



RFP No: 4111

INVITATION: Sealed proposals, subject to the attached conditions, will be received at this office until **July 17, 2019 @ 3:00 p.m.** Central Time for the acquisition of the products/services described below for the **Mississippi Division of Medicaid** and the **Mississippi Department of Human Services**.

Develop, customize, configure, implement, maintain, support, and host a real-time enhanced eligibility verification solution for the Mississippi Division of Medicaid and the Mississippi Department of Human Services to meet relevant requirements of the Medicaid and Human Services Transparency and Fraud Prevention Act (State of Mississippi House Bill 1090, also known as the Hope Act)

MANDATORY VENDOR WEB CONFERENCE: June 6, 2019 at 2:00 p.m.
Central Time

NOTE: THIS RFP CONTAINS MANDATORY REQUIREMENTS TO WHICH NO EXCEPTION MAY BE TAKEN. SEE SECTION VII, ITEM 2, FOR DETAILS.

The Vendor must submit proposals and direct inquiries to:

Jeannie Williford
Technology Consultant
Information Technology Services
3771 Eastwood Drive
Jackson, MS 39211
(601) 432-8052
Jeannie.williford@its.ms.gov

To prevent opening by unauthorized individuals, all copies of the proposal must be sealed in the package. The following must be clearly typed on a label affixed to the package in a clearly visible location:

PROPOSAL, SUBMITTED IN RESPONSE TO
RFP NO. 4111
Due July 17, 2019 @ 3:00 p.m.,
ATTENTION: Jeannie Williford

Craig P. Orgeron, Ph.D.
Executive Director, ITS

ITS RFP Response Checklist

RFP Response Checklist: These items should be included in your response to RFP No. 4111.

- _____ 1) One clearly marked original response and **eight (8)** identical copies of the complete proposal. Label the front and spine of the three-ring loose-leaf binder with the Vendor name and RFP number. Include the items listed below inside the binder. Please DO NOT include a copy of the RFP in the binder.
- _____ 2) *Submission Cover Sheet*, signed and dated. (Section I)
- _____ 3) *Proposal Bond*, if applicable (Section I)
- _____ 4) *Proposal Exception Summary*, if applicable (Section V)
- _____ 5) Vendor response to *RFP Questionnaire* (Section VI)
- _____ 6) Point-by-point response to *Technical Specifications* (Section VII)
- _____ 7) Vendor response to *Cost Information Submission* (Section VIII)
- _____ 8) *References* (Section IX)
- _____ 9) Attachment A
- _____ 10) Project Work Plan

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**SECTION I
SUBMISSION COVER SHEET & CONFIGURATION SUMMARY**

Provide the following information regarding the person responsible for the completion of your proposal. This person should also be the person the Mississippi Department of Information Technology Services, (ITS), should contact for questions and/or clarifications.

Name	_____	Phone #	_____
Address	_____	Fax #	_____
	_____	E-mail	_____

Subject to acceptance by ITS, the Vendor acknowledges that by submitting a proposal AND signing in the space indicated below, the Vendor is contractually obligated to comply with all items in this Request for Proposal (RFP), including the Standard Contract in Exhibit A if included herein, except those listed as exceptions on the Proposal Exception Summary Form. If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions. This acknowledgement also contractually obligates any and all subcontractors that may be proposed. Vendors who sign below may not later take exception to any point during contract negotiations. The Vendor further certifies that the company represented here is an authorized dealer in good standing of the products/services included in this proposal.

_____/_____
Original signature of Officer in Bind of Company/Date

Name (typed or printed) _____
Title _____
Company name _____
Physical address _____
State of Incorporation _____

CONFIGURATION SUMMARY

The Vendor must provide a summary of the main components of products/services offered in this proposal using 100 words or less.

PROPOSAL BONDS

A Proposal Bond is not required for this procurement.

SECTION II PROPOSAL SUBMISSION REQUIREMENTS

The objective of the Proposal Submission Requirements section is to provide Vendors with the information required to submit a response to this Request for Proposal (RFP). A Vendor who has responded to previous RFPs issued by **ITS** should not assume that the requirements are the same, as changes may have been made.

1. Failure to follow any instruction within this RFP may, at the State's sole discretion, result in the **disqualification** of the Vendor's proposal.
2. The State has no obligation to locate or acknowledge any information in the Vendor's proposal that is not presented under the appropriate outline according to these instructions and in the proper location.
3. The Vendor's proposal must be received, in writing, by the office of **ITS** by the date and time specified. **ITS** is not responsible for any delays in delivery or expenses for the development or delivery of proposals. Any proposal received after proposal opening time will be returned unopened. Any proposal received with insufficient postage will be returned unopened.
4. Proposals or alterations by fax, e-mail, or phone will not be accepted.
5. Original signatures are required on one copy of the Submission Cover Sheet and Configuration Summary, and the Vendor's original submission must be clearly identified as the original. The Vendor's original proposal must include the Proposal Bond, (if explicitly required in Section IV).
6. **ITS** reserves the right to reject any proposals, including those with exceptions, prior to and at any time during negotiations.
7. **ITS** reserves the right to waive any defect or irregularity in any proposal procedure.
8. The Vendor may intersperse their response following each RFP specification but must not otherwise alter or rekey any of the original text of this RFP. If the State determines that the Vendor has altered any language in the original RFP, the State may, in its sole discretion, disqualify the Vendor from further consideration. The RFP issued by **ITS** is the official version and will supersede any conflicting RFP language submitted by the Vendor.
9. The Vendor must conform to the following standards in the preparation of the Vendor's proposal:
 - 9.1 The Vendor is required to submit one clearly marked original response and eight (8) identical copies of the complete proposal, including all sections and exhibits, in three-ring binders.
 - 9.2 To prevent opening by unauthorized individuals, all copies of the proposal must be sealed in the package. A label containing the information on the RFP cover page must be clearly typed and affixed to the package in a clearly visible location.

- 9.3 Number each page of the proposal.
- 9.4 Respond to the sections and exhibits in the same order as this RFP.
- 9.5 Label and tab the responses to each section and exhibit, using the corresponding headings from the RFP.
- 9.6 If the Vendor does not agree with any item in any section, then the Vendor must list the item on the Proposal Exception Summary Form. (See Section V for additional instructions regarding Vendor exceptions.)
- 9.7 Occasionally, an outline point in an attachment requests information which is not applicable to the products/services proposed. If the Vendor is certain the point does not apply to the given RFP, the Vendor should respond with "NOT APPLICABLE."
- 9.8 Where an outline point asks a question or requests information, the Vendor must respond with the specific answer or information requested.
- 9.9 When an outline point/attachment is a statement provided for the Vendor's information only, the Vendor need only read that point. The Vendor acknowledges having read and accepting, or taking exception to, all sections by signing the Submission Cover Sheet and providing a Proposal Exception Summary Form.
- 9.10 Where a minimum requirement has been identified, respond by stating the item (e.g., device name/model number, guaranteed response time) proposed and how it will meet the specifications.
- 9.11 The Vendor must fully respond to each requirement within the Technical Specifications by fully describing the manner and degree by which the proposal meets or exceeds said requirements.
- 9.12 Vendor must submit a digital version of the entire proposal response, including Section VII – Technical Specifications and Attachment A – Technical Requirements.
10. It is the responsibility of the Vendor to clearly identify all costs associated with any item or series of items in this RFP. The Vendor must include and complete all parts of the cost proposal in a clear and accurate manner. **Omissions, errors, misrepresentations, or inadequate details in the Vendor's cost proposal may be grounds for rejection of the Vendor's proposal. Costs that are not clearly identified will be borne by the Vendor.** The Vendor must complete the *Cost Information Submission* in this RFP, which outlines the minimum requirements for providing cost information. The Vendor should supply supporting details as described in the *Cost Information Submission*.
11. **ITS** reserves the right to request additional information or clarification of a Vendor's proposal. The Vendor's cooperation during the evaluation process in providing **ITS** staff with adequate responses to requests for clarification will be considered a factor in the evaluation of the Vendor's overall responsiveness. Lack of such cooperation or failure to

provide the information in the manner required may, at the State's discretion, result in the disqualification of the Vendor's proposal.

12. Unsolicited clarifications and updates submitted after the deadline for proposals will be accepted or rejected at the sole discretion of **ITS**.
13. Unsolicited clarifications in the evaluation and selection of lowest and best proposal will be considered only if all the following conditions are met:
 - 13.1 A clarification to a proposal that includes a newly announced product line or service with equal or additional capability to be provided at or less than the proposed price will be considered.
 - 13.2 Information provided must be in effect nationally and have been formally and publicly announced through a news medium that the Vendor normally uses to convey customer information.
 - 13.3 Clarifications must be received early enough in the evaluation process to allow adequate time for re-evaluation.
 - 13.4 The Vendor must follow procedures outlined herein for submitting updates and clarifications.
 - 13.5 The Vendor must submit a statement outlining the circumstances for the clarification.
 - 13.6 The Vendor must submit one clearly marked original and eight (8) copies of the clarification.
 - 13.7 The Vendor must be specific about which part of the original proposal is being changed by the clarification (i.e., must include exact RFP reference to section and outline point).
14. **Communications with State**

From the issue date of this RFP until a Vendor is selected and the selection is announced, responding Vendors or their representatives may not communicate, either orally or in writing regarding this RFP with any statewide elected official, state officer or employee, member of the legislature or legislative employee except as noted herein. To ensure equal treatment for each responding Vendor, all questions regarding this RFP must be submitted in writing to the State's contact person for the selection process, and not later than the last date for accepting responding Vendor questions provided in this RFP. All such questions will be answered officially by the State in writing. All such questions and answers will become addenda to this RFP, and they will be posted to the ITS web site. Vendors failing to comply with this requirement will be subject to disqualification.

 - 14.1 The State's contact person for the selection process is: Jeannie Williford, Technology Consultant, 3771 Eastwood Drive, Jackson, MS 39211, 601-432-8052, Jeannie.williford@its.ms.gov.

- 14.2 Vendor may consult with State representatives as designated by the State's contact person identified in 14.1 above in response to State-initiated inquiries. Vendor may consult with State representatives during scheduled oral presentations and demonstrations excluding site visits.

SECTION III VENDOR INFORMATION

The objective of the Vendor Information section of this RFP is to provide Vendors with information required to respond to the RFP successfully.

1. **Interchangeable Designations**

The terms "Vendor" and "Contractor" are referenced throughout this RFP. Generally, references to the "Vendor" are used in conjunction with the proposing organization and procurement process leading up to the final RFP selection and award. The term "Contractor" denotes the role assumed, post-award, by the winning Vendor. Additionally, the terms "State of Mississippi," "State" or "ITS" may be used interchangeably throughout this RFP to denote the political entity issuing the RFP and requesting responses from Vendors throughout these specifications. References to a specific agency, institution or other political entity represent the client or customer on whose behalf ITS is issuing the RFP.

2. **Vendor's Responsibility to Examine RFP**

Vendors must examine all documents, forms, specifications, standard provisions, and instructions.

3. **Proposal as Property of State**

All written proposal material becomes the property of the State of Mississippi.

4. **Written Amendment to RFP**

Any interpretation of an **ITS** RFP will be made by written amendment only. The State will not be responsible for any other explanation of this RFP. A copy of any amendment will be posted on the **ITS** website, together with the associated RFP specification. Vendors are required to check the **ITS** website periodically for RFP amendments before the proposal opening date at:

http://www.its.ms.gov/Procurement/Pages/RFPS_Awaiting.aspx

Any and all amendments will be posted no later than noon, seven days prior to the proposal opening date listed on the cover page of this RFP. If you are unable to access the **ITS** website, you may contact the **ITS** technology consultant listed on page one of this RFP and request a copy.

5. **Oral Communications Not Binding**

Only transactions which are in writing from **ITS** may be considered official. No negotiations, decisions, or actions shall be executed by any Vendor as a result of any discussions with any State employee.

6. **Vendor's Responsibility for Delivery**

Vendors must ensure, through reasonable and sufficient follow-up, proper compliance with, and fulfillment of all schedules and deliverables specified within the body of this RFP. The State will not be responsible for the failure of any delivery medium for submission of information to or from the Vendor, including but not limited to, public and private carriers, U.S. mail, Internet Service Providers, facsimile, or e-mail.

7. **Evaluation Criteria**

The State's intent in issuing this RFP is to award a contract to the lowest and best responsive Vendor who meets specifications, considering price and other factors. The Vendor's past performance, cooperation, and ability to provide service and training are general factors that will be weighed in the selection process. More specific information concerning evaluation criteria is presented in *Technical Specifications*.

8. **Multiple Awards**

ITS reserves the right to make multiple awards.

9. **Right to Award in Whole or Part**

ITS reserves the right to approve an award by individual items or in total, whichever is deemed to be in the best interest of the State of Mississippi.

10. **Right to Use Proposals in Future Projects**

The State reserves the right to evaluate the awarded proposal from this RFP, including all products and services proposed therein, along with the resulting contractual terms, for possible use in future projects if (a) it is deemed to be in the best interest of the State to do so; and (b) the Vendor is willing to extend a cost less than or equal to that specified in the awarded proposal and resulting contract. A decision concerning the utilization of a Vendor's proposal for future projects is solely at the discretion of the State and requires the agreement of the proposing Vendor. The State's decision to reuse an awarded proposal will be based upon such criteria as: (1) the customer's business requirements; (2) elapsed time since the award of the original project; and/or (3) research on changes in the Vendor, market, and technical environments since the initial award.

11. **Right to Use Proposals in Future Projects by Entities Outside Mississippi**

The State reserves the right to offer the awarded proposal from this RFP, including all products and services proposed therein, along with the resulting contractual terms, for possible use in future projects by governmental entities outside Mississippi (i.e., "piggyback option"), if (a) it is deemed to be in the best interest of the governmental entity desiring to do so; and (b) the Vendor is willing to extend a cost less than or equal to that specified in the awarded proposal and resulting contract. A decision concerning the utilization of a Vendor's proposal for future projects outside Mississippi is solely at the discretion of the State, and requires the desire of the governmental entity outside Mississippi and the agreement of the proposing Vendor. The State's decision to consent to the reuse of an awarded proposal outside Mississippi will be based upon such criteria as: (1) the governmental entity's business requirements; (2) elapsed time since the award of the original project; and/or (3) research on changes in the Vendor, market, and technical environments since the initial award.

12. **Price Changes During Award or Renewal Period**

A price increase will not be accepted during the award period or the renewal period, unless stipulated in the contract. However, the State will always take advantage of price decreases.

13. **Right to Request Information**

The State reserves the right to request information relative to a Vendor's references and financial status and to visit a Vendor's facilities during normal working hours. The State also reserves the right to request a current financial statement, prepared and certified by

an independent auditing firm, and reserves the right to require that Vendors document their financial ability to provide the products and services proposed up to the total dollar amount of the Vendor's cost proposal. The State reserves the right to request information about the Vendor from any previous customer of the Vendor of whom the State is aware, even if that customer is not included in the Vendor's list of references.

14. Vendor Personnel

For RFPs including professional services specifications, the Vendor will be required to provide and/or certify the following for each individual included in the Vendor's proposal:

- 14.1 A direct telephone number at which the individual may be contacted for a telephone interview. The State will pay toll charges in the continental United States. The Vendor must arrange a toll-free number for all other calls.
- 14.2 That, if onsite interviews are required, the individual can be at the specified location in Mississippi within the timeframe specified. All costs associated with onsite interviews will be the responsibility of the Vendor.
- 14.3 That the individual is proficient in spoken and written English;
- 14.4 That the individual is a U.S. citizen or that the individual meets and will maintain employment eligibility requirements in compliance with all United States Citizenship and Immigration Services (USCIS) regulations. The Vendor must provide evidence of identification and employment eligibility prior to the award of a contract that includes any personnel who are not U. S. citizens.
- 14.5 That the personnel assigned to a project will remain a part of the project throughout the duration of the contract as long as the personnel are employed by the Vendor, unless replaced by the Vendor at the request of the State. This requirement includes the responsibility for ensuring all non-citizens maintain current USCIS eligibility throughout the duration of the contract.

15. Vendor Imposed Constraints

The Vendor must specifically document what limitations, if any, exist in working with any other Contractor acting in the capacity of the State's business partner, subcontractor or agent who may be managing any present or future projects; performing quality assurance; integrating the Vendor's software; and/or providing web-hosting, hardware, networking or other processing services on the State's behalf. The project relationship may be based on roles as either equal peers; supervisory – subordinate; or subordinate – supervisory, as determined by the State. The State recognizes that the Vendor may have trade secrets, intellectual property and/or business relationships that may be subject to its corporate policies or agreements. The State must understand these issues in order to decide to what degree they may impact the State's ability to conduct business for this project. These considerations will be incorporated accordingly into the proposal evaluation and selection process. The understanding reached between the Vendor and the State with regard to this business relationship precludes the Vendor from imposing any subsequent limitations of this type in future project undertakings by the State.

16. **Best and Final Offer**

The State reserves the right to solicit Best and Final Offers (BAFOs) from Vendors, principally in situations in which proposal costs eclipse available funding or the State believes none of the competing proposals presents a Best Value (lowest and best proposal) opportunity. Because of the time and expense incurred by both the Vendor community and the State, BAFOs are not routinely conducted. Vendors should offer their best pricing with the initial solicitation. Situations warranting solicitation of a BAFO will be considered an exceptional practice for any procurement. Vendors that remain in a competitive range within an evaluation may be requested to tender Best and Final Offers, at the sole discretion of the State. All such Vendors will be provided an equal opportunity to respond with a Best and Final Offer under a procedure to be defined by the State that encompasses the specific, refined needs of a project, as part of the BAFO solicitation. The State may re-evaluate and amend the original project specifications should it be deemed necessary in order to improve the opportunity for attaining Best Value scenarios from among the remaining competing Vendors. All BAFO proceedings will be uniformly conducted, in writing and subject to solicitation by the State and receipt from the Vendors under a precise schedule.

17. **Restriction on Advertising**

The Vendor must receive written approval from the State before advertising or referencing the award of the contract or the services being provided. The Vendor must agree not to refer to awards in commercial advertising in such a manner as to state or imply that the firm or its services are endorsed or preferred by the State of Mississippi.

18. **Rights Reserved to Use Existing Product Contracts**

The State reserves the right on turnkey projects to secure certain products from other existing **ITS** contracts if it is in its best interest to do so. If this option is exercised, then the awarded Vendor must be willing to integrate the acquisition and implementation of such products within the schedule and system under contract.

19. **Additional Information to be Included**

In addition to answering each specification within this RFP, the Vendor must include complete product/service information, including product pictorials and technical/descriptive literature relative to any product/service offered with the proposal. Information submitted must be sufficiently detailed to substantiate that the products/services offered meet or exceed specifications.

20. **Valid Contract Required to Begin Work**

The successful Vendor should not commence any billable work until a valid contract has been executed. Any work done by the successful Vendor prior to the execution of the contract is done at the Vendor's sole risk. The State is under no obligation to pay for work done prior to the execution of a contract.

SECTION IV LEGAL AND CONTRACTUAL INFORMATION

The objective of the *Legal and Contractual Information* section is to provide Vendors with information required to complete a contract or agreement with **ITS** successfully.

1. **Acknowledgment Precludes Later Exception**

By signing the *Submission Cover Sheet*, the Vendor is contractually obligated to comply with all items in this RFP, including the *Standard Contract* in Exhibit A if included herein, except those specifically listed as exceptions on the *Proposal Exception Summary Form*. If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions. Vendors who respond to this RFP by signing the *Submission Cover Sheet* may not later take exception to any item in the RFP during contract negotiations. This acknowledgement also contractually obligates any and all subcontractors that may be proposed. No exceptions by subcontractors or separate terms and conditions will be entertained after the fact.

2. **Failure to Respond as Prescribed**

Failure to respond as described in Section II: *Proposal Submission Requirements* to any item in the sections and exhibits of this RFP, including the *Standard Contract* attached as Exhibit A, if applicable, shall contractually obligate the Vendor to comply with that item.

3. **Contract Documents**

ITS will be responsible for all document creation and editorial control over all contractual documentation related to each procurement project. The following documents will normally be included in all contracts between **ITS** and the Vendor:

- 3.1 The Proposal Exception Summary Form as accepted by ITS;
- 3.2 Contracts which have been signed by the Vendor and ITS;
- 3.3 ITS' Request for Proposal, including all addenda;
- 3.4 Official written correspondence from ITS to the Vendor;
- 3.5 Official written correspondence from the Vendor to ITS when clarifying the Vendor's proposal; and
- 3.6 The Vendor's proposal response to the ITS RFP.

4. **Order of Precedence**

When a conflict arises regarding contract intent due to conflicting statements in documents included in the contract, the order of precedence of each document is as listed above unless modification of order is negotiated and agreed upon by both **ITS** and the winning Vendor.

5. **Additional Contract Provisions**

The contract will also include such additional provisions, which are not inconsistent or incompatible with the material terms of this RFP, as may be agreed upon by the parties. All of the foregoing shall be in such form and substance as prescribed by the State.

6. **Contracting Agent by Law**

The Executive Director of **ITS** is, by law, the purchasing and contracting agent for the State of Mississippi in the negotiation and execution of all contracts for the acquisition of computer and telecommunications equipment, systems, software, and services (Section 25-53-1, et seq., of the Mississippi Code Annotated). **ITS** is issuing this RFP on behalf of the procuring agency or institution. **ITS** and the procuring agency or institution are sometimes collectively referred to within this RFP as "State."

7. **Mandatory Legal Provisions**

- 7.1 The State of Mississippi is self-insured; all requirements for the purchase of casualty or liability insurance are deleted.
- 7.2 Any provisions disclaiming implied warranties shall be null and void. See Mississippi Code Annotated Sections 11-7-18 and 75-2-719(4). The Vendor shall not disclaim the implied warranties of merchantability and fitness for a particular purpose.
- 7.3 The Vendor shall have no limitation on liability for claims related to the following items:
- 7.3.1 Infringement issues;
 - 7.3.2 Bodily injury;
 - 7.3.3 Death;
 - 7.3.4 Physical damage to tangible personal and/or real property; and/or
 - 7.3.5 The intentional and willful misconduct or negligent acts of the Vendor and/or Vendor's employees or subcontractors.
- 7.4 All requirements that the State pay interest (other than in connection with lease-purchase contracts not exceeding five years) are deleted.
- 7.5 Any contract negotiated under this RFP will be governed by and construed according to the laws of the State of Mississippi. Venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi.
- 7.6 Any contract negotiated under this RFP is cancelable in the event the funding authority does not appropriate funds. Notice requirements to Vendor cannot exceed sixty (60) days.

- 7.7 The State of Mississippi does not waive its sovereign immunities or defenses as provided by law by entering into this contract with the Vendor, Vendor agents, subcontractors, or assignees.
- 7.8 The State will deliver payments to the Vendor within forty-five (45) days after receipt of invoice and receipt, inspection, and approval of Vendor's products/services. No late charges will exceed 1.5% per month on any unpaid balance from the expiration of said period until payment is delivered. See Section 31-7-305 of the Mississippi Code Annotated. Seller understands and agrees that Purchaser is exempt from the payment of taxes.
- 7.9 The State shall not pay any attorney's fees, prejudgment interest or the cost of legal action to or for the Vendor.

8. Approved Contract

- 8.1 Award of Contract - A contract is considered to be awarded to a proposer once the proposer's offering has been approved as lowest and best proposal through:
 - 8.1.1 Written notification made to proposers on ITS letterhead, or
 - 8.1.2 Notification posted to the ITS website for the project, or
 - 8.1.3 CP-1 authorization executed for the project, or
 - 8.1.4 The ITS Board's approval of same during an open session of the Board.
- 8.2 ITS statute specifies whether ITS Director approval or ITS Board approval is applicable for a given project, depending on the total lifecycle cost of the contract.
- 8.3 A contract is not deemed final until five (5) working days after either the award of contract or post procurement review, as stipulated in the **ITS** Protest Procedure and Policy. In the event of a valid protest, the State may, at its sole discretion, continue the procurement or stay the procurement in accordance with the **ITS** Protest Procedure and Policy. If the procurement is stayed, the contract is not deemed final until the protest is resolved.

9. Contract Validity

All contracts are valid only if signed by the Executive Director of **ITS**.

10. Order of Contract Execution

Vendors will be required to sign contracts and to initial all contract changes before the Executive Director of **ITS** signs.

11. **Availability of Funds**

All contracts are subject to availability of funds of the acquiring State entity and are contingent upon receipt by the winning Vendor of a purchase order from the acquiring State entity.

12. **CP-1 Requirement**

All purchase orders issued for goods and services acquired from the awarded Vendor under this RFP must be encoded by the Customer agency with a CP-1 approval number assigned by ITS. This requirement does not apply to acquisitions that by policy have been delegated to State entities.

13. **Requirement for Electronic Payment and Invoicing**

13.1 Payments to the awarded Vendor for all goods and services acquired under this RFP by state agencies that make payments through the Mississippi State Government's Enterprise Resource Planning (ERP) solution ("MAGIC") will be made electronically, via deposit to the bank account of the Vendor's choice. The awarded Vendor must enroll and be activated in PayMode™, the State's current vehicle for sending and receiving electronic payments, prior to receiving any payments from state agencies. There is no charge for a Vendor to enroll or receive payments via PayMode. For additional information on PayMode, including registration instructions, Vendors should visit the following website: <http://portal.paymode.com/ms/>. Vendors may also request assistance from the Mississippi Management and Reporting System (MMRS) Call Center regarding PayMode registration by contacting mash@dfa.ms.gov.

13.2 For state agencies that make payments through MAGIC, the awarded Vendor is required to submit electronically all invoices for goods and services acquired under this RFP, along with appropriate supporting documentation, as directed by the State.

13.3 Items 13.1 and 13.2 only apply to state agencies that make payments through MAGIC. Payments and invoices for all other entities will conform to their standard methods of payment to contractors.

14. **Time For Negotiations**

14.1 All contractual issues must be successfully negotiated within fifteen (15) working days from the Vendor's initial receipt of the project contract from ITS, unless ITS consents to extend the period. Failure to complete negotiations within the stated time period constitutes grounds for rejection of the Vendor's response to this RFP. ITS may withdraw the proposal award and begin negotiations with the next ranked Vendor immediately or pursue any other option.

14.2 Negotiations shall be limited to items to which the Vendor has noted as exceptions on their Proposal Exception Summary Form, as well as any new items that the State may require. All contract changes requested by the Vendor related to such exceptions noted in Vendor's proposal shall be

submitted three (3) working days prior to scheduled negotiations, unless ITS consents to a different period.

15. **Prime Contractor**

The selected Vendor will be designated the prime contractor in the proposal, and as such, shall be solely responsible for all products/services offered in the proposal and for the fulfillment of the contract with the State.

16. **Sole Point of Contact**

ITS will consider the selected Vendor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

16.1 The Vendor must acknowledge and agree that in matters of proposals, clarifications, negotiations, contracts and resolution of issues and/or disputes, the Vendor represents all contractors, third parties and/or subcontractors the Vendor has assembled for this project. The Vendor's commitments are binding on all such parties and consequently the State is only required to negotiate with the Vendor.

16.2 Furthermore, the Vendor acknowledges and agrees to pass all rights and/or services related to all general consulting, services leasing, software licensing, warranties, hardware maintenance and/or software support to the State from any contractor, third party or subcontractor without the State having to negotiate separately or individually with any such parties for these terms or conditions.

16.3 Should a proposing Vendor wish to assign payment of any or all charges resulting from this contract to a third party, Vendor must disclose that fact in his/her proposal, along with the third party's name, address, nature of business, and relationship to the proposing Vendor, the reason for and purpose of the assignment, and all conditions of the assignment, including but not limited to a copy of an assignment document to be executed by the State, the Vendor, and the third party. Such assignments will be accepted or rejected at the sole discretion of the State. Vendor must clearly and definitively state in his/her proposal whether the proposal is contingent upon the requested assignment of payments. Whenever any assignment of payment is requested, the proposal, contract, and assignment document must include language specifically guaranteeing that the proposing Vendor is solely and fully liable and responsible for the performance of its obligations under the subject contract. No assignment of payment will be considered at the time of purchase unless such assignment was fully disclosed in the Vendor's proposal and subsequently accepted by the State.

17. **ITS Approval of Subcontractor Required**

Unless provided in the contract, the Vendor shall not contract with any other party for furnishing any of the contracted work or services without the consent, guidance, and written approval of the State. **ITS** reserves the right of refusal and the right to request replacement of a subcontractor due to unacceptable work or conduct. This provision should not be interpreted as requiring the approval of individual contracts of employment between the Vendor and personnel assigned for services under the contract.
18. **Inclusion of Subcontract Agreements**

Copies of any agreements to be executed between the Vendor and any subcontractors must be included in the Vendor's proposal.
19. **Negotiations with Subcontractor**

In order to protect the State's interest, **ITS** reserves the right to attempt to resolve the contractual disagreements that may arise between the Vendor and its subcontractor after award of the contract.
20. **References to Vendor to Include Subcontractor**

All references in the RFP to "Vendor" shall be construed to encompass both the Vendor and its subcontractors.
21. **Outstanding Vendor Obligations**
 - 21.1 Any Vendor who presently owes the State of Mississippi money pursuant to any contract for which **ITS** is the contracting agent and who has received written notification from **ITS** regarding the monies owed, must submit, with the proposal, a certified check in the amount due and owing in order for the proposal in response to this RFP to be considered. For a Vendor currently in bankruptcy as of the RFP submission date, this requirement is met, if and only if, **ITS** has an active petition before the appropriate bankruptcy court for recovery of the full dollar amount presently owed to the State of Mississippi by that Vendor. If the Vendor has emerged from bankruptcy by the RFP submission date, the Vendor must pay in full any amount due and owing to the State, as directed in the court-approved reorganization plan, prior to any proposal being considered.
 - 21.2 Any Vendor who is presently in default on existing contracts for which **ITS** is the contracting agent, or who otherwise is delinquent in the performance of any such contracted obligations, is in the sole judgment of the State required to make arrangement for fulfilling outstanding obligations to the satisfaction of the State in order for the proposal to be considered.
 - 21.3 The State, at its sole discretion, may reject the proposal of a Vendor with any significant outstanding financial or other obligations to the State or who is in bankruptcy at the time of proposal submission.

22. **Equipment Condition**
For all RFPs requiring equipment, the Vendor must furnish only new equipment in response to **ITS** specifications, unless an explicit requirement for used equipment is otherwise specified.
23. **Delivery Intervals**
The Vendor's proposal must specify, in the *Cost Information Submission* and in response to any specific instructions in the *Technical Specifications*, delivery and installation intervals after receipt of order.
24. **Pricing Guarantee**
The Vendor must explicitly state, in the *Cost Information Submission* and in response to any specific instructions in the *Technical Specifications*, how long the proposal will remain valid. Unless stated to the contrary in the *Technical Specifications*, pricing must be guaranteed for a minimum of ninety (90) days.
25. **Shipping Charges**
For all RFPs requiring shipment of any product or component, all products must be delivered FOB destination to any location within the geographic boundaries of the State with all transportation charges prepaid and included in the RFP proposal or LOC quotation. Destination is the point of use.
26. **Amortization Schedule**
For all RFPs requiring equipment, contracts involving the payment of interest must include an amortization schedule clearly documenting the amount of interest payable over the term of the contract.
27. **Americans with Disabilities Act Compliance for Web Development and Portal Related Services**
All Web and Portal development work must be designed and implemented in compliance with the Electronic and Information Technology Accessibility Standards associated with Section 508 of the Rehabilitation Act and with the Web Accessibility Initiative (WAI) of the W3C.
28. **Ownership of Developed Software**
- 28.1 When specifications require the Vendor to develop software for the State, the Vendor must acknowledge and agree that the State is the sole owner of such developed software with exclusive rights to use, alter, or distribute the software without restriction. This requirement applies to source code, object code, and documentation.
- 28.2 The State may be willing to grant the Vendor a nonexclusive license to use the State's software subject to devising acceptable terms and license fees. This requirement is a matter of State Law, and not negotiable.
29. **Ownership of Custom Tailored Software**
In installations where the Vendor's intellectual property is modified and custom-tailored to meet the needs of the State, the Vendor must offer the State an application license

entitling the State to use, and/or alter the software without restriction. These requirements apply to source code, object code and documentation.

30. **Terms of Software License**

The Vendor acknowledges and agrees that the term of all software licenses provided to the State shall be perpetual unless stated otherwise in the Vendor's proposal.

31. **The State is Licensee of Record**

The Vendor must not bypass the software contracting phase of a project by licensing project software intended for State use in its company name. Upon award of a project, the Vendor must ensure that the State is properly licensed for all software that is proposed for use in a project.

32. **Compliance with Enterprise Security Policy**

Any solution or service proposed in response to this RFP must be in compliance with the State of Mississippi's Enterprise Security Policy. The Enterprise Security Policy is based on industry-standard best practices, policy, and guidelines and is established to safeguard the State's information technology (IT) assets from unauthorized use, access, disclosure, modification, or destruction. Given that information security is an evolving technology practice, the State reserves the right to introduce new policy during the term of the contract resulting from this RFP and require the Vendor to ensure the solution or service complies with same in the event the industry introduces more secure, robust solutions or practices that facilitate a more secure posture for the State of Mississippi. Vendors wanting to view the Enterprise Security Policy should contact the Technology Consultant listed on the cover page of this RFP.

33. **Compliance with Enterprise Cloud and Offsite Hosting Security Policy**

Any cloud or vendor-hosted solution proposed in response to this RFP must be in compliance with the State of Mississippi's Enterprise Cloud and Offsite Hosting Security Policy. The Enterprise Cloud and Offsite Hosting Security Policy is based on industry-standard best practices, policy, and guidelines and augments the Enterprise Security Policy. Given that information security is an evolving technology practice, the State reserves the right to introduce new policy during the term of the contract resulting from this RFP and require the Vendor to ensure the cloud or vendor-hosted solution complies with same in the event the industry introduces more secure, robust solutions or practices that facilitate a more secure posture for the State of Mississippi. Vendors wanting to view the Enterprise Cloud and Offsite Hosting Security Policy should contact the Technology Consultant listed on the cover page of this RFP.

34. **Negotiating with Next Ranked Vendor**

Should the State cease doing business with any Vendor selected via this RFP process, for any reason, the State reserves the right to initiate negotiations with the next ranked Vendor.

35. **Disclosure of Proposal Information**

Vendors should be aware that any information in a proposal may be subject to disclosure or reproduction under the Mississippi Public Records Act of 1983, defined in Section 25-61-1 et seq. of the Mississippi Code Annotated. All disclosures of proposal information will be made in compliance with the **ITS** Public Records Procedures established in accordance with the Mississippi Public Records Act. The **ITS** Public Records Procedures

are available in Section 019-010 of the **ITS** Procurement Handbook, on the **ITS** Internet site at:

<http://www.its.ms.gov/Procurement/Documents/ISS%20Procurement%20Manual.pdf#page=155> or from **ITS** upon request.

As outlined in the Third Party Information section of the **ITS** Public Records Procedures, **ITS** will give written notice to any affected Vendor of a request to view or reproduce the Vendor's proposal or portion thereof. **ITS** will not, however, give such notice with respect to summary information prepared in connection with the State's review or evaluation of a Vendor's proposal, including, but not limited to, written presentations to the **ITS** Board or other approving bodies, and/or similar written documentation prepared for the project file. In addition, **ITS** will not provide third-party notice for requests for any contract executed as a result of this RFP.

Summary information and contract terms, as defined above, become the property of **ITS**, who has the right to reproduce or distribute this information without notification.

Vendors should further be aware that requests for disclosure of proposal information are sometimes received by **ITS** significantly after the proposal opening date. **ITS** will notify the signatory "Officer in Bind of Company" provided in Section I of this RFP for Notification of Public Records Requests in the event information is requested that your company might wish to consider protecting as a trade secret or as confidential commercial or financial information. If the "Officer in Bind of Company" should not be used for notification of public records requests, Vendor should provide the alternative contact information in response to this RFP item.

36. Risk Factors to be Assessed

The State will assess risk factors that may initially exist within a given procurement and that may develop over the course of a procurement process as facts become known. The State, at its sole discretion, may employ the following mechanisms in mitigating these risks: proposal bonding, performance bonding, progress payment plan with retainage, inclusion of liquidated damages, and withholding payment for all portions of the products/services acquired until final acceptance. The Vendor must agree to incorporate any or all of the above terms and conditions into the customer agreement.

37. Proposal Bond

The Vendor is not required to include a proposal bond.

38. Performance Bond/Irrevocable Bank Letter of Credit

The Vendor must include the price of a performance bond or irrevocable bank letter of credit with its RFP proposal. The cost of the bond or letter of credit must be shown as a separate line item in the *Cost Information Submission*. The performance bond or letter of credit must be procured at the Vendor's expense prior to the execution of the contract and may be invoiced to **Mississippi Division of Medicaid** after contract initiation only if itemized in the *Cost Information Submission* and in the executed contract. **The final decision as to the requirement for a Performance Bond or Irrevocable Bank Letter of Credit will be made upon contract award and is at the State's sole discretion.**

If a Performance Bond /Irrevocable Bank Letter of Credit is required, the Vendor must procure and submit to **ITS**, on behalf of **Mississippi Division of Medicaid**, with the executed contract, (a) a performance bond from a reliable surety company authorized to do business in the State of Mississippi or (b) an irrevocable bank letter of credit that is acceptable to the State. The Performance Bond or the Irrevocable Letter of Credit shall be for the total amount of the contract or an amount mutually agreed upon by the State and the successful Vendor and shall be payable to **Mississippi Division of Medicaid**, to be held by their contracting agent, the Mississippi Department of Information Technology Services. No contract resulting from this RFP will be valid until the required Performance Bond or Irrevocable Bank Letter of Credit has been received and found to be in proper form and amount. The Vendor agrees that the State has the right to request payment for a partial amount or the full amount of the Irrevocable Letter of Credit/Performance bond should the products/services being procured hereunder not be provided in a manner consistent with this RFP and the Vendor's proposal by the delivery dates agreed upon by the parties. The State may demand payment by contacting the bank issuing the letter of credit or the bonding company issuing the performance bond and making a written request for full or partial payment. The issuing bank/bonding company is required to honor any demand for payment from the State within fifteen (15) days of notification. The letter of credit/performance bond shall cover the entire contract period, with the exception of post-warranty maintenance and support, and shall not be released until final acceptance of all products and deliverables required herein or until the warranty period, if any, has expired, whichever occurs last. If applicable, and at the State's sole discretion, the State may, at any time during the warranty period, review Vendor's performance and performance of the products/services delivered and determine that the letter of credit/performance bond may be reduced or released prior to expiration of the full warranty period.

39. **Responsibility for Behavior of Vendor Employees/Subcontractors**

The Vendor will be responsible for the behavior of all its employees and subcontractors while on the premises of any State agency or institution. Any Vendor employee or subcontractor acting in a manner determined by the administration of any State agency or institution to be detrimental, abusive, or offensive to any of the staff or student body of any State agency or institution will be asked to leave the premises and can be suspended from further work on the premises.

40. **Protests**

The Executive Director of **ITS** and/or the Board Members of **ITS** or their designees shall have the authority to resolve Vendor protests in connection with the selection for award of a contract. Copies of the protest procedures are available on the **ITS** Internet site - **ITS** Protest Procedure and Policy, Section 019-020, **ITS** Procurement Handbook at:

<http://www.its.ms.gov/Procurement/Documents/ISS%20Procurement%20Manual.pdf#page=173> or from **ITS** upon request.

41. **Protest Bond**

Potential Vendors may protest any of the specifications of this RFP on the belief that the specification is unlawful, unduly restrictive, or unjustifiably restraining to competition. Any such protest must be in writing and submitted to the **ITS** Executive Director along with the appropriate protest bond within five (5) working days of the Official Release of the RFP, as defined in the **ITS** Protest Procedure and Policy. The outside of the envelope must be marked "Protest" and must specify RFP number **4111**.

As a condition precedent to filing any protest related to this procurement, the Vendor must procure, submit to the **ITS** Executive Director with its written protest, and maintain in effect at all times during the course of the protest or appeal thereof, a protest bond in the full amount of the total estimated project lifecycle cost or \$250,000.00, whichever is less. The total estimated project lifecycle cost will be the amount used by **ITS** in the computation of cost points, as the low cost in the denominator of the cost evaluation formula. The bond shall be accompanied by a duly authenticated or certified document evidencing that the person executing the bond is a licensed Mississippi agent for the bonding company. This certified document shall identify the name and address of the person or entity holding the protest bond and shall identify a contact person to be notified in the event that the State is required to take action against the bond. The protest bond shall not be released to the protesting Vendor until the protest is finally resolved and the time for appealing said protest has expired. The protest bond shall be procured at the protesting Vendor's expense and be payable to the Mississippi Department of Information Technology Services. Prior to approval of the protest bond, **ITS** reserves the right to review the protest bond and require the protesting Vendor to substitute an acceptable bond in such form as the State may reasonably require. The premiums on such bond shall be paid by the protesting Vendor. The State may claim against the protest bond as specified in Section 25-53-5 (n) of the Mississippi Code of 1972, as amended during the 1998 Mississippi legislative session, in addition to all other rights and remedies the State may have at law or in equity.

Should the written protest submitted by the Vendor fail to comply with the content requirements of **ITS'** protest procedure and policy, fail to be submitted within the prescribed time limits, or fail to have the appropriate protest bond accompany it, the protest will be summarily dismissed by the **ITS** Executive Director.

42. **Mississippi Employment Protection Act**

Effective July 1, 2008, Vendor acknowledges that if awarded, it will ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq. of the Mississippi Code Annotated (Supp2008), and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Vendor will agree to maintain records of such compliance and, upon request of the State and approval of the Social Security Administration or Department of Homeland Security, where required, to provide a copy of each such verification to the State.

Vendor acknowledges and certifies that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi.

Vendor acknowledges that violating the E-Verify Program (or successor thereto) requirements subjects Vendor to the following: (a) cancellation of any state or public contract and ineligibility for any state or public contract for up to three (3) years, with notice of such cancellation being made public, or (b) the loss of any license, permit, certification

or other document granted to Vendor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. Vendor would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.

SECTION V PROPOSAL EXCEPTIONS

Please return the *Proposal Exception Summary Form* at the end of this section with all exceptions to items in any Section of this RFP listed and clearly explained or state "No Exceptions Taken." If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions to any item in this RFP document.

1. Unless specifically disallowed on any specification herein, the Vendor may take exception to any point within this RFP, including a specification denoted with "shall" or "must," as long as the following are true:
 - 1.1 The specification is not a matter of State law;
 - 1.2 The proposal still meets the intent of the RFP;
 - 1.3 A Proposal Exception Summary Form is included with Vendor's proposal;
and
 - 1.4 The exception is clearly explained, along with any alternative or substitution the Vendor proposes to address the intent of the specification, on the Proposal Exception Summary Form.
2. The Vendor has no liability to provide items to which an exception has been taken. **ITS** has no obligation to accept any exception. During the proposal evaluation and/or contract negotiation process, the Vendor and **ITS** will discuss each exception and take one of the following actions:
 - 2.1 The Vendor will withdraw the exception and meet the specification in the manner prescribed;
 - 2.2 ITS will determine that the exception neither poses significant risk to the project nor undermines the intent of the RFP and will accept the exception;
 - 2.3 ITS and the Vendor will agree on compromise language dealing with the exception and will insert same into the contract; or
 - 2.4 None of the above actions is possible, and ITS either disqualifies the Vendor's proposal or withdraws the award and proceeds to the next ranked Vendor.
3. Should **ITS** and the Vendor reach a successful agreement, **ITS** will sign adjacent to each exception which is being accepted or submit a formal written response to the *Proposal Exception Summary* responding to each of the Vendor's exceptions. The *Proposal Exception Summary*, with those exceptions approved by **ITS**, will become a part of any contract on acquisitions made under this RFP.
4. An exception will be accepted or rejected at the sole discretion of the State.

5. The State desires to award this RFP to a Vendor or Vendors with whom there is a high probability of establishing a mutually agreeable contract, substantially within the standard terms and conditions of the State's RFP, including the *Standard Contract* in Exhibit A, if included herein. As such, Vendors whose proposals, in the sole opinion of the State, reflect a substantial number of material exceptions to this RFP, may place themselves at a comparative disadvantage in the evaluation process or risk disqualification of their proposals.

6. For Vendors who have successfully negotiated a contract with **ITS** in the past, **ITS** requests that, prior to taking any exceptions to this RFP, the individual(s) preparing this proposal first confer with other individuals who have previously submitted proposals to **ITS** or participated in contract negotiations with **ITS** on behalf of their company, to ensure the Vendor is consistent in the items to which it takes exception.

PROPOSAL EXCEPTION SUMMARY FORM

List and clearly explain any exceptions for all RFP Sections, Exhibits, and Attachments in the table below.

ITS RFP Reference	Vendor Proposal Reference	Brief Explanation of Exception	ITS Acceptance (sign here only if accepted)
(Reference specific outline point to which exception is taken)	(Page, section, items in Vendor's proposal where exception is explained)	(Short description of exception being made)	
1.			
2.			
3.			
4.			
5.			
6.			
7.			

SECTION VI RFP QUESTIONNAIRE

Please answer each question or provide the information as requested in this section.

1. **Mississippi's Accountability System for Government Information and Collaboration (MAGIC) Information for State of Mississippi Vendor File**

- 1.1 **MAGIC Vendor Code:** Any Vendor who has not previously done business with the State and has not been assigned a MAGIC Vendor code should visit the following link to register:

https://sus.magic.ms.gov/sap/bc/webdynpro/sapsrm/wda_e_suco_sreq?sap-client=100

- 1.2 Vendors who have previously done business with the State may obtain their MAGIC Vendor code and all Vendors may access additional Vendor information at the link below.

<http://www.dfa.ms.gov/dfa-offices/mmrs/mississippi-suppliers-vendors/supplier-self-service/>

All Vendors must furnish **ITS** with their MAGIC Vendor code.

MAGIC Vendor Code: _____

- 1.3 **Vendor Self-Certification Form:** The State of Mississippi, in an effort to capture participation by minority Vendors, asks that each Vendor review the State of Mississippi Minority Vendor Self Certification Form. This information is for tracking/reporting purposes only, and will not be used in determining which Vendor will be chosen for the project. Any Vendor who can claim status as a Minority Business Enterprise or a Woman Business Enterprise in accordance with the definitions on this form and who has not previously submitted a form to the State of Mississippi should submit the completed form with the proposal. A copy of the Minority Vendor Self-Certification Form can be obtained at:

http://www.mississippi.org/assets/docs/minority/minority_vendor_selfcertform.pdf

Please direct any questions about minority certification in Mississippi to the Minority Business Enterprise Division of the Mississippi Development Authority by telephone at (601) 359-3448 or via email at minority@mississippi.org.

If Vendor is claiming status as a Minority Business Enterprise or Woman Business Enterprise, the Vendor must include a copy of their Minority Vendor Self-Certification Form with their RFP response.

2. **Certification of Authority to Sell**

The Vendor must certify Vendor is a seller in good standing, authorized to sell and able to deliver all items and related services proposed in the State of Mississippi in the time frame specified. Does the Vendor make these certifications? (A yes or no answer is required.)

3. **Certification of No Conflict of Interest**

Mississippi law clearly forbids a direct or indirect conflict of interest of a company or its employees in selling to the State. The Vendor must answer and/or provide the following:

3.1 Does there exist any possible conflict of interest in the sale of items to any institution within ITS jurisdiction or to any governing authority? (A yes or no answer is required.)

3.2 If the possibility of a conflict does exist, provide a list of those institutions and the nature of the conflict on a separate page and include it in your proposal. The Vendor may be precluded from selling to those institutions where a conflict of interest may exist.

4. **Pending Legal Actions**

4.1 Are there any lawsuits or other legal proceedings against the Vendor that pertain to any of the software, hardware, or other materials and/or services which are a part of the Vendor's proposal? (A yes or no answer is required.)

4.2 Are there any criminal or civil proceedings (federal or state) pending against the Vendor or its principals or employees that pertain to any public procurement within the State of Mississippi or elsewhere? (A yes or no answer is required.)

4.3 If your answer to either of the above is "yes", provide a copy of same and state with specificity the current status of the proceedings.

4.4 The State, at its sole discretion, may reject the proposal of a Vendor who (a) has criminal or civil proceedings pending that pertain to a public procurement within Mississippi or elsewhere, or (b) has lawsuits or other legal proceedings pending that pertain to any of the products or services which are part of the Vendor's proposal.

5. **Non-Disclosure of Social Security Numbers**

Does the Vendor agree that any information system proposed, developed, or modified under this RFP that disseminates, in any form or manner, information or material that contains the Social Security Number of an individual, has mechanisms in place to prevent the inadvertent disclosure of the individual's Social Security Number to members of the general public or to persons other than those persons who, in the performance of their duties and responsibilities, have a lawful and legitimate need to know the individual's Social Security Number? This agreement is required by Section 25-1-111 of the Mississippi Code Annotated.

6. **Order and Remit Address**

The Vendor must specify both an order and a remit address:

Order Address:

Remit Address (if different):

7. **Taxpayer Identification Number**

Vendor must specify their taxpayer identification number.

8. **Web Amendments**

As stated in Section III, **ITS** will use the **ITS** website to post amendments regarding RFPs before the proposal opening at:

http://www.its.ms.gov/Procurement/Pages/RFPS_Awaiting.aspx

ITS may post clarifications until noon seven days prior to the proposal opening date listed on the cover page of this RFP or the posted extension date, if applicable.

Vendors may list any questions or items needing clarification discovered in the week prior to the proposal opening in a written format at the beginning of the proposal binder or in the comment section for the individual offering.

Does the Vendor certify that they have reviewed a copy of the **ITS** amendments for RFPs as above stated? (A yes or no answer is required.)

9. **Certification of Liability Insurance**

Vendor must provide a copy of their Certificate of Liability Insurance with their RFP response.

10. **E-Verify Registration Documentation**
Vendor must ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq. of the Mississippi Code Annotated (Supp2008). Vendor must provide documentation of their E-Verify compliance with their RFP response. See Section IV, Item 41 for additional information.

11. **System for Award Management (SAM) Registration Documentation**
Vendor must include a copy of their registration with the Federal Government's System for Award Management (SAM) with their RFP response.

SECTION VII TECHNICAL SPECIFICATIONS

1. How to Respond to this Section

- 1.1 Beginning with Item 2.1 of this section, label and respond to each outline point in this section as it is labeled in the RFP.
- 1.2 The Vendor must respond with “ACKNOWLEDGED”, “WILL COMPLY”, or “AGREED” to each point in this section. In addition, Vendors must respond to each specification in Section VII, Items 3 through 16, with a narrative description. Failure to provide the information requested will result in the Vendor receiving a lower score for that item, or, at the State’s sole discretion, being subject to disqualification. The description must include the following:
 - 1.2.1 A description of the methodology Vendor will use to accomplish each requirement, in order to demonstrate the Vendor’s understanding of this RFP.
 - 1.2.2 Information about past performance results for similar work in a fraud and abuse environment; lessons learned from those projects and how they will be applied to this project.
- 1.3 “ACKNOWLEDGED” should be used when no vendor response or vendor compliance is required. “ACKNOWLEDGED” simply means the vendor is confirming to the State that he read the statement. This is commonly used in the RFP sections where the agency’s current operating environment is described or where general information is being given about the project.
- 1.4 “WILL COMPLY” or “AGREED” are used interchangeably to indicate that the vendor will adhere to the requirement. These terms are used to respond to statements that specify that a vendor or vendor’s proposed solution must comply with a specific item or must perform a certain task.
- 1.5 If the Vendor cannot respond with “ACKNOWLEDGED,” “WILL COMPLY,” or “AGREED,” then the Vendor must respond with “EXCEPTION.” (See Section V, for additional instructions regarding Vendor exceptions.)
- 1.6 Where an outline point asks a question or requests information, the Vendor must respond with the specific answer or information requested.
- 1.7 In addition to the above, Vendor must provide explicit details as to the manner and degree to which the proposal meets or exceeds each specification.

2. Mandatory Provisions in Technical Requirements for this RFP.

- 2.1 Certain items in the technical specifications of this RFP No. 4111 are **MANDATORY**. Vendors are specifically disallowed from taking exception to these mandatory requirements, and proposals that do not meet all mandatory requirements are subject to immediate disqualification.
- 2.2 Attachment A contains the technical and functional requirements for the proposed solution. Attachment A, which is considered integral to this RFP No. 4111 and is incorporated herein by reference, also contains **MANDATORY** requirements.
- 2.3 Participation in the Vendor Web Conference on June 6, 2019, is **MANDATORY** for any Vendor who intends to submit an RFP response. No exceptions will be granted to this requirement. Any proposal received from a Vendor for whom an authorized representative did not participate in the Vendor Conference will be rejected.
 - 2.3.1 To register and receive access instructions for the web conference, Vendors must contact Jeannie Williford via e-mail at Jeannie.williford@its.ms.gov no later than 12:00 p.m. Central Time, on June 5, 2019, to receive instructions on how to enter into the web conference.
 - 2.3.2 Vendors should contact Jeannie Williford via e-mail at Jeannie.williford@its.ms.gov by 5:00 Central Time on June 5, 2019 to request that particular material be covered during the conference.

3. General Information

3.1 Common Acronyms

BAA	Business Associate Agreement
CMS	Centers for Medicare and Medicaid Services
CHIP	Children’s Health Insurance Program
CWP	Common Web Portal
DDI	Design, Development and Implementation
DOM	Mississippi Division of Medicaid
ESB	Enterprise Service Bus
FAM	Fraud and Abuse Module
FNS	Food & Nutrition Services
HHS	Health and Human Services
HHSTP	Health and Human Services Transformation Project

HIT	Health Information Technology
IT	Information Technology
iTECH	Office of Information Technology Management for DOM
LIHEAP	Mississippi's Low Income Energy Assistance Program
MCI	Master Client Index
MDHS	Mississippi Department of Human Services
MITA	Medicaid Information Technology Architecture
MS-HIN	Mississippi Health Information Network
NDA	Non-Disclosure Agreement
SDLC	System Development Life Cycle
SOA	Service Oriented Architecture
SNAP	Supplemental Nutrition Assistance Program
TANF	Temporary Assistance for Needy Families
7S&C	Seven Standards & Conditions

3.2 Glossary

Clients	MDHS refers to the citizens they provide services for as Clients. DOM uses the terms Recipients or Beneficiaries. These three terms are used interchangeably throughout this RFP.
Critical Software System Component	Any component of the fraud and abuse module that is essential to the business operation of the module and necessary for the module to be integrated into the existing system or accessed by end users.
HHS Transformation Project	A new project undertaken by DOM and MDHS to jointly develop shared systems and resources. The FAM is part of the initial step in the authentication of users and a step further in the process for checking outside sources for compliance to the policies of different programs.
MAVERICS	Mississippi Application Verification, Eligibility Reporting and Information Control System -- MDHS-managed Eligibility and Case Management System used for administering the SNAP and TANF Programs
New MEDS	Modernized Medicaid Eligibility Determination System -- DOM-managed Eligibility and Case Management System used for administering the Medicaid Program

4. **Procurement Project Schedule**

Task	Date
First Advertisement Date	May 21, 2019
Second Advertisement Date	May 28, 2019
Mandatory Vendor Web Conference	June 6, 2019 At 2:00 p.m. Central Time
Deadline for Vendor’s Written Questions	June 12, 2019
Deadline for Questions Answered and Posted to ITS Web Site	June 27, 2019
Open Proposals	July 17, 2019
Begin Evaluation of Proposals	July 18, 2019
Begin Contract Negotiation	August 08, 2019
ITS Board Approval	August 15, 2019
Federal Approvals (CMS/FNS) Estimate	August 15, 2019
Estimated Project Implementation Start-up	October 14, 2019

5. **Statement of Understanding**

5.1 Vendors may request additional information or clarifications to this RFP using the following procedure:

5.1.1 Vendors must clearly identify the specified paragraph(s) in the RFP that is in question. The following table should be used to format Vendor questions.

Question	RFP Section	RFP Page	Vendor Question
1			
2			

5.1.2 Vendor must deliver a written document to Jeannie Williford at ITS by June 12, 2019 at 3:00 p.m. Central Time. This document may be delivered by hand, mail, email, or fax. Address information is given on page one of this RFP. The fax number is (601) 713-6380. **ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF QUESTION DOCUMENTS.** It is solely the responsibility of the vendor that the clarification document reaches ITS on time. Vendors may contact Jeannie Williford to verify the receipt of their document. Documents received after the deadline will be rejected.

- 5.1.3 All questions will be compiled and answered, and a written document containing all questions submitted and corresponding answers will be posted on the ITS web site by close of business on June 27, 2019.
- 5.2 When the RFP uses the term *State*, it is referring to staff from ITS, DOM, MDHS, and any other authorized State employee or agent.
- 5.3 The State precludes Vendors who have assisted in drafting the requirements from responding.
- 5.4 **MANDATORY**—The Vendor shall be aware that under no circumstances shall any data, or equipment associated with this project reside outside the continental United States, nor shall any data, or equipment associated with this project be accessible to people outside the continental United States.
- 5.5 **MANDATORY** -- Prior to contract execution, the awarded Vendor shall be required to execute DOM’s Business Associate Agreement (BAA) and/or Data Use Agreement (DUA) and may be required to execute Non-Disclosure Agreements with other HHSTP Vendors. The DOM BAA is incorporated herein as Attachment B. The DUA is incorporated herein as Attachment C.
- 5.6 The awarded Vendor will be paid by accepted milestone/deliverable. All Payments shall have a 15% retainage payable after the warranty period (See Section VII, Item 17). Documented below is a proposed payment schedule that is acceptable to the State. Vendor may propose an alternative payment schedule to be finalized during contract negotiations. Payment amounts proposed for each deliverable/milestone should correlate to the level of effort and criticality of the deliverable/milestone to the project. The schedule below does not depict all anticipated deliverables/milestones for the project, just those that are proposed to be associated with a payment.

Table 1: Deliverable Payment Breakdown	
Document Deliverables	Payment Amount
Project Plan- Schedule, Organization, and Quality Plan, SOW/Scope, Communication Plan,	10%
Requirements Traceability Matrix	5%
General Design Document	5%
Architectural Diagram, Interface Control Document	5%
System Test Plan	5%
System Test Results	5%
Security and Privacy Design Document	5%

Fraud and Abuse Module User Guide (used for staff training)	5%
Initial Test Point Milestone	5%
Final Test Point Milestone	10%
End to End Testing Milestone	5%
UAT Completion Milestone	10%
Production Go-Live Milestone	20%
Operations Guide	5%

5.7 Vendor agrees to maintain and archive State data in non-proprietary formats to facilitate any future transition from the hosted solution to another solution.

6. **Introduction and Background**

In 2016, The Mississippi Division of Medicaid (DOM) and the Mississippi Department of Human Services (MDHS) established the Health and Human Services Transformation Project (HHSTP) to develop an interoperable health and human services model that provides coordinated client services, reduces fraud and abuse, achieves greater administrative efficiency, promotes self-sufficiency, and introduces innovation to improve the lives of Mississippians served by DOM and MDHS.

DOM and MDHS make up two of the key agencies in the Health and Human Services environment for the State of Mississippi. DOM provides access to quality health care for over 700,000 of 2.9 million Mississippians and MDHS delivers services to one in four people of our state’s population. Also noteworthy is that approximately 64% of MDHS clients are also beneficiaries at DOM. The leadership of both agencies is committed to improving services, coordination, and lowering cost through this partnership.

In April 2017, the Mississippi State Legislature passed HB 1090, also known as the Medicaid and Human Services Transparency and Fraud Prevention Act or the Hope Act, that mandated comprehensive fraud and abuse measures for both DOM and MDHS to implement over several years. One of the components of the Hope Act was the development of a real-time eligibility verification service to be used by both agencies to improve program integrity. Access to the Hope Act is provided in Attachment D.

DOM and MDHS developed a joint-roadmap to implement a series of modules to accomplish the vision of HHSTP and comply with the provisions of the Hope Act. The three modules to be implemented as part of the first phase of HHSTP follow:

Common Web Portal (CWP): The CWP is the first module and the cornerstone of the interoperable HHS model and will be a collaborative streamlined eligibility application. DOM and MDHS envision a single, centralized web portal that allows Mississippians to apply for Medicaid, CHIP, SNAP, TANF, LIHEAP and other social services programs. The CWP vision includes robust self-service capabilities for clients to manage their benefits, check on eligibility status, upload documents, and make changes to client information without coming into the regional office. This component is currently under development and will be rolled out in phases.

CWP Phase I, implemented in mid-December 2018, provides Mississippians with a centralized portal to apply for Medicaid, CHIP, SNAP, TANF, and LIHEAP benefits.

Enterprise Service Bus (ESB): The ESB provides the foundation of a modular design and development services infrastructure for DOM and MDHS. All modules implemented between the two agencies shall utilize the ESB for real-time and standards-based connectivity. This component is provided by DXC and is currently in production.

Master Client Index (MCI): The Master Client Index will be a system that connects all clients between each participating agency's eligibility systems. It is to be considered the source of truth for all clients for all programs managed by the participating agencies. Access to the MCI will be granted through the ESB. The MCI is currently being procured and is targeted for implementation prior to the Fraud and Abuse Module implementation.

Fraud and Abuse Module (FAM): The FAM will provide a common fraud and abuse platform that shall perform enhanced eligibility verification, identity authentication and verification, and asset verification.

6.1 The purpose of this RFP is to procure the services of a Vendor to provide (develop, customize, configure), implement, and maintain (including support and hosting) the remaining module of HHSTP – the FAM. The vision of the FAM is to provide a flexible, common, and cost-conscious platform to conduct real-time eligibility verification services for both DOM and MDHS. The FAM will be:

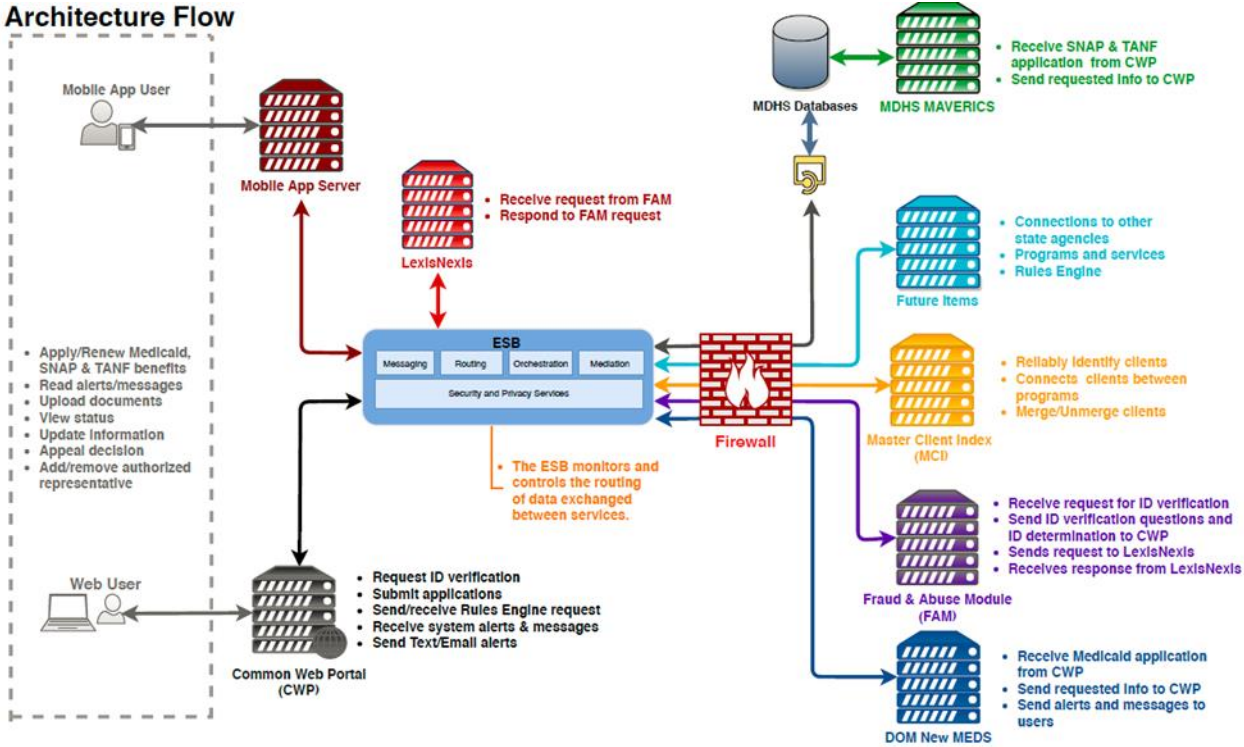
6.1.1 Flexible: The FAM will be flexible by interacting directly with the ESB to provide a true service-oriented architecture (SOA). The FAM will be configurable and incorporate a sophisticated set of business rules to make certain the state utilizes the most current information and the right data sources.

6.1.2 Common: The FAM will be utilized by both DOM and MDHS staff and clients during the application and eligibility determination process. The FAM shall also provide a common service for users to log in and search, follow-up, and query in alignment with both agencies' single sign-on process.

6.1.3 Cost Conscious: The FAM shall have a sophisticated set of business rules, data caching, and storage to check verifications only when necessary. DOM and MDHS already have an extensive set of eligibility verifications native to their respective eligibility systems and do not intend to pay twice for the same data.

6.2 The State's HHSTP vision of the proposed architecture and relationship of the modules is depicted in the diagram below:

Overall Conceptual Diagram of the HHSTP Modules



6.3 Fraud and Abuse Module (FAM)

- 6.3.1 The Centers for Medicare and Medicaid Services (CMS) Seven Standards and Conditions (7S&C) mandate that Medicaid system components utilize a modular development approach. DOM and MDHS expect Vendors to understand and adhere to the guidelines established both in CMS' 7S&C as well as MITA 3.0, specifically as related to modular design and development and use this approach in their proposed solution.
- 6.3.2 DOM and MDHS currently have a mature set of eligibility verifications and interfaces that are utilized during the eligibility determination process that the State does not intend to replace during the implementation of the FAM unless it is deemed to be in the best interest of the state. State and Federal sources with which DOM and MDHS currently interface include, but are not limited to, the Social Security Administration, Federal Data Services Hub (FDSH), Health and Human Services Public Assistance Reporting Information System (PARIS), State Public Employee Retirement System (PERS), and Mississippi Department of Employment Security (MDES).
- 6.3.3 DOM and MDHS intend for the FAM to add additional verification sources to their systems' existing verifications to meet the Hope Act provisions and expand the capacity of the agencies to

improve program integrity and share information in a common platform.

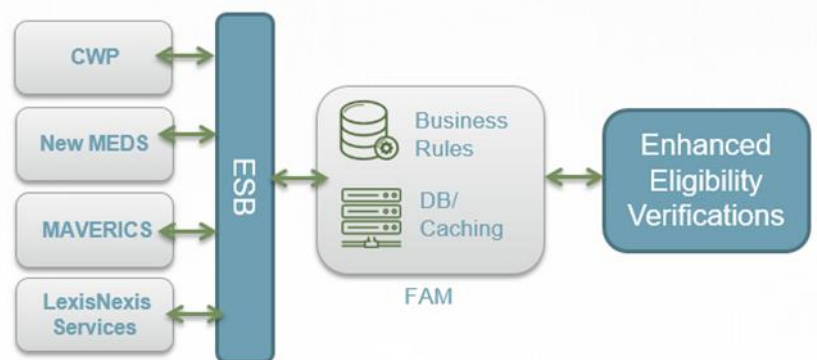
- 6.3.4 Upon successful implementation of the proposed scope of work in a cost-effective manner, DOM and MDHS may decide to migrate some of the existing verifications to the FAM in subsequent phases as it benefits the State. In this vision, DOM and MDHS (and any other participating agencies) could utilize the comprehensive verification and data services of the FAM as one state entity **without duplicate transaction charges for the services.**
- 6.3.5 The FAM major functional components include:
 - 6.3.5.1 Identity Authentication and Verification: Applicants apply for Medicaid, SNAP, TANF and LIHEAP, have their identities verified as “seen” in the public record, and are presented with a knowledge-based authentication (KBA) quiz (for example) to authenticate that those applying own their legitimate identity.
 - 6.3.5.2 Asset Verification: Applicants who apply for Medicaid, SNAP, TANF and LIHEAP have their financial and non-financial assets verified electronically in accordance with the Supplemental Appropriations Act of 2008. <https://www.congress.gov/bill/110th-congress/house-bill/2642>
 - 6.3.5.3 Enhanced Eligibility Verification: For Applicants applying for Medicaid, SNAP, TANF and LIHEAP, additional or more timely verifications shall be provided for data not currently available to each agency, for example, employment, wage and address verification, current incarceration status, etc.
- 6.3.6 The State of Mississippi Department of Information Technology Services (ITS) currently has an Agreement with LexisNexis to provide data services. The agreement can be viewed from the State of Mississippi Transparency site: <http://www.transparency.mississippi.gov/> >Contracts>Contracts by Agency>Department of Human Services>Purchasing (General)>Vendor>LEXIS NEXIS RISK.
- 6.3.7 LexisNexis currently provides National Accuracy Clearinghouse (NAC) services for MDHS. DOM and MDHS receive negotiated pricing for data services through the agreement for the following:
 - 6.3.7.1 Identity Verification and Authentication (LexisNexis Instant Verify and Instant Authenticate Services).

6.3.7.2 Asset Verification (Accuity Asset Verification Services – Financial; Benefit Assessment – Non-Financial).

6.3.8 For the purposes of this proposal response, DOM and MDHS expect Vendors to propose an approach to the FAM that utilizes the existing, contracted data sources negotiated by the State. **However, Vendors may propose an alternate set of data sources or verification sources with more competitive pricing that DOM and MDHS may choose to utilize instead of the existing LexisNexis agreement, if deemed advantageous to the State.** Vendors choosing to provide an alternative set of data sources for consideration must provide each as an optional line item in the cost tables in Section VIII Cost Submission. The State will only pay once per identity for a data service request regardless of which state agency submits the data service request. Vendor must design the service and price accordingly to accommodate this requirement.

6.3.9 The FAM major technical components shall be service-oriented and interoperable with the ESB. The FAM shall have a highly developed architecture that includes sophisticated business rules, data storage, caching, and web services enablement. Below is a logical overview of the FAM.

Conceptual Overview of the FAM



6.3.10 DOM and MDHS expect that all responding Vendors will thoroughly review HB 1090, also known as the Hope Act, to make sure that the solution being proposed complies with all aspects of the real-time eligibility service described in HB 1090, Section 3. Access to The Hope Act is provided in Attachment D.

6.3.11 The FAM will have a rich source of eligibility data from DOM and MDHS. Vendors should propose approaches for utilizing and analyzing the eligibility data for fraud detection and to support each agency's fraud investigation processes.

- 6.3.12 Vendors are encouraged to propose a comprehensive and innovative solution that meets the requirements of this RFP. Emphasis should be placed on the most cost-effective and efficient use of technology that allows DOM and MDHS to fully meet the current and anticipated future needs of Mississippi residents.
- 6.3.13 The State intends to contract with only one Vendor as the Prime Contractor. The Prime Contractor shall be solely responsible for the solution even if the solution is comprised of multiple products/services and subcontractor offerings.
- 6.3.14 Attached for reference as Attachment E is a MDHS document entitled Fraud and Abuse Module – MDHS Journey Map. This document is a product of early discovery sessions of MDHS policy personnel who were tasked with evaluating the mandates of HB 1090 against current practices and procedures of MDHS. Because this is a historical document, it does not fully account for all the current needs or data sources. It is provided as a general reference.

6.4 Project Duration

- 6.4.1 Mississippi House Bill 1090, also known as the Hope Act established a deadline of July 1, 2019 for the implementation of services associated with the FAM component. Vendors must acknowledge the Hope Act deadline, commit to perform the work as expediently as possible to meet the earliest practicable implementation date, and propose an alternative schedule so that the State can move forward in good faith to meet the intent of the legislation.
 - 6.4.1.1 **MANDATORY:** FNS may require a minimum of a three-month duration pilot of the FAM for MDHS. The pilot is an opportunity to ensure that: all stakeholders (e.g. recipients and State staff) are comfortable with the system and the training approach and that the program and system interfaces function as designed. Though MDHS may participate in the pilot, DOM may choose to forego the pilot and go-live at the same time the MDHS pilot begins. The proposed schedule must take into account this pilot phase with each agency's potential decision to participate or not participate.
- 6.4.2 The executed contract will include design, development, configuration, customization, implementation, and warranty, as well as one year of maintenance, support, hosting, and operations with optional one-year renewals up to a five-year total project lifecycle.

7. Vendor Qualifications

- 7.1 Vendor Information – Vendor must provide a description that contains all pertinent data relating to the Vendor's organization, personnel, and experience that would substantiate the qualifications and capabilities of the Vendor's company to perform the services described herein.
- 7.1.1 A brief history of the company including:
 - 7.1.1.1 Date of establishment;
 - 7.1.1.2 Organization size (i.e. number of offices, employees, customer base, etc.) and structure;
 - 7.1.1.3 Whether the company is based locally, regionally, nationally, or internationally; and
 - 7.1.1.4 Number of years the company has been in business (minimum of five (5) years is required).
 - 7.1.2 Type of company ownership (public or private) and type of organization (limited partnership, non-profit, etc.);
 - 7.1.3 Corporate information to include parent corporation, sister firms, and any subsidiaries;
 - 7.1.4 State of incorporation - The Vendor's firm shall be licensed to provide the proposed services in the State of Mississippi;
 - 7.1.5 Location of Vendor's principal office and the number of executive and professional personnel employed at this office;
 - 7.1.6 The Vendor's location from which the staffing will be provided for the performance of the proposed contract;
 - 7.1.7 Current products and services/lines of business and approximate percentages;
 - 7.1.8 Disclosure of any company restructurings, mergers, and acquisitions in the past three (3) years that have impacted any products the Vendor sold, serviced, and supported;
 - 7.1.9 The Vendor shall provide information on any professional accreditations/certifications pertinent to the services required by this RFP;
 - 7.1.10 Financial information as follows:
 - 7.1.10.1 The State reserves the right to request information relative to a Vendor's references and financial status

and to visit a Vendor's facilities during normal working hours.

7.1.10.2 The State also reserves the right to request a current financial statement, prepared and certified by an independent auditing firm, and reserves the right to require that Vendors document their financial ability to provide the products and services proposed up to the total dollar amount of the Vendor's cost proposal.

7.1.10.3 The State, at its sole discretion, may reject the proposal of a Vendor with any significant outstanding financial or other obligations to the State or who is in bankruptcy at the time of proposal

7.1.11 The Vendor shall identify each subcontractor or reseller whom the Vendor proposes to perform any of the functions under this RFP and specify whether the subcontractor's qualifications will be used to supplement the prime vendor's qualifications to meet the minimum qualifications required for this RFP as described in Item 7.2.2.

7.2 Vendor Experience

7.2.1 **MANDATORY** – The Vendor shall provide three (3) reference projects in accordance with the instructions on the reference form provided in Section IX.

7.2.2 While the state strongly prefers that the prime vendor's references meet the minimum qualifications described below, consideration may be given to subcontractor references, at the state's sole discretion, if deemed necessary to meet the minimum reference qualifications. In this case, Vendor shall clearly identify which subcontractor references are being used to meet the minimum experience requirements on the subcontractor reference form provided in Section IX. The Vendor shall document its relationship with any proposed subcontractor(s), what components/services the subcontractor will be tasked with performing and the Vendor's prior experience working with the proposed subcontractor. The Vendor shall provide proposed subcontractor references as indicated in Section IX.

7.2.3 Reference forms shall describe at a minimum the following experience of the Vendor in furnishing the services required in this RFP.

7.2.3.1 The Vendor shall have a minimum of five (5) years' experience in multi-agency, multi-vendor system implementations similar to the services described in this RFP. The Vendor should describe their experience

and understanding of state and local government contracting. Vendor's response should indicate the number of actual years of experience in providing this type of service and should designate whether the services were performed for commercial or governmental entities. Vendor should describe in detail their past experience with any of the following areas: data management, interfaces, integration with an enterprise service bus, and hosting solutions.

7.2.3.2 The Vendor shall have a minimum of three (3) years' experience being a primary provider of fraud and abuse solutions. Vendor's response should indicate the number of actual years of experience in providing this type service and should designate whether the services were performed for commercial or governmental entities. Vendor shall describe in detail their past experience providing fraud and abuse solutions in both identity authentication and asset verification services.

8. Organization and Staffing

8.1 Project staffing requirements

8.1.1 The Vendor shall propose a qualified team with experience and expertise necessary to fulfill the requirements of this RFP. Vendor should provide sufficient quantity and quality of skilled, experienced staff and resources to meet the agreed upon project schedule.

8.1.2 Vendor shall indicate whether they plan to use off-shore or near-shore resources at any point within the project and what phases/tasks will be considered for the use of these resources. Vendor must have prior State approval before engaging off-shore and near-shore resources for this project. Off-shore or near-shore resources are prohibited from developing security controls. The Vendor shall ensure that industry standard best practices, including but not limited to secure coding practices, are used by all resources and that the code produced is fully documented.

8.1.3 The Vendor must include subject matter experts as appropriate throughout the course of the engagement to satisfy the requirements set forth in this RFP.

8.1.4 The Vendor shall provide resumes of named vendor and subcontractor staff including only the specific experience necessary to fulfill the requirements of this RFP. The resume should describe any previous experience with Medicaid and Human Services programs, experience working with FNS/CMS,

and should specify any experience with the MECT certification process or use of MEET checklists.

- 8.1.5 Resumes must list the qualifications such as professional credentials and educational benchmarks (degrees, licenses and continuing education, etc.) that are needed to fulfill the requirements of this RFP.
 - 8.1.6 Vendor must specify on the resumes which named staff are employed by the prime vendor and which are subcontractors.
 - 8.1.7 Vendor shall specifically define what constitutes an FTE by the annual number of hours worked, and specify exactly how many FTEs will be dedicated to this project per phase over the duration of the project.
 - 8.1.8 DOM and MDHS shall have the right to interview any and all proposed key staff.
 - 8.1.9 Vendor must describe plans to ensure the longevity of proposed staff for project continuity.
- 8.2 The Vendor must submit organizational charts to substantiate each of the following:
- 8.2.1 Identify the roles and associated staff proposed for the FAM project;
 - 8.2.2 Specify which roles are designated as Key Personnel as described in Section VII.8.3;
 - 8.2.3 Depict the reporting relationships within the Vendor's project team delivering the services; and,
 - 8.2.4 Specify where each proposed staff members falls within the Vendor's internal organizational structure.
- 8.3 Key Personnel
- 8.3.1 The State defines Key Personnel/Named Staff as those who fill critical project roles and who have the authority and responsibility for planning, directing and controlling the project activities necessary for a successful project implementation. Key Personnel, (whether Prime or Sub-contractor), shall be committed and dedicated for the duration of the project and shall have sufficient prior experience to address the specifics of the project. Vendor shall clearly identify all staff who are considered Key Personnel.

- 8.3.2 At a minimum, the Vendor shall name a Project Manager, a Technical Manager, and a Test Manager as Key Personnel for this project. The State expects the named staff to be available on-site a minimum of 50% of the time. Required onsite activities include planning, status meetings, discovery sessions, design sessions, client walkthroughs, and key testing and implementation activities. At the State's discretion, additional on-site time may be required for Key staff during certain periods.
- 8.3.3 If additional staff, beyond Key Personnel, are required to perform the functions of the contract, the Vendor should describe its plans and resources for fulfilling the functions and shall describe its retention plan to ensure continuity of project operations.
- 8.3.4 The Contractor cannot substitute Key Personnel during the first 180 calendar days of the contract period, except for the following conditions: an individual's sudden illness, death, resignation, or as otherwise approved or requested by the State. In any of these events, or time periods, the Contractor shall immediately notify DOM and MDHS and provide the information required below:
 - 8.3.4.1 All proposed substitutions of Key Personnel shall be made in writing at least 20 business days in advance of the substitution and shall be submitted to the HHSTP Project Management Team, and
 - 8.3.4.2 The State shall agree to the substitution before the substitution shall become effective.
 - 8.3.4.3 Vendor is only allowed to propose an Interim staff member to fill a Key staff role for a total of 45 days while they seek another qualified Key staff member.

9. Project Work Plan

- 9.1 Vendor shall submit, as a part of this proposal, a high-level Project Work Plan that outlines the overall strategy, approach and schedule to providing the requested system and services. The work plan shall lay out the schedule in a phased implementation approach.
- 9.2 The Project Work Plan shall contain all significant work steps required for provision of the requested services and shall clearly delineate the project's critical path.
- 9.3 The Vendor shall specify timeframes in terms of workdays or weeks after contract signing.
- 9.4 The Vendor must agree to prepare several pre-production Test Points that allow the State to test progress of the implementation effort and provide frequent feedback and needed adjustments. The State requires that the

Project Work Plan minimally include the Milestones and Test Points depicted in the following table. Vendor must specify which requirements will be addressed at each proposed Test Point.

9.5

Table 2 below identifies the minimum onsite requirements for the Vendor for specific project activities. Additionally, the State expects the Vendor to be onsite as necessary for face-to-face meetings between the Vendor and the State or for meetings with other vendors working on the system (such as the ESB vendor or other HHSTP vendors). For work not specifically identified in the table below, the Vendor shall designate in the Project Work Plan whether they propose that the work will be performed at the Vendor's offices or on-site at State offices.

Table 2: Project Milestones and Participants		
Project Phase/Milestone	Participants	On-Site Required
Requirements Review	Vendor, DOM, MDHS	X
JAD Sessions	Vendor, DOM, MDHS	X
System Design Review	Vendor, DOM, MDHS	X
Design	Vendor, DOM, MDHS	X
General System Design Deliverable	Vendor, DOM, MDHS	X
Coding Starts	Vendor	
Interface Control Document Approved	Vendor, DOM, MDHS	X
Test Plan	Vendor, DOM, MDHS	X
Test Point 1	DOM, MDHS perform independent testing with some Vendor support at State offices.	X
Coding Continues	Vendor	
Test Point 2	DOM, MDHS perform independent testing with some Vendor support at State offices.	X
Coding Continues	Vendor	
Test Point(s) beyond 2 as necessary	DOM, MDHS perform independent testing with some Vendor support at State offices.	X
Coding Continues	Vendor	
Unit Test and System Integration Testing	Vendor, DOM, MDHS	X
End to End Testing Support	Vendor, DOM, MDHS	X

Regression Test	Vendor, DOM, MDHS	X
Final System Test Review	Vendor, DOM, MDHS	X
UAT	DOM, MDHS perform independent testing with some Vendor support at State offices.	X
UAT Support	Vendor, DOM, MDHS	X
Production / Implementation	Vendor	X

- 9.6 The Vendor shall have sufficient on-site personnel to provide immediate technical support for DOM and MDHS testing efforts during the Test Points, End-to-End testing and UAT efforts.
- 9.7 The Project Work Plan shall include the expected level of effort required for the vendor and state resources based on the role that each of the Participants identified in Table 2 above will play on the project.
- 9.8 The Project Work Plan shall specify assumptions that the Vendor has made based on the information rendered in this RFP. The state may at its sole discretion accept or reject the Vendor’s assumptions.
- 9.9 While the state has described a preferred framework for developing the Project Work Plan, the Vendor is encouraged to utilize their institutional knowledge and proven approach to develop a successful Project Work Plan while adhering to the State’s guidelines.
- 9.10 Upon contract award, the HHSTP System Integrator will work with the Vendor’s Project Manager within the first thirty days to develop a more detailed Project Work Plan to guide the HHSTP project. This detailed plan will be integrated into the overall project work schedule.

10. Project Management

- 10.1 Vendor shall specify their project management/SDLC methodology, specifically describing in detail whether they plan to approach this project with more of a waterfall, Agile or hybrid model. Further, Vendor should describe their proposed entry and exit criteria for each testing phase.
- 10.2 Vendor must have a Service Organization Control (SOC1) performed on their data center annually and shall provide SOC1 reports to the state for review. Additionally, by the first ninety calendar (90) days after contract execution and annually thereafter, the Vendor must provide the State with an annual data center report, specifying what certifications have been awarded to the facility, including but not limited to LEED, SOC1/SOC2, HIPAA, etc.

- 10.3 The Vendor shall work on the project collaboratively with all other State awarded HHSTP contractors, including the Systems Integrator, ESB, IV&V and Change Management contractors, while completing tasks required to implement and maintain the solution.
- 10.4 The Vendor shall adhere to all HHSTP governance, processes, guidelines, technical standards, and toolsets established for use throughout the implementation of this project. See Attachment F of this RFP No. 4111 to access HHSTP documents.
- 10.5 The Vendor's technical integration assistance shall include collaboration with all stakeholders of HHSTP to coordinate multiple technical efforts on the various portions of the solution.
- 10.6 All Vendor to other Vendor meetings must always include appropriate State personnel unless the State grants an exception.
- 10.7 The State reserves the right to have direct access to all subject matter experts (SMEs) to discuss design, configuration, implementation, operation, routine maintenance, and enhancement of the proposed solution(s).
- 10.8 The Vendor shall clearly define their change request/escalation process.
- 10.9 The awarded Vendor shall provide monthly status reports to the State to provide transparency on development progress of the FAM. The frequency of the status reports may be modified to accommodate state needs as the project progresses.
- 10.10 The Vendor must explain their approach to providing deliverables to the State. The Vendor must describe in their approach how they will develop Deliverable Expectation Documents (DEDs) for delivery to the state to ensure that the proposed deliverables meet the State's expectations.
- 10.11 In the DED, Vendor must describe in sufficient detail their understanding of each proposed deliverable/milestone to give the State assurance that the Vendor has a clear understanding of the State's expectation for that deliverable/milestone.
- 10.12 In their proposal response, Vendor must identify the deliverables that will be provided to the State and include samples of the deliverables that are marked with an asterisk (*). Vendor may redact any proprietary or confidential information. The deliverables and deliverable components listed below are not meant to be a fully comprehensive list, as the Vendor's methodology may include additional deliverables. Vendor must identify the deliverables that will be annually tested and updates, and upon what cadence they will be updated and/or tested.
 - 10.12.1 Project Management Plan including:*

- 10.12.1.1 Schedule;
- 10.12.1.2 Organizational Chart;
- 10.12.1.3 Quality Plan;
- 10.12.1.4 Scope;
- 10.12.1.5 Communication Plan; and
- 10.12.1.6 Risk/Issue Management Plan.

10.12.2 Requirements Traceability Matrix (RTM)*

10.12.3 General System Design Document:

- 10.12.3.1 Software Development Approach;
- 10.12.3.2 Data Integrity;
- 10.12.3.3 Data Availability;
- 10.12.3.4 Data Authenticity; and
- 10.12.3.5 Data Security.

10.12.4 Architectural Design Diagram

10.12.5 Interface Control Document*

10.12.6 System Test Plan*

Vendor must describe their testing strategy and identify State and Vendor participants with responsibilities for testing and support of all test phases including but not limited to: system, integration, conversion, interfaces, end-to-end, regression, performance/stress and UAT. The System Test Plan must at a minimum address the following details:

- 10.12.6.1 Validation of RTM via adequate test cases;
- 10.12.6.2 Building and executing automated test scripts;
- 10.12.6.3 Providing and utilizing automated testing tools;
- 10.12.6.4 Review and approval process for test results;
- 10.12.6.5 Providing metrics to forecast schedule impacts based upon defect occurrence and severity; and

- 10.12.6.6 Providing appropriate training as necessary to prepare users for UAT.
- 10.12.7 System Test Results
- 10.12.8 Security and Privacy Design Document*
- 10.12.9 Fraud and Abuse User Guide*
- 10.12.10 Operations Guide*
- 10.12.11 Business Continuity Plan (BCP): Identification of the core business processes involved in the production solution. For each core business process include:
 - 10.12.11.1 Identification of potential failures for the process;
 - 10.12.11.2 Risk analysis;
 - 10.12.11.3 Impact analysis;
 - 10.12.11.4 Definition of minimum acceptable levels of service/output;
 - 10.12.11.5 Definition of triggers for activating contingency plans;
 - 10.12.11.6 Procedures for activating any special teams for business continuity;
 - 10.12.11.7 A plan for recovery of business functions, units, processes, human resources, and technology infrastructure; and
 - 10.12.11.8 Communication protocols and process for restoring operations in a timely manner.
- 10.12.12 Disaster Recovery Plan (DRP): Procedures for data backup, restoration, and emergency mode operations in the event of Hardware or Software Failures, Human Error; Natural Disaster; and/or Other unforeseeable emergencies. Additional Disaster Recovery Plan Topics must include:
 - 10.12.12.1 Retention and storage of backup files and software;
 - 10.12.12.2 Hardware backup for critical solution components;
 - 10.12.12.3 Facility backup;
 - 10.12.12.4 Backup for any telecommunications links and networks;

- 10.12.12.5 Backup procedures and support to accommodate the loss of any online communications;
- 10.12.12.6 A detailed file backup plan, procedures, and schedules, including rotation to an off-site storage facility;
- 10.12.12.7 The off-site storage facility shall provide security of the data stored there, including protections against unauthorized access or disclosure of the information, fire, sabotage, and environmental considerations;
- 10.12.12.8 An enumeration of the prioritized order of restoration for Contractor's proposed solution; and
- 10.12.12.9 Provide a short-term uninterruptible power supply to facilitate an orderly shutdown of the information system in the event of a primary power source loss.

10.12.13 Disaster Recovery test results*

10.12.14 Security Risk Assessment

10.12.15 Training Plan

10.12.16 Fraud Detection Plan

11. Testing

11.1 Vendor must describe their testing methodology. Vendor's description must include, but not be limited to:

11.1.1 Vendor's proposed processes and tools for automated testing, performance/stress testing, regression testing, defect/error tracking and resolution, and any other tools that the Vendor may recommend for use on the HHSTP project. License costs for proposed tools must be included as a separate line item in the Section VIII Cost Information Submission form. Vendors must use a tiered pricing approach for these tools to accommodate a range of users.

11.1.2 How Vendor will provide testing support for the integration points between their system module(s) and the remainder of the system components. The Vendor must work with all other Vendors to successfully complete a full integration test for the software modules that comprise the HHSTP solution and collaboratively work together to troubleshoot and resolve any issues that are identified during testing. Each Vendor will be responsible for supporting the testing of the integration points for their respective component. Support shall include: troubleshooting, creation and

sharing of test data; reviewing test results; attending meetings; facilitating sessions related to platform technical specifications; and reviewing API technical specifications.

11.1.3 The process used to develop and load specific test cases to test the functionality of the respective components. Vendor must work with the HHSTP team to fully define comprehensive test cases that sufficiently test cross-component functionality. This process is subject to the approval of the project team.

11.1.4 The process/tools proposed to track the test cases back to project requirements to confirm all requirements are fully tested.

11.2 The Vendor shall establish a fully functional UAT level testing environment by the first Test Point (as specified in Table 2 in Section VII. Item 9.5) which must be regularly maintained and accessible by the State from that point forward.

11.3 Vendor shall describe their process and schedule for creating and loading data into the test environment for the testing process and for resetting the databases/environment regularly throughout the testing process to accommodate multiple successful complete test cycles while protecting live PHI/PII and adhering to HIPAA.

11.4 The Vendor shall test the proposed solution on all physical device types that are identified as supported in the technical design document.

12. **Security**

12.1 The Vendor shall describe the robust security functionality built into their module. Functionality must detect when potential inappropriate system access or misuse occurs and take the appropriate steps to prevent unauthorized access, issue notifications/alerts to appropriate individuals and immediately log the incident.

12.2 The Vendor shall describe how the proposed solution will provide ad hoc lists of all users with access to the Vendor's module components including their level of access and the date/time of their last system access. The proposed solution must also be able to produce an audit trail of the historical security access changes for each user.

12.3 The Vendor shall complete Risk Assessments and Security Audit reports on an annual basis and also when additions or changes to functionality impact the security framework, architecture or when a new vulnerability is identified.

12.4 The Vendor shall cooperate and assist the State in responding to all law enforcement, Federal and State questions, and audit and review requests. The Vendor shall provide audit support including, random sample

generation, data extracts, hard-copy documents, and provide any requested data or information.

- 12.5 The Vendor shall make themselves available for third party auditors that ensure compliance with State and Federal security and privacy rules. The Vendor shall provide a mitigation plan for all reported deficiencies. Major and critical deficiencies shall be corrected within established and agreed upon timelines.
- 12.6 The Vendor shall describe how their proposed solution adheres to established security and privacy standards such as HIPAA, Federal Information Security Management Act (FISMA), Privacy Act, Federal Tax Information (FTI), and other Federal and State laws, regulations, and policies.
- 12.7 The Vendor shall describe their established business and technical protocols to ensure that the transmission and storage of information remains encrypted while in transit and at rest.
- 12.8 At the State's request, the Vendor shall invoke a process for masking, sanitizing, scrambling, or de-sensitizing sensitive data (e.g., PHI/PII) when extracting data from the production environment for use in another environment for testing purposes.
- 12.9 The proposed solution shall conform to the State of Mississippi's Enterprise Security Policy. Copies can be obtained via email to Jeannie.williford@its.ms.gov.
- 12.10 The vendor shall conform to the State of Mississippi Cloud and Offsite Hosting Enterprise Security Policy. Copies can be obtained via email to Jeannie.williford@its.ms.gov.

13. Training

- 13.1 The Vendor shall describe their proposed training approach based upon projects of similar size and scope. The Vendor shall provide onsite train-the-trainer sessions in Jackson Mississippi for Division/Agency resources or designated agency resources and other staff responsible for training with qualified and experienced trainers who have hands on experience with the proposed solution.
- 13.2 The Vendor shall collaborate with the HHSTP project team to finalize a training plan and schedule.
- 13.3 The Vendor shall develop and regularly update training materials and maintain electronic training guides and materials to support train-the-trainer instruction and enhancements/production release changes.
- 13.4 Vendor's pricing for training must be provided in a tiered approach to accommodate technical, administrative, user training (in a train-the-trainer

approach) and other training, including training materials, as necessary for successful implementation. Pricing must be included as a line item in the Section VIII Cost Information Submission form.

14. General System Environment Requirements

- 14.1 The proposed solution must be scalable to accommodate future phases. Vendor must explain how the proposed architecture and solution is scalable to accommodate future phases.
- 14.2 The proposed solution must return informational error messages with sufficient detail to facilitate expedient error resolution.
- 14.3 The Vendor must have the ability to void or reverse the most recent changes to the solution by rolling back to the prior configuration.
- 14.4 The Vendor must document all configuration items applicable to the proposed solution.
 - 14.4.1 Documentation provided to the state must at a minimum include: detailed system documentation, data dictionary, user guides/quick reference guides and any documentation necessary for understanding the system functionality.
 - 14.4.2 The Vendor shall develop and regularly maintain an electronic data dictionary using industry best practices to be approved by the State. At a minimum, the data dictionary for each field shall contain: field name in human readable format, field description, database field name, database table, field type and length, valid values and their corresponding descriptions as well as primary keys for each table. Vendor must specify the cadence with which the Data Dictionary will be updated/maintained.
 - 14.4.3 All documentation must be updated within ten business days of the implementation of a change that affects configuration and/or system functionality.
 - 14.4.4 The Vendor must describe in detail their process for keeping documentation up to date.
 - 14.4.5 The Vendor must specify how access to all types of documentation will be available to the state (hard copies, online access, etc.)
- 14.5 The Vendor shall utilize a rules engine to minimize the hard coding of software elements for the implementation of policy decisions and associated relevant actions.
- 14.6 Creating and Maintaining System Environments

Vendor shall describe their methodology and process for determining, implementing, and maintaining the specific environments necessary for all pre and post implementation phases, with explanations of how they will meet the following specifications:

- 14.6.1 Vendor is encouraged to propose the environments necessary to achieve a successful implementation and to accommodate post go live upgrades.
- 14.6.2 Vendor shall maintain environments as mutually agreed upon to perform system validation, integration testing, and data migration to determine overall production readiness. At a minimum, Vendor shall be required to provide and maintain separate and complete development, user testing and production environments. The inclusion/exclusion of any component in any environment is at the sole discretion of the State.
- 14.6.3 Each environment shall include all of the components to support the intended purpose of that environment. Any component not replicated in a designated environment shall be disclosed to the State with an explanation as to why it will not affect the inherent use of the environment for its intended purpose.
- 14.6.4 The Vendor shall be responsible for providing and maintaining the development and production hardware, software and infrastructure necessary for implementation, maintenance, and support of each environment.
- 14.6.5 The Vendor shall size each environment appropriately to ensure fitness of use.
- 14.6.6 The Vendor shall refresh and maintain each environment on a mutually agreed upon schedule.
- 14.7 Vendor shall ensure compliance with all licensing agreements required to support the proposed solution and services throughout the term of the contract. Compliance is defined as the maintenance of licenses and appropriate permitted usage.
- 14.8 Vendor shall maintain up to date System Design Documentation and System Documentation. Documentation shall be updated within 10 business days of the Implementation of a change and is subject to approval from the State.
- 14.9 The proposed solution shall facilitate data capture using functions including but not limited to radio buttons, check boxes, text fields and drop downs as appropriate.
- 14.10 Vendor must use a human centered design approach where application usability is heavily emphasized, e.g. minimum number of clicks necessary

to accomplish the task, must contain validation/logic edits to prevent bad data from being produced.

15. Maintenance and Operations

15.1 Post Implementation Support

The Vendor shall describe their post implementation strategy, including staffing plan, incident and defect management and warranty support. The description must include but not be limited to how the Vendor will meet the following requirements:

15.1.1 The HHSTP Project Team requires that the Vendor work with each state agency's end user help desk (Tier 1) to provide assistance and resolution for problems, issues, defects, and data problems as well as operational guidance.

15.1.2 Vendor shall describe the methodology including the tools, processes, and procedures used to provide Tier 2 Help Desk support for the proposed solution.

15.1.3 In addition to telephone support, Vendor shall describe other types of support offered (e.g. email, chat, web form).

15.1.4 Vendor shall describe their online problem tracking system and associated methodology and processes explaining how they will meet or exceed the following specifications:

15.1.4.1 Vendor shall have an automated process and associated system to track, manage, monitor, and resolve problems/issues with the ability to report on problems/issues using both built-in reports and customized reports.

15.1.4.2 Vendor shall classify problems as to criticality and impact, including appropriate resolution procedures and escalation process for each classification of a problem.

The State reserves the final right to classify the criticality of incidents, defects, problems, and tickets.

15.1.4.3 Vendor shall log problems submitted via phone into the tracking system at receipt. Problems submitted online or email must be ingested into the tracking system automatically with minimal manual intervention.

15.1.4.4 Vendor shall provide the State unrestricted access to the online problem tracking system including all

information logged for both active and inactive problems/issues.

- 15.1.4.5 Service Level concepts defined in Section VII, Item 16 and associated with the problem tracking system must be addressed.

15.2 System Maintenance

- 15.2.1 The Vendor shall describe its methodology and processes for updating its solution for all types of scheduled and unscheduled maintenance, including but not limited to:
 - 15.2.1.1 Security updates;
 - 15.2.1.2 Implementing required changes as a result of changes to federal and state laws and regulations;
 - 15.2.1.3 Reported software and data problems/issues;
 - 15.2.1.4 Infrastructure support;
 - 15.2.1.5 System upgrades; and
 - 15.2.1.6 System Enhancements (Change Requests).
- 15.2.2 The Vendor shall describe their process and associated schedule for the testing and implementation of all production ready patches, upgrades, and releases for all software, firmware, and operating systems in a timely manner. Vendor must coordinate this process with other module vendors.
- 15.2.3 The Vendor shall describe the notification process for informing end users of system maintenance and downtime, including scheduled and unscheduled/emergency maintenance, system errors, degraded performance, and other system events.
- 15.2.4 Vendor must provide a screen notifying a user of system downtime when a user attempts to access the application during any outage whether scheduled or unscheduled.

15.3 System Releases

- 15.3.1 Vendor shall describe its release management strategy and schedule. The strategy description must address patches, hot fixes, enhanced functionality, and infrastructure upgrades that impact system performance and availability.
- 15.3.2 Vendor shall describe the process for determining the inclusion of new functions and features in upcoming releases, including the State's ability to control which functionality is scheduled for implementation, as well as any potential user group involvement in the prioritization.
- 15.3.3 Vendor must describe any existing or planned user groups, including the frequency of meetings, the governance structure of

the groups, and the role they play in the future roadmap development of the proposed solution.

15.3.4 Vendor must provide the current product roadmap in the proposal.

15.4 System Turnover

15.4.1 The Vendor shall describe their methodology, schedule, and process for system turnover, detailing how they will meet the following specifications:

15.4.1.1 The Vendor shall cooperate with the successor Vendor while providing all required turnover services. This shall include meeting with the successor and devising work schedules that are agreeable for both the State and the successor Vendor.

15.4.1.2 The Vendor shall transfer solution and services documentation and all data requested by the State to the Successor Vendor or to the State to ensure a successful launch.

15.4.1.3 The Vendor shall turn over all data to the State, within a mutually agreed upon timeline. All data shall be properly disposed of subsequent to turnover, within a timeframe specified by the State according to the executed BAA/DUA as referenced in Attachments B and C to this RFP.

16. Service Level Agreements

16.1 The Vendor shall meet the following SLA requirements at Go-Live for all products released into production environments. Vendor shall provide compliance reporting on these monthly SLAs. The first compliance report is due the 1st day of the month, occurring immediately after the first full month of warranty and maintenance operations.

16.1.1 The Vendor shall maintain a scheduled system availability uptime level of 99.1%, 24 hours a day, seven (7) days a week, 365/366 days a year. System performance degradation to the point that state workers cannot efficiently perform their work will be considered downtime. Scheduled uptime shall mean the time the user interface, database and connectivity are available for transactions and excludes scheduled downtime for routine maintenance. The proposed solution consists of all system functions over which the Vendor has direct control, either directly or through a subcontractor relationship. A week begins Sunday's start and ends on Saturday's end, Central Time.

16.1.2 Vendor must notify the state of any unscheduled system/system component/connectivity downtime or system performance issues regardless of severity as soon as it is discovered but at the latest within one hour of occurrence. Vendor and the State will determine the notification methods during contract negotiations.

16.1.3 The Vendor shall be able to resolve Severity Level 1 problems as defined below by the State.

Definition:

16.1.3.1 Severity Level 1 is an urgent situation occurring when the proposed solution is partially or fully inaccessible to end users which causes severe financial or productivity impacts, including FAM downtime.

16.1.3.2 The Vendor's technical support staff shall accept the State's call for assistance whenever the system is down. However, if Vendor staff is not immediately available, the Vendor shall return the State's call within one (1) hour.

16.1.3.3 The Vendor shall resolve Severity Level 1 problems as quickly as possible which, on average (to be calculated per month), shall not exceed one hour from time of notification, unless otherwise authorized in writing by the State.

16.1.4 The Vendor shall be able to resolve Severity Level 2 problems as defined by the State.

Definition:

16.1.4.1 Severity Level 2 is when critical software system component(s) have a significant outage or a failure precluding their successful operation. The system component(s) may be operating but are severely restricted (e.g., severe performance degradation occurs, a frequently used functionality gives an incorrect response). There is not a State-approved workaround.

16.1.4.2 The Vendor's technical support staff shall accept the State's call for assistance whenever the operation is severely restricted. However, if Vendor staff is not immediately available, the Vendor shall return the State's call within one (1) hour.

16.1.4.3 The Vendor shall resolve Severity Level 2 problems as quickly as possible which, on average (to be

calculated per month), shall not exceed four hours from time of notification, unless otherwise authorized in writing by the State.

- 16.1.5 The Vendor shall be able to resolve Severity Level 3 problems as defined by the State.

Definition:

16.1.5.1 Severity Level 3 is when non-critical software system component(s) have a significant outage or a failure precluding their successful operation. The system component(s) may be operating but are severely restricted (e.g., the functionality gives an incorrect response). There is a State-approved workaround.

16.1.5.2 The Vendor's technical support staff shall accept the State's call for assistance whenever the issue exists. However, if Vendor staff is not immediately available, the Vendor shall return the State's call within two (2) hours.

16.1.5.3 The Vendor shall resolve Severity Level 3 problems as quickly as possible which, on average (to be calculated per month), shall not exceed three (3) calendar days, unless otherwise authorized in writing by the State.

- 16.1.6 The Vendor shall be able to resolve Severity Level 4 problems as defined by the State.

Definition:

16.1.6.1 Severity Level 4 is defined as a minor problem or question that does not affect the system's function (e.g., the text of a message is worded poorly or misspelled).

16.1.6.2 The Vendor's technical support staff shall accept the State's call for assistance whenever the problem exists. However, if Vendor staff is not immediately available, the Vendor shall return the State's call within eight (8) hours.

16.1.6.3 The Vendor shall resolve Severity Level 4 problems as quickly as possible which, on average (to be calculated per month), shall not exceed 10 calendar days, unless otherwise authorized in writing by the State.

- 16.1.7 Vendor shall provide a written root cause analysis (RCA) report and assessment to the State within 24 hours following the identification of any service outage, security incident, and severity 1 and 2 defects, detailing all actions taken concerning the incident, including the type of incident, the current status, and any potential impact(s).
- 16.1.8 Penalties may be applied as credits to quarterly charges at the State's discretion.
- 16.1.9 The proposed solution shall complete all page requests within 1 second, without degradation in performance. (This excludes the time that a request is sent to an outside vendor.)

A page request begins when the web server receives a client request and is complete when the web server sends the response or otherwise completes the processing initiated with the client request. The Vendor shall have an automated mechanism for measuring the page request response times and producing reports. At any time during the maintenance period, the Vendor shall allow the State or its designated personnel access to the raw data from the automated mechanism and the raw data it produces.

- 16.1.10 The proposed solution shall achieve a client round trip page response time of 3 seconds or less. A page response round trip begins when the client sends a request and is complete when the page is redrawn completing the request. This calculation excludes the server time and network time associated with the client request. The reference machine used for calculations is to be chosen from the average DOM and MDHS workstations.
- 16.1.11 The proposed solution shall respond to a request from the ESB with a response time of 3 seconds or less. The request response time begins when the ESB sends the message, and when they receive a response message.
- 16.1.12 The proposed solution shall be scalable and will initially be sized to handle 200 transactions per second. The Contractor shall provide statistics for scaling within 90 days of implementation and make recommendations for future sizing and associated costs.
- 16.1.13 Vendor must describe how they will regularly use automated monitoring tools to verify that the requirements listed above are met and must be prepared to produce validation reports at the request of the state.
- 16.1.14 SLA Verification: Vendor must submit a monthly report with supporting documentation to validate SLAs. The State reserves

the right to audit or have an independent entity validate operations and SLAs at least annually but may initiate an audit at any time.

16.1.14.1 The Vendor shall cooperate with the audit and make all documentation available to the auditing entity.

16.1.14.2 The service levels herein shall be measured (and credits applied, to the extent applicable) per calendar quarter.

16.2 Unless otherwise mutually agreed to in writing, the Contractor shall maintain any and all hardware and software products required to support the Contractor's solution at their most current major version (patches, fixes, upgrades, and releases for all software, firmware and operating systems) or no more than one version back from the most current major version. At no time should the products necessary for the solution be at a version that is unsupported or at end-of-life.

16.3 Prior to deployment, the Contractor shall provide electronic notification including detailed release notes for major and minor version, patches, updates and fixes to be deployed to the production environment. Contractor is expected to appropriately test all updates to ensure no impact to system functionality.

16.4 Disaster Recovery/Business Continuity

16.4.1 Vendor shall provide an alternate business site if Vendor's primary business site becomes unsafe or inoperable. The alternate business site shall be fully operational within two business days of the primary business site becoming unsafe or inoperable.

16.4.2 Vendor shall provide detailed Disaster Recovery Plan test results annually to the State within 30 days of test completion.

16.4.3 The Vendor shall conduct an annual test of the Disaster Recovery and Business Continuity Plan and submit the Disaster Recovery/Business Continuity Test Report that includes the outcome, corrective action plan, and revisions, if any, to the State.

16.4.4 The Vendor shall describe the Disaster Recovery plan, including activities that will provide timely failover based upon the documented policies and procedures to implement a recovery. Vendor shall clearly identify which components are redundant and have failover capability.

17. **Warranty**

17.1 The warranty period is a one-year period during which the Vendor must warrant, at no cost to the State, all work performed as stated in the RFP,

Vendor's proposal, and any subsequent Statement(s) of Work. The warranty period must include the necessary Vendor support to correct any deficiencies found and to provide any other consultation as needed.

- 17.2 For any phased implementations or processes, the warranty period for each phase or process will begin only when Vendor has fully implemented the phase or process and the State has accepted the phase or process as functioning properly and in coordination with any previously implemented phase(s) or process(es).
- 17.3 The Vendor must agree to warrant all proposed application software to be free of errors for a minimum period of one year after acceptance. During this period, the Vendor must agree to correct, at its own expense, any discovered errors. If the system fails during warranty period due to a defect, the Vendor will offer a workaround solution within 24 hours and a full fix within five business days.
- 17.4 The Vendor must state and discuss the full warranty offered during the warranty period on all software and services proposed and state if it is longer than the minimum.
- 17.5 This warranty must cover all components for which services were provided, including all programs, forms, screens, reports, subroutines, utilities, file structures, documentation, interfaces, conversions, configurations, or other items provided by the Vendor.
- 17.6 The Vendor must agree that all corrections made during the warranty period are integral to work associated with this project will therefore be made at no additional charge.
- 17.7 The Vendor shall warrant that the proposed solution is free from defects (except for those mutually agreed upon) when delivered into a production environment.
- 17.8 Vendor shall correct mutually agreed upon go-live defects at their own expense within a mutually agreed upon timeframe.
- 17.9 The Vendor shall explain how the warranty period and warranty work are managed and how warranty work differs from the maintenance work.

18. **Cloud or Offsite Hosting Requirements**

18.1 Data Ownership

The State shall own all right, title and interest in all data used by, resulting from, and collected using the services provided. The Vendor shall not access State User accounts, or State Data, except (i) in the course of data center operation related to this solution; (ii) response to service or technical issues; (iii) as required by the express terms of this service; or (iv) at State's written request.

18.2 Data Protection

Protection of personal privacy and sensitive data shall be an integral part of the business activities of the Vendor to ensure that there is no inappropriate or unauthorized use of State information at any time. To this end, the Vendor shall safeguard the confidentiality, integrity, and availability of State information and comply with the following conditions:

18.2.1 All information obtained by the Vendor under this contract shall become and remain property of the State.

18.2.2 At no time shall any data or processes which either belong to or are intended for the use of State or its officers, agents, or employees be copied, disclosed, or retained by the Vendor or any party related to the Vendor for subsequent use in any transaction that does not include the State.

18.3 Data Location

The Vendor shall not store or transfer State data outside of the United States. This includes backup data and Disaster Recovery locations. The Vendor will permit its personnel and contractors to access State data remotely only as required to provide technical support.

18.4 Encryption

18.4.1 The Vendor shall encrypt all non-public data in transit regardless of the transit mechanism.

18.4.2 For engagements where the Vendor stores non-public data, the data shall be encrypted at rest. The key location and other key management details will be discussed and negotiated by both parties. Where encryption of data at rest is not possible, the Vendor must describe existing security measures that provide a similar level of protection. Additionally, when the Vendor cannot offer encryption at rest, it must maintain, for the duration of the contract, cyber security liability insurance coverage for any loss resulting from a data breach. The policy shall comply with the following requirements:

18.4.2.1 The policy shall be issued by an insurance company acceptable to the State and valid for the entire term of the contract, inclusive of any term extension(s).

18.4.2.2 The Vendor and the State shall reach agreement on the level of liability insurance coverage required.

18.4.2.3 The policy shall include, but not be limited to, coverage for liabilities arising out of premises, operations, independent contractors, products, completed

operations, and liability assumed under an insured contract.

- 18.4.2.4 At a minimum, the policy shall include third party coverage for credit monitoring. notification costs to data breach victims; and regulatory penalties and fines.
- 18.4.2.5 The policy shall apply separately to each insured against whom claim is made or suit is brought subject to the Vendor's limit of liability.
- 18.4.2.6 The policy shall include a provision requiring that the policy cannot be cancelled without thirty (30) days written notice.
- 18.4.2.7 The Vendor shall be responsible for any deductible or self-insured retention contained in the insurance policy.
- 18.4.2.8 The coverage under the policy shall be primary and not in excess to any other insurance carried by the Vendor.
- 18.4.2.9 In the event the Vendor fails to keep in effect at all times the insurance coverage required by this provision, the State may, in addition to any other remedies it may have, terminate the contract upon the occurrence of such event, subject to the provisions of the contract.

18.5 Breach Notification and Recovery

Unauthorized access or disclosure of non-public data is considered to be a security breach. The Vendor will provide immediate notification and all communication shall be coordinated with the State. When the Vendor or their sub-contractors are liable for the loss, the Vendor shall bear all costs associated with the investigation, response and recovery from the breach including but not limited to credit monitoring services with a term of at least 3 years, mailing costs, website, and toll free telephone call center services. The State shall not agree to any limitation on liability that relieves a Vendor from its own negligence or to the extent that it creates an obligation on the part of the State to hold a Vendor harmless.

18.6 Notification of Legal Requests

The Vendor shall contact the State upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to, or which in any way might reasonably require access to the data of the State. The Vendor shall not respond to subpoenas, service of process, and other legal requests related to the State without first notifying the State unless prohibited by law from providing such notice.

18.7 Termination and Suspension of Service

In the event of termination of the contract, the Vendor shall implement an orderly return of State data in CSV or XML or another mutually agreeable format. The Vendor shall guarantee the subsequent secure disposal of State data.

18.7.1 Suspension of services: During any period of suspension of this Agreement, for whatever reason, the Vendor shall not take any action to intentionally erase any State data.

18.7.2 Termination of any services or agreement in entirety: In the event of termination of any services or of the agreement in its entirety, the Vendor shall not take any action to intentionally erase any State data for a period of 90 days after the effective date of the termination. After such 90 day period, the Vendor shall have no obligation to maintain or provide any State data and shall thereafter, unless legally prohibited, dispose of all State data in its systems or otherwise in its possession or under its control as specified in section 7(d) below. Within this 90 day timeframe, Vendor will continue to secure and back up State data covered under the contract.

18.7.3 Post-Termination Assistance: The State shall be entitled to any post-termination assistance generally made available with respect to the Services unless a unique data retrieval arrangement has been established as part of the Service Level Agreement.

18.7.4 Secure Data Disposal: When requested by the State, the provider shall destroy all requested data in all of its forms, for example: disk, CD/DVD, backup tape, and paper. Data shall be permanently deleted and shall not be recoverable, according to National Institute of Standards and Technology (NIST) approved methods. Certificates of destruction shall be provided to the State.

18.8 Background Checks

The Vendor warrants that it will not utilize any staff members, including sub-contractors, to fulfill the obligations of the contract who have been convicted of any crime of dishonesty. The Vendor shall promote and maintain an awareness of the importance of securing the State's information among the Vendor's employees and agents.

18.9 Security Logs and Reports

The Vendor shall allow the State access to system security logs that affect this engagement, its data, and/or processes. This includes the ability to request a report of the activities that a specific user or administrator accessed over a specified period of time as well as the ability for an agency customer to request reports of activities of a specific user associated with that agency. These

mechanisms should be defined up front and be available for the entire length of the agreement with the Vendor.

18.10 Contract Audit

The Vendor shall allow the State to audit conformance including contract terms, system security and data centers as appropriate. The State may perform this audit or contract with a third party at its discretion at the State's expense.

18.11 Sub-contractor Disclosure

The Vendor shall identify all of its strategic business partners related to services provided under this contract, including but not limited to, all subcontractors or other entities or individuals who may be a party to a joint venture or similar agreement with the Vendor, who will be involved in any application development and/or operations.

18.12 Sub-contractor Compliance

The Vendor must ensure that any agent, including a Vendor or subcontractor, to whom the Vendor provides access agrees to the same restrictions and conditions that apply through this Agreement.

18.13 Processes and Procedures

The Vendor shall disclose its non-proprietary security processes and technical limitations to the State so that the State can determine if and how adequate protection and flexibility can be attained between the State and the Vendor. For example: virus checking and port sniffing — the State and the Vendor shall understand each other's roles and responsibilities.

18.14 Operational Metrics

The Vendor and the State shall reach agreement on operational metrics and document said metrics in the Service Level Agreement. At a minimum the SLA shall include:

18.14.1 Advance notice and change control for major upgrades and system changes

18.14.2 System availability/uptime guarantee/agreed-upon maintenance downtime

18.14.3 Recovery Time Objective/Recovery Point Objective

18.14.4 Security Vulnerability Scanning

19. Technical Requirements

19.1 Attachment A defines the functional and technical requirements for the proposed solution. Attachment A is in the form of an Excel spreadsheet. Attachment A is posted on the ITS website directly beneath the posting of this RFP No. 4111. Instructions for use and instructions for submission are included in the spreadsheet. Vendor shall refer to and formulate responses to Attachment A, as directed below.

19.2 The Vendor shall clearly classify each requirement into one of the following categories:

A Base Solution exceeds requirement. Vendor must explain added benefits;

B Base solution meets requirement;

C Base solution needs configuration to meet requirement;

D Base solution needs minor customization/coding to meet requirement. Vendor must indicate if they have implemented this customization/coding before and provide a descriptive overview;

E Base solution needs major customization/coding to meet requirement. Vendor must indicate if they have implemented this customization/coding before and provide a descriptive overview; or

N Function/feature not supported.

19.3 Vendors shall carefully detail the manner and degree by which the proposed response meets or exceeds each specification. Failure to provide the information requested shall result in the Vendor receiving a lower score for that item or, at the State's sole discretion, being subject to disqualification.

19.4 Vendor's classification of each requirement shall be subject to change based upon the State's assessment.

20. Additional Requirements

20.1 ITS acknowledges that the specifications within this RFP are not exhaustive. Rather, they reflect the known requirements that must be met by the proposed solution. Vendors must specify, here, what additional components may be needed and are proposed in order to provide a fully functional Fraud and Abuse module as described herein.

21. Cost Proposal

21.1 Pursuant to the HOPE Act, annualized savings from the contract need to exceed the contract's total annual costs to the State. Therefore, contract

payments will be contingent on a demonstration that the provided services resulted in savings that equal or exceed payments under the contract.

- 21.2 Vendor shall provide detailed cost information for all implementation, support, and training costs proposed in response to this RFP.
- 21.3 The State is asking for a fixed price contract for the implementation and annual maintenance for the proposed solution. In Section VIII, Cost Information Submission, Vendors shall supply line item costs for the specific items requested by this RFP.
- 21.4 Vendor shall provide a fully loaded blended hourly change order rate (inclusive of the cost of all materials, travel expenses, per diem and all other expenses and incidentals incurred by the Vendor in the performance of the Change Order) in Section VIII *Cost Information Summary* for any additional services that may be deemed necessary or desirable by the State.
- 21.5 Vendor is responsible for including an exhaustive list of costs for products and services to ensure a fully functional Fraud and Abuse module as set out in this RFP. The State is not responsible for additional costs not identified in Vendor's cost proposal.

22. Scoring Methodology

- 22.1 An Evaluation Team comprised of DOM and MDHS stakeholders and ITS Staff will review and evaluate all proposals. All information provided by the Vendors, as well as any other information available to the evaluation team, will be used to evaluate the proposals.
 - 22.1.1 Each category included in the scoring mechanism is assigned a weight between one and 100.
 - 22.1.2 The sum of all categories equals 100 possible points.
 - 22.1.3 For the evaluation of this RFP, the Evaluation Team will use the following categories and possible points:

Category	Possible Points
Non-Cost Categories:	
Vendor Requirements	10
Functional Requirements	25
Technical Requirements	25
Maintenance & Operations	5
Total Non-Cost Points	65
Cost	35
Maximum Possible Points	100

- 22.2 The evaluation will be conducted in four stages as follows:

22.2.1 Stage 1 – Selection of Responsive/Valid Proposals – Each proposal will be reviewed to determine if it is sufficiently responsive to the RFP requirements to permit a complete evaluation. A responsive proposal shall comply with the instructions stated in this RFP with regard to content, organization/format, Vendor experience, number of copies, bond requirement, timely delivery, and shall be responsive to all mandatory requirements. No evaluation points will be awarded in this stage. Failure to submit a complete proposal may result in rejection of the proposal at the sole discretion of the State.

22.2.2 Stage 2 – Non-cost Evaluation (all requirements excluding cost)

22.2.2.1 Non-cost categories and possible point values are as follows:

Non-Cost Categories	Possible Points
Vendor Requirements	10
Functional Requirements	25
Technical Requirements	25
Maintenance & Operations	5
Maximum Possible Points	65

22.2.2.2 The State scores the non-cost categories on a 10-point scale, with 9 points for meeting the requirement. The ‘Meets Specs’ score for each category is 90% of the total points allocated for that category. For example, the Technical Requirements category was allocated 25 points; a proposal that fully met all requirements in that section would have scored 22.5 points. The additional 10% is reserved for a solution that exceeds the requirement and provides additional benefits to the state, at the sole discretion of the state.

22.2.2.3 Proposals meeting fewer than 80% of the Technical Requirements may be eliminated from further consideration at the sole discretion of the State.

22.3 Stage 3 – Cost Evaluation

22.3.1 Points will be assigned using the following formula:

$$(1 - ((B - A) / A))^n$$

Where:

A = Total lifecycle cost of lowest valid proposal

B = Total lifecycle cost of proposal being scored

n = Maximum number of points allocated to cost for acquisition

22.3.2 Cost categories and maximum point values are as follows:

Cost Category	Possible Points
Lifecycle Cost	25
Change Order Rate	10
Maximum Possible Points	35

22.4 Stage 4 – Selection of the successful Vendor

22.4.1 On-site Demonstrations and Interviews

22.4.1.1 At the discretion of the State, evaluators may request interviews, on-site presentations, demonstrations or discussions with any and all Vendors for the purpose of system overview and/or clarification or amplification of information presented in any part of the proposal.

22.4.1.2 If requested, Vendors must be prepared to make on-site demonstrations of system functionality and/or proposal clarifications to the evaluation team and its affiliates within seven calendar days of notification. Each presentation must be made by the project manager being proposed by the Vendor to oversee implementation of this project.

22.4.1.3 Proposed Key Personnel must be present at the on-site demonstration. The evaluation team reserves the right to interview the proposed Key Personnel during this onsite visit.

22.4.1.4 Although on-site demonstrations may be requested, the demonstration will not be allowed in lieu of a written proposal.

22.4.2 Site Visits

22.4.2.1 At the State’s option, Vendors that remain within a competitive range must be prepared to provide a reference site within seven calendar days of notification. Vendor must list potential reference sites in the proposal.

22.5 Final Quantitative Evaluation - Following any requested presentations, demonstrations, and/or site visits, the Evaluation Team will re-evaluate and

adjust any technical/functional scores as necessary. The non-cost and cost scores will then be combined to determine the Vendor's final score.

**SECTION VIII
COST INFORMATION SUBMISSION**

Vendors must supply all applicable project costs in the matrix below. Vendor may add rows as necessary to capture all applicable costs, including any optional components offered by Vendor. The vendor is expected to provide operational costs consisting of two parts, a fixed maintenance cost that includes some number of hours (which must be specified in the proposal) to be used for routine maintenance requests and a tiered per applicant rate (all detail must be specified in the cost proposal) that is discounted based on volume. The volume discounts will occur during a True-up on a billing cycle to be determined during contract negotiations. Any cost not listed in this section may result in the Vendor providing those products or services at no charge to the State or face disqualification.

Cost Description	Total Cost
Implementation Costs	
Develop, configure, customize, and implement the Fraud and Abuse Module in accordance with the requirements of RFP No. 4111	\$
Training Costs for a Tiered Train-the-Trainer approach	\$
3 rd Party Products/Tools necessary for a fully functional FAM Module (list each on a separate row)	\$
Total Implementation Costs	\$
Maintenance, Operations, Support, and Hosting Costs	
Year 1	Included in first year warranty
Year 2	\$
Year 3	\$
Year 4	\$
Year 5	\$
Total Maintenance, Operations, Support and Hosting Costs	\$
Total Five-Year Lifecycle Cost	\$

Note: Upon award, the resulting cost summary will be amended to reflect 20% retainage.

Fixed Hourly Rates for Future Enhancements

DOM may wish to add functionality outside the scope of this RFP after the initial deployment of the awarded solution. In the table below, Vendor must submit fully loaded hourly rates for such services. Vendor should add any roles/services roles not listed and Vendor should respond with N/A for any role the Vendor feels is unnecessary. The fully loaded, fixed, hourly rates will remain in effect during the entire lifecycle of the awarded solution.

Role	Fully-loaded Fixed Hourly Rate
Project Manager	
System Architect	
Technical Manager	
Test Manager	
Functional Lead	
Data Architect	
Data Analyst	
Database Administrator	
Senior Developer	
Junior Developer	
Business Analyst	
Functional Tester	
Technical Writer	
User Interface Designer	
Interaction Designer/User Researcher	
Fraud and Abuse SME	
	Fully-loaded Blended Hourly Rate
Vendor Resource	

SECTION IX REFERENCES

Please return the following Reference Forms, and if applicable, Subcontractor Reference Forms.

1. References

- 1.1 The Vendor must provide at least three (3) references consisting of Vendor accounts that the State may contact. Required information includes customer contact name, address, telephone number, email address, and engagement starting and ending dates. Forms for providing reference information are included later in this RFP section. The Vendor must make arrangements in advance with the account references so that they may be contacted at the Project team's convenience without further clearance or Vendor intercession.
- 1.2 Any of the following may subject the Vendor's proposal to being rated unfavorably relative to these criteria or removed from further consideration, at the State's sole discretion:
 - 1.2.1 Failure to provide reference information in the manner described;
 - 1.2.2 Inability of the State to substantiate minimum experience or other requirements from the references provided;
 - 1.2.3 Non-responsiveness of references to the State's attempts to contact them; or
 - 1.2.4 Unfavorable references that raise serious concerns about material risks to the State in contracting with the Vendor for the proposed products or services.
- 1.3 References should be based on the following profiles and be able to substantiate the following information from both management and technical viewpoints:
 - 1.3.1 The reference installation must be for a project similar in scope and size to the project for which this RFP is issued;
 - 1.3.2 The reference installation must have been operational for at least six (6) months.
- 1.4 The State reserves the right to request information about the Vendor from any previous customer of the Vendor of whom the State is aware, including the procuring agency and/or other agencies or institutions of the State, even if that customer is not included in the Vendor's list of references, and to utilize such information in the evaluation of the Vendor's proposal.
- 1.5 Unless otherwise indicated in the Scoring Methodology in Section VII, reference information available to the State will be used as follows:

- 1.5.1 As documentation supporting mandatory experience requirements for companies, products, and/or individuals, as required in this RFP;
- 1.5.2 To confirm the capabilities and quality of a Vendor, product, or individual for the proposal deemed lowest and best, prior to finalizing the award.
- 1.6 The State reserves the right to forego reference checking when, at the State's sole discretion, the evaluation team determines that the capabilities of the recommended Vendor are known to the State.

2. **Subcontractors**

The Vendor's proposal must identify any subcontractor that will be used and include the name of the company, telephone number, contact person, type of work subcontractor will perform, number of certified employees to perform said work, and three (3) references for whom the subcontractor has performed work that the State may contact. Forms for providing subcontractor information and references are included at the end of this section.

Unless otherwise noted, the requirements found in the References section may be met through a combination of Vendor and subcontractor references and experience. Vendor's proposal must clearly indicate any mandatory experience requirements met by subcontractors. NOTE: The State reserves the right to eliminate from further consideration proposals in which the prime Vendor does not, in the State's sole opinion, provide substantive value or investment in the total solution proposed (i.e. the State does not typically accept proposals in which the prime Vendor is only a brokering agent).

Vendor Reference Form

Copy this form to be used for each of three references.

Vendor Information	
Contact Name:	
Contact Title:	
Company Name:	
Address:	
Phone #:	
E-Mail:	
Project Information	
Project Start Date:	
Project End Date:	
Project Description:	
Vendor's Role in Project	
Vendor must provide sufficient details to allow the State to understand and evaluate Vendor's role in the referenced project.	
Question	Details
Was this project for a multi-agency, multi-vendor system implementation similar to the services sought by this RFP? Describe Project and Vendor's Role.	
Was this project for a Government Entity or a Commercial Entity?	
For this project, was the Vendor the Prime or the Subcontractor?	
For this project, was the Vendor responsible for a fraud and abuse solution?	
If this was a fraud and abuse solution, was the Vendor responsible for Identity Authentication?	
If this was a fraud and abuse solution, was the Vendor responsible for Asset Verification?	
For this project, was the Vendor responsible for Data Management?	
For this project, was the Vendor responsible for multiple Interfaces?	
For this project, was the Vendor responsible for Integration with an enterprise service bus?	
For this project, was the Vendor responsible for providing Vendor hosted solution/services?	
Describe other project related services provided by Vendor.	

Subcontractor Reference Form

Copy this form to be used for each of three references.

Subcontractor Information	
Contact Name:	
Contact Title:	
Company Name:	
Address:	
Phone #:	
E-Mail:	
Project Information	
Project Start Date:	
Project End Date:	
Project Description:	
Subcontractor's Role in Project	
Vendor must provide sufficient details to allow the State to understand and evaluate Subcontractor's role in the referenced project.	
Question	Details
Was this project for a multi-agency, multi-vendor system implementation similar to the services sought by this RFP? Describe Project and Vendor's Role.	
Was this project for a Government Entity or a Commercial Entity?	
For this project, was the Vendor the Prime or the Subcontractor?	
For this project, was the Vendor responsible for a fraud and abuse solution?	
If this was a fraud and abuse solution, was the Vendor responsible for Identity Authentication?	
If this was a fraud and abuse solution, was the Vendor responsible for Asset Verification?	
For this project, was the Vendor responsible for Data Management?	
For this project, was the Vendor responsible for multiple Interfaces?	
For this project, was the Vendor responsible for Integration with an enterprise service bus?	
For this project, was the Vendor responsible for providing Vendor hosted solution/services?	
Describe other project related services provided by Vendor.	

**EXHIBIT A
STANDARD CONTRACT**

A properly executed contract is a requirement of this RFP. After an award has been made, it will be necessary for the winning Vendor to execute a contract with **ITS**. The inclusion of this contract does not preclude **ITS** from, at its sole discretion, negotiating additional terms and conditions with the selected Vendor(s) specific to the projects covered by this RFP.

If Vendor cannot comply with any term or condition of this Standard Contract, Vendor must list and explain each specific exception on the *Proposal Exception Summary Form* included in Section V.

**PROJECT NUMBER 44460
SOFTWARE DEVELOPMENT AND HOSTING AGREEMENT
BETWEEN
VENDOR NAME
AND
MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES
AS CONTRACTING AGENT FOR THE
MISSISSIPPI DIVISION OF MEDICAID
AND THE MISSISSIPPI DEPARTMENT OF HUMAN SERVICES**

This Software Development and Hosting Agreement (hereinafter referred to as "Agreement") is entered into by and between **VENDOR NAME**, a **STATE OF INCORPORATION** corporation having its principal place of business at **VENDOR ADDRESS** (hereinafter referred to as "Contractor"), and Mississippi Department of Information Technology Services having its principal place of business at 3771 Eastwood Drive, Jackson, Mississippi 39211 (hereinafter referred to as "ITS"), as contracting agent for the Mississippi Division of Medicaid located at 550 High Street, Suite 1000, Jackson, Mississippi 39201 and the Mississippi Department of Human Services located at 200 South Lamar Street, Jackson, Mississippi 39201 (hereinafter collectively referred to as "Customer"). ITS and Customer are sometimes collectively referred to herein as "State."

WHEREAS, In 2016, The Mississippi Division of Medicaid (DOM) and the Mississippi Department of Human Services (MDHS) established the Health and Human Services Transformation Project (HHSTP) to develop an interoperable health and human services model that provides coordinated client services, reduces fraud and abuse, achieves greater administrative efficiency, promotes self-sufficiency, and introduces innovation to improve the lives of Mississippians served by DOM and MDHS;

WHEREAS, the State, pursuant to Request for Proposals (hereinafter referred to as "RFP") Number 4111, requested proposals for a qualified contractor to develop, customize, configure, implement, maintain, support, and host the Fraud and Abuse Module (FAM) of the HHSTP as described in the RFP; and

WHEREAS, after careful review of all proposals, the Contractor was the successful proposer in an open, fair, and competitive procurement process to provide the above mentioned services;

NOW THEREFORE, in consideration of the mutual understandings, promises, and agreements set forth herein, the parties hereto agree as follows:

ARTICLE 1 TERM OF AGREEMENT

1.1 Unless this Agreement is extended by mutual, written agreement or terminated as prescribed elsewhere herein, the term of this Agreement shall commence on the date it is signed by all parties and shall continue for five (5) years (initial term), pursuant to the Project Work Plan, including services during the initial five (5) year hosting term. Time is of the essence in the performance of this Agreement. The System must be delivered, implemented, fully functional, accepted by the Customer, and all tasks (excluding hosting and warranty) required herein, completed within **INSERT # OF MONTHS** of execution of this Agreement, unless a change in this date is mutually agreed to in writing by the State and the Contractor. At the end of the initial term, the Agreement may, upon the written agreement of the parties, be renewed under the same terms and conditions for additional terms, the length of which will be agreed upon by the parties. Ninety (90) calendar days prior to the expiration of the initial hosting terms or any renewal hosting terms of this Agreement, Contractor shall notify Customer and ITS of the impending expiration and Customer shall have thirty (30) calendar days in which to notify Contractor of its intentions as to the renewal of the Agreement. Renewal is contingent upon funds being available as stated in Article 14 of this Agreement.

1.2 This Agreement will become a binding obligation on the State only upon the issuance of a valid purchase order by the Customer following contract execution and the issuance by ITS of the CP-1 Acquisition Approval Document.

ARTICLE 2 DEFINITIONS

2.1 "Acceptance" shall mean, with respect to each Deliverable, written notice from the Customer that it has accepted the Deliverable as conforming in all material respects to the applicable specifications, including any approved Change Orders, for such Deliverable. A "material defect" is one which the Customer determines would substantially impair the Customer's ability to use the Deliverable as intended in the RFP and this Agreement.

2.2 "Acceptance Test Plan" shall mean the testing plan mutually agreed to by Contractor and Customer for the execution of the acceptance testing and includes all specifications as set forth in the Contract Documents.

2.3 "Active User" means DOM and MDHS employees participating in the System, who shall be bound to the terms and conditions of this Agreement. Contractor does not impose a limit on the number of Active Users accessing or registering to use the System.

2.4 "Agreement" shall mean this Software Development and Hosting Agreement and any amendments thereto, between the Customer and the Contractor.

2.5 "Appropriate Change Order Rate" shall mean the rate specified in Article 9 herein for Project management, analysis and design, programming, or clerical work performed under an authorized Change Order.

2.6 "Change Order" shall mean changes in the scope of work which are approved and agreed to in writing by the State and the Contractor as set forth in Article 9 herein.

- 2.7** “Content” means any data or information provided by Active Users for use with the System and does not include any third party data or other data maintained by the Contractor in its commercial database.
- 2.8** “Contract Documents” shall mean those documents identified in Article 4 herein.
- 2.9** “Contractor” shall mean **VENDOR NAME** and its successors and assigns (subject to the provisions of the article herein titled “Assignments and Subcontracts”).
- 2.10** “Customer” shall mean Mississippi Division of Medicaid and the Mississippi Department of Human Services collectively.
- 2.11** “Defect” shall mean any failure of the System to operate in conformity with the System specifications as set forth in the mutually agreed upon and approved requirements document.
- 2.12** “Deliverable” shall include, but is not limited to, such Project products and services as plans, analyses, standards, documentation, manuals, procedures, software, non-proprietary source code, interfaces, tests, training, support, warranties set forth in this Agreement, and other items required for a successful System installation as set forth in the Contract Documents. For purposes of this section, all tools or other contractor intellectual property used to create the Deliverables shall not be included in the definition of “Deliverable”.
- 2.13** “Documentation” shall mean the published user and technical manuals and documentation that Contractor makes generally available for the Software; the help files included within the Software, and any files containing presentation materials or manuals or other related materials to train and educate Customer and the Active Users on the use of the Software.
- 2.14** “Enhancements” shall mean the corrections, updates, upgrades or new versions of the Software or Documentation that Contractor may provide to Customer under this Agreement.
- 2.15** “ITS” shall mean the Mississippi Department of Information Technology Services.
- 2.16** “Project” shall mean the analysis, design, development, customization, configuration, implementation services, hosting services, and associated Deliverables to be performed by the Contractor as set forth in the Contract Documents.
- 2.17** “Project Work Plan” shall mean the planning and scheduling document described in the RFP which specifically identifies the Contractor’s tasks and time schedule, and is subject to the approval of the State.
- 2.18** “Proposal” shall mean the Contractor’s response, dated **INSERT DATE**, to the RFP.
- 2.19** “RFP” shall mean the Request for Proposals No. 4111 issued by the State of Mississippi.
- 2.20** “Services” shall mean software development, on-line user access, customizations, interface development, consulting, education, hosting installation and services, system administration, training, maintenance, support, and Help Desk services provided by Contractor to Customer.

2.21 “Software” shall mean the machine-readable object code version of the computer programs whether embedded on disc, tape or other media used for the management of the web-based FAM System and Supported Interfaces (and any Documentation and help files within the Software), including any Enhancements provided pursuant to the maintenance and support terms identified herein.

2.22 “Software Error” means a reproducible defect or combination thereof in the Software that results in a failure of the Software when used in accordance with the Documentation. Software Errors do not include those errors caused by (a) Customer’s negligence, (b) any unauthorized modification or alteration Customer makes to the Software, (c) data that does not conform to Contractor’s specified data format, (d) operator error, or (e) use not conforming to the Contractor’s supported technical environment specified in the Documentation.

2.23 “State” shall refer to Customer and ITS collectively.

2.24 “Supported Interfaces” shall mean application-based interfaces (API), network protocols, data formats, database schemas, and file formats used in the Software as described in the Documentation.

2.25 “System” shall mean the Fraud and Abuse Module as designed, developed, installed and hosted for the Customer in accordance with the provisions of this Agreement, as set forth in the Contract Documents.

2.26 “Warranty Period” shall mean the period of twelve (12) months after acceptance of the System during which the Contractor’s hosting services, and correction of deficiencies are in effect at no charge to the State.

2.27 “Work-in-Progress” shall mean the Contractor’s efforts to complete the listed Deliverables, including but not limited to all work papers, notes, preliminary designs, interview notes, estimates of scope of work, diagrams, bullet lists, models, prototypes, partial or complete program descriptions or definitions, program documentation on line and batch, all test case documentation, and all infrastructure components and infrastructure support items stretching across the entire Project, including but not limited to all security coding, approvals processing, notes and comments, and all other infrastructure components in any form whatsoever. This list is not intended to be all-encompassing, but is set forth as an example of the breadth of the matter contemplated as “Work-in-Progress.”

2.28 “Personally Identifiable Information (“PII”)” means information concerning individually identifiable information that is protected against disclosure under applicable law or regulation as set forth in Exhibit C which is attached to Agreement and incorporated herein by reference.

ARTICLE 3 CONTRACTOR SERVICES

The Contractor agrees to provide the Customer with all products, Services, and associated Deliverables required to provide the Customer a System as described in the RFP and this Agreement.

ARTICLE 4 ENTIRE AGREEMENT

4.1 This contract constitutes the entire agreement of the parties with respect to the subject matter contained herein and supersedes and replaces any and all prior negotiations,

understandings and agreements, written or oral, between the parties relating thereto, including all terms of any “shrink-wrap”, “click-wrap” or “browse-wrap” license of the Software. The RFP 4111 and Contractor’s Proposal, as accepted by the State in response thereto, are hereby incorporated into and made a part of this Agreement.

4.2 The contract made by and between the parties hereto shall consist of, and precedence is hereby established by, the order of the following documents incorporated herein:

- A.** This Agreement signed by the parties herein;
- B.** Any exhibits attached to this Agreement;
- C.** RFP No. 4111 and written addenda, and
- D.** Contractor’s Proposal, as accepted by the State, in response to RFP No. 4111.

4.3 The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Project by the Contractor. The Contract Documents are complementary, and what is required by one shall be binding as if required by all. A higher order document shall supersede a lower order document to the extent necessary to resolve any conflict or inconsistency arising under the various provisions thereof, provided, however, that in the event an issue is addressed in one of the above mentioned documents but is not addressed in another of such documents, no conflict or inconsistency shall be deemed to occur by reason thereof. The documents listed above are shown in descending order of priority, that is, the highest document begins with the first listed document (“A. This Agreement”) and the lowest document is listed last (“D. Contractor’s Proposal”).

ARTICLE 5 SCOPE OF WORK

5.1 The scope of work for this Project is defined by the Contract Documents set forth in Article 4 herein. The System to be produced by the Contractor under this Agreement will contain all plans, analyses, standards, documentation, manuals, procedures, software, interfaces, tests, training, support, warranties, and other items required for a successful System installation and not specifically excluded in writing by the Customer and as identified in the Contract Documents.

5.2 Customer and Active Users are granted access to the System twenty-four (24) hours a day, seven (7) days a week, 365/366 days a year, subject to regularly scheduled maintenance and required repairs. The terms and conditions of this Agreement will apply to any Enhancements or additional Software Products Customer may procure in accordance with a written agreement to be agreed with Contractor.

5.3 Contractor will provide Customer storage space on and access to the System via the Internet and provide Internet access to the System to the Active Users through Contractor’s site (“Hosting Services”).

5.4 In connection with the Hosting Services, Contractor will provide and maintain all Software and hardware, including, but not limited to, the server hardware and software, telecommunications hardware and software, security hardware and software and other software that is reasonably necessary to operate and maintain the System.

5.5 The System will be accessible at least ninety nine percent (99%) of the time, twenty-four (24) hours a day, seven (7) days a week, 365/366 days a year, except for scheduled maintenance and required repairs, and except for any loss or interruption of the Hosting Services due to causes

beyond the control of Contractor. In the event that Customer or an Active User is unable to achieve the 99% application availability during any given month, excluding scheduled maintenance, required repairs, and unavailability due to causes beyond the control of Contractor, the Contractor shall reimburse Customer \$2,500.00 for every 1% under the 99% uptime requirement measured on a monthly basis, excluding scheduled maintenance windows during which there were any incidents of unavailability.

5.6 Contractor shall provide the Customer with its standard managed firewall service, which shall enable secure delivery of Contractor's application services using fully redundant hardware-based firewalls. Contractor's managed firewall service will be available twenty-four (24) hours a day, seven (7) days a week, 365/366 days a year.

5.7 The use of the Software by Active Users will be governed solely by the terms and conditions of this Agreement and, to the extent they do not violate Mississippi law or this Agreement, the terms of any applicable open source licenses. The parties agree that in the event of a conflict between Mississippi law, the terms and conditions of this Agreement, and the terms of any applicable open source license accepted by Customer, Mississippi law and this Agreement shall prevail.

5.8 Contractor acknowledges that the Content is and shall remain the sole and exclusive property of the state government agency transmitting such data. Contractor agrees to maintain the confidentiality of the Content and shall not make the Content publicly available except as may be necessary in performing the Hosting Services. Contractor will not add data to the Content nor will Contractor correct, refine or otherwise modify or verify the accuracy of the Content provided to it by the Customer.

5.9 Contractor shall be responsible for the following:

- A.** Ensuring that all deliverables are complete and accepted by the Customer pursuant to the mutually agreed upon Project Work Plan;
- B.** Ensuring that the host site complies with PriorityOne of the World Wide Web Consortium's (W3C's) Web Accessibility Initiative and guidelines in Section 508 of the Rehabilitation Act that are not covered in W3C Priority;
- C.** Ensuring that the site is accessible through Customer's published universal resource locator ("URL") rather than through Contractor's site address;
- D.** Reviewing with Customer the Content a minimum of once a quarter to ensure that the Content remains timely and accurate and reaching an agreement with the Customer as to reasonable timelines for implementing Content updates delivered to the Contractor that will be posted on the site;
- E.** Tracking date sensitive items to ensure timely updates;
- F.** All Content provided by the Customer shall remain the sole and exclusive property of the Customer. Upon the termination or expiration of this Agreement, Contractor shall provide such Content in its possession to the Customer pursuant to a mutually agreed upon release schedule;
- G.** Working with the Customer to achieve access rates that meet Customer's needs;
- H.** Providing security for the host site that is agreeable to the Customer with Contractor responsible for all necessary equipment and software related to security;

- I. Maintaining the accessibility of the site twenty-four (24) hours a day, seven (7) days a week at an uptime rate of 99% or greater, subject to the limitations set forth in this Agreement, including but not limited to, those in Article 5.5;
- J. Completing daily backups of the site;
- K. Notifying Customer at least three (3) business days prior to any anticipated service interruption, with said notice containing a general description of the reason for the service interruption;
- L. Proposing and adhering to a disaster recovery plan and providing access to such plan to the State, all at Contractor's expense;
- M. Participating with Customer in disaster recovery planning and testing based on a mutually agreed upon schedule;
- N. Maintaining the confidentiality of the data entered;
- O. Providing Customer access to all of the technical information concerning operation of the site, including but not limited to, server specifications, Internet connection information, personnel requirements and software implementations;
- P. Identifying any commercially available software, by vendor and version number, integrated into the Software and describing the particular functionality of any software that is proprietary to the Contractor;
- Q. Maintaining the host site, with the cost for such support, maintenance, and hosting for years following the initial five (5) year period not increasing annually beyond five percent (5%) or the percent increase in the consumer price index for all Urban Consumers, US City Average (C.P.I.-U) for the preceding year, whichever is less;
- R. Providing 24x7x365/366 support of the FAM System;
- S. Providing redundant internet connections;
- T. Providing FTP and remote configuration access;
- U. Providing SSL secure server support;
- V. Providing monthly reports containing line utilization, site availability statistics, network usage, security user access reports and system performance data to Customer;
- W. Planning for and maintaining sufficient bandwidth, server capacity and meeting the minimum performance standards set forth in RFP 4111 in order to meet Customer and Active Users' demand as it may fluctuate and increase during the term of this Agreement, and
- X. Ensuring that upon termination or expiration of this Agreement that transition of the site from the Contractor to Customer or to a successor host will be accomplished at no expense to Customer, and with minimal interruption of the site's accessibility and insignificant changes in the site's appearance and functionality.

ARTICLE 6 COORDINATION OF PROJECT

6.1 The Contractor acknowledges that the Customer intends to be actively involved in the day-to-day progress of the Project. The Contractor agrees to (a) obtain the Customer's approval of all tasks and the time schedule for completion of said tasks prior to commencing performance, if not already contained in the approved Project Work Plan; (b) notify the Customer's designated technical and Project managers of all meetings related to the Project so as to allow their participation in said meetings; (c) make available to the State Project team members all Project work papers and Work-in-Progress for review; (d) ensure that the Contractor Project Manager and the State Project Manager work closely together; and (e) meet with the Customer in person or via telephone on a regular basis at a mutually agreeable time, and as otherwise requested by

the Customer, to discuss the status of the Project, and (f) if required by Customer, submit written Project status reports. Customer agrees to work with the Contractor to ensure the FAM System is completed and accepted within the mutually agreed upon schedule.

6.2 It is understood by the parties that the Project Work Plan must be in place within thirty (30) days of execution of this Agreement. Once this mutually agreed upon Project Work Plan, which will identify specific time frames and Deliverable target dates for this Project, has been developed, it will be incorporated into and made a part of this Agreement. The dates in the Project Work Plan will define the agreed upon period of performance. The parties acknowledge that the Project Work Plan will evolve and change from time to time upon the mutual written agreement of both parties. The parties agree that the Deliverables and schedule set forth in the latest version of the Project Work Plan will take precedence over any prior plans.

ARTICLE 7 RESPONSES BY CUSTOMER AND/OR CONTRACTOR

Whenever a response, approval, or other action is required in response to a request or submission by the Contractor, the Customer shall secure the required response, approval, or action from the necessary Customer officials or personnel, and Customer's Project Manager or his/her designee shall supply the Contractor with a written approval of the requested action if the Customer's response is positive, or with a written explanation detailing with reasonable particularity the causes for negative response by the Customer. Where agreement, approval, acceptance, consent, or similar action by the Customer or the Contractor is required, such action shall not be unreasonably delayed or withheld in a manner that would jeopardize the mutually agreed upon schedule. Contractor shall provide Documentation updates/revisions, as performed, throughout the Project lifecycle.

ARTICLE 8 PAYMENT TERMS

8.1 Compensation: Except as provided in Article 9, Change Order Rate and Procedure, of this Agreement, the total compensation to be paid to the Contractor by the Customer shall not exceed **\$INSERT COMPENSATION** (Fixed Price) for all products, services, travel, performances, and expenses under this Agreement, payable as described in Exhibit A to this Agreement, unless prior written authorization from ITS has been obtained. Authorization of payments is subject to the written approval of the State.

8.2 Payment Schedule: The Contractor and the State agree to the Deliverable Schedule as set forth in the Payment Schedule and Deliverables List included as Exhibit A to this Agreement. The Contractor will receive payment in the amount indicated in Article 8.1 herein, less retainage to be withheld in accordance with Article 12 herein, upon written acceptance by the Customer of each of the Deliverables defined therein. The parties agree that as the Project Work Plan is revised by written agreement of the parties during the term of this Agreement, the anticipated dates for acceptance of Deliverables and for the corresponding payments to the Contractor, but not the amounts of those payments may likewise be revised only by written agreement of the parties.

8.3 Invoicing: Upon written acceptance, as set forth in Article 15 herein, by the Customer of a Deliverable which has an associated payment, the Contractor will invoice the Customer for the invoice amount of that payment as indicated in the schedule in Exhibit A of this Agreement, less retainage to be withheld in accordance with Article 12 herein. Contractor shall submit invoices and supporting documentation to Customer electronically during the term of this Agreement using the processes and procedures identified by the State. Subject to the provisions of Article 15

herein, the Customer shall pay to the Contractor all approved and undisputed invoiced amounts due and owing within forty-five (45) days of the receipt by the Customer of each invoice. Late charges on any unpaid balance shall not exceed one and one-half percent (1.5%) per month or portion thereof from the expiration of such forty-five (45) day period until such time as the warrant or check is mailed or otherwise delivered to the Contractor. No payment, including final payment, shall be construed as acceptance of defective or incomplete work, and the Contractor shall remain responsible and liable for full performance in strict compliance with the Contract Documents. All payments should be made in United States currency. Payments by state agencies using Mississippi's Accountability System for Government Information and Collaboration (MAGIC) shall be made and remittance information provided electronically as directed by the State. The payments by these agencies shall be deposited into the bank account of the Contractor's choice. No payment, including final payment, shall be construed as acceptance of defective products or incomplete work, and the Contractor shall remain responsible and liable for full performance in strict compliance with the contract documents specified in the article herein titled "Entire Agreement."

8.4 Acceptance by the Contractor of the last payment from the Customer shall operate as a release of all claims against the State by the Contractor and any subcontractors or other persons supplying labor or materials used in the performance of the work under this Agreement.

ARTICLE 9 CHANGE ORDER RATE AND PROCEDURE

9.1 It is understood that the State may, at any time, by a written order, make changes in the scope of the project. No changes in scope are to be conducted or performed by the Contractor except by the express written approval of the State. The Contractor shall be obligated to perform all changes requested by the Customer which have no price or schedule effect.

9.2 The Contractor shall have no obligation to proceed with any change that has a price or schedule effect until the parties have mutually agreed in writing thereto. Neither the State nor the Contractor shall be obligated to execute such a change order; if no such change order is executed, the Contractor shall not be obliged or authorized to perform services beyond the scope of this Agreement and the contract documents. All executed change orders shall be incorporated into previously defined deliverables.

9.3 With respect to any change orders issued in accordance with this Article, the Contractor shall be compensated for work performed under a change order according to the hourly change order rates specified in the attached Exhibit A, which is incorporated herein. If there is a service that is not defined in the change order rate, the Contractor and the State will negotiate the rate. The Contractor agrees that each change order rate shall be a "fully loaded" rate, that is, it includes the cost of all materials, travel expenses, per diem, and all other expenses and incidentals incurred by the Contractor in the performance of the change order. The Contractor shall invoice the Customer upon acceptance by the Customer of all work documented in the change order, and the Customer shall pay invoice amounts on the terms set forth in this Agreement.

9.4 Upon agreement of the parties to enter into a change order, the parties will execute such a change order setting forth in reasonable detail the work to be performed thereunder, the revisions necessary to the specifications or performance schedules of any affected project work plan, and the estimated number of professional services hours that will be necessary to implement the work contemplated therein. The price of the work to be performed under any change order will be determined based upon the change order rate; however, the change order will be issued

for a total fixed dollar amount and may not be exceeded regardless of the number of hours actually expended by the Contractor to complete the work required by that change order. The project work plan will be revised as necessary.

9.5 The Contractor will include in the progress reports delivered under this Agreement the status of work performed under all then current change orders.

9.6 In the event the Contractor and the State enter into a change order which increases or decreases the time required for the performance of any part of the work under this Agreement, the Contractor shall submit to the Customer a revised version of the project work plan, clearly indicating all changes, at least five (5) working days prior to implementing any such changes.

9.7 The Customer shall promptly review all revised project work plans submitted under this Agreement and shall notify the Contractor of its approval or disapproval, in whole or in part, of the proposed revisions, stating with particularity all grounds for any disapproval, within ten (10) working days of receiving the revisions from the Contractor. If the Customer fails to respond in such time period or any extension thereof, the Customer shall be deemed to have approved the revised project work plan.

ARTICLE 10 RETURN OF OVERPAYMENTS

The Contractor agrees to return to the State any overpayments due to unearned funds or funds disallowed pursuant to the terms of this Agreement that were disbursed to the Contractor by the State. The Contractor shall return any overpayments to the State within thirty (30) calendar days after either discovery by the Contractor or notification by the State of the overpayment. In the event that the Contractor or its independent auditor discovers an overpayment has been made, the Contractor shall repay said overpayment within thirty (30) calendar days, without prior notification from the State. In the event that the State first discovers an overpayment has been made, the State will notify the Contractor by letter of such finding. Should repayment not be made in a timely manner, the State will charge interest of one and one half percent (1 ½ %) per month, compounded on the outstanding balance after thirty (30) calendar days after the date of notification by the State or discovery by the Contractor, or the maximum amount allowed by law, whichever is greater.

ARTICLE 11 PERFORMANCE BOND

As a condition precedent to the formation of this Agreement, the Contractor must provide a performance bond as herein described. To secure the Contractor's performance, the Contractor shall procure, submit to the State with this executed Agreement, and maintain in effect at all times during the course of this Agreement a performance bond in the amount of \$250,000.00 or the lifecycle cost of contract, whichever is greater. The bond shall be accompanied by a duly authenticated or certified document evidencing that the person executing the bond is a licensed Mississippi agent for the bonding company. This certified document shall identify the name and address of the person or entity holding the performance bond and shall identify a contact person to be notified in the event the State is required to take action against the bond. The term of the performance bond shall be concurrent with the term of this Agreement, with the exception of post-warranty maintenance and support, and shall not be released to the Contractor until final acceptance of all products and deliverables required herein or until the Warranty Period, if any, has expired, whichever occurs last. If applicable, and at the State's sole discretion, the State may, at any time during the Warranty Period, review Contractor's performance and performance of the products/services delivered and determine that the Contractor's performance bond may be

reduced or released prior to expiration of full Warranty Period. The performance bond shall be procured at the Contractor's expense and be payable to the Customer. The cost of the bond may be invoiced to the Customer after project initiation only if itemized in the Contractor's cost proposal and in the attached Exhibit A. Prior to approval of the performance bond, the State reserves the right to review the bond and require the Contractor to substitute an acceptable bond in such form as the State may reasonably require. The premiums on such bond shall be paid by the Contractor. The bond must specifically refer to this Agreement and shall bind the surety to all of the terms and conditions of this Agreement. If the Contractor is terminated under the provisions of Article 24 of this Agreement, the State may claim against the performance bond, in addition to all other rights and remedies the State may have under this Agreement at law or in equity.

ARTICLE 12 RETAINAGE

To secure the Contractor's performance under this Agreement, the Contractor agrees that the Customer shall hold back as retainage twenty percent (20%) of each amount payable, including amounts payable under Change Orders, under this Agreement as set forth in Article 9 herein. The retainage amount will continue to be held until final acceptance of the System by the State and the expiration of the Warranty Period with all outstanding System deficiencies covered by the Warranty Period having been corrected. Notwithstanding the preceding, Customer, at its sole discretion, may at any time review Contractor's performance and performance of the products/services delivered and determine that all or part of the retainage be released prior to final acceptance and expiration of the Warranty Period.

ARTICLE 13 LIQUIDATED DAMAGES

It is agreed by the parties hereto that time is of the essence and that in the event of a delay in the delivery and installation deadlines or delay in the satisfactory completion and acceptance of the services provided for herein, damage shall be sustained by Customer. In the event of a delay as described herein, Contractor shall pay Customer, within five (5) calendar days from the date of receipt of notice, fixed and liquidated damages of \$1,500.00 per day for each calendar day of delay caused by Contractor. Customer may offset amounts due it as liquidated damages against any monies due Contractor under this Agreement. Customer will notify Contractor in writing of any claim for liquidated damages pursuant hereto on or before the date Customer deducts such sums from money payable to Contractor. Any liquidated damages assessed are in addition to and not in limitation of any other rights or remedies of Customer.

ARTICLE 14 AVAILABILITY OF FUNDS

It is expressly understood and agreed that the obligation of the State to proceed under this Agreement is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds for the performances required under this Agreement. If the funds anticipated for the continuing fulfillment of this Agreement are, at any time, not forthcoming or insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds, or if there is a discontinuance or material alteration of the program under which funds were provided, or if funds are not otherwise available to the State, the State shall have the right to immediately terminate this Agreement, in whole or in part, without damage, penalty, cost, or expense to the State of any kind whatsoever. Customer shall have the sole right to determine whether funds are available for the payments or performances due under this Agreement. The effective date of termination shall be as specified in the notice of termination. In such event, the Contractor shall be paid pursuant to the provisions of Article 21.5 herein.

ARTICLE 15 ACCEPTANCE

15.1 Acceptance of Deliverable: Any Deliverable ready for review and approval shall be submitted directly to the Customer's Project Director or his/her designee. Upon receipt, the Customer's Project Director or his/her designee shall promptly forward a written notice of receipt to the Contractor, and the Customer shall have fifteen (15) working days from receipt of the Deliverable to review same.

15.2 Correction of Material Defect: If the Customer determines that a Deliverable contains a material Defect, the Customer shall notify the Contractor's Project Manager in writing, describing the material Defect in sufficient detail to allow the Contractor to locate and correct the material Defect. In the event the Customer notifies the Contractor of a material Defect in a Deliverable, the Contractor shall: (a) promptly correct such material Defect, or if agreeable to Customer; (b) develop a plan to correct such material Defect within a reasonable period of time not to exceed fifteen (15) working days, unless the State consents in writing to a longer period of time, and diligently proceed according to such plan until the material Defect has been corrected. Upon receipt of corrected Deliverables, the Customer shall have another acceptance period, as set forth in Article 15.2 herein, in which to reevaluate/retest such Deliverable. If the Customer again determines that the Deliverable contains any material Defects, the Customer shall again notify the Contractor's Project Manager in writing, describing the material Defects in sufficient detail to allow the Contractor to locate and correct such material Defects within ten (10) working days thereafter, unless the Customer consents in writing to a longer period of time. Subject to the provisions of Article 15.4 herein, the Customer and the Contractor will continue to perform the tasks required by this Article 15.3 as necessary until the Deliverable is acceptable to the Customer. The Customer shall not unreasonably withhold or delay its acceptance or rejection of corrected Deliverables.

15.3 Inability to Correct Material Defect: If after three (3) repeated good faith efforts, or such reasonable time as determined by the Customer depending on the nature of the material Defect or the complexity thereof, the Contractor is unable to correct any material Defects preventing acceptance of a Deliverable, the Customer may, at its sole discretion, either (a) notify the Contractor that it has elected to keep the Deliverable despite such material Defects, (b) invoke liquidated damages, return the Deliverable to the Contractor, and provide the Contractor with an opportunity to deliver substitute Deliverables acceptable to the Customer within the time period specified by the Customer, (c) return the Deliverable to the Contractor and withhold payment of amounts relating to such Deliverable, or (d) terminate the Agreement, in whole or in part, pursuant to Article 24. If Customer elects to terminate the Agreement pursuant to clause (d), the cure period implied in Article 124 will not be allowed, there having already been three (3) repeated good faith efforts to correct the Defect. If the Customer elects to keep a Deliverable containing material Defects pursuant to clause (a) above, or if the Customer returns the Deliverable pursuant to clause (c), the State shall have the right to obtain professional services from third parties to attempt to remedy such material Defects, provided that all such third parties execute a confidentiality agreement to protect the interests of the Contractor prior to being given access to any Deliverable or to any of the Contractor's proprietary information pertaining to it. All additional costs incurred by the Customer in obtaining such third party professional services shall be borne by the Contractor, and the Customer shall be entitled, in its discretion, to withhold such costs from any payments which may otherwise be due the Contractor upon acceptance of the conforming Deliverable or to invoice the Contractor for said costs, which invoice shall be paid by the Contractor within ten (10) working days of receipt. In addition to all other rights and remedies set forth in this Agreement, in the event the Customer determines that the Project is in jeopardy due

to the Contractor's inability to submit acceptable Deliverables, then the State may terminate this Agreement for cause in accordance with Article 24 of this Agreement and recover its damages sustained as a result thereof.

ARTICLE 16 WARRANTIES

16.1 Contractor represents and warrants that all software provided by Contractor shall meet or exceed the minimum specifications set forth in RFP No. 4111 and Contractor's Proposal in response thereto.

16.2 Contractor represents and warrants that all software furnished will be free from defects for a period of one (1) year after acceptance and will provide Customer complete functionality necessary for the operation of the system as stated in RFP No. 4111 and the Contractor's Proposal in response thereto. Contractor's obligations pursuant to this warranty shall include, but are not limited to, the correction of all defects in the software and the repair or replacement of the software at no cost to Customer. In the event Contractor cannot repair or replace the software, Contractor shall at the State's election, either refund the fees paid for the software and for any services that directly relate to the defective software or secure alternate software acceptable to the Customer which will insure functionality of the system.

16.3 Contractor represents and warrants that it has and will obtain and pass through to Customer any and all warranties obtained or available from the licensor of software.

16.4 Contractor represents and warrants that all work performed hereunder, including but not limited to consulting, conversion, training, technical support, and maintenance, shall be performed by competent personnel, shall be of professional quality consistent with generally accepted industry standards for the performance of such services, and shall comply in all respects with the requirements of this Agreement. For any breach of this warranty, the Contractor shall, for a period of ninety (90) days from the performance of service, perform the services again, at no cost to the Customer, or if the Contractor is unable to perform the services as warranted, the Contractor shall reimburse the Customer the fees paid to the Contractor for the unsatisfactory services.

16.5 Contractor represents and warrants that there is no disabling code or a lockup program or device embedded in the software provided to Customer. Contractor further agrees that it will not, under any circumstances including enforcement of a valid contract right, (a) install or trigger a lockup program or device, or (b) take any step which would in any manner interfere with Customer's use of the software and/or which would restrict Customer from accessing its data files or in any way interfere with the transaction of Customer's business. For any breach of this warranty, Contractor, at its expense, shall, within five (5) working days after receipt of notification of the breach, deliver Products to Customer that are free of such disabling code or a lockup program or device.

16.6 Contractor represents and warrants that the software, as delivered to Customer, does not contain a computer virus. For any breach of this warranty, Contractor, at its expense, shall, within five (5) working days after receipt of notification of the breach, deliver Products to Customer that are free of any virus and shall be responsible for repairing, at Contractor's expense, any and all damage done by the virus to Customer's site.

16.7 Contractor represents and warrants that system furnished will be free from material defects for a period of after final acceptance of the complete system and will provide Customer

complete functionality necessary for the operation of the system as stated in RFP No. 4111 and the Contractor's Proposal in response thereto. This warranty shall cover all components of the system, including but not limited to all programs, screens, reports, subroutines, utilities, file structures, documentation, interfaces, or other items provided by the Contractor. This warranty will apply to the base package, plus any customized programs, screens, reports, subroutines, interfaces, utilities, file structures, documentation, or other items proposed and delivered by the Contractor specifically for this project. The Contractor shall give immediate high priority attention to any mission critical corrections that are needed. If the system does not function accordingly, Contractor shall, at the State's election within five (5) working days and at no cost to Customer, either correct the defects identified, replace the products with products that are compliant with this warranty, or refund the fees paid for the products and for any services that directly relate to the defective product.

16.8 Contractor represents and warrants that, upon completion of the project, the Contractor and all subcontractors shall convey to Customer copies of all interim reports, data collection forms, and any working papers that support the final acceptance of the system.

16.9 Contractor represents and warrants that it presently has and will continue to maintain, at its own expense, throughout the term of this Agreement, valid licenses for all software, trademarks, service marks, patents and copyrighted material and any other proprietary information of a third party that it will deploy in support of all products Contractor uses in the performance of this Agreement. Contractor further represents and warrants that upon Customer's request, Contractor shall pass through such licenses to Customer at no cost to Customer. In the event the licenses are passed through to Customer, such licenses shall name the Customer as the license holder of record and such licenses shall be established in such a manner so as to survive the termination/expiration of this Agreement. For any breach of the preceding warranty, Contractor at its own expense shall within five (5) business days after receipt of notification of the breach, secure and/or pass through, as applicable, the necessary licenses. Failure of the Contractor to secure and/or pass through such licenses to Customer shall be considered a material breach of this Agreement and the Customer may, at its sole discretion, pursue its rights as set forth in the Termination Article herein and any other rights and remedies it may have at law or in equity.

16.10 If applicable under the given circumstances, Contractor represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq. of the Mississippi Code Annotated (Supp2008), and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Contractor agrees to maintain records of such compliance and, upon request of the State and approval of the Social Security Administration or Department of Homeland Security where required, to provide a copy of each such verification to the State. Contractor further represents and warrants that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi. Contractor understands and agrees that any breach of these warranties may subject Contractor to the following: (a) termination of this Agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years, with notice of such cancellation/termination being made

public, or (b) the loss of any license, permit, certification or other document granted to Contractor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. In the event of such termination/cancellation, Contractor would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.

16.11 Contractor represents and warrants that the system provided pursuant to this Agreement will pass both internal security audits and independent security audits. For any breach of the preceding warranty at any time during which the system is covered by warranty, maintenance and/or support, Contractor shall, at its own expense and at no cost to Customer, remediate any defect, anomaly or security vulnerability in the system by repairing and/or replacing any and all components of the system necessary in order for the system to be secure.

16.12 Contractor represents and warrants that no official or employee of Customer or of ITS, and no other public official of the State of Mississippi who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the project shall, prior to the completion of said project, voluntarily acquire any personal interest, direct or indirect, in this Agreement. The Contractor warrants that it has removed any material conflict of interest prior to the signing of this Agreement, and that it shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its responsibilities under this Agreement. The Contractor also warrants that in the performance of this Agreement no person having any such known interests shall be employed.

16.13 The Contractor represents and warrants that no elected or appointed officer or other employee of the State of Mississippi, nor any member of or delegate to Congress has or shall benefit financially or materially from this Agreement. No individual employed by the State of Mississippi shall be admitted to any share or part of the Agreement or to any benefit that may arise therefrom. The State of Mississippi may, by written notice to the Contractor, terminate the right of the Contractor to proceed under this Agreement if it is found, after notice and hearing by the ITS Executive Director or his/her designee, that gratuities in the form of entertainment, gifts, jobs, or otherwise were offered or given by the Contractor to any officer or employee of the State of Mississippi with a view toward securing this Agreement or securing favorable treatment with respect to the award, or amending or making of any determinations with respect to the performing of such contract, provided that the existence of the facts upon which the ITS Executive Director makes such findings shall be in issue and may be reviewed in any competent court. In the event this Agreement is terminated under this article, the State of Mississippi shall be entitled to pursue the same remedies against the Contractor as it would pursue in the event of a breach of contract by the Contractor, including punitive damages, in addition to any other damages to which it may be entitled at law or in equity.

16.14 Warranty of Software Compliance: The Contractor represents and warrants that any software or other products delivered hereunder will not deviate from the specifications set forth in the Contract Documents, will perform the tasks for which it is designed and will function correctly, and will comply with Customer's current information systems standards and procedures and the Customer's operational requirements, as agreed upon by the Customer, ITS, or their designated representatives.

16.15 Contractor represents and warrants that the host site provided by Contractor shall be reasonably expandable and scalable so Customer can add and support additional business functions and users over time.

16.16 Contractor represents and warrants that it will comply with all of the requirements defined in IRS Publication 1075 and the provisions as set forth in Exhibit B which is attached to Agreement and incorporated herein by reference.

ARTICLE 17 LIABILITY ISSUES: Unless jointly agreed otherwise in writing, Contractor's liability shall not exceed the total amount paid by Customer to Contractor under this Agreement, including any amounts paid pursuant to amendments and change orders. In no event will Contractor be liable to Customer for special, indirect, consequential or incidental damages including lost profits, lost savings or lost revenues of any kind unless Contractor was advised of the possibility of such loss or damage or unless such loss or damage could have been reasonably foreseen. Excluded from this or any liability limitation are claims related to fraud, bad faith, infringement issues, bodily injury, death, physical damage to tangible personal property and real property, and the intentional and willful misconduct or gross negligent acts of Contractor. The language contained herein tending to limit the liability of the Contractor will apply to Customer to the extent it is permitted and not prohibited by the laws or constitution of Mississippi. Further, the parties understand and agree that the Contractor is precluded from relying on any contractual damages limitation language within this Agreement where the Contractor acts fraudulently or in bad faith.

ARTICLE 18 INFRINGEMENT INDEMNIFICATION

18.1 The Contractor represents and warrants that the materials and Deliverables provided to the Customer under this Agreement and their use by the Customer and Active Users will not infringe or constitute an infringement of any copyright, patent, trademark, servicemark, trade secret, or other proprietary right of any person or entity. Contractor, at its own expense, shall defend or settle any and all infringement actions filed against Contractor or Customer which involve the materials and Deliverables provided under this Agreement and shall pay all settlements, as well as all costs, attorney fees, damages, and judgment finally awarded against Customer. If the continued use of the items for the purpose intended is threatened to be enjoined or is enjoined by any court of competent jurisdiction, Contractor shall, at its expense: (a) first procure for Customer the right to continue using such items, or upon failing to procure such right; (b) modify or replace them with non-infringing items with equivalent functionality, or upon failing to secure either such right; (c) refund to Customer the fees previously paid by Customer for the infringing materials Customer may no longer use. Said refund shall be paid within ten (10) working days of notice to the Customer to discontinue said use. In addition to the foregoing, the Contractor shall indemnify the Customer in accordance with the provisions of Article 19 herein.

18.2 Contractor will have no obligation for infringement claims resulting directly from: (a) Customer's or Active User's misuse of the Deliverables; or (b) unauthorized Deliverable modifications by Customer or Active Users.

ARTICLE 19 PERSONNEL ASSIGNMENT GUARANTEE

Contractor guarantees that the personnel assigned to this project will remain a part of the project throughout the duration of the Agreement, as long as the personnel are employed by the Contractor and are not replaced by Contractor pursuant to the third paragraph of the Article herein titled "Employment Status." Contractor further agrees that the assigned personnel will function in

the capacity for which their services were acquired throughout the life of the Agreement, and any failure by Contractor to so provide these persons shall entitle the State to terminate this Agreement for cause. Contractor agrees to pay the Customer fifty percent (50%) of the total contract amount if any of the assigned personnel is removed from the project prior to the ending date of the contract for reasons other than departure from Contractor's employment or replacement by Contractor pursuant to the third paragraph of the Article herein titled "Employment Status." Subject to the State's written approval, the Contractor may substitute qualified persons in the event of the separation of the incumbents therein from employment with Contractor or for other compelling reasons that are acceptable to the State and may assign additional staff to provide technical support to Customer. The replacement personnel shall have equal or greater ability, experience, and qualifications than the departing personnel and shall be subject to the prior written approval of the Customer. The Contractor shall not permanently divert any staff member from meeting work schedules developed and approved under this Agreement, unless approved in writing by the Customer. In the event of Contractor personnel loss or redirection, the services performed by the Contractor shall be uninterrupted and the Contractor shall report in required status reports its efforts and progress in finding replacements and the effect of the absence of those personnel.

ARTICLE 20 OWNERSHIP OF DOCUMENTS AND WORK PAPERS

The Customer shall own all documents, notes, programs, databases (and all applications thereof), studies, files, reports, work papers, and all other materials, electronic or otherwise, created by Contractor in connection with the Project, whether completed or in progress, except for the Contractor's internal administrative and quality assurance files and internal Project correspondence. The Contractor shall deliver such documents and work papers to the Customer upon termination or completion of this Agreement. The foregoing notwithstanding, the Contractor shall be entitled to retain a set of such work papers for its files. Contractor shall be entitled to use such work papers only after receiving written permission from the Customer and subject to the provisions of Article 22 herein.

ARTICLE 21 COPYRIGHT

All Deliverables, including without limitation all hardware, software, source code, associated documentation, and all other materials of every kind and nature, whether hard copy or electronic, (collectively referred to herein as the "Proprietary Material") shall be the sole and exclusive property of the State, free from any claim(s), lien(s), or rights of retention on the part of the Contractor. All patent rights, copyrights, and other registration to the Proprietary Material shall be the property of the State of Mississippi, which shall have the sole right to seek patent, copyright, registered design, or other protection in connection therewith, except as to hardware and its associated documentation. If federal or state law should not allow the State of Mississippi to seek patent, copyright, or other registration, the Contractor shall, if so requested by the State, seek such registration and shall irrevocably grant, assign, and transfer such registration to the State. In such event, the State shall be responsible for all costs and fees associated with such registration. The Contractor shall not under any circumstances use the Proprietary Material, in whole or in part, without the prior written approval of the Customer and payment of such royalty as the Customer deems appropriate.

ARTICLE 22 CONFIDENTIALITY

22.1 Contractor shall treat all Customer data and information to which it has access by its performance under this Agreement as confidential and shall not disclose such data or information to a third party without specific written consent of Customer. In the event that Contractor receives

notice that a third party requests divulgence of confidential or otherwise protected information and/or has served upon it a subpoena or other validly issued administrative or judicial process ordering divulgence of such information, Contractor shall promptly inform Customer and thereafter respond in conformity with such subpoena to the extent mandated by state and/or federal laws, rules, and regulations. This Article shall survive the termination or completion of this Agreement, shall continue in full force and effect, and shall be binding upon the Contractor and its agents, employees, successors, assigns, subcontractors, or any party or entity claiming an interest in this Agreement on behalf of or under the rights of the Contractor, following any termination or completion of this Agreement.

22.2 With the exception of any attached exhibits which are labeled as "confidential", the parties understand and agree that this Agreement, including any amendments and/or change orders thereto, does not constitute confidential information, and may be reproduced and distributed by the State without notification to Contractor. ITS will provide third party notice to Contractor of any requests received by ITS for any such confidential exhibits so as to allow Contractor the opportunity to protect the information by court order as outlined in ITS Public Records Procedures.

22.3 The parties understand and agree that pursuant to §25-61-9(7) of the Mississippi Code of 1972, as amended, the contract provisions specifying the commodities purchased or the services provided; the price to be paid; and the term of this Agreement shall not be deemed confidential information.

ARTICLE 23 HOLD HARMLESS

To the fullest extent allowed by law, Contractor shall indemnify, defend, save and hold harmless, protect, and exonerate Customer, ITS and the State, its Board Members, officers, employees, agents, and representatives from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs, and expenses of every kind and nature whatsoever, including, without limitation, court costs, investigative fees and expenses, attorney fees, and claims for damages arising out of or caused by Contractor and/or its partners, principals, agents, employees, or subcontractors in the performance of or failure to perform this Agreement.

ARTICLE 24 TERMINATION

Notwithstanding any other provision of this Agreement to the contrary, this Agreement may be terminated, in whole or in part, as follows: (a) upon the mutual, written agreement of the parties; (b) by Customer, without the assessment of any penalties, upon thirty (30) days written notice to Contractor, if Contractor becomes the subject of bankruptcy, reorganization, liquidation, or receivership proceedings, whether voluntary or involuntary; (c) by Customer, without the assessment of any penalties, for any reason after giving thirty (30) days written notice specifying the effective date thereof to Contractor; or (d) by either party in the event of a breach of a material term or provision of this Agreement where such breach continues for thirty (30) days after the breaching party receives written notice from the other party. Upon termination, Contractor shall refund to Customer any and all applicable unexpended prorated annual support fees/charges, previously paid by Customer. In the event of termination, Contractor shall be paid for satisfactory work completed or services rendered by Contractor in connection with this Agreement and accepted by Customer as of the date of receipt of notification of termination. In no case shall said compensation exceed the total contract price. The provisions of this Article do not limit either party's right to pursue any other remedy available at law or in equity.

ARTICLE 25 INSURANCE

25.1 Contractor and all subcontractors shall maintain, at its own expense, the following insurance coverages in the amounts specified, insuring the Contractor, its employees, agents, designees, subcontractors, and any indemnities as required herein:

A. Professional liability insurance in an amount not less than one million dollars (\$1,000,000.00), including personal injury, bodily injury (including both disease or death), property damages, and blanket contractual liability; and

B. Comprehensive general liability insurance in an amount not less than one million dollars (\$1,000,000.00), including coverage for blanket contractual liability, broad form property damage, personal injury and bodily injury (including illness, disease, and death), and products/completed operations; and

C. Comprehensive automobile liability insurance, including hired and non-owned vehicles, in an amount not less than one million dollars (\$1,000,000.00), covering bodily injury and property damage; and

D. Employee fidelity bond insurance in an amount not less than three hundred thousand dollars (\$300,000.00); and

E. Workers' compensation insurance in the amounts required pursuant to the laws of the State of Mississippi.

25.2 Contractor will, upon request, furnish Customer with a certificate of conformity providing the aforesaid coverage.

ARTICLE 26 DISPUTES

Any dispute concerning a question of fact under this Agreement, which is not disposed of by agreement of the Contractor and Customer, shall be decided by the Executive Director of ITS or his/her designee. This decision shall be reduced to writing and a copy thereof mailed or furnished to the parties. Disagreement with such decision by either party shall not constitute a breach under the terms of this Agreement. Nothing in this Article shall abridge the right of either party to seek such other rights and remedies it may have at law or in equity.

ARTICLE 27 RECORD RETENTION AND ACCESS TO RECORDS

Contractor shall establish and maintain financial records, supporting documents, statistical records and such other records as may be necessary to reflect its performance of the provisions of this Agreement. The Customer, ITS, any state or federal agency authorized to audit Customer, and/or any of their duly authorized representatives, shall have unimpeded, prompt access to this Agreement and to any of the Contractor's proposals, books, documents, papers and/or records that are pertinent to this Agreement to make audits, copies, examinations, excerpts and transcriptions at the State's or Contractor's office as applicable where such records are kept during normal business hours. All records relating to this Agreement shall be retained by the Contractor for six (6) years from the date of receipt of final payment under this Agreement. However, if any litigation or other legal action, by or for the state or federal government has begun that is not completed at the end of the six (6) year period, or if an audit finding, litigation or other legal action has not been resolved at the end of the six (6) year period, the records shall be retained until resolution.

ARTICLE 28 INDEPENDENT CONTRACTOR STATUS

28.1 The Contractor shall at all times be regarded as an independent contractor and shall at no time act as an agent for the State. Nothing contained herein shall be deemed or construed by the

State, the Contractor, or any third party as creating the relationship of principal and agent, partners, joint venturers, or any similar such relationship between the State and the Contractor. Neither the method of computation of fees or other charges, nor any other provision contained herein, nor any acts of the State or the Contractor hereunder creates or shall be deemed to create a relationship other than the independent relationship of the State and the Contractor.

28.2 Contractor's personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of the State.

28.3 It is further understood that the consideration expressed herein constitutes the full and complete compensation for all services and performances hereunder and that, except as provided for in Articles 8 and 12 of this Agreement, any sum due and payable to Contractor shall be paid as a gross sum with no withholdings or deductions being made by the State for any purpose from said contract sum.

28.4 Contractor shall pay, when due, all salaries and wages of its employees, and it accepts exclusive responsibility for the payment of federal income tax, state income tax, social security, unemployment compensation, and any other withholdings that may be required. Neither Contractor nor employees of Contractor are entitled to state retirement or leave benefits.

ARTICLE 29 NON-SOLICITATION OF EMPLOYEES

Each party to this Agreement agrees not to employ or to solicit for employment, directly or indirectly, any of the other party's employees until at least one (1) year after the expiration/termination of this Agreement, unless mutually agreed to in writing by the State and the Contractor.

ARTICLE 30 COMPLIANCE WITH LAWS

30.1 The Contractor understands that the State is an equal opportunity employer and therefore maintains a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, disability, or any other consideration made unlawful by federal, state, or local laws. All such discrimination is unlawful and the Contractor agrees during the term of the Agreement that the Contractor will strictly adhere to this policy in its employment practices and provision of services. The Contractor shall comply with and all activities under this Agreement shall be subject to all Customer policies and procedures and all applicable federal, state, and local laws, regulations, policies, and procedures as now existing and as may be amended or modified. Further, if applicable, Contractor shall comply with the provisions of the Davis-Bacon Act including, but not limited to, the wages, recordkeeping, reporting and notice requirements set forth therein.

30.2 Contractor represents and warrants that it will comply with the state's data breach notification laws codified at Section 75-24-29 of the Mississippi Code Annotated (Supp. 2012). Further, to the extent applicable, Contractor represents and warrants that it will comply with the applicable provisions of the HIPAA Privacy Rule and Security Regulations (45 CFR Parts 160, 162 and 164) ("Privacy Rule" and "Security Regulations", individually; or "Privacy and Security Regulations", collectively); and the provisions of the Health Information Technology for Economic and Clinical Health Act, Title XIII of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5 (the "HITECH Act").

ARTICLE 31 AUTHORITY, ASSIGNMENTS AND SUBCONTRACTS

31.1 In matters of proposals, negotiations, contracts, and resolution of issues and/or disputes, the parties agree that Contractor represents all contractors, third parties, and/or subcontractors Contractor has assembled for this project. The Customer is required to negotiate only with Contractor, as Contractor's commitments are binding on all proposed contractors, third parties, and subcontractors.

31.2 The Contractor acknowledges that it was selected by the State to perform the services required hereunder based, in part, upon the Contractor's special skills and expertise. The Contractor shall not assign, subcontract, or otherwise transfer this Agreement or its obligations hereunder in whole or in part without the prior written consent of the State, which the State may, in its sole discretion, approve or deny without reason. Any attempted assignment or transfer of its obligations without such consent shall be null and void. Subject to the foregoing, this Agreement shall be binding upon the respective successors and assigns of the parties.

31.3 Contractor must obtain the written approval of Customer before subcontracting any portion of this Agreement. No such approval by the State of any subcontract shall be deemed in any way to provide for the incurrence of any obligation of the State in addition to the total fixed price agreed upon in this Agreement. All subcontracts shall incorporate the terms of this Agreement and shall be subject to the terms and conditions of this Agreement and to any conditions of approval that the State may deem necessary.

31.4 Contractor represents and warrants that any subcontract agreement Contractor enters into shall contain a provision advising the subcontractor that the subcontractor shall have no lien and no legal right to assert control over any funds held by the Customer, that the subcontractor acknowledges that no privity of contract exists between the Customer and the subcontractor, and that the Contractor is solely liable for any and all payments which may be due to the subcontractor pursuant to its subcontract agreement with the Contractor. The Contractor shall indemnify and hold harmless the State from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs, and expenses of every kind and nature whatsoever arising as a result of Contractor's failure to pay any and all amounts due by Contractor to any subcontractor, materialman, laborer, or the like.

31.5 All subcontractors shall be bound by any negotiation, arbitration, appeal, adjudication, or settlement of any dispute between the Contractor and the Customer, where such dispute affects the subcontract.

ARTICLE 32 AUTHORITY TO CONTRACT

Contractor warrants that it is a validly organized business with valid authority to enter into this Agreement, that entry into and performance under this Agreement is not restricted or prohibited by any loan, security, financing, contractual, or other agreement of any kind, and notwithstanding any other provision of this Agreement to the contrary, that there are no existing legal proceedings or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this Agreement.

ARTICLE 33 WAIVER

Failure of either party hereto to insist upon strict compliance with any of the terms, covenants, and conditions hereof shall not be deemed a waiver or relinquishment of any similar right or power hereunder at any subsequent time or of any other provision hereof, nor shall it be construed to be

a modification of the terms of this Agreement. A waiver by the State, to be effective, must be in writing, must set out the specifics of what is being waived, and must be signed by an authorized representative of the State.

ARTICLE 34 GOVERNING LAW

This Agreement shall be construed and governed in accordance with the laws of the State of Mississippi, and venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi. Contractor expressly agrees that under no circumstances shall Customer or ITS be obligated to pay an attorney's fee, prejudgment interest, or the cost of legal action to Contractor. Further, nothing in this Agreement shall affect any statutory rights Customer may have that cannot be waived or limited by contract.

ARTICLE 35 NOTICE

Any notice required or permitted to be given under this Agreement shall be in writing and personally delivered or sent by electronic means, provided that the original of such notice is sent by certified United States mail, postage prepaid, return receipt requested, or overnight courier with signed receipt, to the party to whom the notice should be given at their business address listed herein. ITS' address for notice is: Craig P. Orgeron, Ph.D., Executive Director, Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Customer's address for notice is: To DOM: Ms. Rita Rutland, Deputy Administrator, OIT, Mississippi Division of Medicaid, 550 High Street, Suite 1000, Jackson, Mississippi 39201; and to MDHS: Mr. Mark Allen, Chief Information Systems Officer, Mississippi Department of Human Services, 200 South Lamar Street, Jackson, Mississippi 39201. The Contractor's address for notice is: **VENDOR NOTICE NAME, TITLE, VENDOR NAME, ADDRESS, CITY, STATE ZIP**. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address.

ARTICLE 36 ATTORNEYS' FEES AND EXPENSES

Subject to other terms and conditions of this Agreement, in the event the Contractor defaults in any obligations under this Agreement, the Contractor shall pay to the State all costs and expenses (including, without limitation, investigative fees, court costs, and attorneys' fees) incurred by the State in enforcing this Agreement or otherwise reasonably related thereto. Contractor agrees that under no circumstances shall the Customer or ITS be obligated to pay any attorneys' fees or costs of legal action to the Contractor.

ARTICLE 37 FORCE MAJEURE

Each party shall be excused from performance for any period and to the extent that it is prevented from performing any obligation or service, in whole or in part, as a result of causes beyond the reasonable control and without the fault or negligence of such party and/or its subcontractors. Such acts shall include, without limitation, acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental regulations superimposed after the fact, fire, earthquakes, floods, or other natural disasters (the "Force Majeure Events"). When such a cause arises, the Contractor shall notify the State immediately in writing of the cause of its inability to perform, how it affects its performance, and the anticipated duration of the inability to perform. Delays in delivery or in meeting completion dates due to Force Majeure Events shall automatically extend such dates for a period equal to the duration of the delay caused by such events, unless the State determines it to be in its best interest to terminate the Agreement.

ARTICLE 38 SEVERABILITY

If any term or provision of this Agreement is prohibited by the laws of the State of Mississippi or declared invalid or void by a court of competent jurisdiction, the remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law, provided that the State's purpose for entering into this Agreement can be fully achieved by the remaining portions of the Agreement that have not been severed.

ARTICLE 39 THIRD PARTY ACTION NOTIFICATION

Contractor shall notify Customer in writing within five (5) business days of Contractor filing bankruptcy, reorganization, liquidation or receivership proceedings or within five (5) business days of its receipt of notification of any action or suit being filed or any claim being made against Contractor or Customer by any entity that may result in litigation related in any way to this Agreement and/or which may affect the Contractor's performance under this Agreement. Failure of the Contractor to provide such written notice to Customer shall be considered a material breach of this Agreement and the Customer may, at its sole discretion, pursue its rights as set forth in the Termination Article herein and any other rights and remedies it may have at law or in equity.

ARTICLE 40 SOVEREIGN IMMUNITY

By entering into this Agreement with Contractor, the State of Mississippi does in no way waive its sovereign immunities or defenses as provided by law.

ARTICLE 41 MODIFICATION OR RENEGOTIATION

This Agreement may be modified only by written agreement signed by the parties hereto, and any attempt at oral modification shall be void and of no effect. The parties agree to renegotiate the Agreement if federal and/or state revisions of any applicable laws or regulations make changes in this Agreement necessary.

ARTICLE 42 SURVIVAL

Articles 16, 17, 19, 20, 21, 22, 26, 28, 33, 39, 45 and all other articles, which by their express terms so survive or which should so reasonably survive, shall survive any termination or expiration of this Agreement.

ARTICLE 43 DEBARMENT AND SUSPENSION CERTIFICATION

Contractor certifies that neither it nor its principals: (a) are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency; (b) have, within a three (3) year period preceding this Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (c) are presently indicted of or otherwise criminally or civilly charged by a governmental entity with the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and (d) have, within a three (3) year period preceding this Agreement, had one or more public transactions (federal, state, or local) terminated for cause or default.

ARTICLE 44 COMPLIANCE WITH ENTERPRISE SECURITY POLICY

Contractor and Customer understand and agree that all products and services provided by Contractor under this Agreement must be and remain in compliance with the State of Mississippi's Enterprise Security Policy. The parties understand and agree that the State's Enterprise Security Policy is based on industry-standard best practices, policy, and guidelines at the time of contract execution. The State reserves the right to introduce a new policy during the term of this Agreement and require the Contractor to comply with same in the event the industry introduces more secure, robust solutions or practices that facilitate a more secure posture for the State of Mississippi.

ARTICLE 45 COMPLIANCE WITH ENTERPRISE CLOUD AND OFFSITE HOSTING SECURITY

If applicable, Contractor and Customer understand and agree that all products and services provided by the Contractor under this Agreement must be and remain in compliance with the State of Mississippi's Enterprise Cloud and Offsite Hosting Security Policy. The parties understand and agree that the State's Enterprise Cloud and Offsite Hosting Security Policy is based on industry-standard best practices, policy, and guidelines at the time of contract execution and augments the Enterprise Security Policy. The State reserves the right to introduce a new policy during the term of this Agreement and require the Contractor to comply with same in the event the industry introduces more secure, robust solutions or practices that facilitate a more secure posture for the State of Mississippi.

ARTICLE 46 STATUTORY AUTHORITY

By virtue of Section 25-53-21 of the Mississippi Code Annotated, as amended, the Executive Director of ITS is the purchasing and contracting agent for the State of Mississippi in the negotiation and execution of all contracts for the acquisition of information technology equipment, software, and services. The parties understand and agree that ITS as contracting agent is not responsible or liable for the performance or non-performance of any of Customer's or Contractor's contractual obligations, financial or otherwise, contained within this Agreement.

ARTICLE 47 SOFTWARE SUPPORT AND MAINTENANCE

47.1 Prior to expiration of the Warranty Period, Contractor shall notify Customer in writing of the impending warranty expiration, and Customer shall in turn notify Contractor of its decision to either obtain software support or to forgo software support. Upon notification of intent to obtain software support, Contractor shall provide Customer, for the fixed annual fee stated in Exhibit A, the software support services as herein described.

47.2 Sixty (60) days prior to the expiration of the initial software support period or any renewal term thereof, Contractor shall notify Customer in writing of the impending expiration, and Customer shall have thirty (30) days in which to notify Contractor of its intentions to either renew or cancel any further software support. In no event shall the cost for software support increase by more than five percent (5%) per year.

ARTICLE 48 TRAINING

Contractor shall, for the fees specified in the attached Exhibit A, provide training as identified in RFP No. 4111 and the Contractor's proposal, as accepted by the Customer, in response thereto. Contractor and Customer shall mutually agree on the time for the training and an outline of the training to be provided. Contractor specifically understands and agrees that Customer will not accept the System until Contractor successfully completes the training requirements. Contractor

agrees to provide, upon delivery, all user documentation and technical manuals needed to fully acquaint the user with operation of the System. It is understood that Customer may make as many copies of the user documentation and technical manuals as deemed needed by Customer.

ARTICLE 49 TRANSPARENCY

In accordance with the Mississippi Accountability and Transparency Act of 2008, §27-104-151, et seq., of the Mississippi Code of 1972, as Amended, the American Accountability and Transparency Act of 2009 (P.L. 111-5), where applicable, and §31-7-13 of the Mississippi Code of 1972, as amended, where applicable, a fully executed copy of this Agreement and any subsequent amendments and change orders shall be posted to the State of Mississippi's accountability website at: <https://www.transparency.mississippi.gov>. Prior to ITS posting the Agreement and any subsequent amendments and change orders to the website, any attached exhibits which contain trade secrets or other proprietary information and are labeled as "confidential" will be redacted by ITS. Notwithstanding the preceding, however, it is understood and agreed that pursuant to §25-61-9(7) of the Mississippi Code of 1972, as amended, the contract provisions specifying the commodities purchased or the services provided; the price to be paid; and the term of this Agreement shall not be deemed a trade secret or confidential commercial or financial information and shall thus not be redacted.

For the faithful performance of the terms of this Agreement, the parties have caused this Agreement to be executed by their undersigned representatives.

State of Mississippi, Department of Information Technology Services, on behalf of Mississippi Division of Medicaid and the Mississippi Department of Human Services

VENDOR NAME

By: _____

By: _____

Authorized Signature

Authorized Signature

Printed Name: Craig P. Orgeron, Ph.D.

Printed Name: _____

Title: Executive Director

Title: _____

Date: _____

Date: _____

Mississippi Department of Human Services

Mississippi Division of Medicaid

By: _____

By: _____

Authorized Signature

Authorized Signature

Printed Name: John Davis

Printed Name: Drew Snyder

Title: Executive Director

Title: Executive Director

Date: _____

Date: _____

EXHIBIT A
PAYMENT SCHEDULE AND DELIVERABLES LIST

EXHIBIT B CONTRACT LANGUAGE FOR TECHNOLOGY SERVICES

I. PERFORMANCE

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

1. All work will be done under the supervision of the contractor or the contractor's employees.
2. Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the contractor will be prohibited.
3. All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
4. The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
5. Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
6. All computer systems receiving, processing, storing, or transmitting Federal tax information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.
7. No work involving Federal tax information furnished under this contract will be subcontracted without prior written approval of the IRS.
8. The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.

9. The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.
10. (Include any additional safeguards that may be appropriate.)

II. CRIMINAL/CIVIL SANCTIONS:

1. Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.
2. Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.
3. Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person

or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

4. Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors should be advised of the provisions of IRC Sections 7431, 7213, and 7213A (see Exhibit 6, *IRC Sec. 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information* and Exhibit 5, *IRC Sec. 7213 Unauthorized Disclosure of Information*). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

III. INSPECTION:

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with contract safeguards.

EXHIBIT C

SAFEGUARDING AND REPORTING RESPONSIBILITIES FOR PERSONALLY IDENTIFIABLE INFORMATION (PII)

The state agency's employees, contractors, and agents who access, use, or disclose Social Security Administration (SSA) data in a manner or purpose not authorized by the Agreement may be subject to both civil and criminal sanctions pursuant to applicable Federal statutes. The state agency will provide its contractors and agents with copies of the Agreement, related IEAs, and all related attachments before initial disclosure of SSA data to such contractors and agents. Prior to signing the Agreement, and thereafter at SSA's request, the state agency will obtain from its contractors and agents a current list of the employees of such contractors and agents with access to SSA data and provide such lists to SSA.

Contractors of the state agency must adhere to the same security requirements as employees of the state agency. The state agency is responsible for the oversight of its contractors and the contractor's compliance with the security requirements. The state agency must enter into a written agreement with each of its contractors and agents who need SSA data to perform their official duties. Such contractors or agents agree to abide by all relevant Federal laws, restrictions on access, use, disclosure, and the security requirements contained within the state agency's agreement with SSA.

The state agency must provide proof of the contractual agreement with all contractors and agents who encounter SSA-provided information as part of their duties. If the contractor processes, handles, or transmits information provided to the state agency by SSA or has authority to perform on the state agency's behalf, the state agency should clearly state the specific roles and functions of the contractor within the agreement. The state agency will provide SSA written certification that the contractor is meeting the terms of the agreement, including SSA security requirements. The service level agreements with the contractors and agents must contain non-disclosure language as it pertains to SSA-provided information.

The state agency must also require that contractors and agents who will process, handle, or transmit information provided to the state agency by SSA to include language in their signed agreement that obligates the contractor to follow the terms of the state agency's data exchange agreement with SSA. The state agency must also make certain that the contractor and agent's employees receive the same security awareness training as the state agency's employees. The state agency, the contractor, and the agent should maintain awareness-training records for their employees and require the same mandatory annual certification procedures.

SSA requires the state agency to subject the contractor to ongoing security compliance reviews that must meet SSA standards. The state agency will conduct compliance reviews at least triennially commencing no later than three (3) years after the approved initial security certification to SSA. The state agencies will provide SSA with documentation of their recurring compliance reviews of their contractors and agents. The state agencies will provide the documentation to SSA during their scheduled compliance and certification reviews or upon SSA's request.

If the state agency's contractor will be involved with the processing, handling, or transmission of information provided to the EIEP by SSA offsite from the EIEP, the EIEP must have the contractual option to perform onsite reviews of that offsite facility to ensure that the following meet SSA's requirements:

- a) safeguards for sensitive information,
- b) technological safeguards on computer(s) that have access to SSA-provided information,
- c) security controls and measures to prevent, detect, and resolve unauthorized access to, use of, and redisclosure of SSA-provided information, and
- d) continuous monitoring of the EIEP contractors or agent's network infrastructures and assets.

**ATTACHMENT A
TECHNICAL REQUIREMENTS**

For the functional and technical requirements relevant to this procurement, refer to Attachment A, which is incorporated herein by reference and is considered integral to this RFP. Attachment A is posted on the same website location as this RFP No. 4111 and the link is located directly beneath the link to RFP No. 4111.

**ATTACHMENT B
DOM BUSINESS ASSOCIATE AGREEMENT (BAA)**

The DOM BAA will be executed between DOM and the Awarded Vendor. It is not considered part of the ITS standard contract.

Proposing vendors may review the *DOM Business Associate Agreement (BAA)* on the ITS Website, where it is individually posted beneath the RFP documents.

ATTACHMENT C
DOM DATA USE AGREEMENT (DUA)

The DOM DUA will be executed between DOM and the Awarded Vendor. It is not considered part of the ITS standard contract.

Proposing vendors may review the *DOM Data Use Agreement* (DUA) from the ITS Website, where it is individually posted by name beneath this RFP No. 4111 document.

**ATTACHMENT D
THE HOPE ACT**

A copy of *The Hope Act* is posted by name on the ITS Website and is located beneath this RFP No. 4111 for vendor reference.

ATTACHMENT E
FRAUD AND ABUSE JOURNEY MAP

A copy of the *Fraud and Abuse Journey Map* is posted by name on the ITS Website and is located beneath this RFP No. 4111 for vendor reference

**ATTACHMENT F
HHSTP DOCUMENTS**

Proposing vendors may access HHSTP documents from the ITS Website, where they are individually posted by name beneath this RFP No. 4111 document. The HHSTP documents are considered to be integral to this RFP No. 4111 and are incorporated herein by reference.

The HHSTP documents posted on the ITS website are titled as follows:

- Attachment F: HHSTP Governance Charter
- Attachment F: HHSTP Project Charter
- Attachment F: HHSTP Project Management Plan