



# TEXAS

## Health and Human Services

**Dr. Courtney N. Phillips, Executive Commissioner**

**Request for Offer (RFO)  
for  
Texas Health Care Information Collection (THCIC) Program**

**RFO No. HHS0002949**

**Date of Release: April 25, 2019  
Responses Due: May 24, 2019**

**NIGP:**  
920-02 Access Services, Data  
920-05 Application, Infrastructure, Hosting and Cloud Computing Services,  
Vendor Hosted and Internally Hosted  
920-14 Applications Software, Mainframes and Servers  
920-21 Data Entry Services

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# **ARTICLE I. EXECUTIVE SUMMARY, DEFINITIONS, AND AUTHORITY**

## **1.1 EXECUTIVE SUMMARY**

The 74th Texas Legislature created the Texas Health Care Information Council in 1995. The purpose of the Texas Health Care Information Council is to collect data and report on health care activity in hospitals and health maintenance organizations operating in Texas. The goal is to provide information that will enable Texas consumers and health plan purchasers to make informed health care decisions to have an impact on the cost and quality of care in Texas. THCIC's charge is to collect and make data accessible as authorized by law. The THCIC program is administered by the Texas Department of State Health Services in accordance with Chapter 108 of the Texas Health and Safety Code.

The Department of State Health Services ("System Agency") is looking for an experienced and financially sound organization ("Contractor") that owns and operates a claims data information system that is currently in operation and has been in operation for at least the three (3) previous years. The Contractor must have experience collecting and processing healthcare claims using federally approved claim file formats. The Contractor's system must be able to receive these claim file formats through batch file or through a secure online data entry tool provided by the Contractor. The Contractor's system must be able to identify file format errors and claim level errors. The Contractor's information system must return information to the data submitters and providers for correction to errors. The Contractor's system must provide the data in a way that enables each of over 1,200 different providers to certify the accuracy of their data. The Contractor shall have a dependable, qualified, and experienced staff that will monitor, maintain, backup, and modify the Contractor's information system as needed. The Contractor's system must be able to timely deliver the processed data to the System Agency staff in a secure manner compliant with applicable federal and state information security standards. The Contractor's staff will assist health care services providers, data submitters, and System Agency staff as needed to accomplish the mandates of Texas Health and Safety Code, Chapter 108, including as amended during the effectiveness of the Contract. The System Agency intends for the Contract resulting from this Solicitation to result in the provision of accurate and complete information that will enable Texas consumers to make informed decisions regarding the utilization, charges, and quality of health care in Texas.

To be considered for award, Respondents must execute **Exhibit A, Affirmations and Solicitation Acceptance**, of this Solicitation and provide all other required information and documentation as set forth in this Solicitation.

Information regarding DSHS and the THCIC program is available online and can currently be accessed at <https://dshs.texas.gov/thcic>.

## **1.2 DEFINITIONS**

Refer to **Exhibit B, HHSC Uniform Terms and Conditions-Vendor**, and **Exhibit C, HHSC Special Conditions**, for additional definitions.

The definitions provided in Chapter 108 of the Texas Health and Safety Code shall apply with respect to descriptions of the Services. Additionally, as used in this Solicitation, unless the context clearly indicates otherwise, the following terms, when capitalized, have the meanings assigned below:

“Addendum” means a written clarification or revision to this Solicitation issued by the System Agency.

“Contract” has the meaning set forth in **Exhibit B, HHSC Uniform Terms and Conditions**.

“ESBD” means the Electronic State Business Daily, the electronic marketplace where State of Texas bid opportunities over \$25,000 are posted. The ESBD may currently be accessed at <http://www.txsmartbuy.com/sp>.

“Facilities” means the healthcare facilities required to report data to the System Agency via the Contractor’s system, in accordance with Health and Safety Code, Section 108.002(10), and Title 25 of the Texas Administrative Code (TAC), Sections 421.2, 421.62, and 421.72.

“Health and Human Services Commission” or “HHSC” means the administrative agency established under Chapter 531, Texas Government Code or its designee.

“Health Care Professional” or “HCP” means a physician or other health care practitioner contracted to or employed by a Facility.

“HUB” means historically underutilized business, as defined by Chapter 2161 of the Texas Government Code.

“HUB subcontracting plan” or “HSP” means written documentation regarding the use of subcontractors, which is required to be submitted with all responses to state agency Contracts with an expected value of \$100,000 or more where subcontracting opportunities have been determined by the state agency to be probable. The HUB subcontracting plan subsequently becomes a provision of the awarded Contract, and shall be monitored for compliance by the state agency during the term of the Contract.

“Respondent” means the entity responding to this Solicitation.

“Response” means the response to this Solicitation submitted by Respondent at the time and location described herein.

“Services” has the meaning set forth in **Exhibit B, HHSC Uniform Terms and Conditions**.

“Solicitation” means this RFO, including any and all attachments, exhibits, and Addenda.

“State” means the State of Texas and its instrumentalities, including HHSC, the System Agency and any other state agency, its officers, employees, or authorized agents.

“Submitting Organization” means the entity that submits data to the System Agency through the Contractor’s system as batch files or through a secure manual entry tool

provided by the Contractor. Both Facilities and Third-Party Agents may submit data on behalf of their contracted Submitting Organization(s).

“Successful Respondent” or “Contractor” means a respondent to this Solicitation selected by System Agency to enter into a Contract. For purposes of interpretation of the Contract, if any, obligations of “Respondent” are deemed to also be obligations of “Successful Respondent.”

“System Agency” means the Department of State Health Services, its officers, employees or authorized agents.

“Third-Party Agents” means the organizations that submit data on behalf of one or more Facilities to the System Agency through the Contractor’s system, as batch files or through a secure, online manual entry tool provided by the Contractor. These are Submitting Organizations from the point of view of the data collection process. These entities may operate as a clearinghouse or medical insurance billing service for their contracted Facilities as well.

“THCIC” means Texas Health Care Information Council and is the program within the System Agency responsible for implementing Texas Health and Safety Code, Chapter 108.

### **1.3 AUTHORITY**

The System Agency has authority to solicit the services listed herein under Title 10, Subtitle D of the Texas Government Code, Section 108.0065 of the Texas Health and Safety Code, and Chapter 531 of the Texas Government Code.

## **ARTICLE II. STATEMENT OF WORK**

### **2.1 DESCRIPTION OF SERVICES**

#### **2.1.1 Statement of Work**

The Services are more particularly described in the Statement of Work attached to this Solicitation as **Exhibit F, Statement of Work (SOW)** and incorporated herein for all purposes.

#### **2.1.2 System Overview**

Contractor’s system must be under Contractor’s direct control and must be located within the mainland territory of the United States. All Contractor personnel who perform the Services, including any access to Contractor’s system, must be located within the mainland territory of the United States. Contractor may not at any time transmit or transfer any data received from Submitting Organizations outside of the United States. Contractor is required to start processing of production data (as described in the SOW) on one of the established calendar quarter reporting periods listed in TAC, Title 25, Sections 421.3(a) or 421.63(a). The Contractor’s system must be continuously available, monitored, and fully operational twenty-four (24) hours a day, seven (7) days a week, and 365-366 days a year. Respondents shall provide and operate a consolidated customer helpdesk to serve as the single point of contact and answer trouble calls for approximately 1,000 end users. The Respondent shall staff the helpdesk from 8:00 am to 5:00 pm Central Time, Monday

through Friday (except during federal and state holidays). The Respondent shall staff the helpdesk with qualified employees trained in preliminary diagnostics and resolution of common user problems for the Respondent's data system. In addition, the Contractor's administrative staff must be available for System Agency staff support questions Monday through Friday 7:00 am to 6:00 pm Central Time.

### **2.1.3 Submitting Organizations Management**

As further described in the SOW, the Contractor shall manage the Submitting Organizations' accounts on the Contractor's information system. If submitting batch files, a Submitting Organization's submission process must be tested and pre-approved by the Contractor, as further described in the SOW. If the Submitting Organization utilizes only the Contractor's online secure data entry tool, the Submitting Organization will not be required to test their submission process for pre-approval by the Contractor. The pre-approval process includes the submission of a test batch file in one of the required formats with a minimum accuracy rate of seventy-five percent (75%) or better (of all required data elements within all patient claims submitted in the test file). A Submitting Organization will have an associated submission status in the Contractor's system of either "test" or "production." A Submitting Organization, once registered in the Contractor's information system, remains in "test" status until the Contractor approves it for "production."

## **2.2 CONTRACT AWARD, TERM**

### **2.2.1 Contract Award and Execution**

The System Agency intends to award one Contract as a result of this Solicitation. Any award is contingent upon approval of the Executive Commissioner or their designee.

If, for any reason, a final Contract cannot be executed with a Respondent selected for award within 120 days of the System Agency's determination to seek to contract with that Respondent, the System Agency may negotiate a contract with the next highest scoring Respondent or may withdraw, modify, or partially award this Solicitation.

### **2.2.2 Contract Term**

The System Agency anticipates that the initial duration of any Contract resulting from this Solicitation shall be for a period of three (3) years. The System Agency, at its sole option, may extend any Contract awarded pursuant to this Solicitation for up to two (2) one-year renewal terms in addition to the initial three-year base term.

Following the base term and any allowable extensions, The System Agency may extend any resulting Contract for the purpose of completing a new procurement, and/or to transition to a new vendor if necessary to avoid interruption in System Agency services.

## **2.3 DATA USE AGREEMENT**

By entering into a Contract or purchase order with the System Agency as a result of this Solicitation, Respondent agrees to be bound by the terms of the **Data Use Agreement** attached as **Exhibit D** and incorporated herein for all purposes.



## 2.4 NO GUARANTEE OF VOLUME, USAGE OR COMPENSATION

The System Agency makes no guarantee of volume, usage, or total compensation to be paid to any Respondent under any awarded Contract, if any, resulting from this Solicitation. Any awarded Contract is subject to appropriations and the continuing availability of funds.

The System Agency reserves the right to cancel, make partial award, or decline to award a Contract under this Solicitation at any time at its sole discretion.

## 2.5 WORK ORDER AUTHORIZATION

### **ARTICLE III. ADMINISTRATIVE INFORMATION**

## 3.1 SCHEDULE OF EVENTS

EVENT	DATE/TIME
Solicitation Release Date	4/25/2019
Deadline for Submitting Questions	5/2/2019 at 2:00 PM Central Time
<b>Tentative date Question Responses posted on the ESBD</b>	5/9/2019 at 2:00 PM
<b>Deadline for submission of Solicitation Responses [NOTE: Responses must be <u>RECEIVED</u> by HHSC by the deadline.]</b>	<b>5/24/2019 at 2:00 PM Central Time</b>
Evaluation Period	5/25/2019 - 7/14/2019
Respondent Oral Presentation (If requested)	ONLY IF REQUESTED BY SYSTEM AGENCY
Anticipated Notice of Award	7/15/19
Anticipated Contract Start Date	9/1/19

**Note: These dates are a tentative schedule of events. The System Agency reserves the right to modify these dates at any time upon notice posted to the ESBD. Any dates listed after the Solicitation Response deadline will occur at the discretion of the System Agency and may occur earlier or later than scheduled without notification on the ESBD.**

## 3.2 CHANGES, AMENDMENT, OR MODIFICATION TO SOLICITATION

The System Agency reserves the right to change, amend or modify any provision of this Solicitation, or to withdraw this Solicitation at any time prior to award if System Agency determines, in its sole discretion, it is in the best interest of the System Agency and the State. Any such revisions will be posted such on the ESBD. It is the responsibility of

Respondent to regularly check the ESBD to ensure full compliance with the requirements of this Solicitation.

### 3.3 IRREGULARITIES

Respondents will raise any irregularities or lack of clarity in this Solicitation in a written communication to the attention of the Point of Contact listed in **Section 3.5.1**, below, as soon as possible so that System Agency may determine whether to issue corrective Addenda to this Solicitation by posting to the ESBD.

### 3.4 INFORMALITIES

The System Agency reserves the right to waive minor informalities in a Solicitation Response if System Agency determines, in its sole discretion, it is in the best interest of the System Agency and the State. A “minor informality” is an omission or error that, in the System Agency's determination if waived or modified when evaluating Solicitation Responses, would not give a Respondent an unfair advantage over other Respondents or result in a material change in the Solicitation Response or Solicitation requirements.

### 3.5 INQUIRIES

#### 3.5.1 Point of Contact

All requests, questions or other communication about this Solicitation shall be made in writing to the System Agency's Purchasing Department, addressed to the person listed below (Point of Contact). All communications between Respondents and other System Agency staff members concerning the Solicitation are strictly prohibited. **Failure to comply with these requirements may result in disqualification of Respondent's Solicitation Response.**

Name: Brad Westbrook, CTCM, CTCD  
Title: Purchaser  
Address: Procurement and Contracting Services  
1100 W 49<sup>th</sup> Street  
Austin TX 78756  
Phone: 512-406-2557  
Email: brad.westbrook@hhsc.state.tx.us

#### 3.5.2 Prohibited Communication

On issuance of this Solicitation, except for the written inquiries described in **Section 3.5.4 and 3.5.5**, below, the System Agency, its representative(s), or partners will not answer any questions or otherwise discuss the contents of this Solicitation with any potential Respondent or their representative(s). Attempts to ask questions by phone or in person will not be allowed or recognized as valid. Respondent shall rely only on written statements issued by or through the System Agency's designated staff as provided by this Section. This restriction does not preclude discussions between affected parties for the purposes of conducting business unrelated to this Solicitation. **Failure to comply with these requirements may result in disqualification of Respondent's Solicitation Response.**

### 3.5.3 Exception

The only exception to the single Point of Contact is the HUB Coordinator. Should respondents have questions regarding proper completion of the HUB Subcontracting Plan, the HUB coordinator may be contacted at [Cheryl.Bradley@hpsc.state.tx.us](mailto:Cheryl.Bradley@hpsc.state.tx.us).

### 3.5.4 Questions

The System Agency will allow written questions and requests for clarification of this Solicitation. Questions must be submitted in writing and sent by U.S. First class mail or email to the Point of Contact listed in **Section 3.5.1**, above. Respondents' names will be removed from questions in any responses released. Questions shall be submitted in the following format. Submissions that deviate from this format may not be accepted:

- a) Identifying Solicitation number
- b) Section number
- c) Paragraph number
- d) Page number
- e) Text of passage being questioned
- f) Question

**Note: Questions or other written requests for clarification must be received by the Point of Contact by the deadline set forth in **Section 3.1**, above. Please provide company name, address, phone number, fax number, e-mail address, and name of contact person when submitting questions.**

### 3.5.5 Clarification

Respondents must notify the Point of Contact of any ambiguity, conflict, discrepancy, exclusionary specifications, omission, or other error in the Solicitation in the manner and by the deadline for submitting questions. If a Respondent fails to properly and timely notify the Point of Contact of such issues, the Respondent submits its Response at its own risk, and if awarded a Contract: (1) shall have waived any claim of error or ambiguity in the Solicitation and any resulting Contract, (2) shall not contest the interpretation by System Agency of such provision(s), and (3) shall not be entitled to additional compensation, relief, or time by reason of ambiguity, error, or later correction or clarification.

### 3.5.6 Responses to Questions

Responses to questions or other written requests for clarification will be posted on the ESBD. The System Agency reserves the right to amend answers prior to the deadline for submission of Solicitation Responses. Amended answers will be posted on the ESBD. It is Respondent's responsibility to check the ESBD. The System Agency also reserves the right to provide a single consolidated response of all similar questions in any manner at the System Agency's sole discretion.

## 3.6 SOLICITATION RESPONSE COMPOSITION

### 3.6.1 Generally

Respondent shall submit one (1) hardcopy original Response and Respondent Information, including an original cost proposal marked “Original” on paper, and six (6) digital copies of the Response and Respondent Information document in searchable portable document format (PDF) on six (6) separate USB flash drives, compatible with Microsoft Office 2000. Respondent must also submit six (6) electronic copies of the cost proposal in Excel format with active formulas on six (6) separate USB flash drives. The Original hard copy and each electronic copy must include all required documents. Failure to submit all required documents in required format(s) may result in disqualification of the Response without further consideration. A Respondent shall prepare a Response that clearly and concisely represents its qualifications and capabilities under this Solicitation. Expensive bindings, colored displays, promotional materials, etc. are not necessary or desired. Respondent should focus on the instructions and requirements of the Solicitation.

The System Agency, in its sole discretion, may reject any and all Responses or portions thereof.

### 3.6.2 Submission in Separate Parts

Solicitation Responses must be submitted in separate parts:

- a) Proposal and Respondent Information
- b) Cost Proposal; and
- c) HUB Subcontracting Plan.

Solicitation Response must include 1 original signed hard copy and 6 Electronic copies of **Proposal and Respondent Information** in searchable PDF on individual USB Drives, 1 Electronic copy of **Cost Proposal** in Excel Format with active formulas on a USB Drive, and 1 Electronic copy of HUB Subcontracting Plan on a separate USB Drive.

Paper documents (i.e. the original and all hard copies) must be separated by binding or separate packaging. Electronic submissions must be separated by electronic medium used for submission (i.e. USB flash drive).

The entire Solicitation Response --all separated paper documents and electronic copies-- must then be submitted in one package to HHSC at the address listed in **Section 3.7**.

### 3.6.3 Discrepancies

Discrepancies or disparities between the contents of original Solicitation Responses and copies will be interpreted in favor of the System Agency. If Respondent fails to designate an “ORIGINAL,” the System Agency may reject the Solicitation Response or select a copy to be used as the original.

### 3.6.4 Exceptions

HHSC will more favorably evaluate Responses that offer no or few exceptions, reservations, limiting assumptions, or limitations to the terms and conditions of the Solicitation.

Respondents are highly encouraged, in lieu of including exceptions in their Solicitation Responses, to address all issues that might be advanced by way of exception by submitting such issues as questions or requests for clarification pursuant to **Sections 3.5.4 and 3.5.5.** Any exception included in a Solicitation Response may result in a Respondent not being awarded a Contract. If a Respondent includes exceptions in its Solicitation Response, Respondent is required to use the **Exceptions Form** included as **Exhibit E** to this Solicitation and provide all information requested on the form (Solicitation Section Number, Solicitation Section Title, Language to which Exception is Taken, Proposed Language, and Statement as to whether or not, by indicating only "yes" or "no," Respondent wants to be considered for a Contract award if the exception is denied). Any exception that does not provide all required information without qualification in the format set forth in **Exhibit E** may be rejected without consideration.

No exception, nor any other term, condition, assumption, or provision in a Response that differs, varies from, or contradicts this Solicitation will be considered to be part of any Contract unless expressly made a part of the Contract in writing by the System Agency.

A Response should be responsive to the Solicitation as worded, not with any assumption that any or all terms, conditions, or provisions of the Solicitation will be negotiated. Furthermore, all Responses constitute binding offers. **Any Response that includes any type of disclaimer or other statement indicating that the Response does not constitute a binding offer may be disqualified.**

### 3.6.5 Assumptions

Respondent must identify on the **Exceptions Form** included at **Exhibit E** any business, economic, legal, programmatic, or practical assumptions that underlie the Respondent's Response. The System Agency reserves the right to accept or reject any assumptions. Any assumptions not expressly identified and incorporated into any Contract are deemed rejected by the System Agency.

## 3.7 RESPONSE SUBMISSION AND DELIVERY

### 3.7.1 Deadline

Responses must be received at the address in **Section 3.7.3** and time-stamped by the System Agency no later than the date and time specified in **Section 3.1.**

### 3.7.2 Labeling

The Respondent shall submit Solicitation Responses in a sealed box that is clearly labeled as follows:

SOLICITATION NO: HHS0002949

SOLICITATION NAME: Health Care Data Collection, Auditing and Claims Data Processing Services  
 SOLICITATION RESPONSE DEADLINE: 5/24/19 at 2:00 PM CT  
 PURCHASER: Brad Westbrook, CTCM, CTCD  
 RESPONDENT’S NAME: \_\_\_\_\_

The System Agency will not be held responsible for any Response that is mishandled prior to receipt by the System Agency. It is Respondent’s responsibility to mark appropriately and deliver the Response to the System Agency by the specified date and time.

3.7.3 Delivery

Respondent must deliver Responses by one of the methods below. Responses submitted by any other method (e.g. facsimile, telephone, email) will NOT be considered.

U.S. Postal Service	Overnight/Express Mail	Hand Delivery
HHSC Procurement and Contracting Services (PCS) Building Bid Room Attn: Response Coordinator 1100 W. 49 <sup>th</sup> Street, MC 2020 Austin, Texas 78756	HHSC Procurement and Contracting Services (PCS) Building Bid Room Attn: Response Coordinator 1100 W. 49 <sup>th</sup> Street, MC 2020 Austin, Texas 78756	HHSC Procurement and Contracting Services (PCS) Building Bid Room Attn: Response Coordinator 1100 W. 49 <sup>th</sup> Street, MC 2020 Austin, Texas 78756

NOTE: All Solicitation Responses become the property of HHSC after submission and will not be returned to Respondent.

3.7.4 Alterations, Modifications, and Withdrawals

Prior to the Solicitation Response submission deadline, a Respondent may: (1) withdraw its Solicitation Response by submitting a written request to the Point of Contact identified in **Section 3.5.1**; or (2) modify its Solicitation Response by submitting a written amendment to the Point of Contact identified in **Section 3.5.1**.

**ARTICLE IV. SOLICITATION RESPONSE EVALUATION AND AWARD PROCESS**

**4.1 EVALUATION CRITERIA**

4.1.1 Conformance with State Law

Responses shall be evaluated in accordance with Title 10, Subtitle D of the Texas Government Code. The System Agency shall not be obligated to accept the lowest priced Response but shall make an award to the Respondent that provides, in the determination of

System Agency in its sole discretion, the best value to the State of Texas, as defined by Chapter 2155 and/or Chapter 2157 of the Texas Government Code.

#### 4.1.2 Respondent Minimum Qualifications

Respondents must meet the minimum qualifications listed below. Furthermore, Responses that appear unrealistic in terms of technical commitment, that show a lack of technical competence, or that indicate a failure to comprehend the risk and complexity of a potential Contract may be rejected, in the sole discretion of the System Agency.

a) Respondents must be in business at the time of the Solicitation posting for a minimum of five (5) years, with the last three (3) years owning and operating a system that provides electronic healthcare claims data collection and processing from healthcare facilities or physician offices.

b) Respondents shall have demonstrated experience in electronic healthcare claims data collection and processing from healthcare facilities or physician offices.

c) Respondents must be financially solvent and adequately capitalized.

d) Respondent must be authorized to do business in the State of Texas.

e) The major infrastructure and networking components of the system that the Respondent proposes to use to perform the Services must be currently operational as of the date of this Solicitation posting; System Agency will not consider any Response that includes a time frame for Respondent to acquire and build out a complete new infrastructure to perform the Services.

f) The Respondent's proposed system must have been in operation for the past three (3) years and be capable of accepting programming and system modification throughout the duration of the Contract to meet the requirements proposed in the Solicitation and **Exhibit F, Statement of Work**, and to accommodate any changes in applicable state or federal law.

g) If the Respondent is listed in the Vendor Performance Tracking System on the Centralized Master Bidders List maintained by the Texas Comptroller of Public Accounts (CPA) (<https://comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/>), Respondent cannot have an overall grade/rating lower than "B."

h) Respondent shall have demonstrated experience in electronic healthcare claims processing from healthcare institutions using the American National Standards Institute (ANSI), Accredited Standards Committee (ASC) X12N, 837 Health Care Institutional Claim Implementation Guide and the ANSI, ASC X12N, 837 Health Care Professional Claim Implementation Guide.

#### 4.1.3 Past Vendor Performance

A Respondent's past performance may be considered in awarding contracts as a result of this Solicitation. Respondents may be rejected as a result of unsatisfactory past performance under any contract(s) as reflected in vendor performance reports, reference checks, or other sources. Reasons for which a Respondent may be denied a contract include, but are not limited to:

- a) Respondent has negative reports or scores reflecting unsatisfactory performance in the CPA Vendor Performance Tracking System;
- b) Respondent is currently under a Corrective Action Plan through HHSC or DSHS;
- c) Respondent has had repeated, negative vendor performance reports for the same reason;
- d) Respondent has a record of repeated non-responsiveness to vendor performance issues; or
- e) Respondent has contracts or purchase orders that have been cancelled in the previous twelve (12) months for non- or substandard performance (e.g., late delivery).

#### 4.1.4 Specific Criteria

Solicitation Responses shall be consistently evaluated and scored in accordance with the following criteria. See also **Exhibit L, Evaluation Tool**.

- a) Cost (40%)
- b) Proposed Approach for Providing Deliverables (35%)
- c) Experience and Qualifications (20%)
- d) Acceptance of Requirements, Terms, and Conditions of the Solicitation (5%)

#### 4.1.5 Other Information

HHSC may contact references provided in response to this Solicitation, contact Respondent's clients, or solicit information from any available source, including the Comptroller's Vendor Performance Tracking System.

## 4.2 INITIAL COMPLIANCE SCREENING

The System Agency will perform an initial screening of all Solicitation Responses received. Unsigned Solicitation Responses, and Solicitation Responses that do not meet **Section 4.1.2** above and/or do not include all required forms and information may be subject to rejection without further evaluation.

## 4.3 COMPETITIVE RANGE AND BEST AND FINAL OFFER

The System Agency may determine that certain Solicitation Responses are within the competitive range and may use this range to award multiple Contracts or as a basis to request a best and final offer (BAFO) from Respondents. If the System Agency elects to limit award consideration to a competitive range, the competitive range will consist of the Solicitation Responses that receive the highest or most satisfactory ratings, based on the published evaluation criteria and procedures governing this procurement. The System Agency, in the interest of administrative efficiency, may place reasonable limits on the number of Solicitation Responses that will be included in the competitive range.

The System Agency may, at its discretion request that any or all Respondents provide a BAFO. A request for a BAFO from a System Agency does not guarantee an award or further negotiations.



#### **4.4 ORAL PRESENTATIONS AND SITE VISITS**

The System Agency may require an oral presentation from any or all Respondents. Respondents will be provided with advance notice of any such oral presentation and are responsible for their own presentation equipment. Failure to participate in the requested presentation may eliminate a Respondent from further consideration. The System Agency is not responsible for any costs incurred by the Respondent in preparation for any oral presentation.

The System Agency may require site visits from any or all Respondents. The System Agency will notify selected Respondents of the time and location of site visits. Failure to participate in or permit the requested site visit may eliminate a Respondent from further consideration. The System Agency is not responsible for any costs incurred by the Respondent in preparation for any site visit.

#### **4.5 QUESTIONS OR REQUESTS FOR CLARIFICATION BY THE SYSTEM AGENCY**

The System Agency reserves the right to ask questions or request clarification from any Respondent at any time during the Solicitation process, including during oral presentations, site visits, or during the BAFO process.

### **ARTICLE V. NARRATIVE/TECHNICAL PROPOSAL**

#### **5.1 NARRATIVE PROPOSAL**

##### **5.1.1 Executive Summary**

The Respondent shall provide a high-level overview of the Respondent's approach to meeting the requirements contained in **Article II** of this Solicitation. The summary must demonstrate an understanding of the System Agency's goals and objectives for this Solicitation.

##### **5.1.2 Project Work Plan**

The Respondent shall describe their data collection system processes and methodologies for providing all components of the SOW, including the Respondent's approach to meeting the project schedule. Respondent shall identify all tasks to be performed, including all project activities, materials, and other products, services, and reports to be generated during the contract period and relate them to the stated purposes and specifications described in this Solicitation. The System Agency is interested in the Respondent's experience with healthcare claims data collection and processing. Please provide evidence in your response that demonstrates history and success with projects of similar programs, budgets, and/or clients as the project described in this Solicitation. System Agency is interested in Respondent's overall understanding of the project scope, risks, issues, proposed project approach, and work plan. In particular, Respondent should describe any significant project risks, issues, and the Respondent's approach to addressing those issues. Respondent should reference risks and issues seen on similar scoped projects, with an emphasis on previous healthcare data collection systems and the overall approach to mitigate them. Respondent should describe Respondent's methods to successfully complete the work; understanding of the techniques and sequencing required; understanding of applicable principles and

regulations; and how the Respondent will interface with System Agency's designated project point of contact. Respondent should describe the proposed subcontractors' (if any) placement and role in Respondent's overall approach to the project.

### **5.1.3 Value-Added Benefits**

The Respondent shall describe their alternative or additional capabilities in **Exhibit F, Statement of Work** in the sections addressing specific functionalities or capabilities. If the Respondent is proposing an additional functionality or capability the Respondent should provide the information on a separate document labeled "Additional Capabilities." Inclusion of additional capabilities, functionalities, or value-added benefits may result in a more favorable evaluation of a Response.

### **5.1.4 Key Staffing Profile**

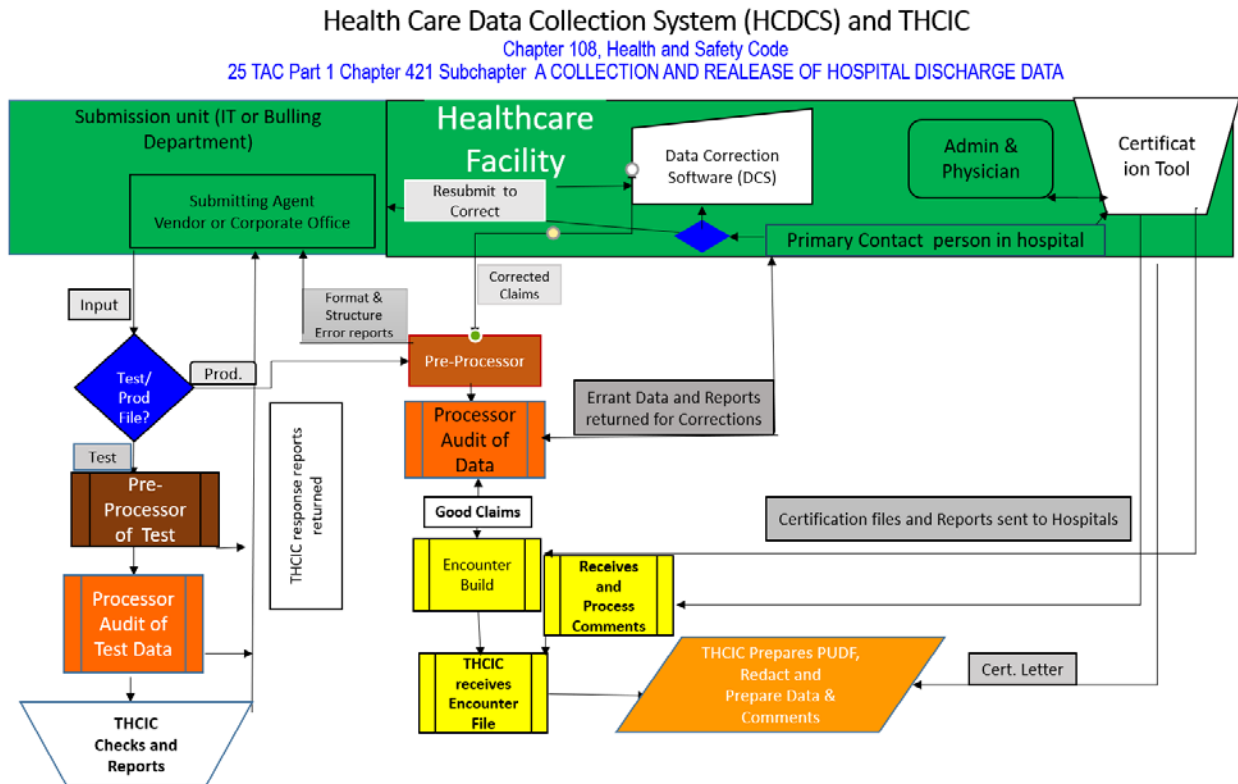
Respondent must provide a key staffing profile and resumes for all key staff that will be responsible for the performance of the Services. Required Key Personnel roles, titles, and required qualifications are described in **Exhibit F, Statement of Work**. Respondent may propose additional key personnel roles for the project. Please identify project leadership, reporting responsibilities, how the Respondent personnel will interface with the System Agency's project manager, and how proposed subcontractors will work within the Respondent's project team structure. Describe the roles of all other key individuals proposed to work on this project. Respondent should include an organizational chart that indicate activities, responsibilities, and all key personnel on the organizational chart. Organizational chart may be submitted on 11 x 17 paper.

## **5.2 TECHNICAL PROPOSAL**

Respondent must provide a detailed description of the proposed technical solution, which must support all business activities and requirements described in this Solicitation. The Respondent's technical proposal must reflect a clear understanding of the nature of the work undertaken, and must include a detailed description of the Respondent's proposed system(s). The Respondent must provide specific responses to the technical proposal functionalities listed in the tables within the SOW in addition to the system components listed below. The Respondent's completed version of **Exhibit F, Statement of Work** must be included with the required hard copy and electronic copies listed in **Section 3.6.1** of this Solicitation.

Respondent's technical proposal must include at a minimum a description of the following system components:

## 5.2.1 Technology Architecture



- a) Hospitals/ambulatory surgery centers or contracted third-party data submitter captures or processes administrative claims data into the required file formats.
- b) Hospitals/ambulatory surgery centers or contracted third-party data submitter sends test file to contractor's system over a secured network.
- c) Contractor's system receives data file from secure network and decrypts the file. The system checks the file for format, and for data element quality and completeness.
- d) If the test file format is incorrect the file is rejected, and a message is returned to the data submitter.
- e) If the test file is in the correct format, it is audited for data quality, consistency and accuracy.
- f) If the test file is acceptable, then the submitter is authorized to upload data using their submitter ID.
- g) For subsequent files, the system verifies that the submitter was approved for submitting files to the system. If the submitter is approved, the file is checked for data completeness and moved to the audit processor.
- h) Data with errors are sent as error reports to the providers. Errors are visible on the contractor's secure online network system.
- i) Once error files are corrected, data are resubmitted and audited.

- j) When the facilities are ready to certify the data, the system processes the claims by
  - 1) removing duplicates;
  - 2) collating and aggregating interim claims to look like a single episode of care; and
  - 3) assigning uniform identifiers and appropriate codes and calculated fields.
- k) Once encounter and event files are created, the submitter reviews and certifies that the data are correct.
- l) If needed, the facilities correct their data a final time.
- m) Once all data are certified, the contractor create files on schedule that includes data from all facilities and notifies DSHS staff of the completed file.
- n) DSHS staff download quarterly data files from the contractor's secure network to the DSHS secure server.

### **5.2.2 System Availability and Capacity**

The Respondent is responsible for delivering a cost-effective, resilient, high-availability environment that minimizes the frequency and impact of system failures or outages, reduces downtime, and minimizes recovery time in the event of a business continuity event, a disaster, or catastrophic failure.

The Respondent's system is required to be operational twenty-four (24) hours a day, seven (7) days a week. The Respondent must provide helpdesk personnel activity from 8:00 am to 5:00 pm Central time, Monday through Friday with exception of federal and State of Texas holidays. The Respondent's administrative staff must be available for System Agency staff support questions Monday through Friday 7:00 am to 6:00 pm Central Time.

The Respondent's system is required to capture, audit and process administrative claims data for approximately 1,200 hospitals and ambulatory surgery centers. The Respondent's system must be able to collect, process and support up to five (5) million inpatient claims, twenty (20) million outpatient claims (includes emergency department visits) in the specified claims file format, with the additional state required data elements.

### **5.2.3 Software and Hardware Components**

The Respondents system software and hardware component are not specified in this Solicitation. The Respondent's software and hardware components must be sufficient to accept and process the estimated number of claims stated above in **Section 5.2.2** using the acceptable required claims data formats noted in the SOW. The system must be able to produce the augmented data using the required grouper software packages and generate the required reports and datasets addressed in the SOW. Respondent's proposed system must be under Respondent's direct control, and must be located within the mainland territory of the United States. Respondent may not at any time transmit, store, process, or transfer any data received from Submitting Organizations outside of the United States.

#### **5.2.4 System Integration**

The Respondent's system must be able to integrate with the required healthcare data providers and submitters through a secure user interface and data transfer tool/methodology. The system must meet or exceed the requirements specified in the SOW.

#### **5.2.5 System Administration, Support, and Maintenance**

The Respondent's proposal shall provide for a self-administered health care data collection, auditing, and processing system. The Respondent shall provide all personnel, hardware, and software required to perform the Services. Respondent's system will include helpdesk activities, support and all maintenance activities for their system. The Respondent's system must allow for System Agency staff to be able to access, review, or monitor, batch file, claim status. The Respondent's system will track and securely provide adequate information back to the data submitters and Facilities on claim level data elements or batch file and claim level errors, as further described in the SOW.

#### **5.2.6 System Security and Disaster Recovery**

The Respondent is required to submit a summary of Respondent's proposed disaster and recovery plan for the Respondent's proposed system in a PDF, MS Word, or MS Excel document as part of Respondent's technical proposal. The plan summary will address at a minimum the following components:

- a) General information - Contacts, scope of coverage, signature authority, and distribution list;
- b) Invoking the plan – Based on damage assessment, notification procedures, and emergency response procedures;
- c) Roles and Responsibilities – designated staff, their role descriptions and responsibilities.
- d) Operating procedures during disaster or recovery – Ongoing backups, system and/or infrastructure redundancies, retention of data, off-site storage, hardware, software, and networking and communications setups, online and by phone.

#### **5.2.7 Performance Monitoring and Management**

The Respondent's technical proposal will describe Respondent's system performance test plans, including without limitation stress and load testing. The technical proposal will specify key Respondent personnel who will monitor the system, including a description of the tools and methodologies for continuous system monitoring. Respondent's designated personnel will have the skills and training as needed to competently measure, evaluate, and trouble shoot connectivity and security issues. The Respondent's system will meet the minimum processing rates specified in **Section 7.3, Performance Testing**, of the SOW.

## **ARTICLE VI. REQUIRED RESPONDENT INFORMATION**

### **6.1 COMPANY INFORMATION**

Respondent must provide satisfactory evidence of its ability to manage and coordinate the types of activities described in this Solicitation and to produce the specified goods or

services on time. As a part of the Solicitation Response requested in **Article III**, Respondent must provide the following information:

#### 6.1.1 Company Narrative

Provide a detailed narrative explaining why Respondent is qualified to provide the services enumerated in **Article II**, focusing on its company's key strengths and competitive advantages.

#### 6.1.2 Company Profile

Provide a company profile to include:

- a) The company ownership structure (corporation, partnership, LLC, or sole proprietorship), including any wholly-owned subsidiaries, affiliated companies, or joint ventures. (*Please provide this information in a narrative and as a graphical representation.*) If Respondent is an affiliate of, or has a joint venture or strategic alliance with, another company, Respondent must identify the percentage of ownership and the percentage of the parent's ownership. The entity performing the majority of the Work under a Contract, throughout the duration of the Contract, must be the primary bidder. Finally, please provide your proposed operating structure for the services requested under this Solicitation and which entities (i.e. parent company, affiliate, joint venture, subcontractor) will be performing them.
- b) The year the company was founded and/or incorporated. If incorporated, please indicate the state where the company is incorporated and the date of incorporation.
- c) The location of company headquarters and any field office(s) that may provide services for any resulting Contract under this Solicitation.
- d) The number of employees in the company, both locally and nationally, and the location(s) from which employees will be assigned.
- e) The name, address, and telephone number of Respondent's point of contact for any resulting Contract under this Solicitation.
- f) Indicate whether the company has ever been engaged under a contract by any Texas state agency. If "Yes," specify when, for what duties, and for which agency.

Note: If Respondent is an out-of-state company, a Certificate of Authority from the Secretary of State to do business in Texas must be provided as well.

## 6.2 REFERENCES

Respondent shall provide a minimum of three (3) references from similar contracts or projects performed, preferably for state and/or local government, within the last five (5) years. Respondent must verify current contracts. Information provided shall include:

- a) Client name;
- b) Contract/project description
- c) Total dollar amount of contract/project
- d) Key Respondent staff assigned to the referenced contract/project who Contractor has designated to perform Services under this Solicitation;

- e) Client contract/project manager name, telephone number, fax number and email address; and
- f) Completed **Respondent Release of Liability**, attached as **Exhibit G**

### **6.3 MAJOR SUBCONTRACTOR INFORMATION**

Respondent must identify any major subcontractors whom Respondent intends to utilize in performing fifteen percent (15%) or more of any Contract. Respondent must indicate whether or not Respondent holds any financial interest in any major subcontractor. It may be required as a condition of award that an authorized officer or agent of each proposed major subcontractor sign a statement to the effect that the subcontractor has read, and will agree to abide by, Respondent's obligations under any contract awarded pursuant to this Solicitation.

### **6.4 LITIGATION AND CONTRACT HISTORY**

Respondent must include in its Solicitation Response a complete disclosure of any alleged or significant contractual failures. In addition, Respondent must disclose any civil or criminal litigation or investigation over the last five (5) years that involves Respondent (including Respondent's officers, directors, or employees) or in which Respondent has been judged guilty or liable including any allegations of such that are currently pending.

Respondent must also disclose any settlement agreements entered into in the last five (5) years related to alleged contractual failures and/or failures to comply with applicable state or federal laws. System Agency has the right to disqualify any Respondent for failure to comply with the terms of this provision. A Response may be rejected by System Agency based upon Respondent's prior history with the State of Texas or with any other party that demonstrates, without limitation and in the sole discretion of System Agency, unsatisfactory performance, adversarial or contentious demeanor, or other significant failure(s) to meet contractual obligations.

### **6.5 CONFLICTS**

Respondent must certify that it does not have any personal or business interests that present a conflict of interest with respect to this Solicitation and any resulting Contract. Additionally, if applicable, the respondent must disclose all potential conflicts of interest. The respondent must describe the measures it will take to ensure that there will be no actual conflict of interest and that its fairness, independence and objectivity will be maintained. The System Agency will determine to what extent, if any, a potential conflict of interest can be mitigated and managed during the term of the Contract. Failure to identify actual and potential conflicts of interest may result in disqualification of a Solicitation Response or termination of a Contract.

Please include any activities of affiliated or parent organizations and individuals who may be assigned to this Contract, if any.

### **6.6 AFFIRMATIONS AND CERTIFICATIONS**

Respondent must complete and return **Exhibit A, Respondent Affirmations and Solicitation Acceptance.**

## **6.7 OTHER REPORTS**

### **6.7.1 Dun and Bradstreet Report**

Respondents with a Dun and Bradstreet number must include a Comprehensive Insight Plus Report, Business Information Report or Credit eValuator Report with their Solicitation Response.

### **6.7.2 Financial Capacity and Annual Report Information**

- a) Respondent shall submit an annual report, which must include:
  - 1) Last three (3) years of audited financial statements;
  - 2) If applicable, last five (5) years of consolidated statements for any holding companies or affiliates;
  - 3) An un-audited financial statement of the most recent quarter of operation; and
  - 4) A full disclosure of any events, liabilities, or contingent liabilities that could affect Respondent's financial ability to perform this Contract.
- b) If Respondent is unable to provide the annual report specified above, Respondent may, at the discretion of the System Agency, provide the following annual report:
  - 1) Last three (3) years unaudited financial statements or a balance sheet statement of financial position;
  - 2) An un-audited financial statement of the most recent quarter of operation; and
  - 3) A full disclosure of any events, liabilities, or contingent liabilities that could affect Respondent's financial ability to perform this Contract.

## **6.8 CORPORATE GUARANTEE**

If the respondent is substantially owned or controlled, in whole or in part, by one or more other legal entities, the Respondent must submit the information required under the "Financial Capacity" section above for each such entity, including the most recent financial statement for each such entity. The Respondent must also include a statement that the entity or entities will unconditionally guarantee performance by the Respondent of each and every obligation, warranty, covenant, term and condition of the Contract. If HHSC determines that an entity does not have sufficient financial resources to guarantee the Respondent's performance, HHSC may require the Respondent to obtain another acceptable financial instrument or resource from such entity, or to obtain an acceptable guarantee from another entity with sufficient financial resources to guarantee performance.

## **6.9 CERTIFICATE OF INTERESTED PARTIES**

Pursuant to Section 2252.908 of the Texas Government Code, a successful respondent awarded a contract greater than \$1 million dollars must complete Form 1295 Certificate of Interested Parties which is located on the Texas Ethics Commission's (TEC) public website. Successful Respondent must submit to HHSC a completed and signed form with the certificate of filing number and date with their response. HHSC then acknowledges Form 1295 at the TEC website. Rules and filing instructions may be found on the TEC's public website and additional instructions will be given by HHSC to successful



respondents. TEC's public website with additional information may be accessed at: <https://www.ethics.state.tx.us/tec/1295-Info.htm>.

## **6.10 HUB SUBCONTRACTING PLAN**

Submit one (1) copy of the HUB Subcontracting Plan (HSP), in accordance with this Solicitation, in a separate sealed envelope, with the RFO Response submission, labeled: HUB Subcontracting Plan (HSP), and include all supporting documentation in accordance with **Exhibits H, I, and J** and the HSP. In addition, submit one (1) electronic copy of the HSP on a portable media, such as a flash drive, compatible with Microsoft Office 2000.

## **6.11 INSURANCE**

### **6.11.1 General Requirements**

In addition to the general insurance requirements set forth in **Section 8.2** of **Exhibit B, HHSC Uniform Terms and Conditions**, Successful Respondent must meet the following requirements with respect to insurance coverage.

As a condition of any Contract, Successful Respondent shall maintain the insurance coverage described herein during the Contract and, for any claims-based coverage, for a period of two (2) years following termination or expiration of the Contract. Successful Respondent shall provide to System Agency evidence of the listed insurance coverage within five (5) business days of any request from System Agency. All required insurance must be issued by companies that have an A rating and a Financial Size Category Class of VII from A.M. Best and are licensed in the State of Texas and authorized to provide the corresponding coverage. The System Agency will be named as Additional Insured on all required coverage. None of the insurance coverage amounts will be construed as a limitation on Successful Respondent's potential liability. All policies shall include a provision for the waiver of subrogation of claims. The minimum acceptable insurance provisions are set forth below; Successful Respondent is responsible for assessing the risks associated with undertaking the Services and determining whether the minimum requirements described below are sufficient for Successful Respondent's unique circumstances.

### **6.11.2 Commercial General Liability**

Commercial General Liability must include \$1,000,000 per occurrence for Bodily Injury and Property Damage, with a separate aggregate limit of \$2,000,000; Medical Expense per person of \$5,000; Personal Injury and Advertising Liability of \$1,000,000; Products/Completed Operations Aggregate Limit of \$2,000,000; and Damage to Premises Rented: \$50,000. System Agency may require additional Umbrella/Excess Liability insurance.

### **6.11.3 Cyber Liability**

Successful Respondent will obtain first-party cyber liability insurance that provides coverage for: i) loss or damage to electronic data and ii) incident response and recovery costs. Successful Respondent will obtain third-party cyber liability insurance that provides coverage for network security liability and network privacy liability. The policy limits for

all cyber liability coverage shall be adequate for the activities undertaken by the Successful Respondent under any Contract.

#### **6.11.4 Notice of Cancellation**

Each insurance policy required by the Contract shall provide the required coverage and shall not be suspended, voided, or canceled except after thirty (30) days' prior written notice has been given to the System Agency, except when cancellation is for non-payment of premium; then ten (10) days' prior notice may be given. If any insurance company refuses to provide the required notice, the Successful Respondent or its insurance broker shall notify the System Agency of any cancellation, suspension, or non-renewal of any insurance within seven (7) days of receipt of insurers' notification to that effect.

#### **6.11.5 Alternative Insurability**

Notwithstanding the preceding, the System Agency reserves the right to consider reasonable alternative methods of insuring the activities to be performed by Successful Respondent under the Contract in lieu of the insurance policies customarily required. It is the Respondent's responsibility to recommend in its Response alternative methods of insuring Respondent's activities under a potential Contract. Any alternatives proposed by Respondent must be accompanied by a detailed explanation regarding Respondent's inability to obtain the required insurance. The System Agency shall be the sole and final judge as to the adequacy of any substitute form of insurance coverage.

### **ARTICLE VII. COST PROPOSAL**

#### **7.1 COST PROPOSAL**

As noted above, cost information must not be included with the Respondent's technical proposal or company information. Respondent must submit a separate and fully inclusive cost proposal for the Services. The prices, charges, rates, and fees (collectively, the "Costs") set forth in Respondent's cost proposal are deemed inclusive of all activities to be performed by Contractor under any Contract, as well as all personnel, hardware, software, telecommunications systems and networks, infrastructure, equipment, and other resources used by Contractor to perform the Services.

Respondent's cost proposal must accurately reflect Respondent's proposed Costs for providing the Services, including the activities described in **Article II** of the Solicitation, **Exhibit F, Statement of Work**, and **Exhibit K, Cost Proposal**.

**Exhibit K, Cost Proposal** includes the format for submitting cost proposals. Respondents must complete this form and place it in a separate, sealed package, clearly marked with the Respondent's name, the Solicitation number, and the Solicitation submission date. Respondents must submit cost proposals according to requirements in **Section 3.7**.

Respondents must base their cost proposals on the Scope of Work described in **Article II** of the Solicitation and **Exhibit F, Statement of Work**. This section should include any business, economic, legal, programmatic, or practical assumptions that underlie the cost proposal. The System Agency reserves the right to accept, reject, or negotiate any assumptions. All assumptions not expressly identified and incorporated into the Contract

resulting from this Solicitation are deemed rejected by the System Agency. Respondent must provide dollar values for each requested item of the Cost Proposal. System Agency reserves the right to disqualify without further consideration any Solicitation Response which fails to provide a dollar value for each requested item in the Cost Proposal. Respondent's Cost Proposal will be fully inclusive of all Contractor costs and expenses, and will be included in any Contract to be awarded hereunder as a not-to-exceed cap on contract costs.

Respondents must separately identify value-added benefits, cost-savings and cost-avoidance methods and measures, and the effect of such methods on the **Exhibit K, Cost Proposal**.

### **7.1.1 Phase I Cost Proposal**

The Respondent shall state all Costs for any changes or modification to their existing system, if any.

Phase I. System Adaptation and Testing Phase I – this phase shall include Costs to the System Agency for Respondent to modify the Respondent's current system and test the changes necessary to be operational for THCIC submitters, healthcare facilities, and THCIC staff to access required components on the contracted production implementation date, all in compliance with Contract requirements, including applicable state and federal law.

The **Exhibit F, Statement of Work** contains a section for each of the required functionalities or capabilities and contains tables specifying the corresponding detailed requirements.

- a) The Solicitation outlines the required categories to be available (implemented by the Respondent's system), and these requirements are addressed in **Exhibit F, Statement of Work** and **Exhibit K, Cost Proposal**. The Respondent shall address all requirements specified in the **Exhibit F, Statement of Work** and shall specify if the requirements are completely provided, are partially provided or not provided by their system. (See **Exhibit K, Cost Proposal**.)
- b) If the Respondent's system already satisfies a given requirement, the Cost is included in the base Cost and therefore no additional Cost is permitted.
- c) The Respondent shall provide a test environment to verify the system capabilities as presented in **Exhibit F, Statement of Work**. The Respondent shall provide the following components:
  - 1) Test Plan:
    - A) Address file format and data content error reporting;
    - B) Online data submission, correction and certification components;
    - C) Online reports to view or download; and
    - D) Online data download for certification.
  - 2) Test Data:
    - A) Test data shall be in the required format of ANSI ASC X12N 837 (Institutional and Professional) formats;

- B) Test data shall test:
  - a. Linking or matching ANSI ASC X12N 837 format files;
  - b. Linking or matching of individual records;
- C) Search and find errors;
- D) Correction of errors;
- E) Resubmission of batch data;
- F) Creation of certification of encounter and event data from the test data, by facility;
- G) Acceptance testing of any implemented new or modified elements, components, or processes to the Respondent's system;
- 3) THCIC and Respondent staff perform a conformance review of the Respondent's system to meet the specified requirements in **Exhibit F, Statement of Work** and **Exhibit K, Cost Proposal**.
- 4) Creation of reports, including but not limited to, error reports, summary reports, claim count reports. The Respondent shall provide a flexible environment to test the different system capabilities.
- 5) Other requirements are:
  - A) System performance;
  - B) User role requirements (i.e. facilities or Third-Party Agents) that will submit data via batch files.

Respondent's system may have additional/alternate capabilities to the required categories as presented in this Solicitation.

### **7.1.2 Phase II Cost Proposal**

Phase II. Data Collection Processing Data Recovery Processes and Helpdesk Services

Respondent will state the Phase II Costs in **Exhibit K, Cost Proposal**. The Costs included in the cost proposal for Phase II include the proposed staff resources and general duties for the Services carried out in Phase II of the project. The cost proposal must at a minimum provide the Cost for supporting the collection and processing of the following estimated claim volumes:

- a) Support collection and processing of five (5) million inpatient claims;
- b) Support collection and processing of twenty-four (24) million outpatient claims (including the hospital emergency department data); and
- c) Cost per claim thresholds that exceed 150% of the estimated volume for each outpatient and inpatient claim.

*Note: There are approximately 646 hospitals, 506 Ambulatory Surgery Centers (ASC's) and 78 Critical Access Hospital (CAHs) required to submit data to System Agency. A number of these facilities utilize third-party clearinghouses to submit data to System Agency via files in the required formats. It is estimated that there are 1,250 entities (Facilities) registered to submit data, and the majority submit via batch files. Respondent should anticipate that some (less than 50) small health care facilities will submit data using the Respondent's data entry system. Some of these entities are health care facilities and some are third-party vendors submitting on behalf of one or more health care facilities. [Some health care facilities may use both methods.](#)*

## **ARTICLE VIII. GENERAL TERMS AND CONDITIONS**

## **8.1 GENERAL CONDITIONS**

### **8.1.1 Amendment**

The System Agency reserves the right to alter, amend or modify any provision of this Solicitation, or to withdraw this Solicitation, at any time prior to award, if it is in the best interest of the State.

### **8.1.2 Offer Period**

Solicitation Responses are binding for a period of 240 days after the due date for submission of Solicitation Responses. Each Respondent may extend the time for which its Solicitation Response is binding by written notification to the Point of Contact. Upon Contract execution, prices agreed upon by the Respondent(s) are irrevocable for the term of the Contract, including any Contract renewals or extension(s). No other costs, charges, rates, or fees shall be payable to the Successful Respondent unless expressly agreed upon in writing by the System Agency.

### **8.1.3 Costs Incurred**

Respondents understand that issuance of this Solicitation in no way constitutes a commitment by any System Agency to award a Contract or to pay any costs incurred by a Respondent in the preparation of a response to this Solicitation. The System Agency is not liable for any costs incurred by a Respondent prior to issuance of or entering into a formal agreement, Contract, or purchase order. Costs of developing Solicitation Responses, preparing for or participating in oral presentations and site visits, or any other similar expenses incurred by a Respondent are entirely the responsibility of the Respondent, and will not be reimbursed in any manner by the State of Texas.

### **8.1.4 Contract Responsibility**

The System agency will look solely to Respondent for the performance of all contractual obligations that may result from an award based on this Solicitation. Respondent shall not be relieved of its obligations for any nonperformance by its subcontractors. Successful Respondent is at all times jointly and severally liable for the acts and omissions of its subcontractors hereunder.

### **8.1.5 Public Information Act**

Solicitation Responses are subject to the Texas Public Information Act (PIA), Texas Government Code Chapter 552, and may be disclosed to the public upon request. Subject to the PIA, certain information may be protected from public release. Respondents who wish to protect portions of the Solicitation Response from public disclosure should familiarize themselves with this law. Information pertaining to the Solicitation will be withheld or released only in accordance with the PIA.

## **8.2 PROTEST**

If a Respondent to this Solicitation wishes to file a protest, they may do so in accordance with the rules published by HHSC in the [Texas Administrative Code, Title 1, Part 15, Chapter 391, Subchapter D](#).

## **ARTICLE IX. SUBMISSION CHECKLIST**

This checklist is provided for Respondent's convenience only and identifies documents that are requested in this Solicitation.

### **Original Solicitation Response Package**

**The Solicitation Package must include one (1) signed “Original” Solicitation Response in hard-copy consisting of three parts described in detail below, each under separate cover but packaged together and clearly labeled “Original” on each. See Sections 3.6.1 and 3.6.2.** Additionally, electronic copies are required as listed below.

#### **1. Proposal and Respondent Information**

**6** Electronic copies of **Proposal and Respondent Information** in searchable PDF on individual USB Drives.

- |   |  |       |
|---|--|-------|
| a. Narrative Proposal                                     | (Section 5.1)                            | _____ |
| b. Technical Proposal                                     | (Section 5.2)                            | _____ |
| c. Company Information                                    | (Section 6.1)                            | _____ |
| d. References   | (Section 6.2 and Exhibit G)              | _____ |
| e. Major Subcontractor Information                        | (Section 6.3)                            | _____ |
| f. Litigation and Contract History                        | (Section 6.4)                            | _____ |
| g. Conflicts  | (Section 6.5)                            | _____ |
| h. Respondent Affirmations and<br>Solicitation Acceptance | (Section 6.6 and Exhibit A)              | _____ |
| i. Exceptions and Assumptions                             | (Sections 3.6.4 and 3.6.5 and Exhibit E) | _____ |
| j. Dun and Bradstreet Report                              | (Section 6.7.1)                          | _____ |
| k. Annual Report  | (Section 6.7.2)                          | _____ |
| l. Corporate Guarantee                                    | (Section 6.8)                            | _____ |
| <b>2. Cost Proposal</b>                                   | (Article 7 and Exhibit K)                | _____ |

**Copies to be provided (all clearly labeled as "copy")**

1 Electronic copy of **Cost Proposal** in Excel Format with active formulas on a USB Drive

**3. HUB Subcontracting Plan**

1 Electronic copy of **HUB Subcontracting Plan** on a separate USB Drive

**The following exhibits are attached:**

**EXHIBIT A – AFFIRMATIONS AND SOLICITATION ACCEPTANCE**

**EXHIBIT B – HHSC UNIFORM TERMS AND CONDITIONS – VENDOR, v. 2.15**

**EXHIBIT C – HHSC SPECIAL CONDITIONS, v. 1.2**

**EXHIBIT D – DATA USE AGREEMENT, v. 8.4**

**EXHIBIT D-1 – SECURITY AND PRIVACY INQUIRY (SPI)**

**EXHIBIT E – EXCEPTIONS FORM**

**EXHIBIT F – STATEMENT OF WORK**

**EXHIBIT G – RESPONDENT RELEASE OF LIABILITY**

**EXHIBIT H – HUB SUBCONTRACTING PLAN AND CHECKLIST**

**EXHIBIT I – SAMPLE CMBL HUB VENDOR DETAIL**

**EXHIBIT J – HUB INFORMATION**

**EXHIBIT K – COST PROPOSAL**

**EXHIBIT L – EVALUATION TOOL**