare Post-event root-cause report/analysis and provide feedback to the MHBE for incorporation into process improvement of processes and controls.</li> </ul> <p>The Contractor will prepare weekly update reports on call trends, quality assurance, escalated cases and other work activities to present at bi-weekly client check-in meetings.</p> <p>For additional information regarding specific report names, titles and descriptions please refer to RFP section 3.2.2.2 Deliverables</p>

3.2.1.14	Work from Home/Teleworking	The Contractor should have in place a policy and protocols for a full remote or hybrid telework policy and a sample of policy and remote operational protocols should be included with the bid response. Protocols should include employee expectations and methods of training, communication, performance evaluation and oversight by leadership.
3.2.1.15	Facility	<p>The Contractor shall provide turn-key facilities, within the continental United States, including furniture, cubicles, office supplies, etc. to perform the required work, including facilities and resources for training. The facility shall meet the following requirements:</p> <ul style="list-style-type: none"> <li>a. Facilities shall meet HIPAA security and Privacy requirements. At least 51% of all employees must be located in the State of Maryland.</li> <li>b. The Contractor's security plan shall ensure physical and technical safeguards which exceed HIPAA compliance standards, and those related to MARS-E, PII, IIHI. All necessary hardware and software for the Service Center will be provided by the contractor.</li> <li>c. The Contractor's call center facility shall be equipped with CSR workstations, training rooms, break rooms, rest rooms, managerial and meeting space appropriate to the overall work plan; hybrid work optional.</li> <li>d. The Contractor shall ensure adequate technology enabled training space for multiple classes conducted simultaneously during initial and periodic staff ramp up periods.</li> <li>e. The Contractor shall provide on-site workspace and connectivity for up to 6 Maryland State employees.</li> </ul>
3.2.1.16	Telephony System Requirements	<p>The Contractor shall provide a telephony system, that will be delivered through an IP infrastructure which provides the minimum functionality described below</p> <ul style="list-style-type: none"> <li>a. Automated Call Distribution (ACD) - Telephony system will provide intelligent routing of customer contacts based on predefined thresholds, monitoring real-time consumer support center</li> </ul>

		<p>statistics such as but not limited to, agent skill, longest available agents, and wait time.</p> <ul style="list-style-type: none"> <li>b. Interactive Voice Response (IVR) - the telephony solution shall provide call queuing and self-service at the edge of the network, allowing for redundancy so that calls can be routed to alternate consumer support centers in the event of a failure.</li> <li>c. Weighted Skills-Based Routing: the telephony system shall consolidate contacts to a centralized queue and dynamically route to representatives according to pre-defined business rules and contact priority.</li> <li>d. Call prioritization: the telephony system shall have the capability to tag/prioritize calls within the IVR/ACD to move “critical” calls ahead in queue (e.g., account issue, etc.)</li> <li>e. Auto answer: the telephony system shall allow for an automatic connection to incoming calls when an agent is in a ready state. This feature can be leveraged to improve speed to answer.</li> <li>f. Courtesy callback: the telephony system shall provide a courtesy callback feature to reduce the time callers are waiting on hold or in a queue. The feature offers callers who meet predetermined criteria the option to be called back by the system instead of waiting on the phone for an agent. Callers who decide to be called back by the system leave their names and phone numbers. When the system determines that an agent will be available soon (or is available), the system then places a call back to the caller. The caller answers, confirms that he/she is the original caller, and is connected by the system to the agent after a much shorter wait.</li> <li>g. Whisper feature: the telephony system should provide a whisper feature that will alert a Customer Service Representative of the type of incoming call based on queue selection, providing information such as whether the call is coming from a Producer, Application Counselor, or the language line.</li> <li>h. Utilize Computer Telephony Integration (CTI) with ACD, IVR and the MHBE Salesforce database to provide caller identification pop, call tracking and reporting.</li> </ul>
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3.2.1.17	Telephony System — ACD & IVR System Monitoring & Operational Requirements	<p>The Contractor shall:</p> <ul style="list-style-type: none"> <li>a. Monitor the ACD and IVR for uptime and accuracy.</li> <li>b. Initiate an internal resolution process for any outages or abnormal ACD or IVR behavior.</li> <li>c. Integrate data from reports generated from the ACD and IVR into weekly and monthly reports that will be provided to the MHBE.</li> <li>d. Proactively identify call routing and message changes within the IVR to improve consumer experience and containment rate.</li> <li>e. Maintain and improve the IVR call trees based upon consumer contact types, call volumes, IVR failure rates, etc. Examples include testing new scripting and providing results and analysis to the MHBE.</li> <li>f. Program Customer Satisfaction Survey (CSAT) into IVR menu.( See Section 3.2.1.XX for additional information on CSAT)</li> <li>g. Provide the ability to make ad hoc changes and updates to IVR messaging and call routing menus swiftly to manage caller demand.</li> <li>h. Develop IVR menu options for caller self-service.</li> </ul>
3.2.1.18	Telephony System – Customer Satisfaction Survey Reporting & Functionality	<p>The Contractor shall provide a Customer Satisfaction Survey through the IVR menu. The Customer Satisfaction Survey shall prompt the caller for participation prior to connecting with live CSR and present the survey after CSR completes call. Survey shall accept DTMF (Dual Tone Multi-Frequencies) responses. Enable Caller ID or CTI identifier to associate response with call recording. All survey activity shall be captured for later monthly reporting. Survey questions will be defined by the MHBE. The survey functionality shall allow for adding or changing survey questions as desired by the MHBE.</p>
3.2.1.19	Telephony System – Reporting & Records Maintenance	<p>The Contractor shall record 100% of all voice calls. (inbound and outbound) and provide the State the ability to retrieve the call information for up to 10 years.</p> <p>The Contractor’s telephony applications shall be compatible for integration with the MHBE’s Salesforce CRM database.</p>

		<p>The Contractor shall notify the MHBE of any disruption to service and provide continued updates to the MHBE contract monitor or designee when resolution cannot be achieved within the agreed upon Service Level Agreement (SLAs).</p> <p>The Contractor's telephony system should have automated outbound dialing capability for any high volume outreach campaigns directed by the MHBE.</p>
3.2.1.20	Technology	<p>The Contractor must provide enough bandwidth to record 100% of all voice and data traffic.</p> <p>The MHBE will provide CRM Users License sufficient for the number of required staff and Maryland.gov email addresses and Virtru encryption access for managerial and escalation staff as jointly determined necessary by MHBE and Contractor.</p> <p>The contractor must maintain their intranet and internet connectivity to the following applications:</p> <ul style="list-style-type: none"> <li>• The HBX, SailPoint</li> <li>• The Exchange's Learning Management System (LMS)</li> <li>• The Exchange's Customer Relationship Management System (CRM)</li> <li>• The Exchange's SharePoint and/or Google Docs and other shared resources as deemed necessary by MHBE.</li> </ul> <p>The Contractor will ensure desktop upgrades to support CSC tools to CSR desktops. Contractor will use an updated version of Google Chrome or supported browser that is compatible with MHBE applications, or such other upgraded versions as required, to connect to the HBX applications;</p> <p>The Contractor will provide the capability to record 100% of all calls and screens viewed (i.e.: chat). The recordings must be exportable in a format that can be viewed and heard and will supply support to MHBE as needed if calls and recordings are needed for MHBE review.</p> <p>The Contractor shall provide computing systems workstations with the following minimum specifications:</p> <ul style="list-style-type: none"> <li>• Processor - 7th Generation - i7 Processor or better</li> </ul>

		<ul style="list-style-type: none"> <li>• Memory - 16 Gig minimum</li> <li>• Disk Space - Minimum 256 SSD or Regular Hard Drive (500Gig)</li> <li>• Full disk encryption</li> <li>• Monitors (2) - 24 inch monitors</li> </ul> <p>The Contractor shall have technical support for all provided systems, desktops, telephony (including remote telephony) and network connectivity.</p> <p>The Contractor shall provide a technical lead to manage and coordinate all aspects of technology, including but not limited to voice, data, desktops and cloud based systems and to whom all technical communications will be communicated.</p> <p>Contractor shall have capability to add remote locations and remote employees for business redundancy and expansion planning.</p> <p>The Contractor must provide appropriate network infrastructure and expert support services to acquire and complete circuit connectivity within the Servicer Center facility.</p> <p>The Contractor must provide fiber connectivity within the Service Center facility.</p> <p>The Contractor will work with the State technology division to arrange for connectivity to the Worker Portal via means of direct connection from the State to Contractor premises and/or site to site VPN tunnel.</p> <p>The Contractor must provide local internet services capable of supporting a 150M MPLS connection,</p> <p>The Contractor must provide phones, headsets, computers, monitors, keyboards, mice and other peripheral equipment necessary for CSRs to perform call center activities.</p> <p>The Contractor must supply all PCs, monitors, printers, network routers, network switches, data center racks, and wiring sufficient to meet network and operational needs.</p> <p>Contractor will assume billing and cost management responsibilities for establishing and maintaining connectivity (MPLS and Internet).</p>
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		<p>The Contractor will provide redundant DHCP and DNS network services.</p> <p>The Contractor is required to provide battery backup for all routers, switches, and servers.</p> <p>The Contractor must provide enough bandwidth to record 100% of all voice and data traffic.</p> <p>The Exchange will provide CRM Users License sufficient for the number of required staff and Maryland.gov email addresses for managerial and escalation staff as jointly determined necessary by MHBE and Contractor.</p> <p>The contractor must provide internet connectivity to the following applications:</p> <ul style="list-style-type: none"> <li>• The HBX</li> <li>• The Exchange's Learning Management System (LMS)</li> <li>• The Exchange's Customer Relationship Management System (CRM)</li> <li>• The Exchange's SharePoint and/or Google Docs.</li> </ul> <p>The Contractor will ensure desktop upgrades to support CSC tools to CSR desktops. Contractor will use Internet Explorer 9, or such other upgraded versions as required, to connect to the hosted Exchange applications;</p> <p>The Contractor will provide the capability to record 100% of all calls and screens viewed (i.e.: chat). The recordings must be exportable in a format that can be viewed and heard. The Contractor will provide recording database access the MHBE contract monitor and Quality Assurance Analyst.</p> <p>The Contractor shall provide a help desk resource for internal technology-related escalations.</p> <p>The Contractor shall provide computing systems workstations with the following minimum specifications:</p> <ul style="list-style-type: none"> <li>• Processor - 7th Generation - i7 Processor</li> <li>• Memory - 8 Gig minimum</li> <li>• Disk Space - Minimum 256 SSD or Regular Hard Drive (500Gig)</li> <li>• Full disk encryption</li> <li>• Monitors (2) - 24 inch monitors</li> </ul>
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		<p>The Contractor shall have technical support for all provided systems, desktops, telephony (including remote telephony) and network connectivity.</p> <p>The Contractor shall provide a technical lead to manage and coordinate all aspects of technology, including but not limited to voice, data, desktops and cloud based systems and to whom all technical communications will be communicated.</p>
3.2.1.21	Knowledge Base Tools	The Contractor should utilize an automated tool to provide easy access to process flows, call scripts and procedures to CSRs while managing calls to support quality performance.
3.2.1.22	Open enrollment readiness timeline	<p>Each year, the Contractor shall provide a detailed plan for CSR staffing and production readiness for the annual Open Enrollment period , usually commencing each year on November 1 and ending on January 15 the following year.</p> <p>The Contractor shall provide a detailed timeline demonstrating a plan for proposed facilities, support staffing, and technology readiness- review should occur annually in August.</p>

### 3.2.2 Deliverables

#### 1. Deliverables Submission Process

Deliverables should be submitted to Contract Monitor by 10 am each day. In the event the Monitor finds the deliverable non-confirming, it will be sent back to the contractor to correct and resubmit.

Deliverables shall be presented in a format appropriate for the subject matter and depth of discussion.

- Be organized in a manner that presents a logical flow of the deliverable's content.
- Represent factual information reasonably expected to have been known at the time of submittal.
- Present information that is relevant to the Section of the deliverable being discussed.
- Be complete and address all State comments provided on the final draft deliverable.

Required deliverables are defined in Section 3.2.2.1. Within the scope of this RFP, the Contractor Monitor may suggest other subtasks or deliverables to improve the quality and success of the project/task.

### 3.2.2 Deliverables

Task	Deliverable	Description	Frequency/ Due Date
3.2.1.1 Reporting	Hours per Job Classification Report	For each job classification – CSR, SME, supervisor, team lead, etc. as described in Section 3.2.1, the Contractor shall provide the actual hours worked for the measurement period. This will include New Hire/Start-up Training for those classification eligible for training hours.	Monthly - to be submitted with invoice.
3.2.1.2 Reporting	Daily/Weekly/Monthly To-Date Operations Report	<p>A combination report providing daily, weekly and month-end statistics on call center operational metrics, call categories and dispositions and customer satisfaction. This report will contain:</p> <p><b>Operational Statistics:</b></p> <ol style="list-style-type: none"> <li>1. Headcount – CSR and other</li> <li>2. CSR Headcount Overall</li> <li>3. Bi-lingual Headcount</li> <li>4. Internal Escalation Team (SME) Headcount</li> <li>5. Social Media Response Representative (SMRR) Headcount</li> <li>6. New Hire Training Headcount</li> <li>7. Available for Phone Headcount</li> <li>8. Staff Scheduled</li> <li>9. Staff not scheduled for phone support</li> <li>10. Max Number of Staff Available</li> <li>11. Shrinkage due to Absence (% of phone staff not available)</li> <li>12. Number of planned vs. unplanned absences</li> <li>13. Average staff schedule adherence %</li> <li>14. Calls Offered</li> <li>15. Calls Handled</li> <li>16. Calls Abandoned</li> <li>17. Abandoned Rate</li> <li>18. Callbacks Offered</li> <li>19. Callbacks Abandoned</li> <li>20. Callbacks abandoned rate</li> <li>21. Adjusted Calls Handled (calls offered + call backs)</li> <li>22. Average Handle Time</li> <li>23. Service Level</li> <li>24. Availability</li> <li>25. Occupancy</li> <li>26. Maximum Wait Time Average</li> <li>27. Average Speed of Answer (ASA)</li> <li>28. Number of Calls Placed on Hold</li> <li>29. Percentage of Calls Placed on Hold</li> </ol>	Daily by 10:00AM unless otherwise approved by MHBE.

		<p>30. Average Hold Time per Instance</p> <p>31. Graphic Display of Calls Offered, Calls Handled and Abandon Rate by Queue</p> <p>32. Graphic Display of Maximum Phone Staff, Phone Staff Scheduled and</p> <p>33. Shrinkage Rate</p> <p>34. Graphic Display of CAW Calls Offered, Calls Handled and Abandon Rate</p> <p>35. Number of calls transferred out to Carriers and Partners via IVR menu</p> <p>36. Notation of anomalies occurring that day such as system outages or staffing issues that impact performance.</p> <p>37. Live Chat statistics</p> <p><b>Consumer Assistance Worker (CAW) Application Counselor (AC) and Producer Support Lines Statistics including (dedicated direct dial lines):</b></p> <ol style="list-style-type: none"> <li>1. Number of Agents skilled to take calls</li> <li>2. Number of CAW Line agents off or unavailable</li> <li>3. Net number of CAW Line agents available</li> <li>4. CAW Line calls Offered</li> <li>5. CAW Line Calls Handled</li> <li>6. CAW Line Calls Abandoned</li> <li>7. CAW Line Abandon Rate (CAW Calls Handled/Producer Calls Offered)</li> <li>8. CAW Line Average Handle Time</li> <li>9. Average Speed of Answer</li> </ol>	
3.2.1.3 Reporting	Customer Satisfaction Survey Results	Customer Satisfaction Survey responses with associated questions.	Daily by 10:00 AM unless otherwise approved by MHBE.
	Maryland Daily Queue Performance Report	<p>The Maryland Daily Queue Performance Report details call statistics by Skill Group. The Maryland Daily Queue Performance Report will contain the following data by Skill Group:</p> <ol style="list-style-type: none"> <li>1. Average Speed of Answer</li> <li>2. Average Talk Time</li> <li>3. Average Hold Time</li> <li>4. Average After Call Work</li> <li>5. Average Handle Time</li> <li>6. Number of Calls on Hold</li> <li>7. Total Number of Calls Offered</li> </ol>	Daily by 10:00 AM unless otherwise approved by the MHBE

		8. Total Number of Calls Abandoned	
	Medicaid Daily and Monthly Queue Performance Report	<p>The Medicaid English and Spanish Queue statistics report will contain :</p> <ol style="list-style-type: none"> <li>1. Average Speed of Answer</li> <li>2. Average Talk Time</li> <li>3. Average Hold Time</li> <li>4. Average After Call Work</li> <li>5. Average Handle Time</li> <li>6. Number of Calls on Hold</li> <li>7. Total Number of Calls Offered</li> <li>8. Total Number of Calls Abandoned</li> <li>9. The report will be included as a separate tab in Daily and it will be cumulative for the month.</li> </ol>	
	Live Chat Daily and Monthly Statistics Reporting	<ol style="list-style-type: none"> <li>1. # of Chats Agents Online</li> <li>2. # of Chat</li> <li>3. Average # of Chats/Agent</li> <li>4. Issue Resolved Through Chat</li> <li>5. User Left the Chat Room</li> <li>6. User Will Contact the Call Center</li> <li>7. Spam User</li> <li>8. User Added to Call Back Queue</li> <li>9. # of Chats Transferred to Supervisor</li> <li>10. % of Chats Transferred to Supervisor</li> <li>11. Total # of Visitor Feedbacks</li> <li>12. Visitor Feedback-Not Satisfied</li> <li>13. Visitor Feedback-Satisfied</li> <li>14. Visitor Feedback-Very Satisfied</li> <li>15. % of Visitors Leaving Feedback</li> <li>16. Average Resolution Time</li> <li>17. Longest Chat</li> </ol>	
	Monthly Service Level Agreement Report	Report all contractual service levels for the month in format to be approved by the MHBE	Monthly – to be submitted with invoice.
	Quality Assurance (QA) Report	<p>Quality Assurance report will contain:</p> <ol style="list-style-type: none"> <li>1. Number of consumer contacts evaluated per CSR per month</li> <li>2. Average overall score for sum of evaluations</li> <li>3. Average score for key components of QA checklist/scorecard</li> <li>4. Penalty of Perjury (POP) call evaluations/scores as described in 3.4.6.9</li> </ol>	Monthly – to be submitted with invoice

3.2.1.4 MHBE/Contractor Meeting	Contractor hosts a bi-weekly meeting with Contract Monitor and other MHBE staff members	Status of current initiatives; call trends; quality results; escalated case activities; staffing; etc.	Meetings to be held bi-weekly
3.2.1.5 Training	Training Work plan and training materials	Detailed training work plan and all training materials	Annually by August 1st or within 5 business days of material modification to the work plan or training materials
3.2.1.6 Open enrollment readiness timeline	Open Enrollment Readiness Plan	The Contractor shall provide a detailed timeline demonstrating a plan for proposed facilities, support staffing, and technology readiness.	Annually by August 1st
3.2.1.7 Staffing Requirements/Plan	Staffing Plan	Refer to RFP Sections 3.7 and 4.4.2.8	NTP + 30 calendar days
3.2.1.8 Transition Plan	Transition In Plan	Refer to RFP Section 3.3.1 for details	NTP + 15 calendar days
3.2.1.9 Transition Plan	Transition Out Plan	Refer to RFP Section 3.3.2 for details	90 days prior to contract expiration
3.2.1.10 Change Requests (CRs)	Change Requests for New Work or Processes	Contractor responsible for writing and submitting Change Requests once new work or process is agreed upon between the MHBE and Contractor	As needed

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### 3.3 Transition Plan

#### 3.3.1 Transition-In Planning and Execution

##### Kick-off Meeting:

A kickoff meeting will be held within 5 calendar days after the issuance of the NTP to the Contractor. MHBE will provide a copy of the Incumbent Contractor's draft Transition-Out Plan to the Contractor on or before this meeting.

##### Establish a Transition-In Plan:

The Contractor will have up to 90 calendar days for complete verification and transfer of all operations, control, processes and data from the Incumbent Contractor. The plan shall describe transitioning of all operations, and activities specified in RFP Section 3.2, from the Incumbent Contractor to the Contractor in accordance with the time periods outlined in the RFP Section 3.2.2.2 - Deliverables. The Contractor shall work with MHBE and the Incumbent Contractor to identify and plan for the continuation and completion of all outstanding tasks. The plan shall include identification of all tasks, assumptions, clear delineation of responsibilities, level of effort to complete each task, timelines for task completion, and the labor categories required to perform the work.

##### Transition-In Execution:

At the kickoff meeting, the Contractor shall be provided with the Incumbent Contractor's final transition plan, if not previously provided. The Contractor shall use this as the basis for development of the final Transition-In plan. The Contractor shall submit the final Transition-In plan within 10 calendar days following the issuance of the NTP. The plan can be submitted in a progressive elaboration fashion, with the upcoming 3 weeks of activities elaborated in detail. The Contractor's resources that will carry out the telephony and IVR operation activities required in the RFP shall also be included in the transition process.

The Transition-In Plan shall address the following:

- a. Contractor transition team staff (must include the leadership staff that will support the contract beyond transition).
- b. Communication between the Contractor, Incumbent Contractor and MHBE.
- c. Transfer of knowledge, including practices and processes from the Incumbent Contractor to the Contractor staff regarding CSR work instructions and CRM utilization.
- d. Establishment of connectivity with MHBE networks.
- e. Establishment of operational readiness across the service center.
- f. Demonstrating operational readiness and support of all operational requirements under scope.
- g. Transferring MHBE assets from Incumbent Contractor's location to the Contractor, if applicable.
- h. Establishment of all telephony, ACD and IVR connectivity and operational readiness.
- i. Hiring, training and readiness of all staff by go live date.
- j. Status reports and meetings.

- k. Other matters deemed important for the Transition-In process that may be identified during the kick-off meeting.

The Contractor, during the course of the Transition-In period shall:

- a. Demonstrate an understanding of the operational activities necessary to stand up the Consolidated Services Center.
- b. Have the ability to independently provide operational support with minimal external assistance.
- c. Demonstrate technical skills to identify issues and provide root cause analysis for day-to-day operational issues resolution.

### **3.3.2 Transition-Out Planning and Execution**

The Contractor shall cooperate in the orderly transition of services from the Contract awarded under this solicitation to any subsequent contract for similar services. The transition period shall begin 90 calendar days before the Contract end date, or the end date of any final exercised option or Contract extension. The Contractor shall work toward a prompt and timely transition, proceeding in accordance with the directions of the Contract Monitor. The Contract Monitor may provide the Contractor with additional instructions to meet specific transition requirements prior to the end of Contract.

The Contractor shall provide a Transition-Out Plan at least 90 calendar days prior to termination of its Contract outlining the steps necessary to transition out activities to the successor MHBE Contractor. The Contractor shall work in full cooperation with the MHBE and the Successor Contractor to ensure that each status report for Transition-Out activities are accurate.

The Contractor shall work during the Transition-Out period as if time is of the essence. This period of time provides an opportunity for the Successor Contractor staff to gain a full understanding of the operational environment in order to provide all the services required by the Successor Contractor.

The Contractor's Transition-Out Plan shall address the following:

- a. A preliminary Transition-Out Project Work Plan (PWP), with placeholders for milestones, key delivery dates, and resource assignments. The PWP shall contain fields to capture successor and predecessor tasks to identify and track dependencies, and where applicable, it shall link related tasks.
- b. The key transition personnel and their respective Roles.
- c. The reporting mechanism for providing, at a minimum, twice-weekly reports during the transition.
- d. The final Transition-Out methodology, accounting for MHBE's project work, consumer call volumes, and other considerations.
- e. The mechanism by which the Contractor will identify, capture, and transition to the Successor Contractor any outstanding deliverables and/or tasks and time frames for completion.
- f. The plan for ensuring that all Contract documentation has been updated to reflect all changes, such as enhancements and modifications.
- g. The plan for ensuring that all required support training materials, and transition information has been delivered to the MHBE.

- h. The required involvement of the Successor Contractor team, MHBE resources, and any third-party.
- i. A description of the resources that the Contractor will commit and the functions that the Contractor will perform, along with time frames, in transferring the operation to the Successor Contractor.
- j. Risk assessment and mitigation recommendations/solutions and the plan for monitoring and managing risk during the Transition-Out period.
- k. A clear set of tasks, objectives, outcomes, and timeframes to transition on-going activities, processes, people, services, knowledge and documentation associated with the exit of the Contractor.

The Contractor shall provide a final PWP to address these tasks at a granular level, and shall successfully complete the tasks as part of the Transition-Out effort. Transition-Out tasks include all aspects of the Contractor's Transition-Out Plan, including but not limited to the following:

- a. Provide timely access to necessary call data
- b. Provide operational work instruction knowledge transfer
- c. Participate and contribute in transition-in activities for the Successor Contractor
- d. Ensure seamless telephony shut-down and start-up transition with Successor Contractor to minimize downtime.
- e. Provide all call recording data in encrypted and searchable format.
- f. Provide weekly/monthly status for the previous period
- g. Participate actively in all transition meetings.
- h. Provide requested information within five (5) calendar days.
- i. Meet all defined due dates as determined and approved by MHBE.
- j. Make recommendations throughout the Transition-Out effort to mitigate risk.
- k. Participate in all activities required by MHBE to assess the incoming Contractor's readiness and capabilities to assume complete control and management of application maintenance and enhancement services.

The Contractor shall provide a Systems Documentation Report no less than 20 calendar days before the end of the Contract during the Transition-Out containing the following:

- a. Contractor's record of its deliverable submissions and approvals, of work products approved and completed, and project documentation throughout the duration of its Contract.
- b. All applicable access to tools and repositories as needed to complete turnover to MHBE and references to the locations of all work products and technical artifacts.
- c. The final System Documentation Report is due no less than 20 calendar days before the end of the Contract during the Transition Out phase.



### 3.3 Transition Requirements Summary Table

RFP Section #	Activity	Completion Date
3.3.1.1	Kick –off Meeting	NTP + 5 calendar days
3.3.1.2 & 3.3.1.3	Contractor submits Transition Plan	NTP + 15 calendar days
3.3.1.3	Transition-In of contractual activities with day-to-day support from the Incumbent Contractor	NTP + 45 calendar days
3.3.1.3	Full transition by Contractor to successfully and completely take over all contractual activities with support from the Incumbent Contractor	NTP + up to 90 calendar days
3.3.2	Contractor Transition-Out Plan outlining the steps necessary to transition out activities to the successor MHBE Contractor.	Contractor shall provide Transition-Out Plan at least 90 calendar days prior to termination of its Contract

### 3.4 Service Level Agreements (SLA)

During the course of the contract, the MHBE will measure and review Contractor performance. The Contractor must have in place processes to monitor performance and must report its performance in accordance with the Service Level metrics provided herein. The Contract Manager and other state personnel designated by the MHBE shall actively participate with the Contractor to approve the results, request corrective actions, and assess liquidated damages if necessary. Invoicing and payments shall be administered in accordance with the process outline in Section 1.41. The MHBE reserves the right to introduce additional Service Level metrics following an initial baseline period after reasonable notice to the contractor.

MHBE agrees that Contractor will not be assessed liquidated damages for failure to meet a milestone or metric if the failure results from the unavailability of tools, or technologies to be provided by others but not available for use by Offeror. MHBE also agrees that Contractor will not be considered in breach and will not be assessed liquidated damages for failure to meet a SLA if the failure results from the staffing levels imposed on Contractor by the RFP.

#### 3.4.1 SLA Liquidated Damages

Time is an essential element of the Contract, and it is important that the work be vigorously performed until completion. For services that are not provided in accordance with the metrics specified in RFP Section 3.4.6 Service Level Measurements below, the Contractor shall be liable for liquidated damages in the amount provided for in this RFP, specifically RFP Section 3.8.

The parties agree that any assessment of liquidated damages shall be construed and treated by the parties not as imposing a penalty upon the Contractor, but as liquidated damages to compensate the MHBE for the Contractor's failure to timely complete any Contract work.

#### **3.4.2 SLA Effective Date**

Although the SLAs set forth herein shall be in effect beginning with the commencement of services as of the NTP date, liquidated damages shall not be assessed for the first 120 days of the Contract. The Contractor shall be responsible for complying with all performance measurements, and shall also ensure compliance by all subcontractors.

#### **3.4.3 SLA Reporting**

The Contractor shall provide a monthly report, with submitted invoice, via email, to the Contract Monitor evidencing the attained level for each SLA set forth herein.

#### **3.4.4 Credit for failure to meet SLA**

Contractor's failure to meet an SLA will result in assessment of liquidated damages (refer to RFP Section 3.5 Liquidated Damages) and not as a penalty, to the contracted payment for the month payable by the MHBE during the month that the Contractor fails to meet an SLA. The MHBE, at its option, may deduct an amount due as liquidated damage from money payable to the Contractor or may bill the Contractor as a separate item. The MHBE may waive liquidated damages in full or in part, at its sole discretion, after an assessment of factors contributing to the Contractor's failure to meet an SLA.

#### **3.4.5 Root Cause Analysis**

If the same SLA is not met more than once during one month, the Contractor shall conduct a root cause analysis and report the findings and actions to resolve to the Contract Monitor. Such root cause analysis shall be provided upon request of the Contract Monitor. The root cause analysis shall include description of problem, reason for the occurrence and the solution to prevent it from occurring again.

### 3.4.6 Service Level Metrics and Measurements

The Contractor shall comply with the following metrics and measurements:

SLA ID	Scope of Work Section	Requirement	Metric/Calculation	Minimum Service Level Required per month
3.4.6.1	Operational Support Services	Tier I Call Center Service Level	<p>Percentage of calls answered by a live agent within a certain # of seconds (excludes calls abandoned in less than 30 seconds)</p> <p>Calculation: (Number of calls answered within the service level threshold / number of calls offered minus short abandoned calls)* 100. Short abandoned calls are defined as calls abandoned in less than 30 seconds.</p>	<p>Defined annual open enrollment period (typically Nov 1 - Jan 15): Answer 80% of calls within 360 seconds</p> <p>Non-open enrollment period (typically Jan16 – Oct 31): Answer 80% of calls within 180 seconds</p> <p>*Open Enrollment Periods may fluctuate year to year and may be extended from time to time</p>
3.4.6.2	Operational Support Services	Tier II Call Center Service Level	<p>Percentage of calls answered by a live agent within a certain # of minutes (excludes calls abandoned in less than 30 seconds)</p> <p>Calculation: (Number of calls answered within the service level threshold / (Number of calls offered minus Short abandoned calls))* 100. Short abandoned calls are defined as calls abandoned in less than 30 seconds.</p>	<p>Defined annual open enrollment period (typically Nov 1 - Jan 15): Answer 90% of calls within 30 minutes</p> <p>Non-open enrollment period (typically Jan16 – Oct 31): Answer 80% of calls within 10 minutes</p> <p>*Open Enrollment Periods may fluctuate year to year and may be</p>

				extended from time to time
3.4.6.3	Operational Support Services	First Call Resolution	<p>First Call Resolution (FCR) is the percentage of initial calls that do not require any further contacts to address the customer's reason for calling.</p> <p><u>(Calculation: Resolved Calls Billed as Handled/Total number of repeat caller CRM cases = FCR%)</u></p> <p>*CRM repeat caller case data is collected and calculated by MHBE - calculation will include Tier 1 and Tier 2 calls</p>	Equal to or greater than $\geq 90\%$
3.4.6.4	Operational Support Services	Live Chat Service Level	<p>Percentage of chats picked up by a live chat agent within a certain # of seconds</p> <p>Answer time is the difference between time of chat arrival and time of pick up in minutes:seconds.</p> <p>Calculation: Number of chats picked up/ total number of chats handled</p>	<p>Average pick up time <math>\leq 60</math> seconds during non-enrollment periods <math>\leq 120</math> seconds</p>
3.4.6.5	Internal Escalated Case Team	Escalated Case Issue Resolution	<p>Percentage of escalated cases resolved within a certain number of calendar days</p> <p>Calculation: Number of cases completed in 7 calendar days or less/total number of cases cycled through the escalated cases queue within the month</p>	85% of escalated cases will be resolved within 7 calendar days

			equals % of cases resolved within 7 calendar days. Time measurement begins upon case arrival in the queue and ends when case is either worked and assigned to another queue or worked and closed.	
3.4.6.6	Telephony, Workforce Management, IVR, Computer Network	No Material Disruption to the Telephony and IVR System	Disruption or total outage of computer network or telephony systems rendering CSRs unable to assist callers, or callers unable to reach the call center for assistance.	Material disruption to the IVR system shall be resolved within 2 hours
3.4.6.8	Reporting and Compliance Services	Disruption of Data from Contractor Systems required for Critical Needs	This Metric is measured weekly. Data required by or from the Contractor-provided applications or platform to operate the Service Center, deliver calls to CSRs, record, monitor or evaluate those calls.	Data must be available at all times. A liquidated damage will be assessed if required data is unavailable for 72 hours or longer in any calendar week.
3.4.6.9	Operational Support Services	Quality of CSR and customer interaction	<p>Contractor shall review a sampling of twelve calls per CSR per month. All scores from all evaluated calls for CSRs with tenure over 90 days will be averaged for the subject month. At least 6 of 12 calls must be applicable to and reviewed for compliance with reading of 'Penalty of Perjury' (POP) attestation.</p> <p>Reviewed calls will be evaluated and scored according to a score sheet mutually agreed to by MHBE and Contractor.</p>	Contractor's CSR team must achieve a monthly average score of 92% or higher

3.4.6.10	Automated Call Distributor and Interactive Voice Response Systems	Planned Service Outages	All contractor planned system outages should occur during non-business hours.	No planned system outages during business hours.
3.4.6.11	Operational Support Services	Producer and Application Counselor (AC) Support Line Service	Two separate direct dial support lines designated for Producers and ACs to be staffed by escalated case team workers.	<5-minute average speed of answer for Producer Support Line
3.4.6.12	Operational Support Services	Broker Assisted Transfer (BATPhone)	When BATPhone is running (typically during open enrollment periods but BATPhone could run at other times), CSRs transfer consumers determined eligible for private health plans to a participating broker via contractor-provided telephony connection	>90% Correct notation and disposition in Salesforce CRM
3.4.6.13	Operational Support Services	Bi-lingual Call Management	Provide sufficient bi-lingual Spanish speaking CSRs to minimize reliance on 3rd party interpreter services. A minimum of 45 Spanish-speaking bilingual representatives should be maintained	<u>&gt;45 and not less than 30 Bilingual Spanish Representatives</u>

### 3.5 Liquidated Damages

It is agreed by the MHBE and Contractor that:

- a. If the Contractor does not provide or perform the requirements referred to or listed in RFP Section 3.4.6, damage(s) to the MHBE will result.
- b. Proving such damage(s) will be costly, difficult, and time consuming.
- c. The damage figures listed below in RFP Section 3.5.5 represent a good faith effort to quantify the range of harm that could reasonably be anticipated at the time of the making of the Contract and such liquidated damages are not considered a penalty.
- d. Nothing in this provision shall be construed as relieving the Contractor from performing all Contract requirements whether listed herein or not, nor is the MHBE's right to enforce or to seek other remedies for failure to perform under any other Contract duty hereby diminished.
- e. Remedies of the MHBE specified in this section or elsewhere in the Contract for breach or failure of performance by the Contractor shall in no way limit any other remedies available to the MHBE under the Contract; under any statute or regulation; or at law or in equity. All rights, powers and remedies shall be cumulative and concurrent. Any failure of MHBE to exercise a remedy shall not be a waiver of any breach or non-performance by the Contractor nor shall it prevent MHBE from later exercising that or any other remedy.
- f. The Contract will be used by MHBE to monitor Contractor performance and will provide the basis for determining liquidated damages.

#### 3.5.1 Liquidated Damages Assessment: Collections, Withholds

- a. Once the MHBE has determined that liquidated damages are to be assessed, the MHBE shall notify the Contractor of the assessment (or assessments). At the MHBE's discretion, the assessment notice may direct payment of the assessment by the Contractor. If payment is thus directed, the Contractor shall pay the assessment within thirty (30) calendar days of receipt of the assessment notice unless directed otherwise by the MHBE. If the MHBE determines that any damage was caused in part by the MHBE or another Contractor, the MHBE may reduce damage assessment against the Contractor proportionately.
- b. Any liquidated damages assessment may also be collected, at the MHBE's discretion, by withholding the funds from any payment (or payments) due the Contractor after the date of assessment.

### 3.5.2 Conditions for Termination of Liquidated Damages

As determined appropriate by the MHBE, the following are the conditions under which the Contractor may obtain relief from the continued assessment of liquidated damages which have been imposed.

- a) Except as waived by the MHBE, no liquidated damages imposed on the Contractor shall be terminated or suspended until the Contractor issues a written notice of correction to the MHBE, as acceptable in the sole discretion of the MHBE, verifying the correction of condition(s) for which liquidated damages were imposed.
- b) The necessary level of documentation to verify corrections will be determined by the MHBE; the MHBE is the sole judge of the accuracy of any such documentation provided.
- c) The Contractor shall certify that each SLA breach is corrected.

### 3.5.3 Severability of Individual Liquidated Damages Clauses

If any portion of any provision on liquidated damages in the Contract, including as set forth in this RFP incorporated into it, is determined to be unenforceable in one or more of its applications, the remaining portion remains in effect in all applications not determined to be invalid that are severable from the invalid applications. If any portion of this liquidated damages provision is determined to be unenforceable in total, the other portions shall remain in full force and effect.

### 3.5.4 Assessment of Liquidated Damages

MHBE will not pay 100% of the contracted amount due to the Contractor in a month if SLA measures achieved for the month are less than the percentages specified in the RFP Section 3.4.6. For months in which SLA measures are not met, the contracted payment for the month will be deducted in the percentages specified in the table below. The percentage deductions correspond to the specific SLA ranges achieved by the Contractor for the various requirements.

SLA ID #	Requirement	SLA Measurement	SLA Measurement Achieved	Liquidated Damages Deduction
3.4.6.1	Service Level Tier 1	During annual open enrollment typically Nov to Dec/Jan: 80% within 360 seconds  Outside of open enrollment typically Feb - Oct: 80% within 180 seconds	≤80%	Service Level at less than 80%, 1% will be deducted from the monthly invoice (excluding monthly operational fixed fee)  If the Contractor provides targeted Service Level Time at



				less than 75%, 2% will be deducted from the monthly invoice (excluding monthly operational fixed fee).
3.4.6.2	Service Level Tier 2	<p>During annual open enrollment typically Nov to Dec/Jan: 90% within 30 minutes</p> <p>Outside of open enrollment typically Feb - Oct: 80% within 10 minutes</p>	<p><math>\leq 90\%</math></p> <p><math>\leq 80\%</math></p>	<p>Service level at less than 90%, 1% will be deducted from the monthly invoice amount specific to Tier 2 call costs</p> <p>Service Level at less than 80%, 1% will be deducted from the monthly invoice amount specific to Tier 2 call costs.</p>
3.4.6.3	First call resolution	90%	$\leq 90\%$	If the Contractor provides targeted First Call Resolution at less than 90%, 1% will be deducted from the monthly invoice (excluding monthly operational fixed fee).
3.4.6.4	Escalated Case Issue Resolution	Within 7 calendar days	Monthly average resolution time of 7 calendar days below 85%	Liquidated damage of .5% (one half of one percent) of the monthly invoice will be deducted (excluding monthly operational fixed fee).
3.4.6.5	Live Chat Speed of Answer	Within 60 seconds non-open enrollment; within 120 seconds during open enrollment	Monthly average chat pick up rate is $\leq 60$ seconds; or $\leq 120$ seconds	Liquidated damage of 5% of the monthly live chat billable transactions will be deducted from billing

3.4.6.6	Telephony, Workforce Management, IVR, Computer Network	Disruption or total outage of computer network or telephony systems rendering CSRs unable to assist callers, or callers unable to reach the call center for assistance.	Disruption/outage exceeding 2 hours	<p>If there is an outage causing all CSRs to be unable to answer calls as described above the following liquidated damages will be assessed:</p> <p>More than 2 (two) but less than 5 (five) hours in any calendar week, 1% will be deducted from ¼* of the monthly invoice (excluding monthly operational fixed fee);</p> <p>More than 5 (five) hours but less than 10 (ten) in any calendar week, 2% will be deducted from ¼* of the monthly invoice (excluding monthly operational fixed fee);</p>
3.4.6.7	Disruption of Data from Contractor Systems required for Critical Needs	Data must be available at all times. A liquidated damage will be assessed if required data is unavailable for 72 hours or longer in any calendar week.	Data not available for more than 72 hours	If data required for critical business needs is disrupted for more than 72 hours, 0.5% will be deducted from ¼* of the monthly invoice
3.4.6.8	Quality of CSR Customer Interaction	CSR team must achieve a monthly average score of 92% or higher	Average score is >92%	<p>If the monthly average quality score falls below 92%, the following liquidated damages will be assessed:</p> <p>Equal to or greater than 85% but less than 92% will result in a reduction of 1% of the monthly invoice (excluding</p>

				<p>monthly operational fixed fee);</p> <p>Less than 85% will result in liquidated damage of 1.5% of the monthly invoice (excluding monthly operational fixed fee).</p>
3.4.6.9	Planned Service Outage	<p>2 (two) calendar weeks' notice prior to conducting quarterly systems maintenance.</p> <ul style="list-style-type: none"> <li>• 48 hours' notice prior to other planned system outages.</li> </ul>	No planned outage during business hours.	<p>If Contractor is found to be out of compliance with the planned system outage Metric Contractor shall be assessed liquidated damage equal to 1% of the monthly invoice. (Excluding monthly operational fixed fee)</p>
3.4.6.10	Bi-lingual Call Management	<p>Provide sufficient bilingual Spanish speaking CSRs to minimize reliance on 3<sup>rd</sup> party interpreter services. A minimum of 45 and not less than 30 Spanish-speaking bilingual representatives should be maintained</p>	Not less than 30 bilingual Spanish speaking representatives for 30 or more days	<p>If staffing falls below 30 bilingual Spanish representatives for 30 days, .5% will be deducted from the monthly Contractor invoice</p> <p>(excluding operational fee) at MHBE's sole discretion.</p>
3.4.6.11	Producer Support Line	<p>≤5-minute average speed of answer for Producer Support Line</p>	Average speed of answer should be 5 minutes or less	<p>If monthly average speed of answer is greater than 5 minutes .5% will be deducted from the billable</p>

				amount of Producer support calls
3.4.6.12	BATPhone Services	CSRs must correctly document each BATPhone transfer in the corresponding MHBE SalesForce CRM Case	At least 85% of BATPhone transfers are to be correctly dispositioned in CRM as such.	If number of correctly documented and dispositioned BATPhone cases is less than 85% of total transfers, .5% will be deducted from the billable amount of BATPhone transfer calls

### **3.6 Problem Escalation Procedure**

- 3.6.1 The Contractor must provide and maintain a Problem Escalation Procedure (PEP) for both routine and emergency situations. The PEP must state how the Contractor will address problem situations as they occur during the performance of the Contract, especially problems that are not resolved to the satisfaction of the MHBE within appropriate timeframes. The Contractor shall provide contact information to the Contract Monitor, as well as to other MHBE personnel, as directed should the Contract Monitor not be available.
- 3.6.2 The Contractor must provide the PEP no later than ten (10) Business Days after NTP. The PEP, including any revisions thereto, must also be provided within ten (10) Business Days after the start of each Contract year and within ten (10) Business Days after any change in circumstance which changes the PEP. The PEP shall detail how problems with work under the Contract will be escalated in order to resolve any issues in a timely manner. The PEP shall include:
- a. The process for establishing the existence of a problem.
  - b. Names, titles, and contact information for progressively higher levels of personnel in the Contractor's organization who would become involved in resolving a problem.
  - c. For each individual listed in the Contractor's PEP, the maximum amount of time a problem will remain unresolved with that individual before the problem escalates to the next contact person listed in the Contractor's PEP.
  - d. Expedited escalation procedures and any circumstances that would trigger expedited escalation procedures.
  - e. The method of providing feedback on resolution progress, including the frequency of feedback to be provided to the MHBE.
  - f. Contact information for persons responsible for resolving issues after Normal State Business Hours (e.g., evenings, weekends, holidays, etc.) and on an emergency basis.
  - g. A process for updating and notifying the Contract Monitor of any changes to the PEP.

Nothing in this section shall be construed to limit any rights of the Contract Monitor or the State which may be allowed by the Contract or applicable law.

### **3.7 Staffing Requirements/Plan**

Effective resource planning, assignment, right skill sets, and personnel management are critical components of successful delivery of requirements defined in this RFP.

A draft staffing plan shall be submitted with the Contractor's Proposal (reference RFP Section 4.4.2.8) and updated throughout the term of the Contract whenever there is a change in Contractor resources or upon the introduction of new content, approaches, methodologies, or other substantive changes to the Consolidated Service Center services. If the Contractor utilizes interim staffing to recruit and hire CSRs, the MHBE requires a staff conversion to permanent employment program to build career pathways for CSRs and support retention of skilled employees.

Resumes for each of the Contractor's proposed staffing choices shall be submitted with the Contractor's Proposal (reference RFP Section 4.4.2.7) for the Key Personnel Roles described below. In addition, the following qualifications shall apply to each of the proposed Roles. Any personnel changes within the Key Personnel Roles should be presented to the MHBE Contract Monitor.

- a. **Project Director:** Site Director accountable for all operations within the Consolidated Services Center. Shall have a Bachelor's Degree or higher, at least seven years' experience managing call center operations, at least two years' experience in Health Exchange operations or comparable experience, at least five years' experience as a primary client interface.
- b. **Account Manager:** (See Section 3.2.1.1) Day-to-day interface with MHBE contract monitor, to ensure problem resolution, contractual commitments, facilitate meetings and relationship management. Shall have a Bachelor's Degree or higher, at least seven years' account management experience representing call center operations, at least two years' experience in Health Exchange operations or comparable experience.
- c. **Operations Manager:** Conducts operational oversight to Supervisors, Team Leads and CSRs. Shall have a Bachelor's Degree, at least five years' experience managing call center operations, at least two years' experience in Health Exchange operations or comparable experience.
- d. **Training Manager:** Develops training methodology and materials. Conducts oversight of training team. Works closely with Quality Assurance Manager. Bachelor's Degree or higher, at least five years' training management and instructional design experience in call center operations, at least two years' experience in Health Exchange operations or comparable experience.
- e. **Quality Assurance Manager:** Develops best practice quality assurance utilizing call monitoring and screen capture technology. Conducts oversight of QA team. Bachelor's Degree, at least five years' experience managing call center operations, at least two years' experience in Health Exchange operations or comparable experience.
- f. **Workforce Manager:** Provides real-time management, call forecasting, reporting, staff modeling, scheduling and oversight to workforce analyst. Bachelor's Degree or higher, at least five years' experience in workforce management operations in high volume and highly staffed call center.

**g. Security Specialist: (Responsibilities)**

- Implement/Test/Evaluate MARS-e Security Controls on applicable systems
- Maintain a System Security Plan on applicable systems
- Meet with MHBE weekly to discuss information security related activities
- Provide weekly Information Security reports to MHBE CISO or other Information Security designee containing summary of vulnerability scans, security log review results, POAM efforts and any other relevant security event as deemed necessary by the MHBE CISO
- Provide Continuous monitoring per the system security plan
- Assess 1/3 of the applicable security controls according to MARS-e standards every year
- Assist MHBE with documenting the System Security Plan
- Maintain a Plan of Action and Milestone (POA&M) consistent with MARS-e , documenting all deficiencies
- Assist MHBE with Information Security investigations and incidents related to call center activity

Security Specialist Qualifications:

- 4 years experience implementing and maintaining NIST 800-53 or MARS-e Security controls
- 4 years experience managing POA&Ms and performing security assessments
- Current CISSP, or CISA/CISM certification other certifications relevant to information security
- Strong writing, communication and organization skills

Although not directly client-facing, the MHBE requires the Contractor to have Workforce Management staff and Business Analytics/Forecasting Specialists dedicated to our Project to ensure appropriate staffing levels required to successfully support consumer volume at all times.

### **3.8 Security Requirements**

#### **3.8.1 Employee Identification**

- a) Each person who is an employee or agent of the Contractor or Subcontractor shall display his or her company ID badge at all times while on State premises. Upon request of authorized State personnel, each such employee or agent shall provide additional photo identification.
- b) At all times at any facility, the Contractor's personnel shall cooperate with State site requirements that include but are not limited to being prepared to be escorted at all times, providing information for badge issuance, and wearing the badge in a visible location at all times.

#### **3.8.2 Criminal Background Check**

The Contractor shall obtain from each prospective employee a signed statement permitting a criminal background check. The Contractor shall secure at its own expense a Maryland State Police and/or FBI background check and shall provide the Contract Monitor with completed checks on all new employees prior to assignment. The Contractor may not assign an employee with a criminal record to work under this Contract unless prior written approval is obtained from the Contract Monitor.

### **3.8.3 Information Security Requirements**

For purposes of this solicitation and the resulting Contract:

- a. “Relevant subcontractor” includes any subcontractor that assists the Contractor in the critical functions of the Contract, handles PII, and/or assists with any related implemented system, excluding subcontractors that provide secondary services that are not pertinent to assisting the Contractor in the critical functions of the Contract, handling PII, and/or assisting with any related implemented system.
- b. The Contractor, including any relevant subcontractor(s), shall implement administrative, physical, and technical safeguards to protect State data that are no less rigorous than accepted industry standards for information Security such as those listed below, and shall ensure that all such safeguards, including the manner in which State data is collected, accessed, used, stored, processed, disposed of and disclosed, comply with applicable data protection and privacy laws as well as the terms and conditions of this solicitation and resulting Contract.

To ensure appropriate data protection safeguards are in place, the Contractor and any relevant subcontractor(s) shall at a minimum implement and maintain the following information technology controls at all times throughout the life of the Contract, as well as any additional controls set forth in the Non-Exchange Entity Agreement attached as Attachment J to this RFP. The Contractor and any relevant subcontractor(s) may augment this list with additional information technology controls.

- a. The Contractor shall remain compliant with Minimum Acceptable Risk Standards for Exchanges (MARS-E), as the same may be updated from time to time, Department of Health and Human Services regulations set forth in 45 CFR Parts 155, 156, and 157 including but not limited to 45 C.F.R. § 155.260.
- b. Establish separate production, test, and training environments for systems supporting the services provided under this Contract and ensure that production data is not replicated in the test and/or training environment unless it has been previously anonymized or otherwise modified to protect the confidentiality of PII.
- c. Apply hardware and software hardening procedures as recommended by the manufacturer to reduce the Contractor/subcontractor’s systems’ surface of vulnerability. The purpose of system



hardening procedures is to eliminate as many security risks as possible. These procedures may include but are not limited to removal of unnecessary software, disabling or removing of unnecessary services, the removal of unnecessary usernames or logins, and the deactivation of unneeded features in the Contractor/subcontractor's system configuration files.

- d. Establish policies and procedures to implement and maintain mechanisms for regular internal vulnerability testing of operating system, application, and network devices supporting the services provided under this Contract. Such testing is intended to identify outdated software versions; missing software patches; device or software misconfigurations; and to validate compliance with or deviations from the Contractor's and/or subcontractor's Security policy. The Contractor and any relevant subcontractor(s) shall evaluate all identified vulnerabilities for potential adverse effect on the system's security and/or integrity and remediate the vulnerability promptly or document why remediation action is unnecessary or unsuitable. The MHBE shall have the right to inspect these policies and procedures and the performance of vulnerability testing to confirm the effectiveness of these measures for the services being provided under this Contract.
- e. Where website hosting or Internet access is the service provided or part of the service provided, the Contractor and any relevant subcontractor(s) shall conduct regular external vulnerability testing. External vulnerability testing is an assessment designed to examine the Contractor's and subcontractor's security profile from the Internet without benefit of access to internal systems and networks behind the external security perimeter. The Contractor and any relevant subcontractor(s) shall evaluate all identified vulnerabilities on Internet-facing devices for potential adverse effect on the system's security and/or integrity and remediate the vulnerability promptly or document why remediation action is unnecessary or unsuitable. The MHBE shall have the right to inspect these policies and procedures and the performance of vulnerability testing to confirm the effectiveness of these measures for the services being provided under this Contract.
- f. Ensure that anti-virus and anti-malware software is installed and maintained on all systems supporting the services provided under this Contract; that the anti-virus and anti-malware software is automatically updated; and that the software is configured to actively scan and detect threats to the system for remediation.
- g. Enforce strong user authentication and password control measures over the Contractor/subcontractor's systems supporting the services provided under this Contract to minimize the opportunity for unauthorized system access through compromise of the user access controls. At a minimum, the implemented measures should be consistent with MARS-e. Ensure State data, including any PII, under this service is not processed, transferred, or stored outside of the United States and is not subject to Access outside the United States.
- h. Ensure that State data is not commingled with the Contractor's and subcontractor's other clients' data through the proper application of data compartmentalization Security Measures. This includes but is not limited to classifying data elements and controlling access to those elements based on the classification and the user's Access or security level.
- i. Apply data encryption to protect State data, from improper disclosure or alteration. Data encryption should be applied to State data in transit over networks and, where possible, State data at rest within the System, as well as to State data when archived for backup purposes. Encryption algorithms which are utilized for this purpose must comply with current Federal Information

Processing Standards (FIPS), “Security Requirements for Cryptographic Modules”, FIPS PUB 140-2.

[FIPS 140-2 \(nist.gov\)](https://nist.gov/fips/fips140-2)

[Cryptographic Module Validation Program | CSRC \(nist.gov\)](https://csrc.nist.gov/CSRC/media/press/publications/2016/08/cryptographic-module-validation-program)

j. Enable appropriate logging parameters on Systems supporting services provided under this Contract to monitor user Access activities, authorized and failed Access attempts, System exceptions, and critical information security events as recommended by the operating system and application manufacturers consistent with MARS-e.

k. Retain the aforementioned logs and review them at least daily to identify suspicious or questionable activity for investigation and documentation as to their cause and perform remediation, if required. The MHBE shall have the right to inspect these policies and procedures and the Contractor or subcontractor’s performance to confirm the effectiveness of these measures for the services being provided under this Contract.

l. Ensure System and network environments are separated by properly configured and updated firewalls to preserve the protection and isolation of PII from unauthorized Access as well as the separation of production and non-production environments.

m. Restrict network connections between trusted and untrusted networks by physically and/or logically isolating Systems supporting the services being provided under the Contract from unsolicited and unauthenticated network traffic.

n. Review at regular intervals the aforementioned network connections, documenting and confirming the business justification for the use of all service, protocols, and ports allowed, including the rationale or compensating controls implemented for those protocols considered insecure but necessary.

o. Ensure that the Contractor’s and any subcontractor’s personnel shall not connect any of their own equipment to a State LAN/WAN without prior written approval by the State. The Contractor/subcontractor shall complete any necessary paperwork as directed and coordinated with the Contract Monitor to obtain approval by the State to connect Contractor/subcontractor-owned equipment to a State LAN/WAN.

### 3.8.4 Incident Response Requirement

- a. By submitting a Proposal in response to this RFP, the Offeror agrees that it shall execute a Non-Exchange Entity Agreement in the form attached to this RFP as Attachment J. By submitting its offer, the Offeror further agrees that it will and abide by all provisions therein, including all Incident and Breach reporting requirements. Execution of the Non-Exchange Entity Agreement is a condition precedent to final award. See Section 1.37 for further information regarding this requirement.
- b. All Offerors who submit a Proposal in response to this RFP shall be presumed to have read the Non-Exchange Entity Agreement and familiarized themselves with its requirements, including the one-hour Incident reporting requirement mandated by the Centers for Medicare and Medicaid Services in its Computer Matching Agreement with MHBE.
- c. By submitting a Proposal in response to this RFP, the Offeror further agrees that, should it be awarded a Contract under the RFP and become a Contractor, it shall notify MHBE's Chief Compliance Officer and Chief Information Security Officer when any Contractor and/or subcontractor system that may access, process, or store State data or work product is subject to unintended access or attack. Unintended access or attack includes compromise by computer malware, malicious search engine, credential compromise or Access by an individual or automated program due to a failure to secure a system or adhere to established security procedures. Such notification shall be made to each of the Chief Compliance Officer and the Chief Information Security Officer within one (1) hour of the discovery of the unintended Access or attack by either interactive verbal communication or electronic correspondence.

This Section shall survive expiration or termination of the Contract.

### 3.9 Insurance Requirements

- 3.9.1 The Contractor shall maintain Commercial General Liability Insurance with limits sufficient to cover losses resulting from, or arising out of, Contractor action or inaction in the performance of the Contract by the Contractor, its agents, servants, employees, or subcontractors, but no less than a Combined Single Limit for Bodily Injury, Property Damage, and Personal and Advertising Injury Liability of \$1,000,000 per occurrence and \$3,000,000 aggregate.
- 3.9.2 The Contractor shall maintain Errors and Omissions/Professional Liability insurance with minimum limits of \$2,000,000 per occurrence. This policy must provide coverage for all claims Contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error or omission related to the contract, including but not limited to claims which may arise from failure of Contractor's or subcontractor's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of confidential or private information, transmission of a computer virus or denial of service. Contractor shall maintain such insurance for a period of at least ten (10) years following expiration or termination of the Contract.
- 3.9.3 The Contractor shall maintain Employee Theft Insurance with minimum limits of \$1,000,000 per occurrence.
- 3.9.4 Within five (5) Business Days of recommendation for Contract award, the Contractor shall provide the Contract Monitor with current certificates of insurance, and shall update such certificates from time to time but no less than annually in multi-year contracts, as directed by the

Contract Monitor. Such copy of the Contractor's current certificate of insurance shall contain at minimum the following:

- a. Workers' Compensation – The Contractor shall maintain such insurance as necessary and/or as required under Workers' Compensation Acts, the Longshore and Harbor Workers' Compensation Act, and the Federal Employers' Liability Act.
  - b. Commercial General Liability as required in Section 3.9.1.
  - c. Errors and Omissions/Professional Liability as required in Section 3.9.2.
  - d. Employee Theft Insurance as required in Section 3.9.3.
- 3.9.5 The State shall be listed as an additional insured on the policies with the exception of Worker's Compensation Insurance and Professional Liability Insurance. All insurance policies shall be endorsed to include a clause that requires that the insurance carrier provide the Contract Monitor, by certified mail, not less than 45 days' advance notice of any non-renewal, cancellation, or expiration. In the event the Contract Monitor receives a notice of non-renewal, the Contractor shall provide the Contract Monitor with an insurance policy from another carrier at least 30 days prior to the expiration of the insurance policy then in effect. All insurance policies shall be with a company licensed by the State to do business and to provide such policies.
- 3.9.6 The Contractor shall require that any subcontractors providing services under this Contract obtain and maintain similar levels of insurance and shall provide the Contract Monitor with the same documentation as is required of the Contractor.
- 3.9.7 Cyber Security/Data Breach Insurance - The Contractor shall maintain Cyber Security / Data Breach Insurance in the amount of ten million dollars (\$10,000,000) per occurrence and \$30,000,000 aggregate. The coverage must be valid at all locations where work is performed or data or other information concerning the State's claimants and/or employers is processed or stored.

### **3.10 Invoicing**

#### **3.10.1 General**

- a) All invoices for services shall be signed by the Contractor and submitted to the Contract Monitor within 30 days of delivery of services and shall include, at the minimum, the following information:
  - Contractor name
  - Remittance address
  - Federal taxpayer identification number
  - Invoice period
  - Invoice date
  - Invoice number

- State assigned Contract number
- State assigned Purchase or Blanket Purchase Order number(s)
- Services provided with supporting documentation providing details
- Amount due

Invoices submitted without the required information cannot be processed for payment until the Contractor provides the required information.

b) The MHBE reserves the right to reduce or withhold Contract payment in the event the Contractor does not provide the MHBE with all required deliverables within the time frame specified in the Contract or in the event that the Contractor otherwise materially breaches the terms and conditions of the Contract until such time as the Contractor brings itself into full compliance with the Contract.

### 3.11 MBE Reports

The Contractor and its MBE Subcontractors shall provide the following MBE Monthly Reports based upon the commitment to the goal:

- a) **Attachment L-4A**, the MBE Participation Prime Contractor Paid/Unpaid MBE Invoice Report by the 10th of the month following the reporting period to the Contract Monitor and the MBE Liaison Officer.
- b) **Attachment L-4B** (*if applicable*), the MBE Prime Contractor Report by the 10th of the month following the reporting period to the Contract Monitor and the MBE Liaison Officer.
- c) **Attachment L-5**, the MBE Participation Subcontractor Paid/Unpaid MBE Invoice Report by the 10th of the month following the reporting period to the Contract Monitor and the MBE Liaison Officer.

### 3.12 Work Hours

The Contractor's core personnel will work an eight-hour day, Monday through Friday except for State holidays observed by the MHBE, provided MHBE authorizes closure of the CSC on the State holiday. In most cases, the CSC will not close on State holidays during open enrollment periods with exception of Thanksgiving, Christmas, and New Year's Day. Contractor shall provide appropriate management oversight during all open business hours. Consolidated service Center hours are Monday - Friday, 8:00 a.m. to 6 p.m. during non-open enrollment. The Consolidated Service Center is open on designated Saturdays, 8:00 a.m. to 4 p.m. during open enrollment. Some extended evening hours may be necessary during open enrollment, particularly for broker support. Additional hours are determined based on calendar dates of open enrollment periods.

### 3.13 Required IT System Security and Privacy Self-Assessments and Audits

This section applies to the Contractor and any relevant subcontractor who provides services for the MHBE's identified critical functions, handles PII, and/or hosts any related implemented system for the State under the Contract. For purposes of this section, "relevant subcontractor" includes any

subcontractor that assists the Contractor in the critical functions of the Contract, handles PII, and/or assists with any related implemented system, excluding subcontractors that provide secondary services that are not pertinent to assisting the Contractor in the critical functions of the Contract, handling PII, and/or assisting with any related implemented system.

The Contractor shall have annual audits performed, by independent audit firms with expertise in and/or certification to perform the separate audits, of the Contractor's choosing, of the Contractor's and any relevant subcontractor's handling of PII and the MHBE's critical functions, which are the mission critical information technology systems and applications that encompass the back-end operations and online portal for Consumers, who purchase and enroll in qualified plans, as well as Call Center or Help Desk Services, and Records Retention Services. These services provided by the Contractor and any relevant subcontractor that shall be covered by the audits will collectively be referred to as the "Information Functions and/or Processes." Such audits shall be performed in accordance with the (1) audit guidance: Reporting on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality, or Privacy ("SOC 2 Type 2") as published by the American Institute of Certified Public Accountants ("AICPA") and as updated from time to time, or according to the most current audit guidance promulgated by the AICPA and (2) Minimum Acceptable Risk Safeguard for State-based Exchanges ("MARSE"), v2.2 or its most current version, promulgated by the United States Centers for Medicare & Medicaid Services ("CMS") to assess the security of outsourced client functions or data (collectively, the "Guidance") as follows.

**3.13.1.1** The first type of audit to be performed in accordance with the Guidance is a SOC 2 Type 2 Audit (referred to as the "SOC 2 Audit" or "SOC 2 Report"). The initial SOC 2 Audit shall be scheduled and completed within a timeframe to be specified by the Contract Monitor. All subsequent SOC 2 Audits that are arranged after this initial audit shall be performed on an annual basis and submitted to the Contract Monitor not later than June 30 for the preceding State fiscal year.

**3.13.1.2** The SOC 2 Audit shall report on the Contractor's and any relevant subcontractor's system(s) and the suitability of the design and operating effectiveness of controls of the Information Functions and/or Processes to meet the requirements of the Contract, including the Security Requirements identified in Section 3.8, relevant to the following trust principles: Security, Confidentiality, and Privacy as defined in the aforementioned Guidance.

**3.13.1.3** The audit scope of each year's SOC 2 Report may need to be adjusted (including the inclusion or omission of the relevant trust services principles of Security, Availability, Confidentiality, Processing Integrity, and/or Privacy) to accommodate any changes to the Contractor's and any relevant subcontractor's environment since the previous SOC 2 Report. Such changes may include but are not limited to the addition of Information Functions and/or Processes through modifications to the Contract, or due to changes in information technology or operational infrastructure implemented by the Contractor and/or subcontractor. The Contractor and any relevant subcontractor shall ensure that the audit scope of each year's SOC 2 Report engagement shall accommodate these changes by including in the SOC 2 Report all appropriate controls related to the current environment supporting the Information Functions and/or Processes, including those controls required by the Contract.

**3.13.1.4** The scope of the SOC 2 Report shall include work performed by any subcontractors that provide essential support to the Contractor for the Information Functions and/or Processes for the



services provided to the MHBE under the Contract. The Contractor shall ensure the audit includes all subcontractors operating in performance of the Contract.

**3.13.1.5** All SOC 2 Audits, including those of the Contractor and any relevant subcontractor, shall be performed at no additional expense to the MHBE.

**3.13.1.6** The Contractor and all relevant subcontractors shall promptly provide a complete copy of the final SOC 2 Report(s) to the Contract Monitor upon completion of each SOC 2 Audit engagement.

**3.13.1.7** The Contractor shall provide to the Contract Monitor, within 30 calendar days of the issuance of each SOC 2 Report, a documented corrective action plan which addresses each audit finding or exception contained in a SOC 2 Report. The corrective action plan shall identify in detail the remedial action to be taken by the Contractor and/or subcontractor(s) along with the date(s) when each remedial action is to be implemented.

**3.13.1.8** If the Contractor, including any relevant subcontract, currently has an annual information security assessment performed that includes the operations, systems, and repositories of the Information Functions and/or Processes being provided to the MHBE under the Contract, and if that assessment generally conforms to the content and objective of the Guidance, the MHBE will determine in consultation with appropriate State government technology and audit authorities whether the Contractor's and any relevant subcontractor's current information security assessments are acceptable in lieu of the SOC 2 Report(s).

**3.13.2** Minimum Acceptable Risk Safeguard for State-based Exchanges, v2.2 ("MARSE"), Self-Assessments and Audit

**3.13.2.1** Pursuant to the Non-Exchange Entity Agreement executed between MHBE and the Contractor, the implementing standards of MARSE v2.2 require that the Contractor shall perform an independent security assessment. Section 1.1.14 Security Assessment and Authorization (CA) CA-2 of MARSE requires that "an independent assessment of all security and privacy controls must be conducted before the organization's Authorizing Official issues the authority to operate for all newly implemented, or significantly changed, systems." Therefore, a complete assessment of the applicable systems must be conducted prior to Go Live. The applicable systems are defined, but not limited to, systems that transmit or store PII such as: Remote Access/VPN Work Stations, Active Directory, ACD (automatic call distributor), Contractor Network, Call and Video Recordings, and Privacy.

**3.13.2.2** CMS requires an independent assessment of all MARSE security and privacy controls to be conducted every three (3) years or with each major system change. The Contractor shall either perform an internal self-assessment or contract a third-party security vendor to assess compliance with one-third (1/3) of the MARSE IT Security and Privacy Controls prior to the beginning of the second contract year; and, assess a different one-third (1/3) of the MARSE IT Security and Privacy Controls prior to the beginning of the third contract year on all applicable systems as described in section 3.13.2.1. Should the contract exceed three years because MHBE has exercised the option to do so, then a complete assessment of all applicable controls, the scope of which may be similar to the security requirements conducted in 3.13.2.1, shall be completed prior to the start of the fourth contract year. The results shall be delivered 30 days prior to the begin

date of the fourth year of the contract. All phases of the security control selection and testing shall be consistent with MARSE annual control selection schedule. Should the contract exceed 4 years because MHBE has exercised the option to do so, then another 1/3 of the security controls assessment will be due 30 days prior to the beginning of the fifth contract year.

**3.13.2.3** A MARSE privacy and security assessment, as defined above, shall be performed every three hundred sixty-five (365) days. Each of the audits, self-assessments, and plan of action and milestones (POAMs) shall be completed and provided to the Contract Monitor and the MHBE CISO or designee within 30 days of the completion of the assessment or audit.

**3.13.2.4** MHBE's IT Security Officer and Privacy Officer shall provide feedback to the Contractor within 30 days of receipt of the completed assessment and POAMs and may require the Contractor to provide POAM status reports at their discretion.

**3.13.2.5** The Contractor's Information Security staff shall participate in weekly meetings held by the MHBE CISO or designee, to provide updates on Contractor's POAMs and continuous monitoring efforts throughout the life of the contract. POAM's will be tracked and added to the MHBE POAM and the contractor will be responsible for resolving findings and security flaws.

**3.13.2.6** The Contractor may be subject to additional audits, conducted by the State of Maryland and/or the United States Department of Health and Human Services, and shall make available information security, privacy and/or operational personnel to fully participate in and provide artifacts and information responsive to the audit within a reasonable timeframe upon request.

**3.13.3** If the Contractor and any relevant subcontractor fails during the Contract term to obtain an annual SOC 2 Report or perform an independent self-assessment and independent external MARSE audit by the date specified in RFP Section 3.13.1.1 and 3.13.2, respectively, the MHBE shall have the right to retain an independent audit firm to perform an audit engagement of the requisite audit of the Information Functions and/or Processes utilized or provided by the Contractor and any relevant subcontractor under the Contract. The Contractor and any relevant subcontractor agree to allow the independent audit firm to access its facility/ies for purposes of conducting this audit engagement(s) and will provide the necessary support and cooperation to the independent audit firm that is required to perform the audit engagement. The MHBE will invoice the Contractor for the expense of the audit or deduct the cost from future payments to the Contractor.

## **SECTION 4 – PROPOSAL FORMAT**

### **4.1 Proposal Submission**

- A. The Proposal shall be submitted to the Procurement Officer electronically via one unencrypted e-mail at <https://marylandhealthconnection.sharefile.com/i/i63d75e265fd4ac7b>. The subject line in the e-mail shall state "MHBE Consolidated Service Center System RFP #BPM028490 Proposal" including the Offeror's name.
- B. The e-mail shall provide the following attachments:



1. One attachment labeled “MHBE Consolidated Service Center System RFP #BPM028490 Technical Proposal” containing the Technical Proposal contents and all required signed Attachments (see Section 4.4.3 below), in PDF format.
2. A second attachment labeled “MHBE Consolidated Service Center System RFP #BPM028490 Financial” containing the Financial Proposal contents, signed and in Excel and PDF format.
3. A third attachment labeled “MHBE Consolidated Service Center System RFP #BPM028490”, including Volumes I and II in searchable Adobe .pdf format for Public Information Act (PIA) requests (this copy shall be redacted so that confidential and/or proprietary information has been removed (see Section 1.14 “Public Information Act Notice”). If an Offeror chooses to submit its Proposal without identifying any information that is confidential/proprietary, it should still provide the third attachment required here and label it “PIA”, even though no information therein will be redacted.

## 4.2 Proposals

- 4.2.1 Beginning with Tab B (see RFP Section 4.4.2.3), all pages of both Proposal volumes shall be consecutively-numbered from beginning (Page 1) to end (Page “x”). The Title Page, Table of Contents, and any Claim of Confidentiality (Tabs A and A-1; see RFP Sections 4.4.2.1 and 4.4.2.2), should be numbered using small Roman numerals (ex. i, ii, iii, iv, v, etc.).
- 4.2.2 Subject to the Maryland Public Information Act and any other applicable law or regulation, Proposals and any modifications to Proposals will be shown only to MHBE employees, members of the Evaluation Committee, or other persons deemed by the MHBE to have a legitimate interest in them.

## 4.3 Electronic Delivery

Offerors shall e-mail their Proposals as instructed in RFP Section 4.1 above to the Procurement Officer listed in the Key Information Summary Sheet, page 3.

## 4.4 Volume I – Technical Proposal

**Note: No pricing information is to be included in the Technical Proposal (Volume I). Pricing information is to be included only in the Financial Proposal (Volume II).**

### 4.4.1 Format of Technical Proposal

The RFP sections are numbered for ease of reference. Section 4.4.2 sets forth the order of information to be provided in the Technical Proposal, e.g., Section 4.4.2.1 “Title and Table of Contents,” Section 4.4.2.2 “Claim of Confidentiality,” Section 4.4.2.3 “Transmittal Letter,” Section 4.4.2.4 “Executive Summary,” etc. In addition to the instructions below, responses in the Offeror’s Technical Proposal should reference the organization and numbering of Sections in the RFP (ex. “Section 3.2.1 Response . . . ; “Section 3.2.2 Response . . . ,” etc.). This Proposal

organization will allow MHBE officials and the Evaluation Committee (see RFP Section 5.1) to “map” Offeror responses directly to RFP requirements by Section number and will aid in the evaluation process.

**4.4.2 The Technical Proposal** shall include the following documents and information in the order specified as follows. Each section of the Technical Proposal shall be separated by a TAB as detailed below:

**4.4.2.1 Title Page and Table of Contents (Submit under TAB A)**

The Technical Proposal should begin with a Title Page bearing the name and address of the Offeror and the name and number of this RFP. A Table of Contents shall follow the Title Page for the Technical Proposal, organized by section, subsection, and page number.

**4.4.2.2 Claim of Confidentiality (If applicable, submit under TAB A-1)**

Any information which is claimed to be confidential is to be noted by reference and included after the Title Page and before the Table of Contents, and if applicable, also in the Offeror’s Financial Proposal. An explanation for each claim of confidentiality shall be included (see Section 1.14 “Public Information Act Notice”). The entire Proposal should not be given a blanket confidentiality designation. Any confidentiality designation must apply to specific sections, pages, or portions of pages of the Proposal.

**4.4.2.3 Transmittal Letter (Submit under TAB B)**

A Transmittal Letter shall accompany the Technical Proposal. The purpose of this letter is to transmit the Proposal and acknowledge the receipt of any addenda. The Transmittal Letter should be brief and signed by an individual who is authorized to commit the Offeror to the services and requirements as stated in this RFP. The Transmittal Letter should include the following:

- Name and address of the Offeror;
- Name, title, e-mail address, and telephone number of primary contact for the Offeror;
- Solicitation Title and Solicitation Number that the Proposal is in response to;
- Signature, typed name, and title of an individual authorized to commit the Offeror to its Proposal;
- Federal Employer Identification Number (FEIN) of the Offeror, or if a single individual, that individual’s Social Security Number (SSN);
- Offeror’s eMMA number;
- Offeror’s MBE certification number (if applicable);
- Acceptance of all MHBE RFP and Contract terms and conditions (see Section 1.24); if any exceptions are taken, they are to be noted in the Executive Summary (see Section 4.4.2.4); and
- Acknowledgement of all addenda to this RFP.

#### **4.4.2.4 Executive Summary (Submit under TAB C)**

The Offeror shall condense and highlight the contents of the Technical Proposal in a separate section titled “Executive Summary.” In addition, the Summary shall indicate whether the Offeror is the subsidiary of another entity, and if so, whether all information submitted by the Offeror pertains exclusively to the Offeror. If not, the subsidiary Offeror shall include a guarantee of performance from its parent organization as part of its Executive Summary (see RFP Section 1.22 for more information).

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

**If the Offeror has taken no exceptions to the requirements of this RFP, the Contract (Attachment A), or any other attachments, the Executive Summary shall so state.**

#### **4.4.2.5 Minimum Qualifications Documentation (Submit under TAB D)**

The Offeror shall submit any Minimum Qualifications documentation that may be required, as set forth in Section 2 “Offeror Minimum Qualifications.”

#### **4.4.2.6 Offeror Technical Response to RFP Requirements and Proposed Work Plan (Submit under TAB E)**

- a. The Offeror shall address each Scope of Work requirement (Section 3) in its Technical Proposal and describe how its proposed services, including the services of any proposed Subcontractor(s), will meet or exceed the requirement(s). If the MHBE is seeking Offeror agreement to any requirement(s), the Offeror shall state its agreement or disagreement. Any paragraph in the Technical Proposal that responds to a Scope of Work (Section 3) requirement shall include an explanation of how the work will be done. Any exception to a requirement, term, or condition may result in having the Proposal classified as not reasonably susceptible of being selected for award or the Offeror deemed not responsible.
- b. The Offeror shall give a definitive **section-by-section** description of the proposed plan to meet the requirements of the RFP, i.e., a Work Plan. The Work Plan shall include the specific methodology and techniques to be used by the Offeror in providing the required services as outlined in RFP Section 3, Scope of Work. The description shall include an outline of the overall management concepts employed by the Offeror and a project management plan, including project control mechanisms and overall timelines. Project deadlines considered Contract deliverables must be recognized in the Work Plan.
- c. The Offeror shall provide a draft Problem Escalation Procedure (PEP) that includes, at a minimum, titles of individuals to be contacted by the MHBE’s Contract Monitor should problems arise under the Contract and explain how

problems with work under the Contract will be escalated in order to resolve any issues in a timely manner. Final procedures shall be submitted as indicated in RFP Section 3.6.

#### **4.4.2.7 Experience and Qualifications of Proposed Staff (Submit under TAB F)**

The Offeror shall identify the number and types of staff proposed to be utilized under the Contract.

The Offeror shall describe in detail how the proposed staff's experience and qualifications relate to their specific responsibilities, including any staff of proposed Subcontractor(s), as detailed in the Work Plan. The Offeror shall include individual resumes for the proposed Key Personnel, including Personnel for any proposed Subcontractor(s), who are to be assigned to the project if the Offeror is awarded the Contract. Each resume should include the amount of experience the individual has had relative to the Scope of Work set forth in this solicitation. Letters of intended commitment to work on the project, including letters from any proposed Subcontractor(s), shall be included in this section.

The Offeror shall provide an Organizational Chart outlining personnel and their related duties. The Offeror shall include job titles and the percentage of time each individual will spend on his/her assigned tasks. Offerors using job titles other than those commonly used by industry standards must provide a crosswalk reference document.

#### **4.4.2.8 Staffing Plan**

The Offeror shall provide a draft Staffing Plan with the Technical Proposal. The Staffing Plan shall describe the Offeror's staffing approach and team organizational structure for the Offeror and any proposed Subcontractors, to complete all phases of work, functions, requirements, roles, and duties associated with this RFP.

The Offeror shall explain in its Staffing Plan how each individual meets the requirements of the proposed Key Personnel Role. All proposed staffing for Key Personnel Roles is subject to approval by MHBE. MHBE reserves the right to reject the Offeror's candidates for any Key Personnel Role. In such an event, the Offeror shall be required to provide an alternative resource for that Key Personnel Role. The MHBE reserves the right to interview individuals proposed for Key Personnel Roles, if desired, prior to approval of any Key Personnel staffing.

The MHBE and its stakeholders will interact with the Contractor's Key Personnel staff on an ongoing basis, and as such the Offeror shall submit in its plan an organizational chart for Key Personnel Staffing that describes how the Offeror's Key Personnel will interact with MHBE staff and key State stakeholders. The Plan must also include the Offeror's tasks to onboard and orient new Key Personnel staff to the project, specifically its tools and techniques.

The Staffing Plan deliverable will be updated and submitted as Final to the MHBE Contract Monitor within 30 calendar days of NTP.

#### **4.4.2.9 Offeror Qualifications and Capabilities (Submit under TAB G)**

The Offeror shall include information on past experience with similar projects and/or services. The Offeror shall describe how its organization can meet the requirements of this RFP and shall also include the following information:

- a. The number of years the Offeror has provided the similar services;
- b. The number of clients/customers and geographic locations that the Offeror currently serves;
- c. The names and titles of headquarters or regional management personnel who may be involved with supervising the services to be performed under this Contract;
- d. The Offeror's process for resolving billing errors; and
- e. An organizational chart that identifies the complete structure of the Offeror, including any parent company, headquarters, regional offices, and subsidiaries of the Offeror.

#### **4.4.2.10 References (Submit under TAB H)**

At least three (3) references are requested from customers who are capable of documenting the Offeror's ability to provide the services specified in this RFP. Each reference shall be from a client for whom the Offeror has provided services within the past five (5) years and shall include the following information:

- a. Name of client organization;
- b. Name, title, telephone number, and e-mail address, if available, of POC for client organization; and
- c. Value, type, duration, and description of services provided.

The MHBE reserves the right to request additional references or utilize references not provided by an Offeror.

#### **4.4.2.11 List of Current or Prior State Contracts (Submit under TAB I)**

Provide a list of all contracts with any entity of the State of Maryland for which the Offeror is currently performing services or for which services have been completed within the last five (5) years. For each identified contract, the Offeror is to provide:

- a. The State contracting entity;
- b. A brief description of the services/goods provided;
- c. The dollar value of the contract;
- d. The term of the contract;
- e. The State employee contact person (name, title, telephone number, and, if possible, e-mail address); and

- f. Whether the contract was terminated before the end of the term specified in the original contract, including whether any available renewal option was not exercised.

Information obtained regarding the Offeror's level of performance on State contracts will be used by the Procurement Officer to determine the responsibility of the Offeror and considered as part of the experience and past performance evaluation criteria of the RFP.

#### **4.4.2.12 Financial Capability (Submit under TAB J)**

An Offeror must include in its Proposal a commonly-accepted method to prove its fiscal integrity. If available, the Offeror shall include Financial Statements, preferably a Profit and Loss (P&L) statement and a Balance Sheet, for the last two (2) years (independently audited preferred).

In addition, the Offeror may supplement its response to this Section by including one or more of the following with its response:

- a. Dunn and Bradstreet Rating;
- b. Standard and Poor's Rating;
- c. Lines of credit;
- d. Evidence of a successful financial track record; and
- e. Evidence of adequate working capital.

#### **4.4.2.13 Certificate of Insurance (Submit under TAB K)**

The Offeror shall provide a copy of its current certificate of insurance showing the types and limits of insurance in effect as of the Proposal submission date. The current insurance types and limits do not have to be the same as described in Section 3.9. See Section 5.5 for the required insurance certificate submission for the recommended Offeror.

#### **4.4.2.14 Subcontractors (Submit under TAB L)**

The Offeror shall provide a complete list of all Subcontractors that will work on the Contract if the Offeror receives an award, including those utilized in meeting the MBE subcontracting goal. This list shall include a full description of the duties each Subcontractor will perform and why/how each Subcontractor was deemed the most qualified for this project. See Sections 4.4.2.7 and 4.4.2.8 for additional Offeror requirements related to Subcontractors.

#### **4.4.2.15 Legal Action Summary (Submit under TAB M)**

This summary shall include:

- a. A statement as to whether there are any outstanding legal actions or potential claims against the Offeror and a brief description of any action;

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

#### **4.4.3 Additional Required Technical Submissions (Submit under TAB N)**

4.4.3.1 The following documents shall be completed, signed, and included in the Technical Proposal, under TAB N that follows the material submitted in response to Section 4.4.2.

- a. Completed Bid/Proposal Affidavit (**RFP Attachment B**).
- b. If applicable, a signed statement from the Offeror's Parent Organization Guaranteeing Performance of the Offeror. **\*refer to RFP Section 1.22.**
- c. Completed MDOT Certified MBE Utilization and Fair Solicitation Affidavit (**RFP Attachment L-1A**) **\*refer to RFP Section 1.33.**
- d. Federal Funding Acknowledgement (**Attachment F**); **refer to RFP Section 1.34.**
- e. Completed Conflict of Interest Affidavit and Disclosure (**Attachment G**) **\*refer to RFP Section 1.35.**

## **4.5 Volume II – Financial Proposal**

The Financial Proposal shall contain all price information in the format specified in **RFP Attachment E**. The Offeror shall complete the Financial Proposal Form only as provided in the Financial Proposal Instructions and the Financial Proposal Form itself.

## **SECTION 5 – EVALUATION COMMITTEE, EVALUATION CRITERIA, AND SELECTION PROCEDURE**

### **5.1 Evaluation Committee**

Evaluation of Proposals will be performed in accordance with Section II.B of MHBE's Procurement Policies and Procedures by a committee established for that purpose and based on the evaluation criteria set forth below. The Evaluation Committee will review Proposals, participate in Offeror oral presentations and discussions, and provide input to the Procurement Officer.

### **5.2 Technical Proposal Evaluation Criteria**

The criteria to be used to evaluate each Technical Proposal are listed below in descending order of importance.

5.2.1 Offeror's Technical Response to RFP Requirements and Work Plan (See RFP § 4.4.2.6)



The State prefers an Offeror's response to work requirements in the RFP that illustrates a comprehensive understanding of work requirements and mastery of the subject matter, including an explanation of how the work will be done. Proposals which include limited responses to work requirements such as "concur" or "will comply" will receive a lower ranking than those Proposals that demonstrate an understanding of the work requirements and include plans to meet or exceed them.

5.2.2 Offeror Qualifications and Capabilities, including proposed Subcontractors (See RFP § 4.4.2.9 – 4.4.2.15)

5.2.3 Experience and Qualifications of Proposed Staff (See RFP § 4.4.2.7 - 4.4.2.8)

### 5.3 Financial Proposal Evaluation Criteria

All Qualified Offerors (see Section 5.4.2.4) will be ranked from the lowest (most advantageous) to the highest (least advantageous) price based on the Total Proposal Price within the stated guidelines set forth in this RFP and as submitted on **Attachment E** - Financial Proposal Form. Financial proposals, however, must be reasonably related to the technical proposal, as determined solely by the MHBE. Financial proposals which are inconsistent with the work offered in the technical proposal may not be ranked as more advantageous.

### 5.4 Selection Procedures

#### 5.4.1 General

The Contract will be awarded in accordance with the Competitive Sealed Proposals (CSP) method found at Section II.B of MHBE's Procurement Policies and Procedures. The Competitive Sealed Proposals method allows for the conducting of discussions and the revision of Proposals during these discussions. Therefore, the MHBE may conduct discussions with all Offerors that have submitted Proposals that are determined to be reasonably susceptible of being selected for Contract award or potentially so. However, the MHBE reserves the right to make an award without holding discussions.

In either case (i.e., with or without discussions), the State may determine an Offeror to be not responsible and/or an Offeror's Proposal to be not reasonably susceptible of being selected for award at any time after the initial closing date for receipt of Proposals and prior to Contract award. If the State finds an Offeror to be not responsible and/or an Offeror's Technical Proposal to be not reasonably susceptible of being selected for award, that Offeror's Financial Proposal will subsequently be returned if the Financial Proposal is unopened at the time of the determination.

#### 5.4.2 Selection Process Sequence

5.4.2.1 A determination is made that the MDOT Certified MBE Utilization and Fair Solicitation Affidavit (**Attachment L-1A**) is included and is properly completed.



- 5.4.2.2 Technical Proposals are evaluated for technical merit and ranked. During this review, oral presentations and discussions may be held. The purpose of such discussions will be to assure a full understanding of the MHBE's requirements and the Offeror's ability to perform the services, as well as to facilitate arrival at a Contract that is most advantageous to the MHBE. Offerors will be contacted by the State as soon as any discussions are scheduled.
- 5.4.2.3 Offerors must confirm in writing any substantive oral clarifications of, or changes in, their Technical Proposals made in the course of discussions. Any such written clarifications or changes then become part of the Offeror's Technical Proposal. Technical Proposals are given a final review and ranked.
- 5.4.2.4 The Financial Proposal of each Qualified Offeror (a responsible Offeror determined to have submitted an acceptable Proposal) will be evaluated and ranked separately from the Technical evaluation. After a review of the Financial Proposals of Qualified Offerors, the Evaluation Committee or Procurement Officer may again conduct discussions to further evaluate the Offeror's entire Proposal.
- 5.4.2.5 When in the best interest of the MHBE, the Procurement Officer may permit Qualified Offerors to revise their initial Proposals and submit, in writing, Best and Final Offers (BAFOs). The MHBE may make an award without issuing a request for a BAFO.

#### 5.4.3 Award Determination

Upon completion of the Technical Proposal and Financial Proposal evaluations and rankings, each Contractor shall receive an overall ranking. The Procurement Officer will recommend award of the Contract to the responsible Offeror that submitted the Proposal determined to be the most advantageous to the MHBE. In making this most advantageous Proposal determination, technical factors will receive greater weight than financial factors.

#### 5.5 Documents Required upon Notice of Recommendation for Contract Award

Upon receipt of a Notification of Recommendation for Contract Award, the following documents shall be completed, signed if applicable with original signatures, and submitted by the recommended awardee within five (5) Business Days, unless noted otherwise:

- a. Contract (**Attachment A**), see **RFP Section 1.24**
- b. Contract Affidavit (**Attachment C**), see **RFP Section 1.26**
- c. MBE **Attachments L-2 and L-3A/B**, within ten (10) Business Days, if applicable; see **RFP Section 1.33**
- d. MBE Waiver Justification within ten (10) Business Days (see **MBE Waiver Guidance and forms in Attachments L-1B and L-1C**), if a waiver has been requested (if applicable; see **RFP Section 1.33**)
- e. Non-Disclosure Agreement (**Attachment H**); see **RFP Section 1.36**
- f. Non-Exchange Entity Agreement (**Attachment I**), if applicable; see **RFP Section 1.37**

- g. Copy of a current Certificate of Insurance with the prescribed limits set forth in RFP Section 3.9 “Insurance Requirements,” listing the State as an additional insured, if applicable, **see RFP Section 3.9**
- h. Performance Bond (**Attachment J**); **see RFP Section 1.41**
- i. Business Associates Agreement (**Attachment K**), if applicable, **see Section 1.38**

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## RFP ATTACHMENTS

### **ATTACHMENT A – Contract**

This is the sample contract used by the MHBE. It is provided with the RFP for informational purposes and is not required to be submitted at Proposal submission time. Upon notification of recommendation for award, a completed Contract will be sent to the recommended awardee for signature.

### **ATTACHMENT B – Bid/Proposal Affidavit**

This Attachment must be completed and submitted with the Technical Proposal (refer to RFP Section 1.25).

### **ATTACHMENT C – Contract Affidavit**

This Attachment must be completed and submitted by the recommended awardee to the Procurement Officer within five (5) Business Days of receiving notification of recommendation for award (refer to RFP Section 1.26).

### **ATTACHMENT D – Pre-Proposal Conference Response Form**

It is requested that this form be completed and submitted as described in RFP Section 1.7 by those potential Offerors that plan on attending the Pre-Proposal Conference.

### **ATTACHMENT E – Financial Proposal Instructions and Form**

The Financial Proposal Form must be completed and submitted in the Financial Proposal package (refer to RFP Section 4.5).

### **ATTACHMENT F – Federal Funds Attachment**

If required, the Federal Funds Attachment must be completed and submitted with the Technical Proposal (refer to RFP Section 1.35). The terms and conditions in this attachment are incorporated into any resulting Contract with the Offeror.

### **ATTACHMENT G – Conflict of Interest Affidavit and Disclosure**

If required (refer to RFP Section 1.36), this Attachment must be completed and submitted with the Technical Proposal.

### **ATTACHMENT H – Non-Disclosure Agreement**

If required (refer to RFP Section 1.37), this Attachment must be completed and submitted within five (5) Business Days of receiving notification of recommendation for award. However, to expedite processing, it is suggested that this document be completed and submitted with the Technical Proposal.

### **ATTACHMENT I – Non-Exchange Entity Agreement**

If required (refer to RFP Section 1.38), this Attachment is to be completed and submitted within five (5) Business Days of receiving notification of recommendation for award. However, to expedite processing, it is suggested that this document be completed and submitted with the Technical Proposal.

### **ATTACHMENT J – Performance Bond**

If required, submitted within five (5) Business Days of receiving notification of recommendation for award (refer to RFP Section 1.41).

**ATTACHMENT K – Business Associate Agreement**

If required (see Section 1.38) this Attachment is to be completed and submitted within five (5) Business Days of receiving notification of recommendation for award. However, to expedite processing, it is suggested that this document be completed and submitted with the Technical Proposal.

**ATTACHMENT L – Minority Business Enterprise Forms**

If required (refer to RFP Section 1.33), these Attachments include the MBE subcontracting goal statement, instructions, and MBE Attachments **L-1** through **L-5**. Attachment **L-1** must be properly completed and submitted with the Offeror's Technical Proposal or the Proposal will be deemed not reasonably susceptible of being selected for award and rejected. Within 10 Business Days of receiving notification of recommendation for Contract award, the Offeror must submit Attachments **L-2** and **L-3A/B**.

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**ATTACHMENT A – CONTRACT**  
**MHBE CONSOLIDATED SERVICE CENTER**

THIS CONTRACT (the “Contract”) is made as of the Effective Date defined below by and between \_\_\_\_\_ [Contractor’s name] (the “Contractor”) and the MARYLAND HEALTH BENEFIT EXCHANGE, a unit of the STATE OF MARYLAND (the “MHBE”). The Contractor and the MHBE each are a “Party” and, together, are the “Parties”.

In consideration of the premises and the covenants herein contained, the Parties agree as follows:

**1. Definitions**

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

- 1.1 “ACA” means the Patient Protection and Affordable Care Act of 2010 (Pub. L. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Public Law No. 111-152), together with regulations promulgated pursuant thereto.
- 1.2 “Agency” or “MHBE” means the Maryland Health Benefit Exchange.
- 1.3 “COMAR” means Code of Maryland Regulations.
- 1.4 “Contract Monitor” means the MHBE employee identified in Section 1.6 of the RFP as the Contract Monitor or a successor designated by the MHBE.
- 1.5 “Contractor” means \_\_\_\_\_ [Contractor’s name] whose principal business address is \_\_\_\_\_ [Contractor’s primary address] and whose principal office in Maryland is \_\_\_\_\_ [Contractor’s local address].
- 1.6 “Effective Date” means the date on which the last of the two Parties signs this Contract.
- 1.7 “eMMA” means eMaryland Marketplace.
- 1.8 “Financial Proposal” means the Contractor’s Financial Proposal dated \_\_\_\_\_, as supplemented and revised by the best and final offer dated \_\_\_\_\_.
- 1.9 “Minority Business Enterprise” (MBE) means an entity meeting the definition at COMAR 21.01.02.01B(54), which is certified by the Maryland Department of Transportation under COMAR 21.11.03.
- 1.10 “RFP” means the Request for Proposals for MHBE Consolidated Service Center, Solicitation # BPM028490, and any addenda thereto issued in writing by the MHBE.
- 1.11 “Procurement Officer” means the MHBE employee identified in Section 1.5 of the RFP as the Procurement Officer or a successor designated by the MHBE.

- 1.12 “Proposal(s)” means, as appropriate, either or both of the Contractor’s Technical or Financial Proposal.
- 1.13 “State” means the State of Maryland and includes the MHBE.
- 1.14 “Technical Proposal” means the Contractor’s Technical Proposal, dated \_\_\_\_\_, as supplemented and revised by the best and final offer dated \_\_\_\_\_.

## **2. Scope of Contract**

- 2.1 The Contractor shall provide services as described in the RFP for MHBE Consolidated Service Center and related services awarded in accordance with Exhibits A-G listed in this section and hereby incorporated as part of this Contract. If there is any conflict between this Contract and the Exhibits, the terms of the Contract shall govern. If there is any conflict among the Exhibits, the following order of precedence shall determine the prevailing provision:

Exhibit A – The RFP

Exhibit B – State Contract Affidavit, executed by the Contractor and dated \_\_\_\_\_.

Exhibit C – The Non-Exchange Entity Agreement

Exhibit D – The Non-Disclosure Agreement

Exhibit E – The Federal Funds Attachment (Attachment F to the RFP, including F-1 and F-2).

Exhibit F – The Contractor’s Technical Proposal

Exhibit G – The Contractor’s Financial Proposal

- 2.2 The Procurement Officer may, at any time, by written order, make changes in the work within the general scope of the Contract or the RFP. No other order, statement, or conduct of the Procurement Officer or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor’s cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. Failure to agree to an adjustment under this section shall be a dispute under the Disputes clause. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.
- 2.3 While the Procurement Officer may, at any time, by written change order, make unilateral changes in the work within the general scope of the Contract as provided in Section 2.2 above, the Contract may be modified by mutual agreement of the parties, provided: (a) the modification is made in writing; (b) all parties sign the modification; and (c) all required approvals are obtained.
- 2.4 Contracts awarded in violation of the MHBE Procurement Policies and Procedures are voidable at the election of MHBE.

**3. Period of Performance.**

- 3.1 The Contract shall start as of the date of full execution by the Parties. From this date, the Contract shall be for a period of three years with one two-year renewal option at the sole discretion of the MHBE.
- 3.2 Audit, confidentiality, document retention, and indemnification obligations under this Contract shall survive expiration or termination of the Contract.

**4. Consideration and Payment**

- 4.1 In consideration of the satisfactory performance of the work set forth in this Contract, the MHBE shall pay the Contractor in accordance with the terms of this Contract and at the prices in RFP Attachment E – Price Proposal, which is incorporated into this Contract as Exhibit G.
- 4.2 Payments to the Contractor shall be made no later than thirty (30) days after the MHBE's receipt of a proper invoice for services provided by the Contractor, acceptance by the MHBE of services provided by the Contractor, and pursuant to the conditions outlined in Section 4 of this Contract. Each invoice must include the Contractor's Federal Tax Identification or Social Security Number for a Contractor who is an individual which is \_\_\_\_\_ [Contractor's FEIN or SSN-]. Charges for late payment of invoices other than as prescribed at Md. Code Ann., State Finance and Procurement Article, §15-104 are prohibited. Invoices shall be submitted to the Contract Monitor at hbe.finance@maryland.gov. Electronic funds transfer shall be used by the MHBE to pay Contractor pursuant to this Contract and any other State payments due Contractor unless the State Comptroller's Office grants Contractor an exemption.
- 4.3 In addition to any other available remedies, if, in the opinion of the Procurement Officer, the Contractor fails to perform in a satisfactory and timely manner, the Procurement Officer may refuse or limit approval of any invoice for payment, and may cause payments to the Contractor to be reduced or withheld until such time as the Contractor meets performance standards as established by the Procurement Officer.
- 4.4 Payment of an invoice by the MHBE is not evidence that services were rendered as required under this Contract.
- 4.5 Contractor's eMarylandMarketplace vendor ID number is (Contractor's eMMA number).

**5. Patents, Copyrights, and Intellectual Property**

- 5.1 If the Contractor furnishes any design, device, material, process, or other item, which is covered by a patent, trademark or service mark, or copyright or which is proprietary to, or a trade secret of, another, the Contractor shall obtain the necessary permission or license to permit the State to use such item or items.

- 5.2 Except as provided in Section 5.4 of this Contract, the Contractor agrees that all documents and materials, including but not limited to, reports, drawings, studies, specifications, estimates, tests, maps, photographs, designs, software, graphics, mechanical, artwork, computations and data prepared by or for the Contractor for purposes of this Contract (Work Product) shall become and remain the sole and exclusive property of the State and shall be available to the MHBE at any time. The MHBE shall have the right to use the same without restriction and without compensation to the Contractor other than that specifically provided by this Contract.
- 5.3 Except as provided in Section 5.4 of this Contract, the Contractor agrees that at all times during the term of this Contract and thereafter, the Work Product shall be "works made for hire" as that term is interpreted under U.S. copyright law and shall be owned by the State. Ownership includes the right to copyright, patent, register and the ability to transfer these rights and all information used to formulate such Work Product. In the event any Work Product is or may not be considered a work made for hire under applicable law, Contractor assigns and transfers to the State the entire right, title and interest in and to all rights in the Work Product and any registrations and copyright applications relating thereto and any renewals and extensions thereof. Contractor shall execute all documents and perform such other proper acts as the State may deem necessary to secure for it the rights pursuant to this section.
- 5.4 Notwithstanding anything to the contrary in this Contract, to the extent (i) the Work Product incorporates any commercial-off-the shelf software (COTS) and/or any Pre-Existing Intellectual Property or (ii) any COTS and/or Pre-Existing Intellectual Property (other than a computer's operating system, supported internet browser, browser accessibility software or hardware if needed by the user, and software required to access a commonly-available data transmission tool or export format) is required to access, install, build, compile or otherwise use the Work Product (such COTS and Pre-Existing Intellectual Property individually and collectively referred to herein as "Third-party Intellectual Property," which shall be the sole property of Contractor or its third-party licensors, as applicable), Contractor hereby grants, on behalf of itself and any third-party licensors, to the State a royalty-free, paid-up, non-exclusive, unrestricted, unconditional, irrevocable, worldwide right and license, with the right to use, execute, reproduce, display, perform, distribute copies of internally, modify and prepare derivative works based upon, such Third-party Intellectual Property as may be necessary for the State to use the Work Product for the purposes for which such Work Product was designed and intended. "Pre-Existing Intellectual Property" means any program, utility or tool owned by Contractor or its third-party licensors that was created by Contractor or its third-party licensors independently from its performance of this Contract and not solely using funds from this Contract.
- 5.5 Subject to the terms of Section 6, Contractor shall defend, indemnify, and hold harmless the State, including, but not limited to, the Agency and its agents, officers, and employees, from and against any and all claims, costs, losses, damages, liabilities, judgments and expenses (including without limitation reasonable attorneys' fees) arising out of or in connection with any claim the Work Product or any Third-party Intellectual Property infringes, misappropriates or otherwise violates any Third-party Intellectual Property rights. Contractor shall not enter into any settlement involving third party claims that contains any admission of or stipulation to any guilt, fault, liability or wrongdoing by the State or that adversely affects the State's rights or interests, without the State's prior written consent, which consent may be withheld in the State's sole and absolute discretion. Contractor shall be entitled to control the defense or settlement of such claim (with counsel reasonably satisfactory to the State), provided that the State will, upon requesting



indemnification hereunder: (a) provide reasonable cooperation to Contractor in connection with the defense or settlement of any such claim, at Contractor's expense; and (b) be entitled to participate in the defense of any such claim. Contractor's obligations under this section will not apply to the extent any Third-party Intellectual Property infringes, misappropriates or otherwise violates any third party intellectual rights as a result of modifications made by the State in violation of the license granted to the State pursuant to section 5.4; provided that such infringement, misappropriation or violation would not have occurred absent such modification.

- 5.6 Without limiting Contractor's obligations under Section 5.5, if all or any part of the Work Product or any Third Party Intellectual Property is held, or Contractor or the State reasonably determines that it could be held, to infringe, misappropriate or otherwise violate any third party intellectual property right, Contractor (after consultation with the State and at no cost to the State): (a) shall procure for the State the right to continue using the item in accordance with its rights under this Contract; (b) replace the item with an item that does not infringe, misappropriate or otherwise violate any third party intellectual property rights and, in the State's sole and absolute determination, complies with the item's specifications, and all rights of use and/or ownership set forth in this Contract; or (c) modify the item so that it no longer infringes, misappropriates or otherwise violates any third party intellectual property right and, in the State's sole and absolute determination, complies with the item's specifications and all rights of use and/or ownership set forth in this Contract.
- 5.7 Except for any Pre-Existing Intellectual Property and Third-Party Intellectual Property, Contractor shall not acquire any right, title or interest (including any intellectual property rights subsisting therein) in or to any goods, software, technical information, specifications, drawings, records, documentation, data or any other materials (including any derivative works thereof) provided by the State to the Contractor. Notwithstanding anything to the contrary herein, the State may, in its sole and absolute discretion, grant the Contractor a license to such materials, subject to the terms of a separate writing executed by the Contractor and an authorized representative of the State.
- 5.8 Contractor, on behalf of itself and its Subcontractors, hereby agrees not to incorporate, link, distribute or use any Third-party Intellectual Property in such a way that: (a) creates, purports to create or has the potential to create, obligations with respect to any State software (including any deliverable hereunder), including without limitation the distribution or disclosure of any source code; or (b) grants, purports to grant, or has the potential to grant to any third-party any rights to or immunities under any State intellectual property or proprietary rights. Without limiting the generality of the foregoing, neither Contractor nor any of its Subcontractors shall incorporate, link, distribute or use, in conjunction with the Work Product, any code or software licensed under the GNU General Public License ("GPL"), Lesser General Public License ("LGPL"), Affero GPL ("AGPL"), European Community Public License ("ECPL"), Mozilla, or any other open source license, in any manner that could cause or could be interpreted or asserted to cause any State software (or any modifications thereto) to become subject to the terms of the GPL, LGPL, AGPL, ECPL, Mozilla or such other open source software.
- 5.9 Without limiting the generality of the foregoing, neither Contractor nor any of its Subcontractors shall use any software or technology in a manner that will cause any patents, copyrights or other intellectual property which are owned or controlled by the State or any of its affiliates (or for which the State or any of its Subcontractors has received license rights) to become subject to any

encumbrance or terms and conditions of any third-party or open source license (including, without limitation, any open source license listed on [Licenses by Name | Open Source Initiative](#)) (each an “Open Source License”). These restrictions, limitations, exclusions and conditions shall apply even if the State or any of its Subcontractors becomes aware of or fails to act in a manner to address any violation or failure to comply therewith. No act by the State or any of its Subcontractors that is undertaken under this Contract as to any software or technology shall be construed as intending to cause any patents, copyrights or other intellectual property that are owned or controlled by the State (or for which the State has received license rights) to become subject to any encumbrance or terms and conditions of any Open Source License.

- 5.10 The Contractor shall report to MHBE, promptly and in written detail, each notice or claim of copyright infringement received by the Contractor with respect to all Work Product delivered under this Contract.

## **6. Indemnification**

- 6.1 Contractor shall indemnify, defend, and hold the State, its directors, officers, employees and agents harmless from third-party liability for tangible property damage, bodily injury and death, and for fraud or willful misconduct of Contractor, including all related defense costs and expenses (including reasonable attorneys’ fees and costs of investigation, litigation, settlement, judgments, interest and penalties) arising from or relating to the performance of the Contractor or its Subcontractors under this Contract.
- 6.2 The State has no obligation to provide legal counsel or defense to the Contractor or its Subcontractors in the event that a suit, claim or action of any character is brought by any person not party to this Contract against the Contractor or its Subcontractors as a result of or relating to the Contractor's obligations under this Contract.
- 6.3 The State has no obligation for the payment of any judgments or the settlement of any claims against the Contractor or its Subcontractors as a result of or relating to the Contractor's obligations under this Contract.
- 6.4 The Contractor shall immediately notify the Procurement Officer of any claim or suit made or filed against the Contractor or its Subcontractors regarding any matter resulting from or relating to the Contractor's obligations under the Contract, and will cooperate, assist, and consult with the State in the defense or investigation of any claim, suit, or action made or filed against the State as a result of or relating to the Contractor's performance under this Contract.
- 6.5 Section 6 shall survive expiration of this Contract.

## **7. Loss of Data**

In the event of loss of any State data or records where such loss is due to the intentional act or omission (any failures to act when Contractor has a duty to act) or negligence of the Contractor or any of its Subcontractors or agents, the Contractor shall be responsible for recreating such lost data in the manner and on the schedule set by the Contract Monitor. The Contractor shall ensure that all data is backed up and recoverable by the Contractor. Contractor shall use its best efforts to assure that at no time shall any

actions undertaken by the Contractor under this Contract, or any failures to act when Contractor has a duty to act, damage or create any vulnerabilities in data bases, systems, platforms, and/or applications with which the Contractor is working hereunder.

## **8. Exclusive Use and Ownership**

Contractor shall not use, sell, sub-lease, assign, give, or otherwise transfer to any third party any other information or material provided to Contractor by the Department or Agency or developed by Contractor relating to the Contract, except that Contractor may provide said information to any of its officers, employees and Subcontractors who Contractor requires to have said information for fulfillment of Contractor's obligations hereunder. Each officer, employee and/or Subcontractor to whom any of the Department or Agency's confidential information is to be disclosed shall be advised by Contractor of and bound by the confidentiality and intellectual property terms of this Contract.

## **9. Confidentiality**

- 9.1 Subject to the Maryland Public Information Act and any other applicable laws, all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor's computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract, provided the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with the law, including the ACA and 45 C.F.R. § 155.260, the Non-Exchange Entity Agreement referenced in Section 11.2, below, and the Non-Disclosure Agreement incorporated into this Contract pursuant to Section 2.1, above. The provisions of this section shall not apply to information that (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.
- 9.2 More particularly, the Contractor agrees that its access to Personally identifiable Information under the Contract shall make it a "Non-Exchange Entity", as that term is defined in 45 C.F.R. § 155.260(b)(1). The Contractor therefore shall keep information obtained in the course of this Contract confidential in compliance with the ACA, including, without limitation, 45 C.F.R. § 155.260, and the Non-Exchange Entity Agreement incorporated into this Contract pursuant to Section 2.1, above. The Contractor agrees further to comply with any applicable State and federal confidentiality requirements regarding collection, maintenance, and use of health, personally identifiable, and financial information. This obligation includes providing training and information to employees regarding confidentiality obligations as to personally identifiable, and financial information and securing acknowledgement of these obligations from employees to be involved in the Contract. This obligation further includes restricting use and disclosure of the records, generally providing safeguards against misuse of information, keeping a record of any disclosures of information, providing all necessary procedural and legal protection for any disclosures of information, promptly responding to any requests by the Agency for information about its privacy practices in general or with respect to a particular individual, modifying information as may be required by good professional practice as authorized by law, and otherwise

providing good information management practices regarding all health, personally identifiable, and financial information.

9.3 Section 9 shall survive expiration or termination of this Contract.

## **10. Parent Company Guarantee (If Applicable)**

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

## **11. Non-Hiring of Employees**

No official or employee of the State, as defined under Md. Code Ann., General Provisions Article, § 5-101, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract, shall, during the pendency and term of this Contract and while serving as an official or employee of the State, become or be an employee of the Contractor or any entity that is a Subcontractor on this Contract.

## **12. Disputes**

- 12.1 As used herein, a "claim" means a written demand or assertion by one of the parties seeking, as a legal right, the payment of money, adjustment, or interpretation of contract terms, or other relief, arising under or relating to this Contract. A voucher, invoice, or request for payment that is not in dispute when submitted is not a claim. However, if the submission subsequently is not acted upon in a reasonable time, or is disputed as to liability or amount, it may be converted to claim for the purpose of this clause.
- 12.2 Within thirty (30) days of when the Contractor knows or should have known of the basis for a claim relating to the Contract, it shall file a written notice of claim on its letterhead to the Procurement Officer. Contemporaneously with, or within sixty (60) days after filing the notice of claim, the Contractor shall submit the written claim to the Procurement Officer. The Procurement Officer shall issue a final, written decision on the claim as expeditiously as possible. Any final decision of the Procurement Officer may award a Contract claim only for those expenses incurred not more than thirty (30) days before the contractor initially filed its notice of claim.
- 12.3 If the final decision of the Procurement Officer grants the claim in part and denies the claim in part, the MHBE shall pay the Contractor the undisputed amount. Payment of the partial claim

will not be construed as an admission of liability by the MHBE and does not preclude the MHBE from recovering the amount paid if a subsequent determination modifies the final decision.

- 12.4 Within thirty (30) days of receipt of the final decision of the Procurement Officer, the Contractor may file an appeal to the Executive Director of the MHBE for claims for monetary amounts less than \$75,000, and to the Board of Trustees for either claims for monetary amounts over \$75,000 or for claims involving non-monetary relief. If submitted to the Executive Director, a final decision resolving the appeal will be issued by the Executive Director. If submitted to the Board of Trustees, the Board of Trustees may determine that a hearing would assist in the resolution of any appeal. The Board of Trustees may elect to hold the hearing itself or may refer the matter for a hearing to a panel consisting of two or more members of the Board of Trustees or may refer the matter to a neutral decision maker. A final decision resolving the appeal will be issued by a vote of the Board of Trustees. The Contractor's timely appeal to the Executive Director or the Board of Trustees shall be a strict condition precedent to the contractor pursuing any legal rights which it alleges or which may exist in any other forum.
- 12.5 Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the Procurement Officer's decision.
- 12.6 Nothing in this section shall be construed to limit the MHBE's right to withhold payments from the Contractor, assess liquidated damages against the Contractor, direct the Contractor to perform pursuant to the terms of the Contract or any written change order, or to exercise any other rights allowed by Contract or at law.

### **13. Maryland Law**

- 13.1 This Contract shall be construed, interpreted, and enforced according to the laws of the State of Maryland.
- 13.2 The Md. Code Ann., Commercial Law Article, Title 22, Maryland Uniform Computer Information Transactions Act, does not apply to this Contract or to any purchase order or Notice to Proceed issued under this Contract.
- 13.3 Any and all references to the Maryland Code, Annotated contained in this Contract shall be construed to refer to such Code sections as are from time to time amended.

### **14. Multi-year Contracts Contingent Upon Appropriations**

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

amortized in the price of the Contract. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of this Contract for each succeeding fiscal period beyond the first

#### **15. Nondiscrimination in Employment**

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

#### **16. Contingent Fee Prohibition**

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

#### **17. Non-availability of Funding**

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

#### **18. Termination for Cause**

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



termination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

#### **19. Termination for Convenience**

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

#### **20. Suspension of Work**

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

#### **21. Delays and Extensions of Time**

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

#### **22. Financial Disclosure**

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

#### **23. Political Contribution Disclosure**

The Contractor shall comply with Md. Code Ann., Election Law Article, Title 14, which requires that every person that enters into a contract for a procurement with the State, a county, or a municipal

corporation, or other political subdivision of the State, during a calendar year in which the person receives a contract with a governmental entity in the amount of \$200,000 or more, shall, file with the State Board of Elections statements disclosing: (a) any contributions made during the reporting period to a candidate for elective office in any primary or general election; and (b) the name of each candidate to whom one or more contributions in a cumulative amount of \$500 or more were made during the reporting period. The statement shall be filed with the State Board of Elections: (a) before execution of a contract by the State, a county, a municipal corporation, or other political subdivision of the State, and shall cover the 24 months prior to when a contract was awarded; and (b) if the contribution is made after the execution of a contract, then twice a year, throughout the contract term, on: (i) February 5, to cover the six (6) month period ending January 31; and (ii) August 5, to cover the six (6) month period ending July 31. Additional information is available on the State Board of Elections website: [Campaign Finance \(maryland.gov\)](http://CampaignFinance.maryland.gov).

**24. Documents Retention and Inspection Clause**

25.1 The Contractor and Subcontractors shall retain and maintain all records and documents relating to this Contract for a period of ten (10) years after final payment by the State hereunder or any applicable statute of limitations or federal retention requirements, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the Procurement Officer or designee, at all reasonable times. All records related in any way to the Contract are to be retained for the entire time provided under this section. In the event of any audit, the Contractor shall provide assistance to the State, without additional compensation, to identify, investigate, and reconcile any audit discrepancies and/or variances.

25.2 This Section 25 shall survive expiration or termination of the Contract.

**25. Compliance with Laws**

The Contractor hereby represents and warrants that:

26.1 It is qualified to do business in the State and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;

26.2 It is not in arrears with respect to the payment of any monies due and owing the State, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;

26.3 It shall comply with all federal, State and local laws, regulations, and ordinances applicable to its activities and obligations under this Contract; and

26.4 It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

**26. Cost and Price Certification**

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



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

## **27. Subcontracting; Assignment**

The Contractor may not subcontract any portion of the services provided under this Contract without obtaining the prior written approval of the Procurement Officer, nor may the Contractor assign this Contract or any of its rights or obligations hereunder, without the prior written approval of the Procurement Officer provided, however, that a contractor may assign monies receivable under a contract after due notice to the State. Any subcontracts shall include such language as may be required in various clauses contained within this Contract, exhibits, and attachments. The Contract shall not be assigned until all approvals, documents, and affidavits are completed and properly registered. The State shall not be responsible for fulfillment of the Contractor's obligations to its Subcontractors.

## **28. Minority Business Enterprise Participation**

28.1 An overall MBE Subcontractor participation goal and subgoals have been established for this procurement as described in section 1.33 of the RFP.

## **29. Liquidated Damages**

- (a) This Contract requires the Contractor to make good faith efforts to comply with the MBE Program and Contract provisions. The State and the Contractor acknowledge and agree that the State will incur damages, including but not limited to loss of goodwill, detrimental impact on economic development, and diversion of internal staff resources, if the Contractor does not make good faith efforts to comply with the requirements of the MBE Program and MBE Contract provisions. The parties further acknowledge and agree that the damages the State might reasonably be anticipated to accrue as a result of such lack of compliance are difficult to ascertain with precision.
- (b) Therefore, upon a determination by the State that the Contractor failed to make good faith efforts to comply with one or more of the specified MBE Program requirements or Contract provisions, the Contractor agrees to pay liquidated damages to the State at the rates set forth below. The Contractor expressly agrees that the State may withhold payment on any invoices as a set-off against liquidated damages owed. The Contractor further agrees that for each specified violation, the agreed upon liquidated damages are reasonably proximate to the loss the State is anticipated to incur as a result of such violation.
  - (i) Failure to submit each monthly payment report in full compliance with COMAR 21.11.03.13B (3): \$37.00 per day until the monthly report is submitted as required.
  - (ii) Failure to include in its agreements with MBE Subcontractors a provision requiring submission of payment reports in full compliance with COMAR 21.11.03.13B (4): \$258.00 per MBE Subcontractor.

- (iii) Failure to comply with COMAR 21.11.03.12 in terminating, canceling, or changing the scope of work/value of a contract with an MBE Subcontractor and/or amendment of the MBE participation schedule: the difference between the dollar value of the MBE participation commitment on the MBE participation schedule for that specific MBE firm and the dollar value of the work performed by that MBE firm for the contract.
- (iv) Failure to meet the Contractor's total MBE participation goal and sub goal commitments: the difference between the dollar value of the total MBE participation commitment on the MBE participation schedule and the MBE participation actually achieved.
- (v) Failure to promptly pay all undisputed amounts to an MBE Subcontractor in full compliance with the prompt payment provisions of this Contract: \$37.00 per day until the undisputed amount due to the MBE Subcontractor is paid.

Notwithstanding the use of liquidated damages, the State reserves the right to terminate the Contract and exercise all other rights and remedies provided in the Contract or by law.

### 29.3 MBE Prompt Pay Requirements

To ensure compliance with certified MBE subcontract participation goals, the Department or Agency may, consistent with COMAR 21.11.03.13, take the following measures:

- (a) Verify that the certified MBEs listed in the MBE participation schedule actually are performing work and receiving compensation as set forth in the MBE participation schedule. This verification may include, as appropriate:
  - (i) Inspecting any relevant records of the Contractor;
  - (ii) Inspecting the jobsite; and
  - (iii) Interviewing Subcontractors and workers.
  - (iv) Verification shall include a review of:
    1. The Contractor's monthly report listing unpaid invoices over 30 days old from certified MBE Subcontractors and the reason for nonpayment; and
    2. The monthly report of each certified MBE Subcontractor, which lists payments received from the Contractor in the preceding 30 days and invoices for which the Subcontractor has not been paid.
- (b) If the Agency determines that the Contractor is in material noncompliance with MBE Contract provisions and refuses or fails to take the corrective action that the Agency requires, then the Agency may:
  - (i) Terminate the Contract;
  - (ii) Refer the matter to the Office of the Attorney General for appropriate action; or
  - (iii) Initiate any other specific remedy identified by this Contract.

- (c) Upon completion of the contract, but before final payment or release of retainage or both, the Contractor shall submit a final report, in affidavit form under the penalty of perjury, of all payments made to, or withheld from MBE Subcontractors.

## **29. Insurance Requirements**

The Contractor shall maintain workers' compensation coverage, and property and casualty insurance as required in the RFP. The minimum limits of such policies must meet any minimum requirements established by law and the limits of insurance required by the RFP, and shall cover losses resulting from or arising out of Contractor action or inaction in the performance of services under the Contract by the Contractor, its agents, servants, employees or Subcontractors. Effective no later than the date of execution of the Contract, and continuing for the duration of the Contract term, and any applicable renewal periods, the Contractor shall maintain such insurance coverage and shall report such insurance annually or upon Contract renewal, whichever is earlier, to the Procurement Officer. The Contractor is required to notify the Procurement Officer in writing, if policies are canceled or not renewed 35 days in advance of such cancellation and/or nonrenewal. Certificates of insurance evidencing this coverage shall be provided within five (5) days of notice of recommended award. All insurance policies shall be issued by a company properly authorized to do business in the State of Maryland. The State shall be named as an additional named insured on the property and casualty policy and as required in the RFP.

## **30. Liability**

For breach of this Contract, negligence, misrepresentation, or any other contract or tort claim, Contractor shall be liable as follows:

- 31.1 For infringement of patents, copyrights, trademarks, service marks, and/or trade secrets, as provided in Section 5 of this Contract;
- 31.2 Without limitation for damages for bodily injury (including death) and damage to real property and tangible personal property; and
- 31.3 For all other claims, damages, losses, costs, expenses, suits, or actions in any way related to this Contract, regardless of the form Contractor's liability for third party claims arising under Section 6 of this Contract shall be unlimited if the State is not immune from liability for claims arising under Section 6.

## **31. Commercial Nondiscrimination**

- 32.1 As a condition of entering into this Contract, Contractor represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described at Md. Code Ann., State Finance and Procurement Article, Title 19. As part of such compliance, Contractor may not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, sexual identity, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of Subcontractors, vendors, suppliers, or commercial customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. Contractor shall provide equal opportunity for

Subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that this clause does not prohibit or limit lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. Contractor understands that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification of Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.

- 32.2 The Contractor shall include the above Commercial Nondiscrimination clause, or similar clause approved by the MHBE, in all subcontracts.
- 32.3 As a condition of entering into this Contract, upon the request of the Commission on Civil Rights, and only after the filing of a complaint against Contractor under Md. Code Ann., State Finance and Procurement Article, Title 19, as amended from time to time, Contractor agrees to provide within sixty (60) days after the request a complete list of the names of all Subcontractors, vendors, and suppliers that Contractor has used in the past four (4) years on any of its contracts that were undertaken within the State of Maryland, including the total dollar amount paid by Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the State's Commercial Nondiscrimination Policy as set forth at Md. Code Ann., State Finance and Procurement Article, Title 19, and to provide any documents relevant to any investigation that are requested by the State. Contractor understands that violation of this clause is a material breach of this Contract and may result in contract termination, disqualification by the State from participating in State contracts, and other sanctions.

### 32. Contract Monitor and Procurement Officer

The work to be accomplished under this Contract shall be performed under the direction of the Contract Monitor. All matters relating to the interpretation of this Contract shall be referred to the Procurement Officer for determination.

### 33. Notices

Unless otherwise expressly specified elsewhere in the RFP, Non-Exchange Entity Agreement or other provision incorporated into this Contract, all notices hereunder shall be in writing and either delivered personally or sent by certified or registered mail, postage prepaid, as follows:

If to the State: Procurement Officer  
750 E. Pratt Street, 6th Floor,  
Baltimore, MD 21202  
hix.procurement@maryland.gov

If to the Contractor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**34. Federal Funds Requirements and Restrictions**

This Contract contains federal Medicaid Funds (CFDA number 93.778). Execution of this Contract indicates Contractor's agreement with all federal funding terms and conditions that apply to contractors receiving federal funds from the above referenced source, including but not limited to those required by 45 C.F.R. § 75.335, Appendix II to Part 75 of Title 45 of the Code of Federal Regulations and Attachment F of the RFP (including F-1 and F-2). Attachment F of the RFP is incorporated into this Contract pursuant to Section 2.1, above.

**35. Federal Funds Exclusion Requirements**

Contractor agrees that it will comply with federal laws (including §§ 1128 and 1156 of the Social Security Act and 42 CFR § 1001) that prohibit payments under certain federal healthcare programs to any individual or entity that is on the List of Excluded Individuals/Entities (LEIE) maintained by HHS. By executing this Contract, Contractor affirmatively declares that neither it nor any employee is, to the best of its knowledge, subject to exclusion. Contractor agrees, further, during the term of this Contract, to check the LEIE prior to hiring or assigning individuals to work on this Contract, and to notify MHBE immediately of any identification of Contractor or an individual employee as excluded, and of any HHS action or proposed action to exclude Contractor or any of Contractor's employees.

**36. Miscellaneous**

- 37.1 Any provision of this Contract which contemplates performance or observance subsequent to any termination or expiration of this contract shall survive termination or expiration of this contract and continue in full force and effect.
- 37.2 If any term contained in this contract is held or finally determined to be invalid, illegal, or unenforceable in any respect, in whole or in part, such term shall be severed from this contract, and the remaining terms contained herein shall continue in full force and effect, and shall in no way be affected, prejudiced, or disturbed thereby.

[Signatures on next page(s)]



[Signature page to Consolidated Service Center RFP]

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

CONTRACTOR	MARYLAND HEALTH BENEFIT EXCHANGE
_____	_____
By:	By: Michele Eberle, Executive Director
_____	Or designee:
Date	
	_____
	_____
	Date
Approved for form and legal sufficiency this ____ day of _____, 2022.  _____ Assistant Attorney General	

**ATTACHMENT B – BID/PROPOSAL AFFIDAVIT**

**A. AUTHORITY**

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

**B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION**

The undersigned Bidder/Offeror hereby certifies and agrees that the following information is correct: In preparing its Bid/Proposal on this project, the Bidder/Offeror has considered all Proposals submitted from qualified, potential Subcontractors and suppliers, and has not engaged in "discrimination" as defined in § 19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland.

"Discrimination" means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, Subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, sexual identity, or on the basis of disability or any otherwise unlawful use of characteristics regarding the vendor's, supplier's, or commercial customer's employees or owners. "Discrimination" also includes retaliating against any person or other entity for reporting any incident of "discrimination". Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the Bid/Proposal submitted by the Bidder/Offeror on this project, and terminate any contract awarded based on the Bid/Proposal. As part of its Bid/Proposal, the Bidder/Offeror herewith submits a list of all instances within the past 4 years where there has been a final adjudicated determination in a legal or administrative proceeding in the State of Maryland that the Bidder/Offeror discriminated against Subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Bidder/Offeror agrees to comply in all respects with the State's Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

**B-1. CERTIFICATION REGARDING MINORITY BUSINESS ENTERPRISES.**

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

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

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

C. AFFIRMATION REGARDING BRIBERY CONVICTIONS

I FURTHER AFFIRM THAT:

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

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D. AFFIRMATION REGARDING OTHER CONVICTIONS

I FURTHER AFFIRM THAT:

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

(1) Been convicted under state or federal statute of:

(a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or

(b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;

(2) Been convicted of any criminal violation of a state or federal antitrust statute;

(3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. § 1961 et seq., or the Mail Fraud Act, 18 U.S.C. § 1341 et seq., for acts in connection with the submission of Bids/Proposals for a public or private contract;

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

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

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

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



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

(9) Been convicted of a violation of one or more of the following provisions of the Internal Revenue Code:

(a) §7201, Attempt to Evade or Defeat Tax;

(b) §7203, Willful Failure to File Return, Supply Information, or Pay Tax,

(c) §7205, Fraudulent Withholding Exemption Certificate or Failure to Supply Information,

(d) §7205, Fraud and False Statements, or

(e) §7207, Fraudulent Returns, Statements, or Other Documents;

(10) Been convicted of a violation of 18 U.S.C. §286, Conspiracy to Defraud the Government with Respect to Claims, 18 U.S.C. §287, False, Fictitious, or Fraudulent Claims, or 18 U.S.C. §371, Conspiracy to Defraud the United States;

(11) Been convicted of a violation of the Tax-General Article, Title 13, Subtitle 7 or Subtitle 10, Annotated Code of Maryland;

(12) Been found to have willfully or knowingly violated State Prevailing Wage Laws as provided in the State Finance and Procurement Article, Title 17, Subtitle 2, Annotated Code of Maryland, if:

(a) A court:

(i) Made the finding; and

(ii) Decision became final; or

(b) The finding was:

(i) Made in a contested case under the Maryland Administrative Procedure Act; and

(ii) Not overturned on judicial review;

(13) Been found to have willfully or knowingly violated State Living Wage Laws as provided in the State Finance and Procurement Article, Title 18, Annotated Code of Maryland, if:

(a) A court:

(i) Made the finding; and

(ii) Decision became final; or

(b) The finding was:

(i) Made in a contested case under the Maryland Administrative Procedure Act; and

(ii) Not overturned on judicial review;

(14) Been found to have willfully or knowingly violated the Labor and Employment Article, Title 3, Subtitles 3, 4, or 5, or Title 5, Annotated Code of Maryland, if:

(a) A court:

(i) Made the finding; and

(ii) Decision became final; or

(b) The finding was:

(i) Made in a contested case under the Maryland Administrative Procedure Act; and

(ii) Not overturned on judicial review; or

(15) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§ B and C and subsections D(1)—(14) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

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#### E. AFFIRMATION REGARDING DEBARMENT

I FURTHER AFFIRM THAT:

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

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#### F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES

I FURTHER AFFIRM THAT:

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

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

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#### G. SUBCONTRACT AFFIRMATION

I FURTHER AFFIRM THAT:

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

#### H. AFFIRMATION REGARDING COLLUSION

##### I FURTHER AFFIRM THAT:

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

- (1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying Bid/Proposal that is being submitted;
- (2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the Bid/Proposal price of the Bidder/Offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying Bid/Proposal is submitted.

#### I. CERTIFICATION OF TAX PAYMENT

##### I FURTHER AFFIRM THAT:

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

#### J. CONTINGENT FEES

##### I FURTHER AFFIRM THAT:

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

#### K. CERTIFICATION REGARDING INVESTMENTS IN IRAN

(1) The undersigned certifies that, in accordance with State Finance and Procurement Article, §17-705, Annotated Code of Maryland:

(a) It is not identified on the list created by the Board of Public Works as a person engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland; and

(b) It is not engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland.

2. The undersigned is unable to make the above certification regarding its investment activities in Iran due to the following activities: \_\_\_\_\_



**L. CONFLICT MINERALS ORIGINATED IN THE DEMOCRATIC REPUBLIC OF CONGO (FOR SUPPLIES AND SERVICES CONTRACTS)**

**I FURTHER AFFIRM THAT:**

The business has complied with the provisions of State Finance and Procurement Article, §14-413, Annotated Code of Maryland governing proper disclosure of certain information regarding conflict minerals originating in the Democratic Republic of Congo or its neighboring countries as required by federal law.

**M. I FURTHER AFFIRM THAT:**

Any claims of environmental attributes made relating to a product or service included in the Bid or Proposal are consistent with the Federal Trade Commission's Guides for the Use of Environmental Marketing Claims as provided in 16 CFR §260, that apply to claims about the environmental attributes of a product, package, or service in connection with the marketing, offering for sale, or sale of such item or service.

**N. ACKNOWLEDGEMENT**

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

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

Date: \_\_\_\_\_

By: \_\_\_\_\_ (print name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)

**SUBMIT THIS AFFIDAVIT WITH BID/PROPOSAL**

**ATTACHMENT C – CONTRACT AFFIDAVIT**

**A. AUTHORITY**

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

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

**I FURTHER AFFIRM THAT:**

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

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

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

Name and Department ID

Number: \_\_\_\_\_ Address: \_\_\_\_\_

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

Name and Department ID

Number: \_\_\_\_\_ Address: \_\_\_\_\_

**C. FINANCIAL DISCLOSURE AFFIRMATION**

**I FURTHER AFFIRM THAT:**

I am aware of, and the above business will comply with, the provisions of State Finance and Procurement Article, §13-221, Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the



Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

#### D. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, Title 14, Annotated Code of Maryland, which requires that every person that enters into a contract for a procurement with the State, a county, or a municipal corporation, or other political subdivision of the State, during a calendar year in which the person receives a contract with a governmental entity in the amount of \$200,000 or more, shall file with the State Board of Elections statements disclosing: (a) any contributions made during the reporting period to a candidate for elective office in any primary or general election; and (b) the name of each candidate to whom one or more contributions in a cumulative amount of \$500 or more were made during the reporting period. The statement shall be filed with the State Board of Elections: (a) before execution of a contract by the State, a county, a municipal corporation, or other political subdivision of the State, and shall cover the 24 months prior to when a contract was awarded; and (b) if the contribution is made after the execution of a contract, then twice a year, throughout the contract term, on: (i) February 5, to cover the six (6) month period ending January 31; and (ii) August 5, to cover the six (6) month period ending July 31.

#### E. DRUG AND ALCOHOL FREE WORKPLACE

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

I CERTIFY THAT:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(4) I acknowledge and agree that:

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

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

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

#### F. CERTAIN AFFIRMATIONS VALID

##### I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Bid/Proposal Affidavit dated \_\_\_\_\_, 201\_\_\_\_, and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

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

Date: \_\_\_\_\_

By: \_\_\_\_\_ (printed name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)





**ATTACHMENT D – PRE-PROPOSAL CONFERENCE RESPONSE FORM**

**Solicitation Number BPM028490**

**MHBE Consolidated Service Center**

Return via e-mail or fax this form to the Procurement Officer:

Maryland Health Benefit Exchange

750 East Pratt Street, 6<sup>th</sup> Floor

Baltimore, MD 21202

Email: [hix.procurement@maryland.gov](mailto:hix.procurement@maryland.gov)

**DATE/Time - March 23, 2022, 1:00 PM Local Time**

**PLACE - Virtual - Link will be provided.**

Please indicate:

Yes, the following representatives will be in attendance:

- 1.
- 2.
- 3.

No, we will not be in attendance.

Please specify whether any reasonable accommodations are requested (see RFP § 1.7 “Pre-Proposal Conference”):

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Signature

Title

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Name of Firm (please print)



## **ATTACHMENT E - FINANCIAL PROPOSAL FORM**

Provided as a separate Excel Document

Submit in both an Excel and PDF format

## **ATTACHMENT E1- FINANCIAL PROPOSAL INSTRUCTIONS**

Provided as a separate Excel Document

Submit as both an Excel and PDF format

## **Attachment F. Federal Funds Attachments**

### **A Summary of Certain Federal Fund Requirements and Restrictions**

1. Form and rule enclosed: 18 U.S.C. 1913 and Section 1352 of P.L. 101-121 require that all prospective and present sub-grantees (this includes all levels of funding) who receive more than \$100,000 in federal funds must submit the form “Certification Against Lobbying.” It assures, generally, that recipients will not lobby federal entities with federal funds, and that, as is required, they will disclose other lobbying on form SF- LLL.
2. Form and instructions enclosed: “Form LLL, Disclosure of Lobbying Activities” must be submitted by those receiving more than \$100,000 in federal funds, to disclose any lobbying of federal entities (a) with profits from federal contracts or (b) funded with nonfederal funds.
3. Form and summary of Act enclosed: Sub-recipients of federal funds on any level must complete a “Certification Regarding Environmental Tobacco Smoke,” required by Public Law 103-227, the Pro-Children Act of 1994. Such law prohibits smoking in any portion of any indoor facility owned or leased or contracted for regular provision of health, day care, early childhood development, education, or library services for children under the age of 18. Such language must be included in the conditions of award (they are included in the certification, which may be part of such conditions.) This does not apply to those solely receiving Medicaid or Medicare, or facilities where WIC coupons are redeemed.
4. In addition, federal law requires that:
  - A) Title 2 of the Code of Federal Regulations (CFR) 200, specifically Subpart D, requires that grantees (both recipients and sub-recipients) which expend a total of \$750,000 in federal assistance shall have a single or program-specific audit conducted for that year in accordance with the provisions of the Single Audit Act of 1984, P.L. 98-502, and the Single Audit Act Amendments of 1996, P.L. 104-156 and Title 2 CFR 200, Subpart D. All sub-grantee audit reports, performed in compliance with Title 2 CFR 200 shall be forwarded within 30 days of report issuance to the Contract Monitor.
  - B) All sub-recipients of federal funds comply with Sections 503 and 504 of the Rehabilitation Act of 1973, the conditions of which are summarized in item (C).
  - C) Recipients of \$10,000 or more (on any level) must include in their contract language the requirements of Sections 503 (language specified) and 504 referenced in item (B).

Section 503 of the Rehabilitation Act of 1973, as amended, requires recipients to take affirmative action to employ and advance in employment qualified disabled people. An affirmative action program must be prepared and maintained by all contractors with 50 or more employees and one or more federal contracts of \$50,000 or more.

This clause must appear in subcontracts of \$10,000 or more:

- 1) The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 2) The contractor agrees to comply with the rules, regulations, and relevant orders of the secretary of labor issued pursuant to the act.

- 3) In the event of the contractor's non-compliance with the requirements of this clause, actions for non-compliance may be taken in accordance with the rules, regulations and relevant orders of the secretary of labor issued pursuant to the act.
- 4) The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the director, provided by or through the contracting office. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.
- 5) The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
- 6) The contractor will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the [federal] secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for non-compliance.

Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 791 et seq.) prohibits discrimination on the basis of handicap in all federally assisted programs and activities. It requires the analysis and making of any changes needed in three general areas of operation- programs, activities, and facilities and employment. It states, among other things, that:

*Grantees that provide health ... services should undertake tasks such as ensuring emergency treatment for the hearing impaired and making certain that persons with impaired sensory or speaking skills are not denied effective notice with regard to benefits, services, and waivers of rights or consents to treatments.*

- D) All sub-recipients comply with Title VI of the Civil Rights Act of 1964 that they must not discriminate in participation by race, color, or national origin.
- E) All sub-recipients of federal funds from SAMHSA (Substance Abuse and Mental Health Services Administration) or NIH (National Institute of Health) are prohibited from paying any direct salary at a rate more than Executive Level II of the Federal Executive pay scale, per year. (This includes, but is not limited to, sub-recipients of the Substance Abuse Prevention and Treatment and the Community Mental Health Block Grants and NIH research grants.)
- F) There may be no discrimination on the basis of age, according to the requirements of the Age Discrimination Act of 1975.
- G) For any education program, as required by Title IX of the Education Amendments of 1972, there may be no discrimination on the basis of sex.
- H) For research projects, a form for Protection of Human Subjects (Assurance/ Certification/ Declaration) should be completed by each level funded, assuring that either: (1) there are no human subjects involved, or (2) an Institutional Review Board (IRB) has given its formal approval before human subjects are involved in research. [This is normally performed during the application process rather than after the award is made, as with other assurances and certifications.]

- I) In addition, there are conditions, requirements, and restrictions which apply only to specific sources of federal funding. These should be included in your grant/contract documents when applicable.
- J) National Defense Authorization Act of 2019 (NDAA). The NDAA prohibits the use of federal funds to cover the cost of equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system or critical technology as part of any system. Section 889 of the NDAA defines “covered telecommunications or services” to mean telecommunications and video surveillance equipment or services produced by Huawei Technologies Company, ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities). “Covered telecommunications equipment or services” also includes telecommunications or video surveillance equipment or services provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity that is owned or controlled by the government of a covered foreign country, i.e. The Republic of China.

**F-1**  
**CERTIFICATION REGARDING LOBBYING**

**Certification for Contracts, Grants, Loans, and Cooperative Agreements**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Award No.	Organizational Entry
Name and Title of Official Signing for Organizational Entry	Telephone No. Of Signing Official
Signature of Above Official	Date Signed

**F-2**  
**DISCLOSURE OF LOBBYING ACTIVITIES**

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

<b>1. Type of Federal Action:</b> <input type="checkbox"/> a. Contract <input type="checkbox"/> b. Grant <input type="checkbox"/> c. Cooperative Agreement <input type="checkbox"/> d. Loan <input type="checkbox"/> e. Loan guarantee <input type="checkbox"/> f. Loan insurance	<b>2. Status of Federal Action:</b> <input type="checkbox"/> a. Bid/Offer/application <input type="checkbox"/> b. Initial award <input type="checkbox"/> c. Post-award	<b>3. Report Type:</b> <input type="checkbox"/> a. Initial filing <input type="checkbox"/> b. Material change  For Material Change Only: Year _____ quarter _____ Date of last report _____
<b>4. Name and Address of Reporting Entity:</b>  <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, <i>if known</i> : _____		<b>5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:</b>  Congressional District, <i>if known</i> : _____
<b>6. Federal Department/Agency:</b> _____		<b>7. Federal Program Name/Description:</b>  CFDA Number, <i>if applicable</i> : _____
<b>8. Federal Action Number, if known:</b> _____		<b>9. Award Amount, if known:</b> \$ _____
<b>10. a. Name and Address of Lobbying Registrant</b> <i>(if individual, last name, first name, MI):</i> _____		<b>b. Individuals Performing Services</b> <i>(including address if different from No. 10a) (last name, first name, MI):</i> _____
<b>11. Amount of Payment</b> <i>(check all that apply)</i> \$ _____ <input type="checkbox"/> actual <input type="checkbox"/> planned		<b>13. Type of Payment</b> <i>(check all that apply)</i> <input type="checkbox"/> a. retainer <input type="checkbox"/> b. one-time <input type="checkbox"/> c. commission <input type="checkbox"/> d. contingent fee <input type="checkbox"/> e. deferred <input type="checkbox"/> f. other; specify: _____
<b>12. Form of Payment</b> <i>(check all that apply)</i> <input type="checkbox"/> a. cash <input type="checkbox"/> b. in-kind, specify: nature: _____ value: _____		
<b>14. Brief Description of Services Performed or to be Performed and Date(s) of Service, including officer(s), employee(s), or Member(s) contacted, for Payment Indicated in Item 11:</b>  (attach Continuation Sheet(s) SF-LLLA, if necessary)		
<b>15. Continuation Sheet(s) SF-LLLA attached:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No		
16. Information requested through this form is authorized by title 31 U.S.C. Section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.		Signature: _____  Print Name: _____  Title: _____  Telephone No.: _____  Date: _____
<b>Federal Use Only</b>		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether sub-awardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. Section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or sub-award recipient. Identify the tier of the sub-awardee, e.g., the first sub-awardee of the prime is the 1st tier. Sub-awards include but are not limited to subcontracts, sub-grants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Sub-awardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
11. (b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
12. The certifying official shall sign and date the form and print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

Public Law 103-227, also known as the Pro Children Act of 1994, Part C Environmental Tobacco Smoke, requires that smoking not be permitted in any portion of any indoor facility owned, or leased or contracted for by an entity and used routinely or regularly for provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated or maintained with such federal funds. The law does not apply to children's services provided in private residences, portions of facilities used for inpatient drug or alcohol treatment, service providers whose sole sources of applicable federal funds is Medicare or Medicaid, or facilities where WIC coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing this certification, the Offeror/contractor (for acquisitions) or applicant/grantee (for grants) certifies that the submitting organization will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

The submitting organization further agrees that it will require the language of this certification be included in any sub-awards which contain provisions for children's services and that all sub-recipients shall certify accordingly.

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Signature of Authorized Certifying Individual

**ATTACHMENT G – CONFLICT OF INTEREST AFFIDAVIT AND DISCLOSURE**

**Reference COMAR 21.05.08.08, Incorporated Herein**

A. "Conflict of interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the State, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage.

B. "Person" has the meaning stated in COMAR 21.01.02.01B(64) and includes a Bidder/Offeror, Contractor, consultant, or Subcontractor or sub-consultant at any tier, and also includes an employee or agent of any of them if the employee or agent has or will have the authority to control or supervise all or a portion of the work for which a Bid/Proposal is made.

C. The Bidder/Offeror warrants that, except as disclosed in §D, below, there are no relevant facts or circumstances now giving rise or which could, in the future, give rise to a conflict of interest.

D. The following facts or circumstances give rise or could in the future give rise to a conflict of interest (explain in detail—attach additional sheets if necessary):

E. The Bidder/Offeror agrees that if an actual or potential conflict of interest arises after the date of this affidavit, the Bidder/Offeror shall immediately make a full disclosure in writing to the Procurement Officer of all relevant facts and circumstances. This disclosure shall include a description of actions which the Bidder/Offeror has taken and proposes to take to avoid, mitigate, or neutralize the actual or potential conflict of interest. If the contract has been awarded and performance of the contract has begun, the Contractor shall continue performance until notified by the Procurement Officer of any contrary action to be taken.

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

Date:\_\_\_\_\_ By:\_\_\_\_\_

(Authorized Representative and Affiant)

**Submit This Affidavit with Bid/Proposal**

## ATTACHMENT H – NON-DISCLOSURE AGREEMENT

THIS NON-DISCLOSURE AGREEMENT (“Agreement”) is made by and between the  
Maryland Health Benefit Exchange (“MHBE”) , and  
\_\_\_\_\_ ( the “Contractor”).

### RECITALS

**WHEREAS**, the Contractor has been awarded a contract (the “Contract”) following the solicitation for Systems Operations Support for the HBX, Solicitation #MDM0031023850 (the “RFP”); and

**WHEREAS**, in order for the Contractor to perform the work required under the Contract, it will be necessary for the State at times to provide the Contractor and the Contractor’s employees, agents, and Subcontractors (collectively the “Contractor’s Personnel”) with access to certain information the State deems confidential information (the “Confidential Information”).

**NOW, THEREFORE**, in consideration of being given access to the Confidential Information in connection with the solicitation and the Contract, and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties do hereby agree as follows:

1. Regardless of the form, format, or media on or in which the Confidential Information is provided and regardless of whether any such Confidential Information is marked as such, Confidential Information means (1) any and all information provided by or made available by the State to the Contractor in connection with the Contract and (2) any and all Personally Identifiable Information (PII) (including but not limited to personal information as defined in Md. Ann. Code, State Govt. §10-1301), PII protected under 45 C.F.R. § 155.260 and Protected Health Information (PHI) that is provided by a person or entity to the Contractor in connection with this Contract. Confidential Information includes, by way of example only, information that the Contractor views, takes notes from, copies (if the State agrees in writing to permit copying), possesses or is otherwise provided access to and use of by the State in relation to the Contract.

2. Contractor shall not, without the MHBE’s prior written consent, copy, disclose, publish, release, transfer, disseminate, use, or allow access for any purpose or in any form, any Confidential Information except for the sole and exclusive purpose of performing under the Contract. Contractor shall limit access to the Confidential Information to the Contractor’s Personnel who have a demonstrable need to know such Confidential Information in order to perform under the Contract and who have agreed in writing to be bound by the disclosure and use limitations pertaining to the

Confidential Information. The names of the Contractor's Personnel are attached hereto and made a part hereof as ATTACHMENT I-1. Contractor shall update ATTACHMENT I-1 by adding additional names (whether Contractor's personnel or a subcontractor's personnel) as needed, from time to time.

3. If the Contractor intends to disseminate any portion of the Confidential Information to non-employee agents who are assisting in the Contractor's performance of the Contract or who will otherwise have a role in performing any aspect of the Contract, the Contractor shall first obtain the written consent of the State to any such dissemination. The State may grant, deny, or condition any such consent, as it may deem appropriate in its sole and absolute subjective discretion.

4. Contractor hereby agrees to hold the Confidential Information in trust and in strictest confidence, to adopt or establish operating procedures and physical security measures, and to take all other measures necessary to protect the Confidential Information from inadvertent release or disclosure to unauthorized third parties and to prevent all or any portion of the Confidential Information from falling into the public domain or into the possession of persons not bound to maintain the confidentiality of the Confidential Information, including those set forth in the Non-Exchange Entity Agreement between the Parties pursuant to the above RFP (the "Non-Exchange Entity Agreement"). For the avoidance of doubt, should any provisions of this Non-Disclosure Agreement conflict with those in the Non-Exchange Entity Agreement, the provisions of the Non-Exchange Entity Agreement shall control.

5. Contractor shall promptly advise the MHBE if it learns of any unauthorized use, misappropriation, or disclosure of the Confidential Information by any of the Contractor's Personnel or the Contractor's former Personnel. Contractor shall, at its own expense, cooperate with the State in seeking injunctive or other equitable relief against any such person(s). Should the Confidential Information constitute PII, as that term is defined in the Non-Exchange Entity Agreement, Contractor shall follow the procedures set forth therein for notifying the MHBE. Should the Confidential Information be other than PII, the Contractor shall notify the MHBE in writing.

6. Contractor shall, at its own expense, return to the MHBE all copies of the Confidential Information in its care, custody, control or possession upon request of the MHBE or on termination of the Contract. Should the Confidential Information constitute PII, the Contractor shall comply with the provisions of the Non-Exchange Entity Agreement regarding preservation, return or deletion of the Confidential Information. Unless otherwise instructed by the MHBE's Chief Compliance Officer, Contractor shall complete and submit ATTACHMENT I-2 when returning the Confidential Information to the MHBE. Contractor agrees it shall cooperate with the MHBE's Chief Compliance Officer with respect to whether to delete or retain, for the period specified in the Contract or required by applicable law, any Confidential Information stored electronically or otherwise held by the Contractor.

7. A breach of this Agreement by the Contractor or by the Contractor's Personnel shall constitute a breach of the Contract between the Contractor and the State.

8. Contractor acknowledges that any failure by the Contractor or the Contractor's Personnel to abide by the terms and conditions of use of the Confidential Information may cause irreparable harm to the State and that monetary damages may be inadequate to compensate the State for such breach. Accordingly, the Contractor agrees that the State may obtain an injunction to prevent the disclosure, copying or improper use of the Confidential Information. The Contractor consents to personal

jurisdiction in the Maryland State Courts. The State's rights and remedies hereunder are cumulative and the State expressly reserves any and all rights, remedies, claims and actions that it may have now or in the future to protect the Confidential Information and to seek damages from the Contractor and the Contractor's Personnel for a failure to comply with the requirements of this Agreement. In the event the State suffers any losses, damages, liabilities, expenses, or costs (including, by way of example only, attorneys' fees and disbursements) that are attributable, in whole or in part to any failure by the Contractor or any of the Contractor's Personnel to comply with the requirements of this Agreement, the Contractor shall hold harmless and indemnify the State from and against any such losses, damages, liabilities, expenses, and costs.

9. Contractor and each of the Contractor's Personnel who receive or have access to any Confidential Information shall execute a copy of an agreement substantially similar to this Agreement, in no event less restrictive than as set forth in this Agreement, and the Contractor shall provide originals of such executed Agreements to the State.

10. The parties further agree that:

- a. This Agreement shall be governed by the laws of the State of Maryland;
- b. The rights and obligations of the Contractor under this Agreement may not be assigned or delegated, by operation of law or otherwise, without the prior written consent of the MHBE;
- c. The State makes no representations or warranties as to the accuracy or completeness of any Confidential Information;
- d. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement;
- e. Signatures exchanged by facsimile are effective for all purposes hereunder to the same extent as original signatures;
- f. The Recitals are not merely prefatory but are an integral part hereof; and
- g. The effective date of this Agreement shall be the same as the effective date of the Contract entered into by the parties.

**IN WITNESS WHEREOF**, the parties have, by their duly authorized representatives, executed this Agreement as of the day and year first above written.

Contractor: \_\_\_\_\_ (MHBE)



By: \_\_\_\_\_ (SEAL)

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## NON-DISCLOSURE AGREEMENT – ATTACHMENT H-2

### CERTIFICATION TO ACCOMPANY RETURN OR DELETION OF CONFIDENTIAL INFORMATION

I AFFIRM THAT:

To the best of my knowledge, information, and belief, and upon due inquiry, I hereby certify that: (i) all Confidential Information which is the subject matter of that certain Non-Disclosure Agreement by and between the Maryland Health Benefit Exchange and \_\_\_\_\_ (“Contractor”) dated \_\_\_\_\_, 20\_\_\_\_ (“Agreement”) is attached hereto and is hereby returned to the MHBE in accordance with the terms and conditions of the Agreement; and (ii) I am legally authorized to bind the Contractor to this affirmation. Any and all Confidential Information that was stored electronically by me has been permanently deleted from all of my systems or electronic storage devices where such Confidential Information may have been stored.

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

DATE: \_\_\_\_\_

NAME OF CONTRACTOR: \_\_\_\_\_

BY: \_\_\_\_\_

(Signature)

TITLE: \_\_\_\_\_

(Authorized Representative and Affiant)



**MARYLAND HEALTH BENEFIT EXCHANGE  
ATTACHMENT I - NON-EXCHANGE ENTITY AGREEMENT**

This Non-Exchange Entity Agreement (this “Agreement”) is made by and between the Maryland Health Benefit Exchange, a public corporation and independent unit of the government of the State of Maryland (“MHBE”) and \_\_\_\_\_ (the “Non-Exchange Entity”), as of the Effective Date defined below. Each of MHBE and the Non-Exchange Entity is a “Party” to this Agreement and shall collectively be known as the “Parties”.

**RECITALS**

WHEREAS, MHBE is a state-based exchange established pursuant to the Patient Protection and Affordable Care Act of 2010 (Pub. L. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Public Law No. 111-152) (together with regulations promulgated pursuant thereto, the “ACA”), and particularly pursuant to 45 C.F.R. § 155.100, as well as pursuant to Title 31 of the Insurance Article of the Maryland Code Annotated, and

WHEREAS, the Non-Exchange Entity submitted a proposal in response to that certain Maryland Health Benefit Exchange Request for Proposals: Consolidated Service Center, Solicitation No. \_\_\_\_\_ (the “RFP”); and

WHEREAS, the Non-Exchange Entity has been notified of award or awarded a contract (the “Underlying Agreement”) pursuant to the RFP; and

WHEREAS, the execution of this Agreement is required pursuant to the RFP, which is incorporated into the Underlying Agreement and is a part thereof; and

WHEREAS, MHBE and the Non-Exchange Entity enter into this Agreement effective as of the effective date of the Underlying Agreement (the “Effective Date”), pursuant to which the Non-Exchange Entity shall provide services to perform the functions set forth in the Underlying Agreement, as well as in any subsequent Task Orders issued pursuant to the Underlying Agreement; and

WHEREAS, the relationship between MHBE and the Non-Exchange Entity shall involve access to Personally Identifiable Information (“PII”), as that term is

defined herein, for purposes authorized under the ACA and, more particularly, under 45 C.F.R. §155.200; and

WHEREAS, the Non-Exchange Entity's access to PII submitted to the Exchange shall make the entity a "Non-Exchange Entity", as that term is defined in 45 C.F.R. §155.260(b)(1); and

WHEREAS, for good and lawful consideration as set forth in the Underlying Agreement, MHBE and the Non-Exchange Entity each acknowledge and agree that they enter into this Agreement for the purposes, among others as may be detailed herein, of ensuring the confidentiality, privacy and security of data accessed by the Non-Exchange Entity or exchanged between the Parties under this Agreement and compliance with the requirements of the ACA, including 45 C.F.R. §155.260(b)(2) and, regardless of whether otherwise applicable to the Non-Exchange Entity, 45 C.F.R. §155.270(a); and

WHEREAS, this Agreement supersedes and replaces any and all Business Associate Agreements, Data Use Agreements or Non-Exchange Entity Agreements the Non-Exchange Entity and MHBE may have entered into prior to the date hereof;

NOW THEREFORE, the premises having been considered with acknowledgement of the mutual promises and of other good and valuable consideration herein contained, the Parties, intending to be legally bound, hereby agree as follows:

## AGREEMENT

- A. **Recitals.** The Recitals are true and correct in all respects, are incorporated into this Agreement and form a part of this Agreement.
- B. **Definitions.** For purposes of this Agreement, the Parties agree that the following definitions apply, regardless of whether the identified word is capitalized herein:
  - 1. **"Breach"** shall mean the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, or any similar occurrence where (1) a person other than an authorized user accesses or potentially accesses personally identifiable information or (2) an authorized user accesses or potentially accesses personally identifiable information for an other than authorized purpose (as defined by OMB Memorandum M-17-12 (Jan. 3, 2017)).

2. “Incident” means an occurrence that (1) actually or imminently jeopardizes, without lawful authority, the integrity, confidentiality, or availability of information or an information system; or (2) constitutes a violation or imminent threat of violation of law, security policies, security procedures, or acceptable use policies (as defined by OMB Memorandum M-17-12).
  3. “Personally Identifiable Information” or “PII” shall mean personally identifiable information as defined by OMB Memorandum M-17-12 (January 3, 2017) (“PII refers to information that can be used to distinguish or trace an individual’s identity, either alone or when combined with other information that is linked or linkable to a specific individual”).
  4. “Unsecured PII” shall include, but not be limited to, electronic PII that is not encrypted by use of an algorithmic process to transform data into a form in which there is a low probability of assigning meaning without use of a confidential process or key.
- C. **Permitted Uses and Disclosure of PII by the Non-Exchange Entity.**
1. Non-Exchange Entity may only use or disclose PII as necessary to perform the services set forth in the Underlying Agreement or as required by law.
  2. Non-Exchange Entity agrees to limit uses, disclosures and requests for PII to the minimum necessary to accomplish its intended purposes.
  3. Non-Exchange Entity shall not use or disclose PII in a manner that would violate 45 C.F.R. § 155.260 if done by MHBE.
  4. Except as otherwise limited in this Agreement, Non-Exchange Entity agrees to disclose PII for the proper management and administration, or legal responsibilities of the Non-Exchange Entity only when (i) such disclosures are required by law, or (ii) Non-Exchange Entity obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Non-Exchange Entity of any instances of which it is aware in which the confidentiality of the information has been breached.

5. Non-Exchange Entity shall not directly or indirectly receive remuneration in exchange for any PII of an individual. For the avoidance of doubt, this provision shall not preclude Non-Exchange Entity from receiving payment for the provision of services set forth in the Underlying Agreement or that are required by law.
6. Non-Exchange Entity shall not use or disclose PII for the purposes of marketing a product or service unless necessary to perform the services set forth in the Underlying Agreement or required by law. For the purposes of this provision, “marketing” shall mean a communication about a product or service that encourages recipients of the communication to purchase or use the product or service.

**D. Duties of the Non-Exchange Entity Relative to PII.**

1. The Non-Exchange Entity shall not use or disclose PII other than as permitted or required by the Agreement or as required by law.
2. The Non-Exchange Entity shall use appropriate administrative, technical and physical safeguards to protect the privacy of PII including, without limitation, by storing electronic PII in encrypted format.
3. Non-Exchange Entity shall use privacy and security standards at least as protective as MHBE has established and implemented for itself. For example, and without limitation, Non-Exchange Entity shall comply with the standards, implementation specifications, operating rules, and code sets adopted in 45 C.F.R. Parts 160 and 162, regardless of whether otherwise made applicable to Non-Exchange Entity pursuant to 45 C.F.R. § 155.270(a), to provide for the secure exchange of PII and to prevent use or disclosure of PII other than as provided in the Agreement. Further, Non-Exchange Entity shall:
  - a. comply with the latest version of Minimum Acceptable Risk Safeguards for Exchanges (MARS-E) – currently MARS-E V2.2.
  - b. Implement administrative, physical and technical safeguards to protect PII accessed pursuant to this Agreement and the Underlying Agreement from loss, theft or inadvertent disclosure.
  - c. Safeguard PII at all times, regardless of whether or not the Non-Exchange Entity’s employee, contractor, or agent is at his or her regular duty station.
  - d. Ensure that laptops and other electronic devices/media containing PII are encrypted, session locked and password protected.

- e. Send emails containing PII only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
  - f. Apply data encryption to protect MHBE data, especially PII, from improper disclosure or alteration.
  - g. Apply FIPS 140-2/3 cryptographic mechanisms to protect information during transmissions for data at rest and in transit. Allow for the creation of a secure connection before sharing private data.
  - h. Limit disclosure of the information and details relating to a PII loss only to those with a need to know.
  - i. Restrict access to PII only to those authorized employees, contractors, and agents who need such data to perform their official duties in connection with purposes identified in this Agreement and the Underlying Agreement; such restrictions shall include, at a minimum, role-based access that limits access to those individuals who need it to perform their official duties in connection with the uses of data authorized in this Agreement and the Underlying Agreement (“authorized users”). Further, the Non-Exchange Entity shall advise all users who will have access to the data provided under this Agreement and the Underlying Agreement of the confidential nature of the data, the safeguards required to protect the data, and the civil and criminal sanctions for noncompliance contained in the applicable State and federal laws.
4. Non-Exchange Entity shall monitor, periodically assess, and update its security controls and related system risks, to ensure the continued effectiveness of those controls.
  5. Non-Exchange Entity shall inform MHBE of any change in its administrative, technical or operational environments to the extent any are material in the Underlying Agreement.
  6. Non-Exchange Entity shall require any agents or downstream entities to which access to PII is granted in connection with the Underlying Agreement to adhere to the same privacy and security standards and obligations to which Non-Exchange Entity hereby agrees.
  7. Non-Exchange Entity shall report to MHBE any use or disclosure of PII not permitted by this Agreement or required by law, including any Breaches of PII of which it becomes aware. Non-Exchange Entity further agrees to report to MHBE any Incident of which it becomes aware without unreasonable delay, and in no case later than five (5)

calendar days after the Incident. Further, Non- Exchange Entity shall report all suspected or confirmed Incidents involving loss or suspected loss of PII to MHBE within *one* (1) hour of discovery.

8. If the use or disclosure amounts to a Breach of Unsecured PII, the Non-Exchange Entity shall ensure its report:

- a. Is made to MHBE without unreasonable delay and in no case later than fifteen (15) calendar days after the Incident constituting the Breach is first known, except where a law enforcement official determines that a notification would impede a criminal investigation or cause damage to national security. For the avoidance of doubt, Non-Exchange Entity must notify MHBE of an incident involving the acquisition, access, use or disclosure of PII in a manner not permitted under 45

C.F.R. § 155.260 or this Agreement within five (5) calendar days after an Incident even if Non- Exchange Entity has not conclusively determined within that time that the Incident constitutes a Breach as defined by this Agreement;

- b. Includes the names of the individuals whose unsecured PII has been, or is reasonably believed to have been, the subject of a Breach;
- c. Is in substantially the same form as **EXHIBIT 1** attached hereto; and
- d. Includes a draft letter for MHBE to review and approve prior to Non- Exchange Entity's notification of the affected individuals that their unsecured PII has been, or is reasonably believed to have been, the subject of a Breach. The notification must include, to the extent possible:
  - i) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;
  - ii) The types of Unsecured PII that were involved in the Breach (such as full name, Social Security number, date of birth, home address, account

number, or other types of information that were involved);

- iii) Any steps the affected individuals should take to protect themselves from potential harm resulting from the Breach;
- iv) The toll-free telephone numbers and addresses for the major consumer reporting agencies;
- v) The toll-free telephone numbers, addresses and web site addresses for (1) the Federal Trade Commission; and (2) the Maryland Office of the Attorney General;
- vi) A brief description of what MHBE and the Non-Exchange Entity are doing to investigate the Breach, to mitigate losses, and to protect against any further Breaches; and
- vii) Contact procedures for the affected individuals to ask questions or learn additional information, which shall include a telephone number, toll-free telephone number if one is maintained and postal address and may include an email address and web-site address.

9. If the use or disclosure amounts to a Breach of Unsecured PII, the Non-Exchange Entity shall provide MHBE the date the breach notification(s) are mailed to the affected individual(s).

10. To the extent permitted by the Underlying Agreement, Non-Exchange Entity may use agents and subcontractors. The Non-Exchange Entity shall ensure that any subcontractors or agents that create, receive, maintain, or transmit PII on behalf of Non-Exchange Entity agree to the same restrictions, conditions and requirements that apply to Non-Exchange Entity with respect to such information.

11. Non-Exchange Entity agrees to maintain and make available the information required to prove an accounting of disclosures of PII to MHBE or, as directed by MHBE, to an individual.



12. Non-Exchange Entity agrees to make its internal practices, books, and records, including PII, available to MHBE and/or the Secretary of the U.S. Department of Health and Human Services for purposes of determining compliance with the ACA's privacy and security regulations as well as with the standards MHBE has established pursuant to 45 C.F.R. § 155.260, as set forth in 45 C.F.R. § 155.280(a).
13. Non-Exchange Entity agrees to mitigate, to the extent practicable, any harmful effect known to Non-Exchange Entity of a use or disclosure of PII by Non-Exchange Entity in violation of the requirements of this Agreement.

**E. Term and Termination.**

1. Term. The Term of this Agreement shall be effective as of the Effective Date defined above and shall terminate when all of the PII provided by MHBE to the Non-Exchange Entity, or the PII created or received by Non-Exchange Entity on behalf of MHBE, is destroyed or returned to MHBE, in accordance with the termination provisions in this Section E, or on the date MHBE terminates for cause as authorized in paragraph (2) of this Section, whichever is sooner. If it is impossible to return or destroy all of the PII provided by MHBE to Non-Exchange Entity, or the PII created or received by Non-Exchange Entity on behalf of MHBE, Non-Exchange Entity's obligations under this contract shall be ongoing with respect to that information, unless and until a separate written agreement regarding that information is entered into with MHBE.
2. Termination. Upon MHBE's knowledge of a material breach of this Agreement by Non-Exchange Entity, MHBE:
  - a. Shall provide an opportunity for Non-Exchange Entity to cure the breach or end the violation and, if Non-Exchange Entity does not cure the breach or end the violation within the time specified by MHBE, may terminate this Agreement; or
  - b. May immediately terminate this Agreement if Non-Exchange Entity has breached a material term of this Agreement and MHBE determines or reasonably believes that cure is not possible.
3. Effect of Termination.



- a. Upon termination of this Agreement, for any reason, Non-Exchange Entity shall return or, if agreed to by MHBE, destroy all PII received from MHBE, or created, maintained, or received by Non-Exchange Entity on behalf of MHBE, which the Non-Exchange Entity maintains in any form. Non-Exchange Entity shall retain no copies of the PII. This provision shall apply to PII that is in the possession of subcontractors or agents of Non-Exchange Entity.
  - b. Should Non-Exchange Entity make an intentional or grossly negligent Breach of PII in violation of this Agreement or applicable law, MHBE shall have the right to immediately terminate any contract, other than this Agreement, then in force between the Parties, as well as the Underlying Agreement.
- 4. Survival. The obligations of Non-Exchange Entity under this Section shall survive the termination of this Agreement.
- F. **Consideration.** Non-Exchange Entity recognizes that the promises it has made in this Agreement shall, henceforth, be detrimentally relied upon by MHBE in choosing to continue or commence a business relationship with Non-Exchange Entity.
- G. **Remedies in the Event of Breach.** Non-Exchange Entity hereby recognizes that irreparable harm will result to MHBE, and to the business of MHBE, in the event of breach by Non-Exchange Entity of any of the covenants and assurances contained in this Agreement. As such, in the event of breach of any of the covenants and assurances contained in Sections C or D above, MHBE shall be entitled to enjoin and restrain Non-Exchange Entity from any continued violation of Sections C or D. Furthermore, in the event of breach of Sections C or D by Non-Exchange Entity, MHBE is entitled to reimbursement and indemnification from Non-Exchange Entity for MHBE's reasonable attorneys' fees and expenses and costs that were reasonably incurred as a proximate result of Non-Exchange Entity's breach. Furthermore, pursuant to 45 C.F.R. §155.260(g), any disclosure of PII made knowingly and willfully will be subject to civil monetary penalties of not more than \$25,000 as adjusted annually under 45 C.F.R. part 102 per person or entity, per use or disclosure, in addition to other penalties that may be prescribed by law. The remedies contained in this Section G shall be in addition to, not in lieu of, any action for damages and/or any other remedy MHBE may have for breach of any part of this Agreement or the Underlying Agreement or which may be available to MHBE at law or in equity.

- H. **Modification; Amendment.** This Agreement may only be modified or amended through a writing signed by the Parties and, thus, no oral modification or amendment hereof shall be permitted. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for MHBE to comply with the requirements of the ACA and, were it to become or imminently be applicable, the Health Insurance Portability and Accountability Act of 1996, as amended, together with all regulations promulgated thereto, and any other applicable law.
- I. **Interpretation of this Agreement in Relation to Other Agreements Between the Parties.** Should there be any conflict between the language of this Agreement and any other contract entered into between the Parties (either previous or subsequent to the date of this Agreement), the language and provisions of this Agreement shall control and prevail unless the Parties specifically refer in a subsequent written agreement to this Agreement by its title and date and specifically state that the provisions of the later written agreement shall control over this Agreement.
- J. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Maryland, including, without limitation, Title 12 of the State Government Article of the Annotated Code of Maryland, but without regard to its choice of law provisions. This Agreement is not intended to modify the Parties' respective obligations to comply with all applicable federal, state and local laws, rules, and regulations, including but in no way limited to any and all laws, rules, and regulations related to privacy protection and confidentiality.
- K. **Miscellaneous.**
1. Ambiguity. Any ambiguity in this Agreement shall be resolved to permit MHBE to comply with the ACA and its provisions with respect to the privacy and security of personally identifiable information.
  2. Regulatory References. A reference in this Agreement to a section in the ACA, including any regulations promulgated thereto, means the section as in effect or as amended.
  3. Notice to MHBE. Any notice required under this Agreement to MHBE shall be made in writing to:  
  
Caterina Pañgilinan  
Chief Compliance Officer  
Maryland Health Benefit Exchange  
750 E. Pratt Street, 6<sup>th</sup> Floor  
Baltimore, MD 21202

Phone: (410) 547-1838

Email: [caterina.pangilinan@maryland.gov](mailto:caterina.pangilinan@maryland.gov)

With a copy to:

Sharon S. Merriweather, Principal Counsel  
Office of the Attorney General  
Maryland Health Benefit Exchange

750 E. Pratt Street, 6<sup>th</sup> Floor

Baltimore, MD 21202

Phone: (410) 547-7378

Email: [sharon.merriweather@maryland.gov](mailto:sharon.merriweather@maryland.gov)

4. Notice to Non-Exchange Entity. Any notice required under this Agreement to be given Non-Exchange Entity shall be made in writing to:

Address: \_\_\_\_\_

Attention: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

5. Method of Notice. Notices shall be sufficient if made by email and acknowledged within 24 hours by reply email, or delivered by a nationally recognized overnight carrier, such as FedEx, or via U.S. Mail-Certified Delivery, Return Receipt Requested.
6. Notice of Legal Requests. Non-Exchange Entity shall give notice to MHBE upon receipt of any electronic discovery, litigation holds, discovery searches and expert testimonies related to the MHBE's data under this Agreement, or which in any way might reasonably require access to the data of the MHBE, unless prohibited by law from providing such notice. The Non-Exchange Entity shall not respond to subpoenas, service of process and other legal requests related to MHBE without first notifying the MHBE, unless prohibited by law from providing such notice.
7. Survival. Any provision of this Agreement which contemplates performance or observance subsequent to any termination or

expiration of this contract shall survive termination or expiration of this Agreement and continue in full force and effect.

8. Severability. If any term contained in this Agreement is held or finally determined to be invalid, illegal, or unenforceable in any respect, in whole or in part, such term shall be severed from this Agreement, and the remaining terms contained herein shall continue in full force and effect, and shall in no way be affected, prejudiced, or disturbed thereby.
9. Terms. All of the terms of this Agreement are contractual and not merely recital and none may be amended or modified except by a writing executed by all parties hereto.
10. Priority. This Agreement supersedes and renders null and void any and all prior written or oral undertakings or agreements between the parties regarding the subject matter hereof.

IN WITNESS WHEREOF and acknowledging acceptance and agreement of the foregoing, the Parties affix their signatures hereto.

**MHBE:**

**NON-EXCHANGE ENTITY:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form and legal  
sufficiency this \_\_\_\_\_ day  
of \_\_\_\_\_, 2022.

By: \_\_\_\_\_  
Assistant Attorney General  
Maryland Health Benefit  
Exchange

Form: 02.03.22

**ATTACHMENT I-2 MARYLAND HEALTH BENEFIT EXCHANGE (CLOUD Call  
Center)  
NON-EXCHANGE ENTITY AGREEMENT**

This Non-Exchange Entity Agreement (this “Agreement”) is made by and between the Maryland Health Benefit Exchange, a public corporation and independent unit of the government of the State of Maryland (“MHBE”) and \_\_\_\_\_ (the “Non-Exchange Entity”), as of the Effective Date defined below. Each of MHBE and the Non-Exchange Entity is a “Party” to this Agreement and shall collectively be known as the “Parties”.

**RECITALS**

WHEREAS, MHBE is a state-based exchange established pursuant to the Patient Protection and Affordable Care Act of 2010 (Pub. L. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Public Law No. 111-152) (together with regulations promulgated pursuant thereto, the “ACA”), and particularly pursuant to 45 C.F.R. § 155.100, as well as pursuant to Title 31 of the Insurance Article of the Maryland Code Annotated, and

WHEREAS, the Non-Exchange Entity submitted a proposal in response to that certain Maryland Health Benefit Exchange Request for Proposals: Consolidated Service Center, Solicitation No. \_\_\_\_\_ (the “RFP”); and

WHEREAS, the Non-Exchange Entity has been notified of award or awarded a contract (the “Underlying Agreement”) pursuant to the RFP; and

WHEREAS, the execution of this Agreement is required pursuant to the RFP, which is incorporated into the Underlying Agreement and is a part thereof; and

WHEREAS, MHBE and the Non-Exchange Entity enter into this Agreement effective as of the effective date of the Underlying Agreement (the “Effective Date”), pursuant to which the Non-Exchange Entity shall provide services to perform the functions set forth in the Underlying Agreement, as well as in any subsequent Task Orders issued pursuant to the Underlying Agreement; and

WHEREAS, the relationship between MHBE and the Non-Exchange Entity shall involve access to Personally Identifiable Information (“PII”), as that term is

defined herein, for purposes authorized under the ACA and, more particularly, under 45 C.F.R. §155.200; and

WHEREAS, the Non-Exchange Entity's access to PII submitted to the Exchange shall make the entity a "Non-Exchange Entity", as that term is defined in 45 C.F.R. §155.260(b)(1); and

WHEREAS, for good and lawful consideration as set forth in the Underlying Agreement, MHBE and the Non-Exchange Entity each acknowledge and agree that they enter into this Agreement for the purposes, among others as may be detailed herein, of ensuring the confidentiality, privacy and security of data accessed by the Non-Exchange Entity or exchanged between the Parties under this Agreement and compliance with the requirements of the ACA, including 45 C.F.R. §155.260(b)(2) and, regardless of whether otherwise applicable to the Non-Exchange Entity, 45 C.F.R. §155.270(a); and

WHEREAS, this Agreement supersedes and replaces any and all Business Associate Agreements, Data Use Agreements or Non-Exchange Entity Agreements the Non-Exchange Entity and MHBE may have entered into prior to the date hereof;

NOW THEREFORE, the premises having been considered with acknowledgement of the mutual promises and of other good and valuable consideration herein contained, the Parties, intending to be legally bound, hereby agree as follows:

## AGREEMENT

A. **Recitals.** The Recitals are true and correct in all respects, are incorporated into this Agreement and form a part of this Agreement.

B. **Definitions.** For purposes of this Agreement, the Parties agree that the following definitions apply, regardless of whether the identified word is capitalized herein:

1. **"Breach"** shall mean the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, or any similar occurrence where (1) a person other than an authorized user accesses or potentially accesses personally identifiable information or (2) an authorized user accesses or potentially accesses personally identifiable information for an other than authorized purpose (as defined by OMB Memorandum M-17-12 (Jan. 3, 2017)).

2. “Incident” means an occurrence that (1) actually or imminently jeopardizes, without lawful authority, the integrity, confidentiality, or availability of information or an information system; or (2) constitutes a violation or imminent threat of violation of law, security policies, security procedures, or acceptable use policies (as defined by OMB Memorandum M-17-12).

3. “Personally Identifiable Information” or “PII” shall mean personally identifiable information as defined by OMB Memorandum M-17-12 (January 3, 2017) (“PII refers to information that can be used to distinguish or trace an individual’s identity, either alone or when combined with other information that is linked or linkable to a specific individual”).

4. “Unsecured PII” shall include, but not be limited to, electronic PII that is not encrypted by use of an algorithmic process to transform data into a form in which there is a low probability of assigning meaning without use of a confidential process or key.

C. **Permitted Uses and Disclosure of PII by the Non-Exchange Entity.**

1. Non-Exchange Entity may only use or disclose PII as necessary to perform the services set forth in the Underlying Agreement or as required by law.

2. Non-Exchange Entity agrees to limit uses, disclosures and requests for PII to the minimum necessary to accomplish its intended purposes.

3. Non-Exchange Entity shall not use or disclose PII in a manner that would violate 45 C.F.R. § 155.260 if done by MHBE.

4. Except as otherwise limited in this Agreement, Non-Exchange Entity agrees to disclose PII for the proper management and administration, or legal responsibilities of the Non-Exchange Entity only when (i) such disclosures are required by law, or (ii) Non-Exchange Entity obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Non-Exchange Entity of any instances of which it is aware in which the confidentiality of the information has been breached.

5. Non-Exchange Entity shall not directly or indirectly receive remuneration in exchange for any PII of an individual. For the avoidance of doubt, this provision



shall not preclude Non-Exchange Entity from receiving payment for the provision of services set forth in the Underlying Agreement or that are required by law.

6. Non-Exchange Entity shall not use or disclose PII for the purposes of marketing a product or service unless necessary to perform the services set forth in the Underlying Agreement or required by law. For the purposes of this provision, “marketing” shall mean a communication about a product or service that encourages recipients of the communication to purchase or use the product or service.

**D. Duties of the Non-Exchange Entity Relative to PII.**

1. The Non-Exchange Entity shall not use or disclose PII other than as permitted or required by the Agreement or as required by law.

2. The Non-Exchange Entity shall use appropriate administrative, technical and physical safeguards to protect the privacy of PII including, without limitation, by storing electronic PII in encrypted format.

3. Non-Exchange Entity shall use privacy and security standards at least as protective as MHBE has established and implemented for itself. For example, and without limitation, Non-Exchange Entity shall comply with the standards, implementation specifications, operating rules, and code sets adopted in 45 C.F.R. Parts 160 and 162, regardless of whether otherwise made applicable to Non-Exchange Entity pursuant to 45 C.F.R. § 155.270(a), to provide for the secure exchange of PII and to prevent use or disclosure of PII other than as provided in the Agreement. Further, Non-Exchange Entity shall:

- a. comply with the latest version of Minimum Acceptable Risk Safeguards for Exchanges (MARS-E) – currently MARS-E V2.2.
- b. Implement administrative, physical and technical safeguards to protect PII accessed pursuant to this Agreement and the Underlying Agreement from loss, theft or inadvertent disclosure.
- c. Safeguard PII at all times, regardless of whether or not the Non-Exchange Entity’s employee, contractor, or agent is at his or her regular duty station.
- d. Ensure that laptops and other electronic devices/media containing PII are encrypted, session locked and password protected.
- e. Send emails containing PII only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
- f. Apply data encryption to protect MHBE data, especially PII, from improper disclosure or alteration.



- g. Apply FIPS 140-2/3 cryptographic mechanisms to protect information during transmissions for data at rest and in transit. Allow for the creation of a secure connection before sharing private data.
- h. Limit disclosure of the information and details relating to a PII loss only to those with a need to know.
- i. Restrict access to PII only to those authorized employees, contractors, and agents who need such data to perform their official duties in connection with purposes identified in this Agreement and the Underlying Agreement; such restrictions shall include, at a minimum, role-based access that limits access to those individuals who need it to perform their official duties in connection with the uses of data authorized in this Agreement and the Underlying Agreement (“authorized users”). Further, the Non-Exchange Entity shall advise all users who will have access to the data provided under this Agreement and the Underlying Agreement of the confidential nature of the data, the safeguards required to protect the data, and the civil and criminal sanctions for noncompliance contained in the applicable State and federal laws.

4. Non-Exchange Entity shall monitor, periodically assess, and update its security controls and related system risks, to ensure the continued effectiveness of those controls.

5. Non-Exchange Entity shall inform MHBE of any change in its administrative, technical or operational environments to the extent any are material in the Underlying Agreement.

6. Non-Exchange Entity shall require any agents or downstream entities to which access to PII is granted in connection with the Underlying Agreement to adhere to the same privacy and security standards and obligations to which Non-Exchange Entity hereby agrees.

7. Non-Exchange Entity shall report to MHBE any use or disclosure of PII not permitted by this Agreement or required by law, including any Breaches of PII of which it becomes aware. Non-Exchange Entity further agrees to report to MHBE any Incident of which it becomes aware without unreasonable delay, and in no case later than five (5) calendar days after the Incident. Further, Non-Exchange Entity shall report all suspected or confirmed Incidents involving loss or suspected loss of PII to MHBE within *one* (1) hour of discovery.

8. If the use or disclosure amounts to a Breach of Unsecured PII, the Non-Exchange Entity shall ensure its report:

a. Is made to MHBE without unreasonable delay and in no case later than fifteen (15) calendar days after the Incident constituting the Breach is first known, except where a law enforcement official determines that a notification would impede a criminal investigation or cause damage to national security. For the avoidance of doubt, Non-Exchange Entity must notify MHBE of an incident involving the acquisition, access, use or disclosure of PII in a manner not permitted under 45 C.F.R. § 155.260 or this Agreement within five (5) calendar days after an Incident even if Non-Exchange Entity has not conclusively determined within that time that the Incident constitutes a Breach as defined by this Agreement;

b. Includes the names of the individuals whose unsecured PII has been, or is reasonably believed to have been, the subject of a Breach;

c. Is in substantially the same form as **EXHIBIT 1** attached hereto; and

d. Includes a draft letter for MHBE to review and approve prior to Non-Exchange Entity's notification of the affected individuals that their unsecured PII has been, or is reasonably believed to have been, the subject of a Breach. The notification must include, to the extent possible:

- i) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;
- ii) The types of Unsecured PII that were involved in the Breach (such as full name, Social Security number, date of birth, home address, account number, or other types of information that were involved);
- iii) Any steps the affected individuals should take to protect themselves from potential harm resulting from the Breach;
- iv) The toll-free telephone numbers and addresses for the major consumer reporting agencies;
- v) The toll-free telephone numbers, addresses and web site addresses for (1) the Federal Trade

Commission; and (2) the Maryland Office of the Attorney General;

- vi) A brief description of what MHBE and the Non-Exchange Entity are doing to investigate the Breach, to mitigate losses, and to protect against any further Breaches; and
- vii) Contact procedures for the affected individuals to ask questions or learn additional information, which shall include a telephone number, toll-free telephone number if one is maintained and postal address and may include an email address and web-site address.

9. If the use or disclosure amounts to a Breach of Unsecured PII, the Non-Exchange Entity shall provide MHBE the date the breach notification(s) are mailed to the affected individual(s).

10. To the extent permitted by the Underlying Agreement, Non-Exchange Entity may use agents and subcontractors. The Non-Exchange Entity shall ensure that any subcontractors or agents that create, receive, maintain, or transmit PII on behalf of Non-Exchange Entity agree to the same restrictions, conditions and requirements that apply to Non-Exchange Entity with respect to such information.

11. Non-Exchange Entity agrees to maintain and make available the information required to prove an accounting of disclosures of PII to MHBE or, as directed by MHBE, to an individual.

12. Non-Exchange Entity agrees to make its internal practices, books, and records, including PII, available to MHBE and/or the Secretary of the U.S. Department of Health and Human Services for purposes of determining compliance with the ACA's privacy and security regulations as well as with the standards MHBE has established pursuant to 45 C.F.R. § 155.260, as set forth in 45 C.F.R. § 155.280(a).

13. Non-Exchange Entity agrees to mitigate, to the extent practicable, any harmful effect known to Non-Exchange Entity of a use or disclosure of PII by Non-Exchange Entity in violation of the requirements of this Agreement.

#### **E. Term and Termination.**

1. Term. The Term of this Agreement shall be effective as of the Effective Date defined above and shall terminate when all of the PII provided by MHBE to the Non-Exchange Entity, or the PII created or received by Non-Exchange Entity on behalf of MHBE, is destroyed or returned to MHBE, in accordance with the termination provisions in this Section E, or on the date MHBE terminates for cause as authorized in paragraph (2) of this Section, whichever is sooner. If it is impossible to return or destroy all of the PII provided by MHBE to Non-Exchange Entity, or the PII created or received by Non-Exchange Entity on behalf of MHBE, Non-Exchange Entity's obligations under this contract shall be ongoing with respect to that information, unless and until a separate written agreement regarding that information is entered into with MHBE.

2. Termination. Upon MHBE's knowledge of a material breach of this Agreement by Non-Exchange Entity, MHBE:

- a. Shall provide an opportunity for Non-Exchange Entity to cure the breach or end the violation and, if Non-Exchange Entity does not cure the breach or end the violation within the time specified by MHBE, may terminate this Agreement; or
- b. May immediately terminate this Agreement if Non-Exchange Entity has breached a material term of this Agreement and MHBE determines or reasonably believes that cure is not possible.

3. Effect of Termination.

a. Upon termination of this Agreement, for any reason, Non-Exchange Entity shall return or, if agreed to by MHBE, destroy all PII received from MHBE, or created, maintained, or received by Non-Exchange Entity on behalf of MHBE, which the Non-Exchange Entity maintains in any form. Non-Exchange Entity shall retain no copies of the PII. This provision shall apply to PII that is in the possession of subcontractors or agents of Non-Exchange Entity.

b. Should Non-Exchange Entity make an intentional or grossly negligent Breach of PII in violation of this Agreement or applicable law, MHBE shall have the right to immediately terminate any contract, other than this Agreement, then in force between the Parties, as well as the Underlying Agreement.

4. Survival. The obligations of Non-Exchange Entity under this Section shall survive the termination of this Agreement.

F. **Consideration.** Non-Exchange Entity recognizes that the promises it has made in this Agreement shall, henceforth, be detrimentally relied upon by MHBE in choosing to continue or commence a business relationship with Non-Exchange Entity.

G. **Remedies in the Event of Breach.** Non-Exchange Entity hereby recognizes that irreparable harm will result to MHBE, and to the business of MHBE, in the event of breach by Non-Exchange Entity of any of the covenants and assurances contained in this Agreement. As such, in the event of breach of any of the covenants and assurances contained in Sections C or D above, MHBE shall be entitled to enjoin and restrain Non-Exchange Entity from any continued violation of Sections C or D. Furthermore, in the event of breach of Sections C or D by Non-Exchange Entity, MHBE is entitled to reimbursement and indemnification from Non-Exchange Entity for MHBE's reasonable attorneys' fees and expenses and costs that were reasonably incurred as a proximate result of Non-Exchange Entity's breach. Furthermore, pursuant to 45 C.F.R. §155.260(g), any disclosure of PII made knowingly and willfully will be subject to civil monetary penalties of not more than \$25,000 as adjusted annually under 45 C.F.R. part 102 per person or entity, per use or disclosure, in addition to other penalties that may be prescribed by law. The remedies contained in this Section G shall be in addition to, not in lieu of, any action for damages and/or any other remedy MHBE may have for breach of any part of this Agreement or the Underlying Agreement or which may be available to MHBE at law or in equity.

H. **Modification; Amendment.** This Agreement may only be modified or amended through a writing signed by the Parties and, thus, no oral modification or amendment hereof shall be permitted. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for MHBE to comply with the requirements of the ACA and, were it to become or imminently be applicable, the Health Insurance Portability and Accountability Act of 1996, as amended, together with all regulations promulgated thereto, and any other applicable law.

I. **Interpretation of this Agreement in Relation to Other Agreements Between the Parties.** Should there be any conflict between the language of this Agreement and any other contract entered into between the Parties (either previous or subsequent to the date of this Agreement), the language and provisions of this Agreement shall control and prevail unless the Parties specifically refer in a subsequent written agreement to this Agreement by its title and date and specifically state that the provisions of the later written agreement shall control over this Agreement.

J. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Maryland, including, without limitation, Title 12 of the State Government Article of the Annotated Code of Maryland, but without regard to its choice of law provisions. This Agreement is not intended to modify the Parties' respective obligations to comply with all applicable federal, state and local laws, rules, and regulations, including but in no way limited to any and all laws, rules, and regulations related to privacy protection and confidentiality.

K. **Miscellaneous.**

1. Ambiguity. Any ambiguity in this Agreement shall be resolved to permit MHBE to comply with the ACA and its provisions with respect to the privacy and security of personally identifiable information.

2. Regulatory References. A reference in this Agreement to a section in the ACA, including any regulations promulgated thereto, means the section as in effect or as amended.

3. Notice to MHBE. Any notice required under this Agreement to MHBE shall be made in writing to:

Caterina Pañgilinan  
Chief Compliance Officer  
Maryland Health Benefit Exchange  
750 E. Pratt Street, 6<sup>th</sup> Floor  
Baltimore, MD 21202  
Phone: (410) 547-1838  
Email: [caterina.pangilinan@maryland.gov](mailto:caterina.pangilinan@maryland.gov)

With a copy to:  
Sharon S. Merriweather, Principal Counsel  
Office of the Attorney General  
Maryland Health Benefit Exchange  
750 E. Pratt Street, 6<sup>th</sup> Floor  
Baltimore, MD 21202  
Phone: (410) 547-7378  
Email: [sharon.merriweather@maryland.gov](mailto:sharon.merriweather@maryland.gov)

4. Notice to Non-Exchange Entity. Any notice required under this Agreement to be given Non-Exchange Entity shall be made in writing to:

Address: \_\_\_\_\_

Attention: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

5. Method of Notice. Notices shall be sufficient if made by email and acknowledged within 24 hours by reply email, or delivered by a nationally recognized overnight carrier, such as FedEx, or via U.S. Mail-Certified Delivery, Return Receipt Requested.

6. Notice of Legal Requests. Non-Exchange Entity shall give notice to MHBE upon receipt of any electronic discovery, litigation holds, discovery searches and expert testimonies related to the MHBE's data under this Agreement, or which in any way might reasonably require access to the data of the MHBE, unless prohibited by law from providing such notice. The Non-Exchange Entity shall not respond to subpoenas, service of process and other legal requests related to MHBE without first notifying the MHBE, unless prohibited by law from providing such notice.

7. Survival. Any provision of this Agreement which contemplates performance or observance subsequent to any termination or expiration of this contract shall survive termination or expiration of this Agreement and continue in full force and effect.

8. Severability. If any term contained in this Agreement is held or finally determined to be invalid, illegal, or unenforceable in any respect, in whole or in part, such term shall be severed from this Agreement, and the remaining terms contained herein shall continue in full force and effect, and shall in no way be affected, prejudiced, or disturbed thereby.

9. Terms. All of the terms of this Agreement are contractual and not merely recital and none may be amended or modified except by a writing executed by all parties hereto.

10. Priority. This Agreement supersedes and renders null and void any and all prior written or oral undertakings or agreements between the parties regarding the subject matter hereof.



IN WITNESS WHEREOF and acknowledging acceptance and agreement of the foregoing, the Parties affix their signatures hereto.

**MHBE:**

**NON-EXCHANGE ENTITY:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form and legal  
sufficiency this \_\_\_\_\_ day  
of \_\_\_\_\_, 2022.

By: \_\_\_\_\_  
Assistant Attorney General  
Maryland Health Benefit  
Exchange





**ATTACHMENT I-3 - EXHIBIT 1 TO THE NON-EXCHANGE ENTITY AGREEMENT  
MHBE NOTIFICATION OF ACTUAL OR POTENTIAL  
PRIVACY – IT SECURITY INCIDENT REPORT**

Date Reported to MHBE: \_\_\_\_\_

This notification is made pursuant to the Non-Exchange Entity Agreement between the MARYLAND HEALTH BENEFIT EXCHANGE, a public corporation and independent unit of State government (“MHBE”) and reporting agency \_\_\_\_\_ (“Insert Non-Exchange Entity name”). Non-Exchange Entity hereby notifies MHBE that there has been an actual or potential breach of unsecured personally identifiable information (“PII”) that Non-Exchange Entity has used or has had access to under the terms of the Non-Exchange Entity Agreement. Please provide as much detail as possible.

1) Description of the breach:

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2) Were documents inappropriately loaded into wrong account? • Yes • No

If “yes,” in wrong account, Full Name of Account Owner	Application ID	Document ID(s)
--	----------------	----------------

_____	_____	_____
(First)	(Middle)	(Last)

3) Was breach identified from work list or in application while assisting a customer? • Yes • No

4) Date of discovery of the breach: \_\_\_\_\_ Date of the breach: \_\_\_\_\_

5) Does the breach involve 500 or more individuals? Yes/No

6) Number of individuals “affected” (read: Number whose PII was exposed) by the breach: \_\_\_\_\_

(Please Complete Other Side)



7) Name(s) of individuals “affected” by the breach (read: whose PII was exposed): (attach list if over 5)

1. \_\_\_\_\_ Application ID \_\_\_\_\_
2. \_\_\_\_\_ Application ID \_\_\_\_\_
3. \_\_\_\_\_ Application ID \_\_\_\_\_
4. \_\_\_\_\_ Application ID \_\_\_\_\_
5. \_\_\_\_\_ Application ID \_\_\_\_\_

8) For each “affected” individual, explicitly list the types of unsecured PII that were involved in the breach (such as “full name”, “Social Security number”, “date of birth”, “Medicaid number”, “home address”, “account number”, “passport number,” or other number.. *(Please refrain from simply identifying the type of document)*:

Name(s) of “Affected” Party	Document ID #	Types of PII
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____

9) Was breach caused by reporting entity? • Yes • No

If “yes,” Description of what Non-Exchange Entity is doing to investigate the breach, to mitigate losses, and to protect against any further breaches:

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(Please Complete Other Side)



10) Contact information to ask questions or learn additional information:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Please securely email completed form to [mhbeincident.report@maryland.gov](mailto:mhbeincident.report@maryland.gov) or call Cat Pañgilinan, MHBE Chief Compliance Officer, at 410-547-1838, if you have any questions. Thank You!

(FORM) MHBE Notification of Privacy-IT Security Incident Report 2021-01-13

## Appendix J. Performance Bond

### PERFORMANCE BOND

Principal	Business Address of Principal
Surety	Obligee
A corporation of the State of and authorized to do business in the State of Maryland	STATE OF MARYLAND
	By and through the following Administration
Penal Sum of Bond (express in words and figures)	Date of Contract <span style="border: 1px solid black; display: inline-block; width: 150px; height: 1.2em; vertical-align: middle;"></span> , 20 <span style="border: 1px solid black; display: inline-block; width: 20px; height: 1.2em; vertical-align: middle;"></span>
Description of Contract: <span style="background-color: yellow;">MHBE</span> CONSOLIDATED SERVICE CENTER	Date Bond Executed <span style="border: 1px solid black; display: inline-block; width: 150px; height: 1.2em; vertical-align: middle;"></span> , 20 <span style="border: 1px solid black; display: inline-block; width: 20px; height: 1.2em; vertical-align: middle;"></span>
Contract <span style="background-color: yellow;">BPM028490</span>	

KNOW ALL MEN BY THESE PRESENTS, that we, the Principal named above and Surety named above, are held and firmly bound unto the Obligee named above in the Penal Sum of this Performance Bond stated above, for the payment of which Penal Sum we bind ourselves, our heirs, executors, administrators, personal representatives, successors, and assigns, jointly and severally, firmly by these presents. However, where Surety is composed of corporations acting as co-sureties, we the co-sureties, bind ourselves, our successors and assigns, in such Penal Sum jointly and severally as well as severally only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each co-surety binds itself, jointly and severally with the Principal, for the payment of such sum as appears above its name below, but if no limit of liability is indicated, the limit of such liability shall be the full amount of the Penal Sum.

WHEREAS, Principal has entered into or will enter into a contract with the State of Maryland, by and through the Administration named above acting for the State of Maryland, which contract is described and dated as shown above, and incorporated herein by reference. The contract and all items incorporated into the contract, together with any and all changes, extensions of time, alterations, modifications, or additions to the contract or to the work to be performed thereunder or to the Plans, Specifications, and Special Provisions, or any of them, or to any other items incorporated into the contract shall hereinafter be referred as "the Contract."

WHEREAS, it is one of the conditions precedent to the final award of the Contract that these presents be executed.

NOW, THEREFORE, during the original term of said Contract, during any extensions thereto that may be granted by the Administration, and during the guarantee and warranty period, if any, required under the Contract, unless otherwise stated therein, this Performance Bond shall remain in full force and effect unless and until the following terms and conditions are met:

1. Principal shall well and truly perform the Contract; and
2. Principal and Surety shall comply with the terms and conditions in this Performance Bond.

Whenever Principal shall be declared by the Administration to be in default under the Contract, the Surety may, within 15 days after notice of default from the Administration, notify the Administration of its election to either promptly proceed to remedy the default or promptly proceed to complete the contract in accordance with and subject to its terms and conditions. In the event the Surety does not elect to exercise

either of the above stated options, then the Administration thereupon shall have the remaining contract work completed, Surety to remain liable hereunder for all expenses of completion up to but not exceeding the penal sum stated above.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or the Specifications accompanying the same shall in any way affect its obligation on this Performance Bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the work or to the Specifications.

This Performance Bond shall be governed by and construed in accordance with the laws of the State of Maryland and any reference herein to Principal or Surety in the singular shall include all entities in the plural who or which are signatories under the Principal or Surety heading below.

IN WITNESS WHEREOF, Principal and Surety have set their hands and seals to this Performance Bond. If any individual is a signatory under the Principal heading below, then each such individual has signed below on his or her own behalf, has set forth below the name of the firm, if any, in whose name he or she is doing business, and has set forth below his or her title as a sole proprietor. If any partnership or joint venture is a signatory under the Principal heading below, then all members of each such partnership or joint venture have signed below, each member has set forth below the name of the partnership or joint venture, and each member has set forth below his or her title as a general partner, limited partner, or member of joint venture, whichever is applicable. If any corporation is a signatory under the Principal or Surety heading below, then each such corporation has caused the following: the corporation's name to be set forth below, a duly authorized representative of the corporation to affix below the corporation's seal and to attach hereto a notarized corporate resolution of power of attorney authorizing such action, and each such duly authorized representative to sign below and set forth below his or her title as a representative of the corporation. If any individual acts as a witness to any signature below, then each such individual has signed below and has set forth below his or her title as a witness. All of the above has been done as of the Date of Bond shown above.

Individual Principal

In Presence of:  
Witness

\_\_\_\_\_  
(Name)

\_\_\_\_\_ as to

\_\_\_\_\_  
(SEAL)

Co-Partnership Principal

In Presence of:  
Witness

\_\_\_\_\_  
(Name of Co-Partnership)

\_\_\_\_\_ as to

\_\_\_\_\_  
(SEAL)

Partner

\_\_\_\_\_ as to

\_\_\_\_\_  
(SEAL)

Partner

\_\_\_\_\_ as to

\_\_\_\_\_  
(SEAL)

Partner

Corporate Principal

Attest:

\_\_\_\_\_  
(Name of Corporation) AFFIX  
CORPORATE  
SEAL

\_\_\_\_\_  
Corporate Secretary

\_\_\_\_\_  
By:  
President

Attest:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
(Individual or Corporate Surety)

Bonding Agent's Name:

\_\_\_\_\_  
By:

\_\_\_\_\_  
SEAL

\_\_\_\_\_  
Agent's Address:

\_\_\_\_\_  
Title:

\_\_\_\_\_  
(Business Address of Surety)

Approved as to form and legal  
sufficiency this \_\_\_\_ day of \_\_\_\_\_  
20\_\_\_\_

\_\_\_\_\_  
Assistant Attorney General

**ATTACHMENT K – BUSINESS ASSOCIATE AGREEMENT**

**BUSINESS ASSOCIATE AGREEMENT**

This Business Associate Agreement (this "Agreement") is made by and between the Maryland Health Benefit Exchange, a public corporation and independent unit of the government of the State of Maryland ("MHBE"), the Maryland Medical Assistance Program (a unit of the Maryland Department of Health, herein referred to as "Covered Entity") and \_\_\_\_\_ (herein known as "Business Associate"). MHBE, Covered Entity and Business Associate shall collectively be known as the "Parties."

WHEREAS, MHBE has a business relationship with Business Associate that is memorialized in a separate agreement (the "Underlying Agreement") which may necessitate Business Associate to be considered a "business associate" of the Covered Entity as defined in the Health Insurance Portability and Accountability Act of 1996 including all pertinent regulations (45 CFR Parts 160 and 164), as amended by Subtitle D of the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), as Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 ( Pub. L. 111- 5) (collectively, "HIPAA"); and

WHEREAS, the nature of the contractual relationship between MHBE and Business Associate may involve the exchange of Protected Health Information ("PHI," as that term is defined under HIPAA) between Business Associate and Covered Entity; and

WHEREAS, for good and lawful consideration as set forth in the Underlying Agreement, MHBE, Covered Entity and Business Associate enter into this agreement for the purpose of ensuring compliance with the requirements of HIPAA and the Maryland Confidentiality of Medical Records Act (Md. Ann. Code, Health-General §§ 4-30I *et seq.*) ("MCMRA"); and

NOW THEREFORE, the premises having been considered with acknowledgement of the mutual promises and of other good and valuable consideration herein contained, the Parties, intending to be legally bound, hereby agree as follows:

**I. DEFINITIONS**

A. Individual. "Individual" shall have the same meaning as the term "individual" in 45 CFR §164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g).

B. Breach. "Breach" shall have the same meaning as the term "breach" in 45 CFR §164.402.

C. Designated Record Set. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR §164.501.

D. Privacy Rule. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.

E. Protected Health Information. "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 CFR §164.501, limited to the information created or received by Business Associate from or on behalf of Covered entity.

F. Required by Law. "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR §164.501.

G. Secretary. "Secretary" shall mean the Secretary of the U.S. Department of Health and Human Services or his or her designee.

H. Unsecured Protected Health Information. "Unsecured Protected Health Information" or "Unsecured PHI" shall mean PHI that is not secured through the use of a technology or methodology specified by the Secretary or as otherwise defined in §13402(h) of the HITECH Act.

## **II. USE OR DISCLOSURE OF PHI BY BUSINESS ASSOCIATE**

A. Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities or services for, or on behalf of MHBE as specified in the Underlying Agreement, provided that such use or disclosure would not violate the Privacy rule.

B. Business Associate shall only use and disclose PHI if such use or disclosure complies with each applicable requirement of 45 CFR §164.504(e).

C. Business Associate shall be directly responsible for full compliance with the relevant requirements of the Privacy Rule to the same extent as Covered Entity.

## **III. DUTIES OF BUSINESS ASSOCIATE RELATIVE TO PHI**

A. Business Associate shall not use or disclose PHI other than as permitted or required by this Agreement, the MCMRA, or as Required By Law.

B. Business Associate shall implement administrative, technical and physical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic PHI that it creates, receives, maintains or transmits on behalf of Covered Entity.



C. Business Associate shall immediately notify MHBE and Covered Entity of any use or disclosure of PHI in violation of this Agreement.

D. In addition to its obligations in Section III.C., Business Associate shall document and notify Covered Entity of a Breach of Unsecured PHI. Business Associate's notification to MHBE and Covered Entity hereunder shall:

1. Be made to MHBE and Covered Entity without unreasonable delay and in no case later than 45 calendar days after the incident constituting the Breach is first known, except where a law enforcement official determines that a notification would impede a criminal investigation or cause damage to national security. For purposes of clarity for this Section III.D.1., Business Associate must notify MHBE and Covered Entity of an incident involving the acquisition, access, use or disclosure of PHI in a manner not permitted under 45 FR Part E within 45 calendar days after an incident even if Business Associate has not conclusively determined within that time that the incident constitutes a Breach as defined by this HIPAA;

2. Includes the names of the individuals whose Unsecured PHI has been, or is reasonably believed to have been, the subject of a Breach;

3. Be in substantially the same form as EXHIBIT A hereto; and

4. Includes a draft letter for MHBE or the Covered Entity to utilize to notify the Individuals that their Unsecured PHI has been, or is reasonably believed to have been, the subject of a Breach that includes, to the extent possible:

a) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;

b) A brief description of the types of Unsecured PHI that were involved in the Breach (such as full name, Social Security number, date of birth, home address, account number, disability code, or other types of information that were involved);

c) Any Steps the Individuals should take to protect themselves from potential harm resulting from the Breach;

d) A brief description of what MHBE, the Covered Entity and the Business Associate are doing to investigate the Breach, to mitigate losses, and to protect against any further Breaches; and

e) Contact procedures for Individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an email address, Web site, or postal address.

E. In the event of an unauthorized use or disclosure of PHI or a Breach of Unsecured PHI, Business Associate shall mitigate, to the extent possible, any harmful effects of said disclosure that are known to it.

F. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate on behalf of MHBE or Covered Entity agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

G. To the extent applicable, Business Associate shall provide access to PHI in a Designated Record Set at reasonable times, at the request of MHBE or Covered Entity, or, as directed by MHBE or Covered Entity, to an individual in order to meet the requirements under 45 C.F.R. §164.524.

H. To the extent possible, Business Associate shall make any amendment(s) to PHI in a Designated Record Set that MHBE or Covered Entity pursuant to 45 C.F.R. §164.526 at the request of MHBE, Covered Entity or an Individual.

I. Business Associate shall, upon request with reasonable notice, provide MHBE or Covered Entity access to its premises for a review and demonstration of its internal practices and procedures for safeguarding PHI.

J. Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for a Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. §164.528. Should an individual make a request to MHBE or Covered Entity for an accounting of disclosures of his or her PHI pursuant to 45 C.F.R. §164.528, Business Associate agrees to promptly provide MHBE or Covered Entity with information in a format and manner sufficient to respond to the individual's request.

K. Business Associate shall, upon request with reasonable notice, provide MHBE and Covered Entity with an accounting of uses and disclosures of PHI provided to it by Covered Entity.

L. Business Associate shall make its internal practices, books, records, and any other material requested by the Secretary relating to the use, disclosure, and safeguarding of PHI received from Covered Entity available to the Secretary for the purpose of determining compliance with the Privacy Rule. The aforementioned information shall be made available to the Secretary in the manner and place as designated by the Secretary or the Secretary's duly appointed delegate. Under this Agreement, Business Associate shall comply and cooperate with any request for documents or other information from the Secretary directed to MHBE or Covered Entity that seek documents or other information held by Business Associate.

M. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 42 CFR §164.502(j)(1).

N. Except as otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

#### IV. TERM AND TERMINATION

A. Term. The Term of this Agreement shall be effective as of the effective date of the Underlying Agreement and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate on behalf of MHBE or Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section IV.

B. Termination for Cause. Upon MHBE or Covered Entity's knowledge of a material breach of this Agreement by Business Associate, MHBE or Covered Entity shall:

1. Provide an opportunity for Business Associate to cure the breach or end the violation and, if Business Associate does not cure the breach or end the violation within the time specified by MHBE or Covered Entity, terminate this Agreement;
2. Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or
3. If neither termination nor cure is feasible, report the violation to the Secretary.

C. Effect of Termination.

1. Except as provided in paragraph C(2) or this section, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of MHBE or Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or

agents or Business Associate. Business Associate shall not retain any copies of the PHI.

2. In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to MHBE or Covered Entity written notification of the conditions that make return or destruction infeasible. After written notification that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

3. Should Business Associate make an intentional or grossly negligent Breach of PHI in violation of this Agreement or HIPAA or an intentional or grossly negligent disclosure of information protected by the MCMRA, MHBE shall have the right to immediately terminate any contract, other than this Agreement, then in force between the Parties, including the underlying Agreement.

V. **CONSIDERATION.** Business Associate recognizes that the promises it has made in this Agreement shall, henceforth, be detrimentally relied upon by Covered Entity in choosing to continue or commence a business relationship with Business Associate.

VI. **REMEDIES IN EVENT OF BREACH.** Business Associate hereby recognizes that irreparable harm will result to MHBE and Covered Entity, in the event of breach by Business Associate of any of the covenants and assurances contained in this Agreement. As such, in the event of breach of any of the covenants and assurances contained in Sections II or III above, MHBE and Covered Entity shall be entitled to enjoin and restrain Business Associate from any continued violation of Sections II or III. Furthermore, in the event of breach of Sections II or III by Business Associate, MHBE and Covered Entity is entitled to reimbursement and indemnification from Business Associate for MHBE and/or Covered Entity's reasonable attorneys' fees and expenses and costs that were reasonably incurred as a proximate result of Business Associate's breach. The remedies contained in this Section VI shall be in addition to (and not supersede) any action for damages and/or any other remedy Covered Entity may have for breach of any part of this Agreement.

VII. **MODIFICATION; AMENDMENT.** This Agreement may only be modified or amended through a writing signed by the Parties and, thus, no oral modification or amendment hereof shall be permitted. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Rule and HIPAA.

**VIII. INTERPRETATION OF THIS AGREEMENT IN RELATION TO OTHER AGREEMENTS BETWEEN THE PARTIES.** Should there be any conflict between the language of this Agreement and any other contract entered into between the Parties (either previous or subsequent to the date of this Agreement), the language and provisions of this Agreement shall control and prevail unless the Parties specifically refer in a subsequent written agreement to this Agreement by its title and date and specifically state that the provisions of the later written agreement shall control over this Agreement.

**IX. COMPLIANCE WITH STATE LAW.** The Business Associate acknowledges that by accepting the PHI from Covered Entity, it becomes the holder of medical information under the MCMRA and is subject to the provisions of that law. If the HIPAA Privacy and Security Rules and the MCMRA conflict regarding the degree of protection provided for PHI, Business Associate shall comply with the more restrictive protection requirement.

**X. MISCELLANEOUS**

A. Ambiguity. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the Privacy and Security Rules.

B. Regulatory References. A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended.

C. Notice to MHBE. Any notice required under this Agreement to be given Covered Entity shall be made in writing to:

Caterina Pañgilinan

Chief Compliance Officer

Maryland Health Benefit Exchange

750 E. Pratt Street, 6th Floor

Baltimore, MD 21202

Phone: (410) 547-1838

Email: caterina.pangilinan@maryland.gov

D. Notice to Covered Entity. Any notice required under this Agreement to be given Covered Entity shall be made in writing to:



[Designated MDH Representative]  
Maryland Department of Health  
201 W. Preston Street  
Baltimore, MD 21201-2301  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

E. Notice to Business Associate. Any notice required under this Agreement to be given Business Associate shall be made in writing to:

Address: \_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Phone: \_\_\_\_\_

F. Survival. Any provision of this Agreement which contemplates performance or observance subsequent to any termination or expiration of this contract shall survive termination or expiration of this Agreement and continue in full force and effect.

G. Severability. If any term contained in this Agreement is held or finally determined to be invalid, illegal, or unenforceable in any respect, in whole or in part, such term shall be severed from this Agreement, and the remaining terms contained herein shall continue in full force and effect, and shall in no way be affected, prejudiced, or disturbed thereby.

H. Terms. All of the terms of this Agreement are contractual and not merely recitals and none may be amended or modified except by a writing executed by all parties hereto.

I. Priority. This Agreement supersedes and renders null and void any and all prior written or oral undertakings or agreements between the parties regarding the subject matter hereof.

IN WITNESS WHEREOF and acknowledging acceptance and agreement of the foregoing, the Parties affix their signatures hereto

**Covered Entity:**

**Business Associate:**



By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Maryland Health Benefit Exchange:**

By: \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Form of Notification to Covered Entity of**

**Breach of Unsecured PHI**

This notification is made pursuant to Section III.2.D(3) of the Business Associate Agreement between the MARYLAND HEALTH BENEFIT EXCHANGE, a public corporation and independent unit of State government (“MHBE”), the Maryland Medical Assistance Program (a unit of the Maryland Department of Health, herein referred to as “Covered Entity or MDH”), and \_\_\_\_\_ (Business Associate).

Business Associate hereby notifies MHBE and MDH that there has been a breach of unsecured (unencrypted) protected health information (PHI) that Business Associate has used or has had access to under the terms of the Business Associate Agreement.

Description of the breach:

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Date of the breach: \_\_\_\_\_

Date of discovery of the breach: \_\_\_\_\_

Does the breach involve 500 or more individuals? Yes/No

If yes, do the people live in multiple states? Yes/No

Number of individuals affected by the  
breach: \_\_\_\_\_

Names of individuals affected by the breach: (attach list)

The types of unsecured PHI that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code):

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Description of what Business Associate is doing to investigate the breach, to mitigate losses, and to protect against any further breaches:

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Contact information to ask questions or learn additional information:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

---

Email

Address: \_\_\_\_\_

## Attachment L. Minority Business Enterprise (MBE) Forms

### L-1A MBE UTILIZATION AND FAIR SOLICITATION AFFIDAVIT & MBE PARTICIPATION SCHEDULE

#### **PART 1 - INSTRUCTIONS**

***PLEASE READ BEFORE COMPLETING THIS DOCUMENT***

**This form includes Instructions and the MBE Utilization and Fair Solicitation Affidavit & MBE Participation Schedule which must be submitted with the bid/proposal. If the bidder/offeror fails to accurately complete and submit this Affidavit and Schedule with the bid or proposal, the Procurement Officer shall deem the bid non-responsive or shall determine that the proposal is not reasonably susceptible of being selected for award unless the inaccuracy is determined to be the result of a minor irregularity that is waived or cured in accordance with COMAR 21.06.02.04.**

1. Contractor shall structure its procedures for the performance of the work required in this Contract to attempt to achieve the minority business enterprise (MBE) subcontractor participation goal stated in the Invitation for Bids or Request for Proposals. Contractor agrees to exercise good faith efforts to carry out the requirements set forth in these Instructions, as authorized by the Code of Maryland Regulations (COMAR) 21.11.03.
2. MBE Goals and Subgoals: Please review the solicitation for information regarding the Contract's MBE overall participation goals and subgoals. After satisfying the requirements for any established subgoals, the Contractor is encouraged to use a diverse group of subcontractors and suppliers from the various MBE classifications to meet the remainder of the overall MBE participation goal.
3. MBE means a minority business enterprise that is certified by the Maryland Department of Transportation ("MDOT"). Only MBEs certified by MDOT may be counted for purposes of achieving the MBE participation goals. In order to be counted for purposes of achieving the MBE participation goals, the MBE firm, including a MBE prime, must be MDOT-certified for the services, materials or supplies that it is committed to perform on the MBE Participation Schedule. A firm whose MBE certification application is pending may not be counted.
4. Please refer to the MDOT MBE Directory at <https://mbe.mdot.maryland.gov/directory/> to determine if a firm is certified with the appropriate North American Industry Classification System ("NAICS") Code **and** the product/services description (specific product that a firm is certified to provide or specific areas of work that a firm is certified to perform). For more general information about NAICS codes, please visit <https://www.census.gov/eos/www/naics/>. Only those specific products and/or services for which a firm is certified in the MDOT Directory can be used for purposes of achieving the MBE participation goals. **CAUTION:** If the firm's NAICS Code is in graduated status, such services/products may not be counted for purposes of achieving the MBE participation goals. A NAICS Code is in the graduated status if the term "Graduated" follows the Code in the MDOT MBE Directory.
5. **Guidelines Regarding MBE Prime Self-Performance.** Please note that when a certified MBE firm participates as a prime contractor on a Contract, a procurement agency may count the distinct, clearly defined portion of the work of the Contract that the certified MBE firm performs with its own workforce toward fulfilling up to, but no more than, fifty-percent (50%) of the overall

MBE participation goal, including up to one hundred percent (100%) of not more than one of the MBE participation subgoals, if any, established for the Contract.

- ✓ In order to receive credit for self-performance, an MBE prime must be certified in the appropriate NAICS code to do the work and must list its firm in the MBE Participation Schedule, including the certification category under which the MBE prime is self-performing and include information regarding the work it will self-perform.
  - ✓ For the remaining portion of the overall goal and the remaining subgoals, the MBE prime must also identify on the MBE Participation Schedule the other certified MBE subcontractors used to meet those goals or request a waiver.
  - ✓ These guidelines apply to the work performed by the MBE Prime that can be counted for purposes of meeting the MBE participation goals. These requirements do not affect the MBE Prime's ability to self-perform a greater portion of the work in excess of what is counted for purposes of meeting the MBE participation goals.
  - ✓ Please note that the requirements to meet the MBE participation overall goal and subgoals are distinct and separate. If the contract has subgoals, regardless of MBE Prime's ability to self-perform up to 50% of the overall goal (including up to 100% of any subgoal), the MBE Prime must either commit to use other MBEs for each of any remaining subgoals or request a waiver. As set forth in Attachment 1-B Waiver Guidance, the MBE Prime's ability to self-perform certain portions of the work of the Contract will not be deemed a substitute for the good faith efforts to meet any remaining subgoal or the balance of the overall goal.
  - ✓ In certain instances where the percentages allocated to MBE participation subgoals add up to more than 50% of the overall goal, the portion of self-performed work that an MBE Prime may count toward the overall goal may be limited to less than 50%. Please refer to the Governor's Office of Small Minority & Women Business Affairs' website for the MBE Prime Regulations Q&A for illustrative examples.  
[http://www.goMDsmallbiz.maryland.gov/Documents/MBE\\_Toolkit/MBEPrimeRegulation\\_QA.pdf](http://www.goMDsmallbiz.maryland.gov/Documents/MBE_Toolkit/MBEPrimeRegulation_QA.pdf)
6. Subject to items 1 through 5 above, when a certified MBE performs as a participant in a joint venture, a procurement agency may count a portion of the total dollar value of the Contract equal to the distinct, clearly-defined portion of the work of the Contract that the certified MBE performs with its own forces toward fulfilling the Contract goal, and not more than one of the Contract subgoals, if any.
7. The work performed by a certified MBE firm, including an MBE prime, can only be counted towards the MBE participation goal(s) if the MBE firm is performing a commercially useful function on the Contract. Please refer to COMAR 21.11.03.12-1 for more information regarding these requirements.
8. **Materials and Supplies: New Guidelines Regarding MBE Participation.**
- ✓ Regular Dealer (generally identified as a wholesaler or supplier in the MDOT Directory): Up to 60% of the costs of materials and supplies provided by a certified MBE may be counted towards the MBE participation goal(s) if such MBE is a Regular Dealer of such materials and supplies. Regular Dealer is defined as a firm that owns, operates, or maintains a store, a warehouse, or any other establishment in which the materials, supplies, articles, or equipment are of the general character described by the specifications required under the contract and are bought, kept in stock, or regularly sold or leased to the

public in the usual course of business; and does not include a packager, a broker, a manufacturer's representative, or any other person that arranges or expedites transactions.

*Example for illustrative purposes of applying the 60% rule:*

*Overall contract value: \$2,000,000*

*Total value of supplies: \$100,000*

*Calculate Percentage of Supplies to overall contract value: \$100,000 divided by \$2,000,000 = 5%*

***Apply 60% Rule - Total percentage of Supplies/Products 5% x 60% = 3%***

***3% would be counted towards achieving the MBE Participation Goal and Subgoal, if any, for the MBE supplier in this example.***

- ✓ **Manufacturer:** A certified MBE firm's participation may be counted in full if the MBE is certified in the appropriate NAICS code(s) to provide products and services as a manufacturer.
- ✓ **Broker:** With respect to materials or supplies purchased from a certified MBE that is neither a manufacturer nor a regular dealer, a unit may apply the entire amount of fees or commissions charged for assistance in the procurement of the materials and supplies, fees, or transportation charges for the delivery of materials and supplies required on a procurement toward the MBE contract goals, provided a unit determines the fees to be reasonable and not excessive as compared with fees customarily allowed for similar services. A unit may not apply any portion of the costs of the materials and supplies toward MBE goals.
- ✓ **Furnish and Install and other Services:** The participation of a certified MBE supplier, wholesaler, and/or regular dealer certified in the proper NAICS code(s) to furnish and install materials necessary for successful contract completion may be counted in full. Includes the participation of other MBE service providers in the proper NAICS code(s) may be counted in full.

9. **Dually certified firms.** An MBE that is certified in more than one subgroup category may only be counted toward goal fulfillment of ONE of those categories with regard to a particular contract.

*Example: A woman-owned Hispanic American (dually certified) firm may be used to fulfill the women-owned OR Hispanic American subgoal, but not both on the same contract.*

10. CAUTION: The percentage of MBE participation, computed using the percentage amounts determined for all of the MBE firms listed in PART 3, MUST meet or exceed the MBE participation goal and subgoals (if applicable) as set forth in PART 2- for this solicitation. If a bidder/offeror is unable to meet the MBE participation goal or any subgoals (if applicable), then the bidder/offeror must request a waiver in PART 2 or the bid will be deemed not responsive, or the proposal not reasonably susceptible of being selected for award. You may wish to use the attached Goal/Subgoal Worksheet to assist in calculating the percentages and confirming that your commitment meets or exceeds the applicable MBE participation goal and subgoals (if any).

11. If you have any questions as to whether a firm is certified to perform the specific services or provide specific products, please contact MDOT's Office of Minority Business Enterprise at 1-

800-544-6056 or via email to [mbe@mdot.state.md.us](mailto:mbe@mdot.state.md.us) sufficiently prior to the submission due date.

### **Subgoals (if applicable)**

Total African American MBE Participation:	_____ %
Total Asian American MBE Participation:	_____ %
Total Hispanic American MBE Participation:	_____ %
Total Women-Owned MBE Participation:	_____ %

### **Overall Goal**

Total MBE Participation (include all categories):	_____ %
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## **PART 2 - MBE UTILIZATION AND FAIR SOLICITATION AFFIDAVIT & MBE PARTICIPATION SCHEDULE**

**This MBE Utilization and Fair Solicitation Affidavit and MBE Participation Schedule must be completed in its entirety and included with the bid/proposal. If the bidder/offeror fails to accurately complete and submit this Affidavit and Schedule with the bid or proposal as required, the Procurement Officer shall deem the bid non-responsive or shall determine that the proposal is not reasonably susceptible of being selected for award.**

In connection with the bid/proposal submitted in response to Solicitation No. \_\_\_\_\_, I affirm the following:

### **1. MBE Participation (PLEASE CHECK ONLY ONE)**

☐ I acknowledge and intend to meet IN FULL both the overall certified Minority Business Enterprise (MBE) participation goal of \_\_\_\_\_ percent and all of the following subgoals:

- \_\_\_\_\_ percent for African American-owned MBE firms
- \_\_\_\_\_ percent for Hispanic American-owned MBE firms
- \_\_\_\_\_ percent for Asian American-owned MBE firms
- \_\_\_\_\_ percent for Women-owned MBE firms

Therefore, I am not seeking a waiver pursuant to COMAR 21.11.03.11. I acknowledge that by checking the above box and agreeing to meet the stated goal and subgoal(s), if any, I **must** complete PART 3 - MBE Participation Schedule and Part 4 Signature Page in order to be considered for award.

### **OR**

☐ After making good faith outreach efforts prior to making this submission, I conclude that I am unable to achieve the MBE participation goal and/or subgoals. I hereby request a waiver, in whole or in part, of the overall goal and/or subgoals I acknowledge that by checking this box and requesting a partial waiver of the stated goal and/or one or more of the stated subgoal(s) if any, I **must** complete Part 3, the MBE Participation Schedule and Part 4 Signature Page for the portion of the goal and/or subgoal(s) if any, for which I am not seeking a waiver, in order to be considered for award. I acknowledge that by checking this box and requesting a full waiver of the stated goal and the stated subgoal(s) if any, I **must** complete Part 4 Signature Page in order to be considered for award.

### **Additional MBE Documentation**

I understand that if I am notified that I am the apparent awardee or as requested by the Procurement Officer, I must submit the following documentation within 10 working days of receiving notice of the potential award or from the date of conditional award (per COMAR 21.11.03.10), whichever is earlier:

- (a) Good Faith Efforts Documentation to Support Waiver Request (Attachment L-1C)
- (b) Outreach Efforts Compliance Statement (Attachment L-2);
- (c) MBE Subcontractor/MBE Prime Project Participation Statement (Attachments L-3A and 3B);
- (d) Any other documentation, including additional waiver documentation if applicable, required by the Procurement Officer to ascertain bidder or offeror responsibility in connection with the certified MBE participation goal and subgoals, if any.

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

### **Information Provided to MBE firms**

In the solicitation of subcontract quotations or offers, MBE firms were provided not less than the same information and amount of time to respond as were non-MBE firms.

## **PART 3 - MBE PARTICIPATION SCHEDULE**

SET FORTH BELOW ARE THE (I) CERTIFIED MBEs I INTEND TO USE, (II) THE PERCENTAGE OF THE TOTAL CONTRACT VALUE ALLOCATED TO EACH MBE FOR THIS PROJECT AND, (III) THE ITEMS OF WORK EACH MBE WILL PROVIDE UNDER THE CONTRACT. I HAVE CONFIRMED WITH THE MDOT DATABASE THAT THE MBE FIRMS IDENTIFIED BELOW (INCLUDING ANY SELF-PERFORMING MBE PRIME FIRMS) ARE PERFORMING WORK ACTIVITIES FOR WHICH THEY ARE MDOT-CERTIFIED.

Prime Contractor	Project Description	Project/Contract Number

LIST INFORMATION FOR EACH CERTIFIED MBE FIRM YOU AGREE TO USE TO ACHIEVE THE MBE PARTICIPATION GOAL AND SUBGOALS, IF ANY. **MBE PRIMES:** PLEASE COMPLETE BOTH SECTIONS A AND B BELOW.

### **SECTION A: For MBE Prime Contractors ONLY (including MBE Primes in a Joint Venture)**

<p>MBE Prime Firm Name: _____</p> <p>MBE Certification Number: _____</p> <p>(If dually certified, check only one box.)</p> <p><input type="checkbox"/> African American-Owned <input type="checkbox"/> Hispanic American- Owned <input type="checkbox"/> Asian American-Owned <input type="checkbox"/> Women-Owned <input type="checkbox"/> Other MBE Classification</p> <p>NAICS code: _____</p>	<p>Percentage of total Contract Value to be performed with own forces and counted towards the MBE <b>overall participation goal</b> (up to 50% of the overall goal): _____% <b>Please refer to Item #8 in Part 1- Instructions of this document for new MBE participation guidelines regarding materials and supplies.</b></p> <p>Percentage of total Contract Value to be performed with own forces and counted towards the <b>subgoal</b>, if any, for my MBE classification (up to 100% of not more than one subgoal): _____%</p> <p><input type="checkbox"/> Supplier, wholesaler and/or regular dealer (count 60%) <input type="checkbox"/> Manufacturer (count 100%) <input type="checkbox"/> Broker (count reasonable fee/commission only) <input type="checkbox"/> Furnish and Install and other Services (count 100%)</p> <p><b>Complete the applicable prompt (select only one) from prompts A-C below that applies to the type of work your firm is self-performing to calculate amount to be counted towards achieving the MBE Participation Goal and Subgoal, if any.</b></p> <p><b>A. Percentage amount of subcontract where the MBE Prime firm is being used for manufacturer, furnish and install, and/or services</b> (excluding products / services from suppliers, wholesalers, regular dealers and brokers) ____%</p> <p><b>B. Percentage amount for items of work where the MBE Prime firm is being used as supplier, wholesaler, and/or regular dealer</b> (60% Rule). Total percentage of Supplies/Products ____% x 60% = ____%</p> <p><b>C. Percentage amount of fee where the MBE Prime firm is being used as broker</b> (count reasonable fee/commission only) ____%</p> <p>Description of the work to be performed with MBE prime's own forces: _____ _____</p>
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## SECTION B: For all Contractors (including MBE Primes and MBE Primes in a Joint Venture)

<p>MBE Firm Name: _____</p> <p>MBE Certification Number: _____</p> <p>(If dually certified, check only one box.)</p> <p><input type="checkbox"/> African American-Owned</p> <p><input type="checkbox"/> Hispanic American- Owned</p> <p><input type="checkbox"/> Asian American-Owned</p> <p><input type="checkbox"/> Women-Owned</p> <p><input type="checkbox"/> Other MBE Classification</p> <p>NAICS code: _____</p>	<p><b>Please refer to Item #8 in Part 1- Instructions of this document for new MBE participation guidelines regarding materials and supplies.</b></p> <p><input type="checkbox"/> Supplier, wholesaler and/or regular dealer (count 60%)</p> <p><input type="checkbox"/> Manufacturer (count 100%)</p> <p><input type="checkbox"/> Broker (count reasonable fee/commission only)</p> <p><input type="checkbox"/> Furnish and Install and other Services (count 100%)</p> <p><b>Complete the applicable prompt (select only one) from prompts A-C below that applies to the type of work that the MBE firm named to the left will be performing to calculate the amount to be counted towards achieving the MBE Participation Goal and Subgoal, if any.</b></p> <p><b>A. Percentage of total contract amount where the MBE firm is being used for manufacturer, furnish and install, and/or services</b> (excluding products/services from suppliers, wholesalers, regular dealers and brokers) ____ %</p> <p><b>B. Percentage of total contract amount for items of work where the MBE firm is being used as supplier, wholesaler, and/or regular dealer (60% Rule)).</b> Total percentage of Supplies/Products ____ % X 60% = ____ %</p> <p><b>C. Percentage amount of fee where the MBE firm is being used as broker</b> (count reasonable fee/commission only) ____ %</p> <p>Description of the work to be performed: _____ _____</p>
<p>MBE Firm Name: _____</p> <p>MBE Certification Number: _____</p> <p>(If dually certified, check only one box.)</p> <p><input type="checkbox"/> African American-Owned</p> <p><input type="checkbox"/> Hispanic American- Owned</p> <p><input type="checkbox"/> Asian American-Owned</p> <p><input type="checkbox"/> Women-Owned</p> <p><input type="checkbox"/> Other MBE Classification</p> <p>NAICS code: _____</p>	<p><b>Please refer to Item #8 in Part 1- Instructions of this document for new MBE participation guidelines regarding materials and supplies.</b></p> <p><input type="checkbox"/> Supplier, wholesaler and/or regular dealer (count 60%)</p> <p><input type="checkbox"/> Manufacturer (count 100%)</p> <p><input type="checkbox"/> Broker (count reasonable fee/commission only)</p> <p><input type="checkbox"/> Furnish and Install and other Services (count 100%)</p> <p><b>Complete the applicable prompt (select only one) from prompts A-C below that applies to the type of work that the MBE Firm named to the left will be performing to calculate the amount to be counted towards achieving the MBE Participation Goal and Subgoal, if any.</b></p> <p><b>A. Percentage of total contract amount where the MBE firm is being used for manufacturer, furnish and install, and/or services</b> (excluding products/services from suppliers, wholesalers, regular dealers and brokers) ____ %</p> <p><b>B. Percentage of total contract amount for items of work where the MBE firm is being used as supplier, wholesaler, and/or regular dealer (60% Rule)).</b> Total percentage of Supplies/Products ____ % X 60% = ____ %</p> <p><b>C. Percentage amount of fee where the MBE firm is being used as broker</b> (count reasonable fee/commission only) ____ %</p> <p>Description of the work to be performed: _____ _____</p>

<p>MBE Firm Name: _____</p> <p>MBE Certification Number: _____</p> <p>(If dually certified, check only one box.)</p> <p><input type="checkbox"/> African American-Owned</p> <p><input type="checkbox"/> Hispanic American- Owned</p> <p><input type="checkbox"/> Asian American-Owned</p> <p><input type="checkbox"/> Women-Owned</p> <p><input type="checkbox"/> Other MBE Classification</p> <p>NAICS code: _____</p>	<p><b>Please refer to Item #8 in Part 1- Instructions of this document for new MBE participation guidelines regarding materials and supplies.</b></p> <p><input type="checkbox"/> Supplier, wholesaler and/or regular dealer (count 60%)</p> <p><input type="checkbox"/> Manufacturer (count 100%)</p> <p><input type="checkbox"/> Broker (count reasonable fee/commission only)</p> <p><input type="checkbox"/> Furnish and Install and other Services (count 100%)</p> <p><b>Complete the applicable prompt (select only one) from prompts A-C below that applies to the type of work that for the MBE firm named to the left will be performing to calculate the amount to be counted towards achieving the MBE Participation Goal and Subgoal, if any.</b></p> <p><b>A. Percentage of total contract amount where the MBE firm is being used for manufacturer, furnish and install, and/or services</b> (excluding products/services from suppliers, wholesalers, regular dealers and brokers) ____ %</p> <p><b>B. Percentage of the total contract amount for items of work where the MBE firm is being used as supplier, wholesaler, and/or regular dealer (60% Rule).</b> Total percentage of Supplies/Products ____ % X 60% = ____ %</p> <p><b>C. Percentage amount of fee where the MBE firm is being used as broker</b> (count reasonable fee/commission only) ____ %</p> <p>Description of the work to be performed: _____ _____</p>
<p>MBE Firm Name: _____</p> <p>MBE Certification Number: _____</p> <p>(If dually certified, check only one box.)</p> <p><input type="checkbox"/> African American-Owned</p> <p><input type="checkbox"/> Hispanic American- Owned</p> <p><input type="checkbox"/> Asian American-Owned</p> <p><input type="checkbox"/> Women-Owned</p> <p><input type="checkbox"/> Other MBE Classification</p> <p>NAICS code: _____</p>	<p><b>Please refer to Item #8 in Part 1- Instructions of this document for new MBE participation guidelines regarding materials and supplies.</b></p> <p><input type="checkbox"/> Supplier, wholesaler and/or regular dealer (count 60%)</p> <p><input type="checkbox"/> Manufacturer (count 100%)</p> <p><input type="checkbox"/> Broker (count reasonable fee/commission only)</p> <p><input type="checkbox"/> Furnish and Install and other Services (count 100%)</p> <p><b>Complete the applicable prompt (select only one) from prompts A-C below that applies to the type of work that the MBE firm named to the left will be performing to calculate the amount to be counted towards achieving the MBE Participation Goal and Subgoal, if any.</b></p> <p><b>A. Percentage of total contract amount where the MBE firm is being used for manufacturer, furnish and install, and/or services</b> (excluding products/services from suppliers, wholesalers, regular dealers and brokers) ____ %</p> <p><b>B. Percentage of total contract amount for items of work where the MBE firm is being used as supplier, wholesaler, and/or regular dealer (60% Rule)).</b> Total percentage of Supplies/Products ____ % X 60% = ____ %</p> <p><b>C. Percentage amount of fee where the MBE firm is being used as broker</b> ____ %</p> <p>Description of the work to be performed: _____ _____</p>

CONTINUE ON SEPARATE PAGE IF NEEDED

## **PART 4 – SIGNATURE PAGE**

**To complete Affidavit committing to MBE(s) or requesting waiver,  
Bidder/Offeror must sign below:**

**I solemnly affirm under the penalties of perjury that: (i) I have reviewed the instructions for the MBE Utilization & Fair Solicitation Affidavit and MBE Schedule, and (ii) the information contained in the MBE Utilization & Fair Solicitation Affidavit and MBE Schedule is true to the best of my knowledge, information and belief.**

\_\_\_\_\_  
Bidder/Offeror Name  
(PLEASE PRINT OR TYPE)

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Address

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
City, State and Zip Code

\_\_\_\_\_  
Date

**SUBMIT THIS AFFIDAVIT WITH BID/PROPOSAL**

## L-1B WAIVER GUIDANCE

### GUIDANCE FOR DOCUMENTING GOOD FAITH EFFORTS TO MEET MBE PARTICIPATION GOALS

In order to show that it has made good faith efforts to meet the Minority Business Enterprise (MBE) participation goal (including any MBE subgoals) on a contract, the Offeror must either (1) meet the MBE Goal(s) and document its commitments for participation of MBE Firms, or (2) when it does not meet the MBE Goal(s), document its Good Faith Efforts to meet the goal(s).

#### I. Definitions

**MBE Goal(s)** – “MBE Goal(s)” refers to the MBE participation goal and MBE participation subgoal(s).

**Good Faith Efforts** - The “Good Faith Efforts” requirement means that when requesting a waiver, the Offeror must demonstrate that it took all necessary and reasonable steps to achieve the MBE Goal(s), which, by their scope, intensity, and appropriateness to the objective, could reasonably be expected to obtain sufficient MBE participation, even if those steps were not fully successful. Whether the Offeror that requests a waiver made adequate good faith efforts will be determined by considering the quality, quantity, and intensity of the different kinds of efforts that the Offeror has made. The efforts employed by the Offeror should be those that one could reasonably expect the Offeror to take if the Offeror were actively and aggressively trying to obtain MBE participation sufficient to meet the MBE contract goal and subgoals. Mere *pro forma* efforts are not good faith efforts to meet the MBE contract requirements. The determination concerning the sufficiency of the Offeror's good faith efforts is a judgment call; meeting quantitative formulas is not required.

**Identified Firms** – “Identified Firms” means a list of the MBEs identified by the procuring agency during the goal setting process and listed in the procurement as available to perform the Identified Items of Work. It also may include additional MBEs identified by the Offeror as available to perform the Identified Items of Work, such as MBEs certified or granted an expansion of services after the procurement was issued. If the procurement does not include a list of Identified Firms, this term refers to all of the MBE Firms (if State-funded) the Offeror identified as available to perform the Identified Items of Work and should include all appropriately certified firms that are reasonably identifiable.

**Identified Items of Work** – “Identified Items of Work” means the Proposal items identified by the procuring agency during the goal setting process and listed in the procurement as possible items of work for performance by MBE Firms. It also may include additional portions of items of work the Offeror identified for performance by MBE Firms to increase the likelihood that the MBE Goal(s) will be achieved. If the procurement does not include a list of Identified Items of Work, this term refers to all of the items of work the Offeror identified as possible items of work for performance by MBE Firms and should include all reasonably identifiable work opportunities.

**MBE Firms** – “MBE Firms” refers to firms certified by the Maryland Department of Transportation (“MDOT”) under COMAR 21.11.03. Only MDOT-certified MBE Firms can participate in the State's MBE Program.

#### II. Types of Actions Agency will Consider

The Offeror is responsible for making relevant portions of the work available to MBE subcontractors and suppliers and select those portions of the work or material needs consistent with the available MBE subcontractors and suppliers, so as to facilitate MBE participation. The following is a list of types of actions the procuring agency will consider as part of the Offeror's Good Faith Efforts when the Offeror fails to meet the MBE Goal(s). This list is not intended to be a mandatory checklist, nor is it intended to be exclusive or exhaustive. Other factors or types of efforts may be relevant in appropriate cases.

##### A. Identify Proposal Items as Work for MBE Firms

###### 1. Identified Items of Work in Procurements

- (a) Certain procurements will include a list of Proposal items identified during the goal setting process as possible work for performance by MBE Firms. If the procurement provides a list of Identified Items of Work, the Offeror shall make all reasonable efforts to solicit quotes from MBE Firms to perform that work.
- (b) Offerors may, and are encouraged to, select additional items of work to be performed by MBE Firms to increase the likelihood that the MBE Goal(s) will be achieved.

###### 2. Identified Items of Work by Offerors

- (a) When the procurement does not include a list of Identified Items of Work or for additional Identified Items of Work, Offerors should reasonably identify sufficient items of work to be performed by MBE Firms.

- (b) Where appropriate, Offerors should break out contract work items into economically feasible units to facilitate MBE participation, rather than perform these work items with their own forces. The ability or desire of a prime contractor to perform the work of a contract with its own organization does not relieve the Offeror of the responsibility to make Good Faith Efforts.

## **B. Identify MBE Firms to Solicit**

### **1. MBE Firms Identified in Procurements**

- (a) Certain procurements will include a list of the MBE Firms identified during the goal setting process as available to perform the items of work. If the procurement provides a list of Identified MBE Firms, the Offeror shall make all reasonable efforts to solicit those MBE firms.
- (b) Offerors may, and are encouraged to, search the MBE Directory to identify additional MBEs who may be available to perform the items of work, such as MBEs certified or granted an expansion of services after the solicitation was issued.

### **2. MBE Firms Identified by Offerors**

- (a) When the procurement does not include a list of Identified MBE Firms, Offerors should reasonably identify the MBE Firms that are available to perform the Identified Items of Work.
- (b) Any MBE Firms identified as available by the Offeror should be certified to perform the Identified Items of Work.

## **C. Solicit MBEs**

### **1. Solicit all Identified Firms for all Identified Items of Work by providing written notice. The Offeror should:**

- (a) provide the written solicitation at least 10 days prior to Proposal opening to allow sufficient time for the MBE Firms to respond;
- (b) send the written solicitation by first-class mail, facsimile, or e-mail using contact information in the MBE Directory, unless the Offeror has a valid basis for using different contact information; and
- (c) provide adequate information about the plans, specifications, anticipated time schedule for portions of the work to be performed by the MBE, and other requirements of the contract to assist MBE Firms in responding. (This information may be provided by including hard copies in the written solicitation or by electronic means as described in C.3 below.)

### **2. “All” Identified Firms includes the MBEs listed in the procurement and any MBE Firms you identify as potentially available to perform the Identified Items of Work, but it does not include MBE Firms who are no longer certified to perform the work as of the date the Offeror provides written solicitations.**

### **3. “Electronic Means” includes, for example, information provided *via* a website or file transfer protocol (FTP) site containing the plans, specifications, and other requirements of the contract. If an interested MBE cannot access the information provided by electronic means, the Offeror must make the information available in a manner that is accessible to the interested MBE.**

### **4. Follow up on initial written solicitations by contacting MBEs to determine if they are interested. The follow up contact may be made:**

- (a) by telephone using the contact information in the MBE Directory, unless the Offeror has a valid basis for using different contact information; or
- (b) in writing *via* a method that differs from the method used for the initial written solicitation.

### **5. In addition to the written solicitation set forth in C.1 and the follow up required in C.4, use all other reasonable and available means to solicit the interest of MBE Firms certified to perform the work of the contract. Examples of other means include:**

- (a) attending any pre-Proposal meetings at which MBE Firms could be informed of contracting and subcontracting opportunities; and
- (b) if recommended by the procurement, advertising with or effectively using the services of at least two minority focused entities or media, including trade associations, minority/women community organizations, minority/women contractors' groups, and local, state, and federal minority/women business assistance offices listed on the MDOT Office of Minority Business Enterprise website.

#### **D. Negotiate with Interested MBE Firms**

Offerors must negotiate in good faith with interested MBE Firms.

1. Evidence of negotiation includes, without limitation, the following:
  - (a) the names, addresses, and telephone numbers of MBE Firms that were considered;
  - (b) a description of the information provided regarding the plans and specifications for the work selected for subcontracting and the means used to provide that information; and
  - (c) evidence as to why additional agreements could not be reached for MBE Firms to perform the work.
2. The Offeror using good business judgment would consider a number of factors in negotiating with subcontractors, including MBE subcontractors, and would take a firm's price and capabilities as well as contract goals into consideration.
3. The fact that there may be some additional costs involved in finding and using MBE Firms is not in itself sufficient reason for the Offeror's failure to meet the contract MBE goal(s), as long as such costs are reasonable. Factors to take into consideration when determining whether an MBE Firm's quote is excessive or unreasonable include, without limitation, the following:
  - (a) dollar difference between the MBE subcontractor's quote and the average of the other subcontractors' quotes received by the Offeror;
  - (b) percentage difference between the MBE subcontractor's quote and the average of the other subcontractors' quotes received by the Offeror;
  - (c) percentage that the MBE subcontractor's quote represents of the overall contract amount;
  - (d) number of MBE firms that the Offeror solicited for that portion of the work;
  - (e) whether the work described in the MBE and Non-MBE subcontractor quotes (or portions thereof) submitted for review is the same or comparable; and
  - (f) number of quotes received by the Offeror for that portion of the work.
4. The above factors are not intended to be mandatory, exclusive, or exhaustive, and other evidence of an excessive or unreasonable price may be relevant.
5. The Offeror may not use its price for self-performing work as a basis for rejecting an MBE Firm's quote as excessive or unreasonable.
6. The "average of the other subcontractors' quotes received" by the Offeror refers to the average of the quotes received from all subcontractors. Offeror should attempt to receive quotes from at least three subcontractors, including one quote from an MBE and one quote from a Non-MBE.
7. The Offeror shall not reject an MBE Firm as unqualified without sound reasons based on a thorough investigation of the firm's capabilities. For each certified MBE that is rejected as unqualified or that placed a subcontract quotation or offer that the Offeror concludes is not acceptable, the Offeror must provide a written detailed statement listing the reasons for this conclusion. The Offeror also must document the steps taken to verify the capabilities of the MBE and Non-MBE Firms quoting similar work.
  - (a) The factors to take into consideration when assessing the capabilities of an MBE Firm, include, but are not limited to the following: financial capability, physical capacity to perform, available personnel and equipment, existing workload, experience performing the type of work, conduct and performance in previous contracts, and ability to meet reasonable contract requirements.
  - (b) The MBE Firm's standing within its industry, membership in specific groups, organizations, or associations and political or social affiliations (for example union vs. non-union employee status) are not legitimate causes for the rejection or non-solicitation of Proposals in the efforts to meet the project goal.

#### **E. Assisting Interested MBE Firms**

When appropriate under the circumstances, the decision-maker will consider whether the Offeror made reasonable efforts to assist interested MBE Firms in obtaining:

1. The bonding, lines of credit, or insurance required by the procuring agency or the Offeror; and
2. Necessary equipment, supplies, materials, or related assistance or services.



### III. Other Considerations

In making a determination of Good Faith Efforts the decision-maker may consider engineering estimates, catalogue prices, general market availability and availability of certified MBE Firms in the area in which the work is to be performed, other Proposals or offers and subcontract Proposals or offers substantiating significant variances between certified MBE and Non-MBE costs of participation, and their impact on the overall cost of the contract to the State and any other relevant factors.

The decision-maker may take into account whether the Offeror decided to self-perform subcontract work with its own forces, especially where the self-performed work is Identified Items of Work in the procurement. The decision-maker also may take into account the performance of other Offerors in meeting the contract. For example, when the apparent successful Offeror fails to meet the contract goal, but others meet it, this reasonably raises the question of whether, with additional reasonable efforts, the apparent successful Offeror could have met the goal. If the apparent successful Offeror fails to meet the goal, but meets or exceeds the average MBE participation obtained by other Offerors, this, when viewed in conjunction with other factors, could be evidence of the apparent successful Offeror having made Good Faith Efforts.

### IV. Documenting Good Faith Efforts

At a minimum, the Offeror seeking a waiver of the MBE Goal(s) or a portion thereof must provide written documentation of its Good Faith Efforts, in accordance with COMAR 21.11.03.11, within 10 Business Days after receiving notice that it is the apparent awardee. The written documentation shall include the following:

#### A. Items of Work (Complete Good Faith Efforts Documentation Attachment L-1C, Part 1)

A detailed statement of the efforts made to select portions of the work proposed to be performed by certified MBE Firms in order to increase the likelihood of achieving the stated MBE Goal(s).

#### B. Outreach/Solicitation/Negotiation

1. The record of the Offeror's compliance with the outreach efforts prescribed by COMAR 21.11.03.09C(2)(a). **(Complete Outreach Efforts Compliance Statement - L-2).**
2. A detailed statement of the efforts made to contact and negotiate with MBE Firms including:
  - (a) the names, addresses, and telephone numbers of the MBE Firms who were contacted, with the dates and manner of contacts (letter, fax, e-mail, telephone, etc.) **(Complete Good Faith Efforts Attachment L-1C- Part 2, and submit letters, fax cover sheets, e-mails, etc. documenting solicitations);** and
  - (b) a description of the information provided to MBE Firms regarding the plans, specifications, and anticipated time schedule for portions of the work to be performed and the means used to provide that information.

#### C. Rejected MBE Firms (Complete Good Faith Efforts Attachment L-1C, Part 3)

1. For each MBE Firm that the Offeror concludes is not acceptable or qualified, a detailed statement of the reasons for the Offeror's conclusion, including the steps taken to verify the capabilities of the MBE and Non-MBE Firms quoting similar work.
2. For each certified MBE Firm that the Offeror concludes has provided an excessive or unreasonable price, a detailed statement of the reasons for the Offeror's conclusion, including the quotes received from all MBE and Non-MBE firms proposing on the same or comparable work. **(Include copies of all quotes received.)**
3. A list of MBE Firms contacted but found to be unavailable. This list should be accompanied by an MBE Unavailability Certificate (see **L-1B - Exhibit A** to this Part 1) signed by the MBE contractor or a statement from the Offeror that the MBE contractor refused to sign the MBE Unavailability Certificate.

#### D. Other Documentation

1. Submit any other documentation requested by the Procurement Officer to ascertain the Offeror's Good Faith Efforts.
2. Submit any other documentation the Offeror believes will help the Procurement Officer ascertain its Good Faith Efforts.

**L-1B - Exhibit A**  
**MBE Subcontractor Unavailability Certificate**

1. It is hereby certified that the firm of \_\_\_\_\_  
(Name of Minority firm)  
located at \_\_\_\_\_  
(Number) (Street)  
\_\_\_\_\_  
(City) (State) (Zip)

was offered an opportunity to bid on Solicitation No. \_\_\_\_\_  
in \_\_\_\_\_ County by \_\_\_\_\_  
(Name of Prime Contractor's Firm)

\*\*\*\*\*

2. \_\_\_\_\_ (Minority Firm), is either unavailable for the work/service or unable to prepare a Proposal for this project for the following reason(s):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\*\*\*\*\*

\_\_\_\_\_  
(Signature of Minority Firm's MBE Representative) (Title) (Date)

\_\_\_\_\_  
(MDOT Certification #) (Telephone #)

\*\*\*\*\*

3. To be completed by the prime contractor if Section 2 of this form is not completed by the minority firm.

To the best of my knowledge and belief, said Certified Minority Business Enterprise is either unavailable for the work/service for this project, is unable to prepare a Proposal, or did not respond to a request for a price Proposal and has not completed the above portion of this submittal.

\_\_\_\_\_  
(Signature of Prime Contractor) (Title) (Date)



**L-1C**  
**GOOD FAITH EFFORTS DOCUMENTATION TO SUPPORT WAIVER REQUEST**

PAGE \_\_ OF \_\_

<b>Prime Contractor:</b>	<b>Project Description:</b>	<b>PROJECT/CONTRACT</b>
Offeror Company Name, Street Address, Phone		<b>Solicitation #:</b>

Parts 1, 2, and 3 must be included with this certificate along with all documents supporting your waiver request.

I affirm that I have reviewed **Attachment L-1B**, Waiver Guidance. I further affirm under penalties of perjury that the contents of Parts 1, 2, and 3 of this **Attachment L-1C** Good Faith Efforts Documentation Form are true to the best of my knowledge, information, and belief.

Company:

Company Name (please print or type)

By:

Signature of Authorized Representative

Printed Name:

Printed Name

Title:

Title

Date:

Date

Address:

Company Address

**GOOD FAITH EFFORTS DOCUMENTATION TO SUPPORT WAIVER REQUEST**  
**PART 1 – IDENTIFIED ITEMS OF WORK OFFEROR MADE AVAILABLE TO MBE FIRMS**

PAGE \_\_ OF \_\_

<b>Prime Contractor:</b>	<b>Project Description:</b>	<b>PROJECT/CONTRACT</b>
Offeror Company Name, Street Address, Phone		<b>Solicitation #:</b>

Identify those items of work that the Offeror made available to MBE Firms. This includes, where appropriate, those items the Offeror identified and determined to subdivide into economically feasible units to facilitate the MBE participation. For each item listed, show the anticipated percentage of the total contract amount. It is the Offeror's responsibility to demonstrate that sufficient work to meet the goal was made available to MBE Firms, and the total percentage of the items of work identified for MBE participation equals or exceeds the percentage MBE goal set for the procurement. Note: If the procurement includes a list of Proposal items identified during the goal setting process as possible items of work for performance by MBE Firms, the Offeror should make all of those items of work available to MBE Firms or explain why that item was not made available. If the Offeror selects additional items of work to make available to MBE Firms, those additional items should also be included below.

Identified Items of Work	Was this work listed in the procurement?	Does Offeror normally self-perform this work?	Was this work made available to MBE Firms? If no, explain why not.
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

☐ Please check if Additional Sheets are attached.

# GOOD FAITH EFFORTS DOCUMENTATION TO SUPPORT WAIVER REQUEST

## PART 2 – IDENTIFIED MBE FIRMS AND RECORD OF SOLICITATIONS

PAGE \_\_ OF \_\_

<b>Prime Contractor:</b>	<b>Project Description:</b>	<b>PROJECT/CONTRACT</b>
<i>Offeror Company Name, Street Address, Phone</i>		<b>Solicitation #:</b>

Identify the MBE Firms solicited to provide quotes for the Identified Items of Work made available for MBE participation. Include the name of the MBE Firm solicited, items of work for which quotes were solicited, date and manner of initial and follow-up solicitations, whether the MBE provided a quote, and whether the MBE is being used to meet the MBE participation goal. MBE Firms used to meet the participation goal must be included on the MBE Participation Schedule. Note: If the procurement includes a list of the MBE Firms identified during the goal setting process as potentially available to perform the items of work, the Offeror should solicit all of those MBE Firms or explain why a specific MBE was not solicited. If the Offeror identifies additional MBE Firms who may be available to perform Identified Items of Work, those additional MBE Firms should also be included below. Copies of all written solicitations and documentation of follow-up calls to MBE Firms must be attached to this form. This list should be accompanied by a Minority Contractor Unavailability Certificate signed by the MBE contractor or a statement from the Offeror that the MBE contractor refused to sign the Minority Contractor Unavailability Certificate (**Attachment L-1B - Exhibit A**). If the Offeror used a Non-MBE or is self-performing the identified items of work, Part 4 must be completed.

Name of Identified MBE Firm & MBE Classification	Describe Item of Work Solicited	Initial Solicitation Date & Method	Follow-up Solicitation Date & Method	Details for Follow-up Calls	Quote Rec'd	Quote Used	Reason Quote Rejected
Firm Name: _____ MBE Classification (Check only if requesting waiver of MBE subgoal.) <input type="checkbox"/> African American-Owned <input type="checkbox"/> Hispanic American- Owned <input type="checkbox"/> Asian American-Owned <input type="checkbox"/> Women-Owned <input type="checkbox"/> Other MBE Classification		Date: _____ <input type="checkbox"/> Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail	Date: _____ <input type="checkbox"/> Phone <input type="checkbox"/> Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail	Time of Call: _____ Spoke with: _____ <input type="checkbox"/> Left Message	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Used Other MBE <input type="checkbox"/> Used Non-MBE <input type="checkbox"/> Self-performing
Firm Name: _____ MBE Classification (Check only if requesting waiver of MBE subgoal.) <input type="checkbox"/> African American-Owned <input type="checkbox"/> Hispanic American- Owned <input type="checkbox"/> Asian American-Owned <input type="checkbox"/> Women-Owned <input type="checkbox"/> Other MBE Classification		Date: _____ <input type="checkbox"/> Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail	Date: _____ <input type="checkbox"/> Phone <input type="checkbox"/> Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail	Time of Call: _____ Spoke with: _____ <input type="checkbox"/> Left Message	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Used Other MBE <input type="checkbox"/> Used Non-MBE <input type="checkbox"/> Self-performing

☐ Please check if Additional Sheets are attached.

**GOOD FAITH EFFORTS DOCUMENTATION TO SUPPORT WAIVER REQUEST**  
**PART 3 – ADDITIONAL INFORMATION REGARDING REJECTED MBE QUOTES**

PAGE \_\_ OF \_\_

<b>Prime Contractor:</b>	<b>Project Description:</b>	<b>PROJECT/CONTRACT NUMBER:</b>
<i>Offeror Company Name, Street Address, Phone</i>		<b>Solicitation #:</b>

This form must be completed if Part 1 indicates that an MBE quote was rejected because the Offeror is using a Non-MBE or is self-performing the Identified Items of Work. Provide the Identified Items Work, indicate whether the work will be self-performed or performed by a Non-MBE, and if applicable, state the name of the Non-MBE. Also include the names of all MBE and Non-MBE Firms that provided a quote and the amount of each quote.

Describe Identified Items of Work Not Being Performed by MBE (Include spec/ section number from Proposal)	Self-performing or Using Non-MBE (Provide name)	Amount of Non-MBE Quote	Name of Other Firms who Provided Quotes & Whether MBE or Non-MBE	Amount Quoted	Indicate Reason Why MBE Quote Rejected & Briefly Explain
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$ _____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$ _____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$ _____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$ _____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$ _____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$ _____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$ _____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$ _____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$ _____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$ _____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$ _____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$ _____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other

☐ Please check if Additional Sheets are attached.

**L- 2**  
**OUTREACH EFFORTS COMPLIANCE STATEMENT**

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

In conjunction with the Proposal submitted in response to Solicitation No. \_\_\_\_\_, I state the following:

1. Offeror identified subcontracting opportunities in these specific work categories:

---

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2. Attached to this form are copies of written solicitations (with Proposal instructions) used to solicit certified MBE firms for these subcontract opportunities.

3. Offeror made the following attempts to personally contact the solicited MDOT-certified MBE firms:

---

---

---

4. **Please Check One:**

- ☐ This project does not involve bonding requirements.
- ☐ Offeror assisted MDOT-certified MBE firms to fulfill or seek waiver of bonding requirements. (DESCRIBE EFFORTS):

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5. **Please Check One:**

- \_\_\_\_\_ Offeror did attend the pre-Proposal conference.
- \_\_\_\_\_ No pre -Proposal meeting/conference was held.
- \_\_\_\_\_ Offeror did not attend the pre-Proposal conference.

PLEASE PRINT OR TYPE

Company:

---

Company Name (please print or type)

By:

---

Signature of Authorized Representative

Printed Name:

---

Printed Name

Title:

---

Title

Date:

---

Date

Address:

---

Company Address

**L-3A**  
**CERTIFIED MBE SUBCONTRACTOR PARTICIPATION CERTIFICATION**

**INSTRUCTIONS:**

**PRIME CONTRACTOR:** After completing SECTIONS A, B, and D, provide this form to *each* certified Minority Business Enterprise subcontractor (MBE) listed on the MBE Participation Schedule (Attachment D-1A) allowing sufficient time for the MBE to respond within the required timeframe.

**CERTIFIED MBE SUBCONTRACTOR:** Complete SECTION C to acknowledge and certify the information in SECTION A. Return the completed form directly to the Procurement Officer identified in SECTION D within 10 days after notice from the Prime Contractor of the State's intent to award the Contract. Provide a copy to the Prime Contractor.

***IF THIS FORM IS NOT RETURNED WITHIN THE REQUIRED TIME, THE PROCUREMENT OFFICER MAY DETERMINE THAT THE PRIME CONTRACTOR IS NOT RESPONSIBLE AND THEREFORE NOT ELIGIBLE FOR CONTRACT AWARD.***

**SECTION A**

Provided that (Prime Contractor) \_\_\_\_\_ is awarded the State contract in conjunction with Solicitation Number \_\_\_\_\_, (Prime Contractor) \_\_\_\_\_ intends to enter into a subcontract with (Certified MBE Subcontractor) \_\_\_\_\_ with MDOT Certification Number \_\_\_\_\_ committing to participation by (Certified MBE Subcontractor) \_\_\_\_\_ of at least \$ \_\_\_\_\_ which equals \_\_\_\_\_% of the Total Contract Value for the following products/services:

NAICS CODE	WORK ITEM, SPECIFICATION NUMBER, LINE ITEMS OR WORK CATEGORIES (IF APPLICABLE)	DESCRIPTION OF SPECIFIC PRODUCTS AND/OR SERVICES

The Contractor and certified MBE each acknowledge that, for purposes of determining the accuracy of the information provided herein, the Procurement Officer may request additional information, including, without limitation, copies of the subcontract agreements and quotes. The Contractor and certified MBE each solemnly affirms under the penalties of perjury that: (i) the information provided in this Certified MBE Subcontractor Participation Certification is true to the best of its knowledge, information and belief, and (ii) it has fully complied with the State Minority Business Enterprise law, State Finance and Procurement Article §14-308(a)(2), Annotated Code of Maryland which provides that, except as otherwise provided by law, a Contractor may not identify a certified MBE in a Bid/Proposal and:

- (1) fail to request, receive, or otherwise obtain authorization from the MBE to identify the MBE in its Bid/Proposal;
- (2) fail to notify the MBE before execution of the Contract of its inclusion of the Bid/Proposal;
- (3) fail to use the MBE in the performance of the Contract; or
- (4) pay the MBE solely for the use of its name in the Bid/Proposal.

**SECTION B – Prime Contractor**

Signature of Representative: \_\_\_\_\_

Printed Name and Title: \_\_\_\_\_

Prime Firm's Name: \_\_\_\_\_

Federal Identification Number: \_\_\_\_\_

Street Address, City, State, Zip Code: \_\_\_\_\_  
\_\_\_\_\_

Phone: \_\_\_\_\_

Date: \_\_\_\_\_

**SECTION C – Certified MBE Subcontractor**

Signature of Representative: \_\_\_\_\_

Printed Name and Title: \_\_\_\_\_

MBE Firm's Name: \_\_\_\_\_

Federal Identification Number: \_\_\_\_\_

Street Address, City, State, Zip Code: \_\_\_\_\_  
\_\_\_\_\_

Phone: \_\_\_\_\_

Date: \_\_\_\_\_

**SECTION D**

*This completed form is due to the Procurement Officer on or before:* \_\_\_\_\_

Solicitation #: \_\_\_\_\_ Solicitation Title: \_\_\_\_\_

Agency/Dept.: \_\_\_\_\_ Procurement Officer: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Street Address, City, State, Zip Code: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**L-3B**  
**MBE PRIME PROJECT PARTICIPATION CERTIFICATION**

**Please complete and submit this form to attest to each specific item of work that your MBE firm has listed on the MBE Participation Schedule (Attachment D-1A) for purposes of meeting the MBE participation goals. This form must be submitted within 10 Business Days of notification of apparent award. If the Offeror fails to return this affidavit within the required time, the Procurement Officer may determine that Proposal is not susceptible of being selected for Contract award.**

Provided that \_\_\_\_\_ (Prime Contractor's Name) with Certification Number \_\_\_\_\_ is awarded the State contract in conjunction with Solicitation No. \_\_\_\_\_, such MBE Prime Contractor intends to perform with its own forces at least \$ \_\_\_\_\_ which equals to \_\_\_\_ % of the Total Contract Amount for performing the following goods and services for the Contract:

NAICS CODE	WORK ITEM, SPECIFICATION NUMBER, LINE ITEMS OR WORK CATEGORIES (IF APPLICABLE) For Construction Projects, General Conditions must be listed separately	DESCRIPTION OF SPECIFIC PRODUCTS AND/OR SERVICES	VALUE OF THE WORK

**MBE Prime Contractor**

Company:

\_\_\_\_\_  
*Company Name (please print or type)*

FEIN:

\_\_\_\_\_  
*Federal Identification Number*

Company Address: \_\_\_\_\_

\_\_\_\_\_  
Phone:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Title:

\_\_\_\_\_  
By:

\_\_\_\_\_  
*Signature of Authorized Representative*

\_\_\_\_\_  
Date:

**L-4A**  
**Minority Business Enterprise Participation**  
**Prime Contractor Paid/Unpaid Invoice Report**

Report #:	Contract #:
Reporting Period (Month/Year):	Contracting Unit:
<b>Prime Contractor: Report is due to the MBE Liaison by the 10th of the month following the month the services were provided.</b> <b>Note: Please number reports in sequence</b>	Contract Amount:
	MBE Subcontract Amt:
	Project Begin Date:
	Project End Date:
	Services Provided:

Prime Contractor:			Contact Person:		
Address:					
City:			State:		ZIP:
Phone:		FAX:		E-mail:	
MBE Subcontractor Name:			Contact Person:		
Phone:		FAX:		E-mail:	
Subcontractor Services Provided:					
<b>List all payments made to MBE subcontractor named above during this reporting period:</b>			<b>List dates and amounts of any outstanding invoices:</b>		
	<b>Invoice #</b>	<b>Amount</b>		<b>Invoice #</b>	<b>Amount</b>
1.			1.		
2.			2.		
3.			3.		
4.			4.		
<b>Total Dollars Paid: \$</b>			<b>Total Dollars Unpaid: \$</b>		

- If more than one MBE subcontractor is used for this contract, you must use separate **Attachment L-4A** forms. Information regarding payments that the MBE prime will use for purposes of meeting the MBE participation goals must be reported separately in **Attachment L-4B**.
- Return one copy (hard or electronic) of this form to the following addresses (electronic copy with signature and date is preferred):**

Contract Monitor Name	Contracting Unit
Address	City, State Zip
Email	Phone Number
Signature (Required)	Date

**L-4B**  
**Minority Business Enterprise Participation**  
**MBE Prime Contractor Report**

MBE Prime Contractor:	Contract #:
Certification Number:	Contracting Unit:
Report #:	Contract Amount:
Reporting Period (Month/Year):	Total Value of the Work to the Self-Performed for purposes of Meeting the MBE participation goal/subgoals:
<b>MBE Prime Contractor: Report is due to the MBE Liaison by the 10th of the month following the month the services were provided.</b> <b>Note: Please number reports in sequence</b>	Project Begin Date:
	Project End Date:

Contact Person:			
Address:			
City:	State:	ZIP:	
Phone:	FAX:	E-mail:	

Invoice Number	Value of the Work	NAICS Code	Description of Specific Products and/or Services

**Return one copy (hard or electronic) of this form to the following addresses (electronic copy with signature and date is preferred):**

_____	_____
Contract Monitor Name	Contracting Unit
_____	_____
Address	City, State Zip
_____	_____
Email	Phone Number
_____	_____
Signature (Required)	Date

**L-5**  
**Minority Business Enterprise Participation**  
**MBE Subcontractor Paid/Unpaid Invoice Report**

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

MBE Subcontractor Name:					
MDOT Certification #:					
Contact Person:					
Address:					
City:			State:		ZIP:
Phone:		FAX:		E-mail:	
<b>Subcontractor Services Provided:</b>					
<b>List all payments received from Prime Contractor during reporting period indicated above.</b>			<b>List dates and amounts of any unpaid invoices over 30 days old.</b>		
	<b>Invoice Amount</b>	<b>Date</b>		<b>Invoice Amount</b>	<b>Date</b>
1.			1.		
2.			2.		
3.			3.		
4.			4.		
<b>Total Dollars Paid: \$</b>			<b>Total Dollars Unpaid: \$</b>		
Prime Contractor:			Contract Person:		

**Return one copy of this form to the following addresses (electronic copy with signature and date is preferred):**

\_\_\_\_\_

Contract Monitor Name

  
  

\_\_\_\_\_

Address

  
  

\_\_\_\_\_

Email

  
  

\_\_\_\_\_

Signature (Required)

\_\_\_\_\_

Contracting Unit

  
  

\_\_\_\_\_

City, State Zip

  
  

\_\_\_\_\_

Phone Number

  
  

\_\_\_\_\_

Date