



TEXAS

Health and Human Services

Dr. Courtney N. Phillips, Executive Commissioner
Health and Human Services Commission (HHSC)
Procurement and Contracting Services (PCS)

Request for Offer (RFO)
for
Random Moment Sampling

RFO Solicitation Number: [HHS0004486](#)

Date of Release: [11/15/19](#)

Date Offers Due: [01/31/20](#)

Time Offers Due: [2:00 pm, CST/CT](#)

NIGP Class/Item Codes:

1. 920-03 **Application Service Provider (ASP), Web Based Hosted*
2. 956-35 **Internet Database Subscriptions*

**This item may contain an Automated Information Systems (AIS)/Telecommunications component or service.*

Table of Contents

ARTICLE I. EXECUTIVE SUMMARY, DEFINITIONS, AND AUTHORITY	5
1.1 Executive Summary	5
1.2 Definitions	5
1.3 Authority	6
ARTICLE II. SCOPE OF WORK / SPECIFICATIONS.....	6
2.1 Description of Services / Statement of Work / Specifications	6
2.1.1 Overview of Project	6
2.1.2 HHSC Mission Statement	6
2.1.3 HHSC Objectives	6
2.1.4 Anticipated Project Schedule	7
2.1.5 Project Scope.....	7
2.1.6 Performance Measures	11
2.2 Contract Award, Term and Amount	12
2.2.1 Contract Award and Execution	12
2.2.2 Contract Term	13
2.2.3 Modification of Contract Term	13
2.2.4 Historical Contract Amount	14
2.2.5 HHSC Basic Philosophy: Contracting for Results	14
2.3 Data Use Agreement.....	14
2.4 No Guarantee of Volume, Usage, or Compensation	14
2.5 Legal and Regulatory Constraints	14
2.5.1 Delegation of Authority	14
2.5.2 Conflicts of Interest.....	15
2.5.3 Former Employees of a State Agency.....	15
2.6 RFO Amendments and Announcements	16
2.7 RFO Cancellation/Partial Award/Non-Award	16
2.8 Right to Reject Offers or Portions of Offers	16
2.9 Costs Incurred	16
2.10 Interpretive Conventions	17
2.10.1 Mandatory Requirement.....	17
2.10.2 Desirable Requirement.....	17
2.11 Relevant Quality Processes	17
2.11.1 Project Management.....	17
2.11.2 Change Management Procedures.....	18
ARTICLE III. ADMINISTRATIVE INFORMATION	19
3.1 Schedule of Events.....	19
3.3.1 Tentative Procurement Schedule.....	19
3.2 Changes, Amendment or Modification to Solicitation	19
3.3 Irregularities	20
3.4 Informalities.....	20
3.5 Inquiries	20
3.5.1 HHSC Designated Point of Contact.....	20
3.5.2 Prohibited Communication	20
3.5.3 Communication Exception.....	21
3.5.4 Respondent Questions and Comments.....	21
3.5.5 Responses to Written Questions.....	21

3.5.6	Requests for Clarification	22
3.5.7	Contractor Conference Notice.....	22
3.6	Solicitation Response Composition	22
3.6.1	Medium and Number of Copies	22
3.6.2	Submission Deadline to PCS	22
3.6.3	Supporting Documentation	23
3.6.4	Discrepancies	23
3.6.5	Respondent Noted Exceptions, Reservations, or Limitations	23
3.6.6	Respondent Noted Assumptions	24
3.7	Solicitation Response Submission and Delivery.....	24
3.7.1	Deadline	24
3.7.2	Labeling	24
3.7.3	Delivery.....	24
3.7.4	Alterations, Modifications, and Withdrawals	25
3.7.5	Response Format.....	25
3.8	Alteration, Modification, or Withdrawal of a Proposal	25
3.9	Incomplete Offers	26
3.10	Multiple Responses	26
3.11	No Joint Responses	26
3.12	HHSC Property	26
3.13	News Releases	26
3.14	State Use of Ideas.....	26
3.15	Additional Respondent Information	27
3.16	Use of Subcontractors	27
ARTICLE IV. SOLICITATION RESPONSE EVALUATION AND AWARD PROCESS		28
4.1	Evaluation Criteria.....	28
4.1.1	Conformance with State Law	28
4.1.2	Minimum Qualifications	28
4.1.3	Specific Criteria	28
4.1.4	HHSC Evaluation Process.....	29
4.2	Initial Compliance Screening	29
4.3	Competitive and Best and Final Offer	29
4.4	Oral Presentations and Site Visits.....	30
4.4.1	Oral Presentations	30
4.4.2	Site Visits	30
4.5	Questions or Requests for Clarification by the System Agency	30
4.6	Deliverables Specifications	31
4.7	Award	31
ARTICLE V. NARRATIVE/TECHNICAL OFFER.....		32
5.1	Narrative Overview	32
5.1.1	Executive Summary	32
5.1.2	Project Work Plan	32
5.1.3	Value-Added Benefit	32
5.1.4	Key Staffing Profile	32
5.2	Offer Required Content	32
5.2.1	Part 1 - Business Proposal.....	32
5.2.2	Part 2 - Technical Proposal	34
5.2.3	Part 3 - Costs Proposal	35
ARTICLE VI. REQUIRED RESPONDENT INFORMATION		36
6.1	Company Information.....	36

6.1.1	Company Narrative	36
6.1.2	Company Profile	36
6.2	References	37
6.3	Major Subcontractor Information.....	37
6.4	Litigation and Contract History.....	37
6.5	Conflicts.....	37
6.6	Assurances, Certifications, and Standards Compliance	38
6.6.1	Required Documentation	38
6.6.2	HHSC Standards Compliance	39
6.7	Corporate Guarantee.....	39
6.8	HUB Subcontracting Plan	39
6.9	Other Reports	39
6.9.1	Dun and Bradstreet Report.....	39
6.9.2	Financial Capacity and Annual Report Information	39
ARTICLE VII. COSTS AND PRICING		41
7.1	Price Offer.....	41
7.2	Price Offer Templates	41
7.2.1	General Information.....	41
7.2.2	First (1 st) Year Costs	41
7.2.3	Second (2 nd) Through Fourth (4 th) Year Costs	41
7.3	Cost Proposal Clarification	42
7.4	Payments	42
7.5	Disputed Amounts	42
ARTICLE VIII. GENERAL TERMS AND CONDITIONS.....		43
8.1	General Conditions.....	43
8.1.1	Solicitation Amendment.....	43
8.1.2	Offer Period.....	43
8.1.3	Costs Incurred	43
8.1.4	Contract Responsibility	43
8.1.5	General Requirement for the Release of Proposals.....	43
8.2	Insurance.....	44
8.2.1	Required Coverage.....	44
8.2.2	Alternative Insurability	44
8.3	Protests	44
ARTICLE IX. SUBMISSION CHECKLIST.....		45
ARTICLE X. LIST OF NOTED RFO EXHIBITS		46
Attachment 1: Change Request Form Example		47
Attachment 2: Respondent Written Questions Template		48

ARTICLE I. EXECUTIVE SUMMARY, DEFINITIONS, AND AUTHORITY

1.1 EXECUTIVE SUMMARY

The Health and Human Services Commission (HHSC, or the *Customer*), a System Agency of the State of Texas Health and Human Services Systems (HHS Systems), is seeking offers for a qualified respondent to provide a Random Moment Sampling System (RMS System) with a web-based automated RMS Data Collection Service.

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 HHSC and its programs is available online and can currently be accessed at <https://hhs.texas.gov/>.

1.2 DEFINITIONS

Refer to Exhibit B (*HHSC Uniform Terms and Conditions – Vendor, Version 2.15*), and Exhibit C (*HHSC Special Conditions, Version 1.2*), for additional definitions.

Furthermore, as used in this Solicitation, unless the context clearly indicates otherwise, the following terms and conditions have the meanings assigned below:

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

“Contractor” means the entity awarded a contract to provide the services described in this RFP.

“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>.

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

“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 sub-contractors, 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.

“Solicitation” means this Request for Offers including any Exhibits and Addenda, if any.

“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.

“System Agency” means HHSC, its officers, employees or authorized agents.

1.3 AUTHORITY

HHSC is soliciting services listed herein under Texas Government Code Title 10, Subtitle D, chapters:

1. Chapter 2155 - Purchasing: General Rules and Procedures;¹
2. Chapter 2156 - Purchase Methods;² and
3. Chapter 2157 - Purchasing: Purchase of Automated Information Systems.³

HHSC's Chief Executive Officer is Dr. Courtney N. Phillips, Executive Commissioner. Pursuant to Texas Government Code Chapter 531⁴ and Texas Health and Safety Code Chapter 1001,⁵ HHSC is authorized to enter into contracts for which the Executive Commissioner is responsible, for all HHS agencies' purchasing and contracting.

ARTICLE II. SCOPE OF WORK / SPECIFICATIONS

2.1 DESCRIPTION OF SERVICES / STATEMENT OF WORK / SPECIFICATIONS

2.1.1 Overview of Project

As recommended in 2008 by the U.S. Department of Health and Human Services / Division of Cost Allocation, HHSC utilizes a web-based RMS System to identify activities benefiting one or more federal and state, or both, funded programs. The data collected is used to distribute costs among various HHSC programs.

These data collections and reporting systems must conform to RMS regulations outlined in 2 CFR Part 200, Subpart E, § 200.416⁶ and in 45 CFR Part 95, Subpart E - Cost Allocation Plans⁷.

These RMS regulations establish the basic cost allocation plan requirements that public assistance agencies must follow in preparing a Public Assistance Cost Allocation Plan (PACAP), in accordance with specifications contained in this RFO.

2.1.2 HHSC Mission Statement

HHSC's mission for this procurement is to contract with a qualified Contractor to provide a one hundred percent (100%) hosted web-based RMS System for a Cost Allocation RMS System to be used by HHSC.

2.1.3 HHSC Objectives

HHSC objectives for this procurement are to enter into a contract in which the Contractor will:

¹ Tex. Gov't Code Ch. 2155: <https://statutes.capitol.texas.gov/Docs/GV/htm/GV.2155.htm>

² Tex. Gov't Code Ch. 2156: <https://statutes.capitol.texas.gov/Docs/GV/htm/GV.2156.htm>

³ Tex. Gov't Code Ch. 2157: <https://statutes.capitol.texas.gov/Docs/GV/htm/GV.2157.htm>

⁴ Tex. Gov't Code Ch. 531: <https://statutes.capitol.texas.gov/Docs/GV/htm/GV.531.htm>

⁵ Tex. Health & Safety Ch. 1001: <https://statutes.capitol.texas.gov/Docs/HS/htm/HS.1001.htm>

⁶ CFR Reference: https://www.ecfr.gov/cgi-bin/text-idx?SID=473f5da79bb37a555929de5ae0ff76ca&mc=true&node=sg2.1.200_1415.sg14&rgn=div7

⁷ CFR Reference: <https://www.gpo.gov/fdsys/granule/CFR-2011-title45-vol1/CFR-2011-title45-vol1-part95-subpartE>

1. Serve as the key point of contact for HHSC.
2. Coordinate and integrate all activities of Subcontractors and/or HUB program Contractor partners, as applicable.
3. Provide RMS Services for multiple agency programs within HHS Systems, in compliance with the 2 CFR Part 200, Subpart E § 200.416,⁸ HHSC PACAP - meeting the requirements as delineated in this RFO.
4. Perform work offsite of HHSC premises, within the continental United States.
5. Provide the necessary hardware and software for the RMS Services.
6. Provide the necessary training to RMS staff for self-administration.
7. Provide and implement an RMS System that will meet the minimum system requirements outlined in this Solicitation.

HHSC is not soliciting offers in relation to RMS System Work Measurement, Time and Labor, Rapid Sampling Analysis or IT Rate Studies. The experience and expertise of the Respondent in providing similar RMS Services will be significant factors in selecting the awarded Contractor.

2.1.4 Anticipated Project Schedule

Major Deliverable	Projected Completion Date(s)
Awarded Respondent Contracted	Day 1
System Installation and Testing	Day 30
System Administrators Trained	Day 45
Pilot Phases	Day 45-59
Full Implementation	Day 60

2.1.5 Project Scope

To secure a new RMS System with a web-based automated RMS data collection service which complies with the requirements of the federal guidelines:

1. Data collection and reporting systems must conform to regulations outlined in 2 CFR Part 200, Subpart E § 200.416⁹ and in 45 CFR Part 95, Subpart E- Cost Allocation Plans¹⁰.
2. The RMS System randomly selects participants and delivers samples through email notifications and mobile phone text messages.
3. The participant responds via an email link to access a web-based form and records their program activity.
4. The participant's response is stored in an internet-based data collection and on-demand reporting system.

⁸ CFR Citation: https://www.ecfr.gov/cgi-bin/text-idx?SID=473f5da79bb37a555929de5ae0ff76ca&mc=true&node=sg2.1.200_1415.sg14&rgn=div7

⁹ CFR Citation: https://www.ecfr.gov/cgi-bin/text-idx?SID=473f5da79bb37a555929de5ae0ff76ca&mc=true&node=sg2.1.200_1415.sg14&rgn=div7

¹⁰ CFR Citation: <https://www.gpo.gov/fdsys/granule/CFR-2011-title45-vol1/CFR-2011-title45-vol1-part95-subpartE>

2.1.5.1 Hosting Requirements

Respond to every numbered requirement in this section immediately following the requirement, inclusive of attaching the required documents noted in Section 6.6.1 – Required Documentation. A requirement with no response will be interpreted during initial evaluation as negative: *the Respondent is unable to satisfy the requirement*.

1. The awarded Contractor must host this RMS System in its own data center.
2. End-user access to the system must be automated.
3. All internet interactions must have guaranteed continuous power.
4. All internet interactions must have redundant high-speed data connections monitored by firewalls.
5. All internet interactions must be securely conducted over 128-bit Secure Sockets Layer (SSL) connections, at a minimum.
6. A daily system check must be in place to monitor that the system is running properly.
7. A change log system must be set up for the tracking of issues/changes to system and resolutions.
8. The RMS System must provide multiple alert methods, such as email and/or mobile phone text messages for participants who are not always in their offices.
9. The RMS System must provide a method for the generation of validation checks.
10. The RMS System must be able to verify date and time, per project of sample schedule creation, preceding the start of a new study.
11. The RMS System must have a backup system and be able to store data for up to seven (7) years, for the current year - plus six (6) years' worth of historical data, for each program in the system.

2.1.5.2 End User Functional Requirements

1. The application must be easy to use, learn, and maintain - for both the end user and the administrator.
2. The RMS System must allow unlimited cost-free system access, for all approved administrators.
3. Orientation and training for system use must be made available online to users.
4. Training tools must be incorporated in the RMS System - for easy reference, online, by the end users as they conduct studies.
5. The RMS System must have the capability of importing Microsoft-based content, and support of all MS Windows file types.
6. The RMS System must provide multiple alert methods – such as email and/or mobile phone text messages, for participants who are not always in their offices.
7. The RMS System must allow for follow-up and recording of missed alerts by end users.

2.1.5.3 Administrative Functional Requirements

1. The RMS System must allow for multiple programs to be configured for time studies.
2. The RMS System must allow for upload of participant information as specified by administrators, including work schedules.

3. The RMS System must allow for the storage of - and access to - historical data collected for up to seven (7) years, for the current year - plus six (6) years' worth of historical data, for each program in the system.
4. The RMS System must allow for HHSC self-administration.
5. This system must allow for HHSC administrator(s) to configure and maintain the studies for each program, and to add or remove programs as necessary.
6. This system must allow for auditable adjustments and/or changes to be made to the studies if required.
7. The RMS System must have the ability to:
 - a. Survey 5,000 potential end users in any given quarter; and
 - b. Collect not more than 16,000 samples for that quarter.
8. Price Evaluation will be based on 16,000 samples per quarter.
9. The software must be specifically designed or configured for HHSC RMS processes.
10. The RMS System must allow for multiple activity levels for each program.
11. The RMS System must allow for the attachment of detail or definition to each activity and be made available to participant during data collection and/or data entry for efficiency.
12. The RMS System must allow for links between tasks and subtasks to minimize data collection time.
13. The RMS System must allow for follow up and recording of missed alerts.
14. The RMS System must have report-generating capabilities that can be customized and managed by the administrator.
15. The RMS System must have the ability to run unlimited interim reports to monitor progress of each study during the quarter.
16. The RMS System must provide a system whereby validation checks can be generated and administered.

2.1.5.4 Import and Export Requirements

1. The RMS System will provide the ability to import/export data to and from files in the applicable Microsoft application.
2. Imports must be designed to add data to the database, without overwriting existing data - as well as a specified field overwrite capability in the system.
3. The RMS System will provide the capability to transfer files from HHSC to the RMS System, for import and to transfer exported files from the RMS System to HHSC.
4. Respondents must describe the RMS System's ability to import and export data and to interface with other systems.
5. Exports must allow selections of the data to be exported.

2.1.5.5 Security and Audit Requirements

1. Describe the RMS System's security systems and the security features provided, including the hosting environment itself, the security of the application and client's data, and the transmission of data between the client and the hosting environment.

2. The System will conform to HHS Information Security (Standards and Guidelines),¹¹ with a focus on the following RMS System administrator password configuration requirements:

Configuration	Requirement
Enforce Password History	Prohibit password reuse for twenty-four (24) generations
Maximum Password Age	Change every ninety (90) days
Minimum Password Length	Eight (8) characters
Password Complexity	Enabled: At least one numeric and one special character; one uppercase and one lowercase letter.
Account Lockout Duration	Thirty (30) minutes
Account Lockout Threshold	Five (5) invalid logon attempts

3. The RMS System must be configured to only allow entry by participant using their employee identification number (EIN).
4. The application must provide for auditable and traceable entries, providing a complete history of every entry/change/correction.
5. Password configuration must to be set up at the application level.
6. All email correspondence with confidential data must be sent secured/encrypted, per the aforementioned HHS Information Security (Standards and Guidelines).
7. See also Exhibit J (HHS Information Security and Privacy Requirements).

2.1.5.6 Compliance with Standards and Regulations Requirements

The RMS System must conform to:

1. *Random Moment Sampling Regulations* as detailed in 2 CFR Part 200, Subpart E § 200.416.¹²
2. Texas State Records Retention Schedule¹³ requirements where data must be available for seven (7) years, the current year's data and six (6) years' worth of historical data.

2.1.5.7 Startup Requirements

1. Application will be configured, functional and ready to test within thirty (30) days of purchase.
2. Startup will include an interface to existing Microsoft Excel and Word templates.
3. The awarded Contractor will provide training for all identified system administrators and will provide the technical documentation required for performing all system administrative functions.
4. The RMS System must allow skilled HHSC staff who have received system administrator training to configure the RMS System for use by HHSC, without consultation beyond what is included in the maintenance and support offered by the awarded Contractor.

¹¹ HHSC ISO Reference: <https://hhs.texas.gov/doing-business-hhs/contracting-hhs>

¹² CFR Citation: https://www.ecfr.gov/cgi-bin/text-idx?SID=473f5da79bb37a555929de5ae0ff76ca&mc=true&node=sg2.1.200_1415.sg14&rqn=div7

¹³ TSL&AC Reference: <https://www.tsl.texas.gov/slr/rrs4>

5. The documentation referred to in this section must be available through online help and tutorials accessible by users through an internet connection, or in MS Word or Acrobat PDF files - that can be duplicated by HHSC, as needed.
6. Contractor will train System Agency staff in a manner that does not require travel by System Agency staff.

2.1.5.8 Maintenance and Support

1. Describe the ongoing maintenance (*Change Management*) and support (*Problem Management*) to be provided.
2. Include any maintenance and support options (*Levels of Support*).
3. Include services levels for help desk.
4. Indicate whether help desk support includes responding to usage questions.

2.1.6 Performance Measures

The awarded Contractor will represent that all Work will be performed with promptness and diligence and will be executed in a professional manner, in accordance with the practices and high professional standards used in well-managed operations performing work similar to this RFO.

HHSC will monitor the performance of the Contract issued under this RFO, ensuring that all Deliverables under the Contract are provided at an acceptable quality level and in a manner consistent with acceptable industry standards, customs, and best practices.

2.1.6.1 Personnel Requirements

1. The awarded Contractor will represent that they will use adequate numbers of qualified individuals with suitable training, education, experience, and skill to execute this agreement.
2. The awarded Contractor will verify that all HHS System data they will have access to will be safeguarded, and their staff will individually sign and abide by the applicable HHS Systems confidentiality and non-disclosure agreements, as applicable.

2.1.6.2 Use of Subcontractors

1. Subcontractors providing services under the Contract must meet the same requirements and level of experience as required of the awarded Contractor.
2. No Subcontract under the Contract will relieve the awarded Contractor of the responsibility for ensuring the requested Services are provided.
3. Respondents planning to subcontract all or a portion of the work to be performed must identify the proposed Subcontractors.

2.1.6.3 Service Level Agreements

HHSC's fundamental commitment is to contract for positive results – whereas a successful result is defined as the generation of discrete, defined, measurable, and beneficial outcomes that support the HHS Systems mission and objectives and satisfy the requirements of the resulting Contract.

HHSC will monitor the Contractor performance (*also known as Performance Monitoring*) as delivered under the awarded Contract based on service period reporting that must include, but are not limited to the following:

1. Experience, professionalism, and solutions for providing the RFO Deliverables.
2. No or minimum impact to production systems, if applicable.
3. On-time, detailed, and accurate reporting.
4. Discrete, well-defined, realistic, meaningful, and measurable recommendations that support Project success.

2.1.6.4 *Unsatisfactory Performance*

1. In the event that Contractor does not achieve the standards of performance set within the Contract, the Customer may request a corrective action plan or other remedial steps (reference to Exhibit B (*HHSC Uniform Terms and Conditions – Vendor, Version 2.15*), Exhibit C (*HHSC Special Conditions, Version 1.2*), and Exhibit K (*Key Performance Measures & Liquidated Damages*)).
2. HHSC reserves the right to withhold or offset payment on all or part of any missed, incomplete, or unsatisfactory Deliverables for which Customer and Contractor have not agreed upon a remedy.
3. HHSC and Contractor agree to work in good faith to ensure that all performance standards are met.

2.2 **CONTRACT AWARD, TERM AND AMOUNT**

2.2.1 **Contract Award and Execution**

HHSC intends to award a Contract as a result of this RFO Solicitation. Any award is contingent upon approval of the Executive Commissioner or their designee. For the Contract awarded as a result of this RFO and all exhibits thereto:

1. The following documents may be incorporated into the Contract:
 - a. This RFO and all attachments and exhibits;
 - b. Any RFO modifications, Addendum, or amendments issued; and
 - c. The Respondent proposal of the awarded Contractor.
2. Respondents are responsible for reviewing the HHSC contract terms and conditions - noting any exceptions, reservations, and limitations on Exhibit F (*Vendor Information and Disclosures*).
3. Acceptance of a mutual confidentiality agreement will be required.
4. HHSC reserves the right to negotiate additional contract terms and conditions.
5. If, for any reason, a final Contract cannot be executed with a Respondent selected for award within ten (10) business days of HHSC's determination to seek to contract with that Respondent, HHSC may negotiate a contract with the next highest scoring Respondent or may withdraw, modify, or partially award this Solicitation.

2.2.2 Contract Term

HHSC will award one Contract for the RMS System as solicited with this RFO:

1. The execution of this RFO will begin on the date of the award of the contract, with services commencing no later than ten (10) business days after award and receiving the purchase order. This initial Contract term will be for a period of performance thru **August 31, 2020**.
2. HHSC reserves the right to exercise optional annual renewals accomplished by one-year terms thereafter, subject to the availability of funds – with the total amount of the initial term and subsequent renewals not to exceed four (4) consecutive periods of performance.
3. Projected renewal terms [09/01/2020 to 08/31/2021, 09/01/2021 to 08/31/2022, and 09/01/2022 to 08/31/2023] are to be finalized during final negotiations with the awarded Contractor, if any.
4. The Contractor will cease work after all Deliverables:
 - a. As described in this RFO are satisfactorily delivered and approved by the designated HHSC Contract Manager or designate, HHS executive and business sponsors, and/or the applicable HHS Systems Directors or Managers; but
 - b. No later than **August 31, 2020**; work cannot continue beyond the Contract term (*or exercised renewal options as may be amended*) without an active contractual agreement in place.

2.2.3 Modification of Contract Term

A modification of the timeline proposed in this RFO may be generated during the initial phase of the engagement.

1. Delays on the Customer side, and state and national holidays, may affect the calendar duration of the engagement. Any delays that impact Contractor resources ability to be fully utilized will be subject to HHSC's Change Management procedures.
2. HHSC will have the option, exercisable by giving written notice to the Awarded Contractor prior to the expiration of the Current Term, to extend the current Period of Performance based upon the then-prevailing terms and conditions for a mutually agreed-upon successive period.
3. In accordance with the General Appropriations Act, House Bill 1, 86th R.S. at Article IX, Section 17.10(e)(1), following the base term, and any allowable extensions and/or exercised Optional Annual Renewals, HHSC may extend any resulting Contract to address immediate operational or service delivery needs. The extension is limited in duration and cost to not more than one additional option period as defined in the Contract. If the option period is not defined, the extension is limited to one year.
4. If the contract is terminated or is not renewed, the Contractor will provide access to the system for an amount of time that is sufficient for HHSC to extract its data, using the Contractor's export tools as defined in the System Requirements.

2.2.4 Historical Contract Amount

The historical compensation under any Contract awarded for RMS has not exceeded an estimated amount of TWO HUNDRED TWENTY THOUSAND DOLLARS (\$220,000.00) for the past five years.

2.2.5 HHSC Basic Philosophy: Contracting for Results

HHSC fundamental commitment is to contract for results HHSC defines a successful result as “the generation of defined, measurable, and beneficial outcomes that satisfy the Contract requirements and support HHSC missions and objectives.”

This RFO describes what is required of the awarded Contractor in terms of Deliverables (*milestones, products and/or Services*), performance measures and outcomes, and—unless otherwise noted in the RFO - places the responsibility for how they are accomplished on the awarded Contractor.

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 Exhibit D-1 (DUA) and Exhibit D-2 (DUA A-2, SPI), Attachment 2 to the DUA, the Security and Privacy Inquiry (SPI) form.

2.4 NO GUARANTEE OF VOLUME, USAGE, OR COMPENSATION

HHSC 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.

HHSC reserves the right to cancel, make partial award, or decline to award a Contract under this Solicitation at any time at its sole discretion. External factors may affect the Project, including budgetary and resource constraints:

1. Any Contract resulting from this RFO is subject to the availability of state and federal funds, as noted.
2. As of the issuance of this RFO, HHSC anticipates that budgeted funds will be available to reasonably fulfill the Project requirements.
3. If, however, funds are not available, HHSC reserves the right to withdraw the RFO or terminate the resulting Contract without penalty.

2.5 LEGAL AND REGULATORY CONSTRAINTS

2.5.1 Delegation of Authority

State and federal laws generally limit HHSC’s ability to delegate certain decisions and functions to an awarded Contractor, including but not limited to:

1. Policy-making authority; and
2. Final decision-making authority on acceptance or rejection of contracted Services.

2.5.2 Conflicts of Interest

For the purpose of this RFO, a conflict of interest is a set of facts or circumstances in which either a Respondent or anyone acting on its behalf in connection with this procurement has past, present or currently planned personal, professional or financial interests or obligations that, in HHSC determination, would actually or apparently conflict or interfere with an awarded Contractor's contractual obligations to HHSC.

Respondents are to use the applicable section of Exhibit F (*Vendor Information and Disclosures*) to complete their certification:

1. A conflict of interest would include circumstances in which a Party's personal, professional or financial interests or obligations may directly or indirectly:
 - a. Make it difficult or impossible to fulfill its contractual obligations to HHSC in a manner that is consistent with the best interests of the State of Texas;
 - b. Impair, diminish or interfere with that Party's ability to render impartial or objective assistance or advice to HHSC; or
 - c. Provide an unfair competitive advantage in future HHSC procurements.
2. Neither Respondent nor any other person or entity acting on its behalf, including but not limited to, Subcontractors, employees, agents and representatives, may have a conflict of interest with respect to this procurement.
3. A Respondent must certify that it does not have personal or business interests that present a conflict of interest with respect to the RFO and resulting Contract.
4. Additionally, if applicable, Respondents must disclose all potential conflicts of interest. Respondents 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.
5. HHSC will determine to what extent, if any, a potential conflict of interest can be mitigated and managed during the term of the Contract (see Section 6.5 – Conflicts).
6. **Failure to identify potential conflicts of interest may result in HHSC's disqualification of a proposal or HHSC termination of this Contract.**

2.5.3 Former Employees of a State Agency

Respondents must comply with Texas and federal laws and regulations relating to hiring former state employees, in accordance with Tex. Gov't Code § 572.054¹⁴ and 45 CFR §74.43¹⁵:

1. Such revolving door prohibitions generally restrict former agency heads from communicating with or appearing before the agency on matters for two (2) years after leaving the agency.

¹⁴ Tex. Gov't Code § 572.054: <https://statutes.capitol.texas.gov/Docs/GV/htm/GV.572.htm#572.054>

¹⁵ CFR Citation: <https://www.gpo.gov/fdsys/granule/CFR-2000-title45-vol1/CFR-2000-title45-vol1-sec74-43>

2. The revolving door prohibitions also restrict some former employees from representing Contractors on matters the employee participated in during state service or matters that were in the employees' official responsibility.
3. As a result of such laws and regulations, a Respondent must certify that it has complied with all applicable laws and regulations regarding former state employees.
4. Furthermore, a Respondent must disclose any relevant past state employment of the Respondent's or its Subcontractors' employees and agents.
5. Respondents will use Exhibit F (*Vendor Information and Disclosures*) for these disclosures and certifications.

2.6 RFO AMENDMENTS AND ANNOUNCEMENTS

All official communication regarding this RFO will be posted on the Electronic State Business Daily (ESBD) website, including the notice of tentative award:

1. HHSC reserves the right to revise the RFO at any time.
2. It is the responsibility of interested parties to periodically check the ESBD for updates to the procurement prior to submitting a bid.
3. The Respondent's failure to periodically check the ESBD will in no way release them from Addenda or additional information resulting in additional costs to meet the requirements of the RFO.
4. Any changes, amendments, or clarifications will be made in the form of written responses to Respondent questions, amendments, or Addendum issued by HHSC on the ESBD.

2.7 RFO CANCELLATION/PARTIAL AWARD/NON-AWARD

If it determines that such action is in the best interest of the State of Texas, HHSC reserves the right to cancel this RFO, to make a partial award, or to make no award at all.

2.8 RIGHT TO REJECT OFFERS OR PORTIONS OF OFFERS

HHSC may, in its discretion, reject any and all offers or portions thereof.

2.9 COSTS INCURRED

Respondents understand that:

1. Issuance of this RFO in no way constitutes a commitment by HHSC to award a Contract to, or to pay any costs incurred by, a Respondent in the preparation of a response to this RFO;
2. Neither is HHSC liable for any costs incurred by a Respondent prior to issuance of or entering into a formal agreement, Contract, or purchase order; and
3. Costs of developing offers, 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.

2.10 INTERPRETIVE CONVENTIONS

2.10.1 Mandatory Requirement

Whenever the terms “*will*,” “*shall*,” “*must*,” or “*is required*,” are used in this RFO in conjunction with a specification or performance requirement, the specification or requirement is mandatory. A Respondent's failure to address or meet any mandatory requirement in a proposal may be cause for HHSC's rejection of that proposal.

2.10.2 Desirable Requirement

Whenever the terms “*can*,” “*may*,” or “*should*” are used in this RFO in conjunction with a specification or performance requirement, the specification or performance requirement is a desirable, but not mandatory, requirement. Accordingly, a Respondent's failure to address or provide any items so referred to will not be the cause for rejection of the proposal but will likely result in a less favorable evaluation.

2.11 RELEVANT QUALITY PROCESSES

Awarded Contractors are responsible for the management of quality processes and software industry best practices that ensure the successful completion of the Deliverables:

1. Any recommended changes will be provided in writing to the awarded Contractor for modification.
2. HHSC can query the awarded Contractor at any time to make sure that the processes that are geared for quality and repeatability, and do not expose the Deliverables to any unacceptable risk level.
3. The awarded Contractor will submit Deliverables to the HHSC Contract Manager or designate - who, with collaboration of the assigned HHS Systems team members, will test and evaluate the overall quality, technical accuracy, business criteria, and/or completeness of the Deliverable – as applicable.
4. If disagreement exists regarding scope and quality of Deliverables, the HHS Systems funding sponsors will meet with the awarded Contractor and relevant HHS Systems stakeholders to review the issues and determine a course of action.

2.11.1 Project Management

The awarded Contractor will provide the following services:

1. Conduct a kickoff meeting to introduce the team and confirm the objectives, timeline, and approach.
2. Discuss the communication plan to ensure concise and orderly communication between the involved parties.
3. Perform overall project management and resource planning to meet agreed-upon timeframes and expectations, using a detailed Project plan.
4. Agree upon HHSC Change Management Procedures to minimize impact of changes.
5. Deliver status reports, as required.
6. Conduct meetings to review service delivery and discuss the previous period’s activity and any upcoming Customer business changes that may impact the Project.
7. Conduct a Project wrap-up meeting to review results, lessons learned, and future opportunities for recommendation.

2.11.2 Change Management Procedures

HHSC or the Contractor may, at any time, recognize the need to make changes to adapt to new demands in the Project requirements. The HHSC Change Management Procedure will be used when there are changes to the Contract. In the event there is a reason to change the Contract, HHSC will initiate the change request (see Attachment 1, Change Request Form Example):

1. All proposed changes must be coordinated within HHSC and must be deployed in conjunction with ongoing application development and maintenance activities with the goal of reducing impact to HHS systems and resources, as applicable.
2. The change request must provide information regarding the change comparable to the detail originally included in the Contract's documentation.
3. Changes to individual requirements that do not affect the overall scope of the Project or cost do not require a formalized change request.
4. No change request will be implemented unless set forth in writing, approved by the proper levels of authority, and signed by an authorized representative of each Party before they are implemented.
5. While such changes are under review, the awarded Contractor will continue to perform under the Contract so long as such continued performance does not cause them to incur a material cost or other undue hardship in relation to the change request.
6. If any such change causes an increase or decrease in the cost or the time required for the performance of any part of the Work under the Contract, a mutually satisfactory adjustment may be made in the contract price, delivery schedule, or both and the Contract will be modified in writing accordingly, which will require a Contract Amendment.
7. A decision to discontinue performance due to a change request will be made only by mutual written agreement of both Parties.
8. The provision for change requests does not include any corrections of deficiencies for any activities or Deliverables for which the awarded Contractor is responsible under the terms of the Contract:
 - a. Such corrections and Deliverables are the responsibility of the awarded Contractor without charge to HHSC; and
 - b. Any costs associated with the analysis to determine the source of a problem requiring corrections of deficiencies is the responsibility of the awarded Contractor.
9. The mutually accepted change request will be documented with an Amendment to the Contract and must be executed by both Parties.
10. The awarded Contractor agrees to act in good faith with regard to price and schedule terms, if required for any proposed change.

[* THIS SPACE INTENTIONALLY BLANK. *]

ARTICLE III. ADMINISTRATIVE INFORMATION

3.1 SCHEDULE OF EVENTS

3.3.1 Tentative Procurement Schedule

The following table documents the critical pre-award events for the procurement; all dates are subject to change at HHSC's discretion:

Milestone	Projected Due Date	Comments
Solicitation Release Date	11/15/19	<ul style="list-style-type: none"> Solicitation is released by HHSC/PCS Purchaser
Courtesy HSP Review	11/15/19 through 01/10/20	<ul style="list-style-type: none"> Vendors may submit their HSP for review by the HUB Coordinator during this period.
HHSC HUB HSP Training	12/04/19	<ul style="list-style-type: none"> Vendors are encouraged to attend the HSP Training.
Respondent Questions Due	12/13/19	<ul style="list-style-type: none"> All inquiries must be in writing and submitted to the designated HHSC/PCS Point of Contact via email by 2 pm, Central Standard Time. Written questions must be provided using the Written Questions Template, Attachment 2
HHSC/PCS Purchaser posts responses to questions from Respondents	01/10/20	<ul style="list-style-type: none"> See Section 3.5 - Inquiries for <i>Responses to Written Questions</i> instructions for submitting questions to this RFO - Addendum Issued
Respondent Offers Due	01/31/20	<ul style="list-style-type: none"> See Section 3.5.1 for Offer submission to the designated HHSC/PCS Point of Contact. Deadline for submission of Solicitation Responses due to PCS by 2 pm, Central Standard Time.
Anticipated Contract Start Date	04/01/20	<ul style="list-style-type: none"> Subject to successful award, and change at HHSC's discretion, as noted.

1. The HHSC HUB Program offers Courtesy HSP Reviews to assist the Respondent(s) in the completion of their HSPs, during the period noted above.
2. Respondent Inquiries about the HUB Training are to be made through the HUB Coordinator noted in Section 3.5.3 below.
3. HHSC reserves the right to conduct a pre-submittal Vendor Conference prior to the Respondent Offers Due Date, at HHSC's discretion.
4. These dates are a tentative schedule of events. HHSC reserves the right to modify these dates at any time upon notice posted to the ESBD.
5. Any dates listed after the Solicitation Response deadline will occur at the discretion of HHSC and may occur earlier or later than scheduled without notification on the ESBD.

3.2 CHANGES, AMENDMENT OR MODIFICATION TO SOLICITATION

HHSC 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 it is in the best interest of the State. Any such revisions will be posted on the ESBD; it is the responsibility of Respondent to periodically check the ESBD to ensure full compliance with the requirements of this Solicitation.

3.3 IRREGULARITIES

Any irregularities or lack of clarity in this Solicitation should be brought to the attention of the HHSC designated Point of Contact listed in [Section 3.5.1](#) below as soon as possible, so corrective Addenda may be furnished to prospective Respondents.

3.4 INFORMALITIES

HHSC reserves the right to waive minor informalities in a proposal and award a Contract that is in the best interest of the State:

1. A "minor informality" is an omission or error that, in HHSC's determination, if waived or modified when evaluating offers, would not give a Respondent an unfair advantage over another Respondent or result in a material change in the proposal or RFO requirements.
2. When HHSC determines that a proposal contains a minor informality, it may at its discretion provide the Respondent with the opportunity to correct.

3.5 INQUIRIES

3.5.1 HHSC Designated Point of Contact

The sole Point of Contact for inquiries concerning this RFO is as follows:

PCS Purchaser Contact Information	
Name:	Charles Davenport, CTCM, CTCD
Office:	(512) 406-2510
Address:	4900 N. Lamar Blvd, Austin, TX 78751-2316
Email:	Charles.Davenport03@hhsc.state.tx.us

1. All communications relating to this RFO must be directed to the HHSC contact person named above (Point of Contact).
2. All communications between Respondents and other HHSC staff concerning this active RFO is **strictly prohibited**.
3. **Failure to comply with these requirements may result in proposal disqualification.**

3.5.2 Prohibited Communication

On issuance of this Solicitation:

1. Except for the inquiries described in [Section 3.5.4](#) and [Section 3.5.5](#) below, HHSC, 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).
2. Attempts to ask questions by phone or in person will not be allowed or recognized as valid.
3. Respondent will rely only on written statements issued by or through the System Agency's designated staff as provided by this section.
4. This restriction does not preclude discussions between affected parties for the purposes of conducting business unrelated to this Solicitation.
5. **Failure to comply with these requirements may result in disqualification of Respondent's Solicitation Response.**

3.5.3 Communication 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 HHSC HUB Coordinator for this RFO, HHSC's Cheryl Bradley, may be contacted at cheryl.bradley@hhsc.state.tx.us - with a courtesy copy (Cc) to the purchaser listed above.

3.5.4 Respondent Questions and Comments

Respondents will have the opportunity to submit questions and requests for clarification prior to official submission of their offers, following the tentative procurement schedule above (see Section 3.1).

All questions and comments regarding this RFO must be sent to the HHSC designated Point of Contact (see Section 3.5.1):

1. The signed Respondent Written Questions Template, included as Attachment 2 to this RFO, acknowledges the Respondent has had sufficient opportunity to ask questions and obtain information about the RFO prior to submission of their official response.
2. The Respondent Written Questions Template, signed by the Respondent, is required; if the Contractor has no questions, simply state "*No questions on this solicitation*" in the first available text-box.
3. The Respondent Written Questions Template must be submitted to HHSC/PCS either:
 - a. Prior to the Respondent written questions due date listed in Section 3.1.1, or
 - b. Accompanying the Solicitation Response as specified in Subsection 2 of this section.
4. Failure of Respondent to acknowledge receipt may result in response rejection.
5. HHSC/PCS will respond to Respondent written questions by posting responses on the ESBD as an Addendum to the solicitation.
6. HHSC/PCS will consolidate all written questions received from Respondents.
7. HHSC will not respond to questions received after the deadline.
8. Respondent written questions must be submitted using the Respondent Written Questions Template, Attachment 2 of this RFO.

3.5.5 Responses to Written Questions

1. Respondents' names will be removed from questions in any responses released.
2. Responses to written questions or other written requests for clarification will be posted on the ESBD.
3. HHSC reserves the right to amend answers prior to the solicitation response deadline; amended answers will be posted on the ESBD - **it is the Respondent's Responsibility to check the ESBD.**
4. HHSC also reserves the right to provide a single consolidated response of all similar questions in any manner at HHSC's sole discretion.

3.5.6 Requests for 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 Solicitation at its own risk, and if awarded a Contract:

1. Will have waived any claim of error or ambiguity in the Solicitation and any resulting Contract;
2. Will not contest the interpretation by any System Agency of such provision(s); and
3. Will not be entitled to additional compensation, relief, or time by reason of ambiguity, error, or later correction.

3.5.7 Contractor Conference Notice

HHSC will not hold a Contractor conference for this procurement: *see Section 3.5 – Inquiries for instructions about communicating with HHSC regarding this RFO.*

3.6 SOLICITATION RESPONSE COMPOSITION

Respondents will prepare a Solicitation 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; Respondents should focus on the instructions and requirements of the Solicitation. Failure to submit all required documents in required format(s) may result in disqualification of the Solicitation Response without further consideration. HHSC, in its sole discretion, may reject any and all offers or portions thereof.

3.6.1 Medium and Number of Copies

1. HHSC will not accept email, telephone, and facsimile offers.
2. Submit one (1) original of the proposal.
3. An authorized representative must sign the original in ink.
4. In addition, submit one electronic copy of the proposal on a portable media, such as a USB drive, compatible with Microsoft Office.
5. Electronic copies must be in accessible electronic formats - compliant with Section 508 of the Rehabilitation Act and/or W3C WCAG 2.0 AA standards for accessibility - using either products compatible with Microsoft Office 2010 or Adobe PDF.
6. Offers must include all mandatory content as described in this RFO for Respondent to be considered for this contract.

3.6.2 Submission Deadline to PCS

Submit all the proposal to HHSC's Procurement & Contracting Services (PCS) Division no later than 2:00pm CST on 01/31/20.

1. All submissions will be date and time stamped when received by PCS.
2. The clock in the PCS office is the official timepiece for determining compliance with the deadlines in this procurement.

3. HHSC reserves the right to reject late submissions.
4. HHSC will not be held responsible for any Solicitation Response that is mishandled prior to receipt by HHSC.
5. It is Respondent's responsibility to mark appropriately and deliver the Solicitation Response to HHSC by the specified date and time.
6. All offers become the property of HHSC after submission.

3.6.3 Supporting Documentation

If complete responses cannot be provided without referencing supporting documentation, such documentation must be provided with the Solicitation Response, with specific reference made to the tab, page, section, and/or paragraph where supporting information can be found.

3.6.4 Discrepancies

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

3.6.5 Respondent Noted Exceptions, Reservations, or Limitations

HHSC will more favorably evaluate responses that offer no or few exceptions, reservations, or limitations to the terms and conditions of the Solicitation:

1. 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 pursuant to Respondent Written Questions Template, Attachment 2.
2. If a Respondent includes exceptions in its Solicitation Response, Respondent is required to use the Exceptions Form included as Exhibit E (*Exceptions Form*) to this Solicitation and provide all information requested on the form:
 - a. Solicitation Section Number;
 - b. Solicitation Section Title;
 - c. Language to which Exception is Taken;
 - d. Basis of Exception;
 - e. Respondent's Proposed Language; and
 - f. An indication as to whether or not a Respondent still wants to be considered for a Contract award if the exception is denied (*by marking "Yes" or "No"*).
3. Any exception included in a Solicitation Response may result in a Respondent not being awarded a Contract.
4. Any exception that does not provide all required information without qualification in the format set forth in Exhibit E (*Exceptions Form*) may be rejected without consideration.
5. No exception, nor any other term, condition, or provision in a Solicitation Response that differs, varies from or contradicts this Solicitation will be considered to be part of any Contract resulting from this Solicitation unless expressly made a part of the Contract in writing by HHSC.

6. A Solicitation 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.
7. Furthermore, all Solicitation Responses constitute binding offers.
8. Any Solicitation Response that includes any type of disclaimer or other statement indicating that the response does not constitute a binding offer may be disqualified.
9. Completion of Exhibit E (*Exceptions Form*) is not required if there are no exceptions.

3.6.6 Respondent Noted Assumptions

Assumptions must not be included in a Solicitation Response:

1. All issues or questions that might be advanced or addressed by way of assumption must be submitted pursuant to the Respondent Written Questions Template, Attachment 2; and
2. The inclusion of assumptions in a Solicitation Response may result in a Respondent not being awarded the Contract.

3.7 SOLICITATION RESPONSE SUBMISSION AND DELIVERY

3.7.1 Deadline

Solicitation Responses must be received at the address in Section 3.7.3 time-stamped by HHSC/PCS no later than the date and time specified in Section 3.1.

3.7.2 Labeling

Solicitation Responses shall be placed in a sealed box and clearly labeled as follows:

SOLICITATION NO.: [HHS0004486](#)
 SOLICITATION NAME: [Random Moment Sampling](#)
 SOLICITATION RESPONSE DEADLINE: [01/31/20 @ 2 pm, CST/CT](#)
 FOR: [RMS System RFO](#)

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

3.7.3 Delivery

Solicitation Responses must be delivered by one of the methods below; submissions by any other method (*i.e., facsimile, telephone, email*) will NOT be considered.

U.S. Postal Service	Overnight/Express Mail	Hand Delivery
HHSC PCS Bid Room Attn: Response Coordinator 1100 West 49th Street Austin, TX 78756 Service Building (Building S) MC: 2020 LC: 3024 C/O: Charles Davenport	HHSC PCS Bid Room Attn: Response Coordinator 1100 West 49th Street Austin, TX 78756 Service Building (Building S) MC: 2020 LC: 3024 C/O: Charles Davenport	HHSC PCS Bid Room Attn: Response Coordinator 1100 West 49th Street Austin, TX 78756 Service Building (Building S) MC: 2020 LC: 3024 C/O: Charles Davenport

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.

NOTE: HHSC MAY REQUEST SOLICITATION RESPONSE MODIFICATIONS AT ANY TIME.

3.7.5 Response Format

All qualified Respondent offers must be in formats (*hard copy and electronic*) as specified by the Customer. At a minimum, the solicited documentation (*responses and Deliverables*) must:

1. Include the Respondent's name at the top of each page.
2. Be typed on 8 ½" by 11" paper.
3. Be in Arial or Verdana Font, Size 12 for Normal text.
4. Be no less than size 10 for tables, graphs and appendices.
5. Be correctly identified with the RFO number and submittal deadline.
6. Be clearly legible, sequentially page-numbered.
7. Meet HHSC's expectations of industry standards, such as:
 - a. Documents (not listed as due in another format below) – searchable PDF or MS/Word
 - b. Work Breakdown Structure and Schedules – MS/Project or MS/Excel
 - c. Presentations – MS/PowerPoint
 - d. Spreadsheets – MS/Excel
 - e. Diagrams – MS/Visio
8. Be responsive to all RFO requirements, not including additional materials or pamphlets not specifically requested in this RFO.
9. Be organized in the sequence outlined in Article 5 – Narrative/Technical Offer and bound in a notebook or cover.

3.8 ALTERATION, MODIFICATION, OR WITHDRAWAL OF A PROPOSAL

Prior to the proposal submission deadline set forth in Section 3.1 – Schedule of Events, a Respondent may:

1. Withdraw their proposal by submitting a written request to the HHSC Point of Contact, or
2. Modify its proposal by submitting a written amendment to the HHSC Point of Contact. HHSC may request proposal modifications at any time.

3.9 INCOMPLETE OFFERS

HHSC may reject without further consideration a proposal that does not include a complete, comprehensive, or total solution as requested by the RFO.

3.10 MULTIPLE RESPONSES

1. A Respondent may only submit one proposal as a potential Contract recipient.
2. If a Respondent submits more than one proposal, HHSC may reject one or more of the submissions.
3. This requirement does not limit a Subcontractor's ability to collaborate with one or more Respondents submitting offers.

3.11 NO JOINT RESPONSES

HHSC will not consider joint or collaborative offers that require contracting with more than one Contractor.

3.12 HHSC PROPERTY

Except as otherwise provided in this RFO or the resulting Contract, all products produced by a Respondent, including without limitations the proposal, all plans, designs, software, and other Contract Deliverables, become the sole property of HHSC.

3.13 NEWS RELEASES

This section does not preclude business communications necessary for a Respondent to develop a proposal or required reporting to shareholders or governmental authorities.

1. Prior to tentative award, a Respondent may not issue a press release or provide any information for public consumption regarding its participation in this procurement.
2. After tentative award, Respondents must receive prior written approval from HHSC before issuing a press release or providing information for public consumption regarding its participation in the procurement.
3. Requests should be directed to the designated HHSC Point of Contact (see [Section 3.5.1](#)).

3.14 STATE USE OF IDEAS

1. HHSC reserves the right to use any and all ideas presented in a proposal unless the Respondent presents a valid legal case that such ideas are trade secret or confidential information and identifies the information as such in its proposal.
2. A Respondent may not object to the use of ideas that are not the Respondent's intellectual property and so designated in the proposal that:
 - a. Were known to HHSC before the submission of the proposal,
 - b. Were in the public domain through no fault of HHSC, or
 - c. Became properly known to HHSC after proposal submission through other sources or through acceptance of the proposal.

3.15 ADDITIONAL RESPONDENT INFORMATION

1. By submitting a Proposal, the Respondent:
 - a. Grants HHSC the right to obtain information from any lawful source regarding the Respondent's and its directors, officers, and employees:
 - 1) Past business history, practices, and conduct;
 - 2) Ability to supply the goods and Services; and
 - 3) Ability to comply with Contract requirements.
 - b. Generally, releases from liability and waives all claims against any party providing HHSC information about the Respondent.
2. HHSC may take such information into consideration in evaluating offers.

3.16 USE OF SUBCONTRACTORS

1. Subcontractors providing services under the Contract will meet the same requirements and level of experience as required of the awarded Contractor.
2. No Subcontract under the Contract will relieve the awarded Contractor of the responsibility for ensuring the requested Services are provided.
3. An awarded Contractor planning to Subcontract all or a portion of the Work to be performed will identify the proposed Subcontractors.

[* THIS SPACE INTENTIONALLY BLANK. *]

ARTICLE IV. SOLICITATION RESPONSE EVALUATION AND AWARD PROCESS

4.1 EVALUATION CRITERIA

4.1.1 Conformance with State Law

Solicitation Responses from qualified Respondents will be evaluated in accordance with

1. Texas Administration Code (TAC) Title 1, Part 15, Chapter 391, using a formal evaluation process to select the successful proposal, and will consider capabilities or advantages that are clearly described in the RFO;
2. Texas Government Code Sections 2155.074, 2155.144, 2156.007, and 2157.003 obligate HSHC to purchase goods and services based on best value, as applicable.

HHSC will not be obligated to accept the lowest priced Solicitation Response but will make an award to the Respondent that provides the best value to the State of Texas.

4.1.2 Minimum Qualifications

Respondents must meet the following:

1. Solicitation 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 HHSC;
2. Respondents must have recently been in business for a minimum of five (5) years, or the principals/owners must have had recent ownership/executive management experience in a previous company that provided an RMS System with a web-based automated RMS Data Collection Service;
3. Respondents will have demonstrated experience in RMS Systems with a web-based automated RMS Data Collection Service;
4. Respondents must be financially solvent and adequately capitalized; and
5. Respondent must be authorized to do business in the State of Texas.

4.1.3 Specific Criteria

1. Scoring criteria will be assigned for various cost and functional categories, with each of these categories assigned a weight between zero percent (0%) and one hundred percent (100%), and the sum of all categories equaling one hundred percent (100%) of the total evaluation score.
2. HHSC will evaluate offers based on the following best value criteria for automated information systems or services purchases, listed in order of precedence. See also Exhibit I (Eval Tool Criteria).

Best Value Evaluation Factors	Percentage
1. Technical Requirements	50%
2. Costs	40%
3. Corporate Experience	10%

4.1.4 HHSC Evaluation Process

HHSC will use a formal evaluation process to select the successful Respondent(s):

1. After responses are reviewed for compliance, an HHSC evaluation team will assess compliant offers through a formal evaluation process, based on established best value evaluation criteria.
2. HHSC will consider capabilities or advantages that are clearly described in the proposal, which may be confirmed by oral presentations, site visits, demonstrations, and references contacted by HHSC.
3. Responses will be subjected to a quantitative evaluation described below, by an HHSC evaluation team.
4. HHS Systems defines best value as “*the optimum combination of economy and quality that is the result of fair, efficient, and practical procurement decision-making and which achieves HHSC procurement objectives.*” 1 TAC Part 15, Chapter 391, Subchapter A, Section 391.103(2).
5. 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 Contractor Performance Tracking System (required to review).

4.2 INITIAL COMPLIANCE SCREENING

HHSC will perform an initial screening of all offers received:

1. Unsigned offers and offers that do not include all required exhibits, sections, forms, or attachments may be rejected without further evaluation.
2. In accordance with [Section 3.4 - Informalities](#), HHSC reserves the right to waive minor informalities in a proposal and award Contracts that are in the best interest of the State.
3. Any disparities between the contents of the original printed response and an electronic response will be interpreted in favor of HHSC.
4. Only those offers that are deemed to be in administrative compliance will be evaluated for responsiveness to the State's needs in this RFO.

4.3 COMPETITIVE AND BEST AND FINAL OFFER

HHSC may determine that certain Solicitation Responses are within the competitive range for admission to discussions:

1. If HHSC 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.
2. This field of competition consists of the offers that receive the highest or most satisfactory evaluations.
3. HHSC may, in the interest of administrative efficiency, place reasonable limits on the number of Solicitation Responses that will be included in the competitive range.
4. HHSC may use this range to award multiple Contracts or as a basis to request a best and final offer (BAFO) from Respondents. HHSC, at its discretion, may 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.

5. If BAFOs are requested by the System Agency and submitted by the Respondent, they will be put through a 2nd round of evaluation using the stated Evaluation Criteria (Exhibit I), scored, and ranked by the evaluation committee. The System Agency reserves the right to conduct more than one BAFO. The award will then be granted to the highest scoring Respondent. However, a Respondent should provide its best offer in its original proposal. Respondents should not expect or assume that the System Agency will request a BAFO.

4.4 ORAL PRESENTATIONS AND SITE VISITS

HHSC reserves the right to require an oral presentation from any or all Respondents to make a determination for award recommendation, and may, at its sole discretion, request oral presentations, site visits, and/or demonstrations from one or more Respondents admitted to the field of competition. If HHS chooses to exercise their right for Oral Presentations and/or Site Visits, an evaluation tool comparable to Exhibit I would be developed in relation to the event's unique features, specific for the presentation or site visit, and published as an addendum to the solicitation when provided to Qualified Respondents.

4.4.1 Oral Presentations

HHSC will notify selected Respondents of the time and location for these activities. Respondents will be provided with advanced notice of any such oral presentation(s) and are responsible for their own presentation equipment. Advanced notice will include an agenda for the oral presentation specifying the areas expected to be elaborated on or presented by the Respondent in its presentation. The Respondent's oral presentation, site visit, and/or demonstration must substantially represent material included in the written proposal and should not introduce new concepts or offers unless specifically requested by HHSC. HHSC is not responsible for any costs incurred by the Respondent in preparation for any oral presentation. **Failure to participate in the requested presentation may eliminate a Respondent from further consideration.**

4.4.2 Site Visits

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

HHSC RESERVES THE RIGHT TO ASK ADDITIONAL QUESTIONS DURING ORAL PRESENTATIONS, SITE VISITS, AND/OR DEMONSTRATIONS - TO CLARIFY THE SCOPE AND CONTENT OF THE WRITTEN PROPOSAL.

4.5 QUESTIONS OR REQUESTS FOR CLARIFICATION BY THE SYSTEM AGENCY

HHSC may, but is not required to, conduct discussions with all, some, or none of the Respondents admitted to the field of competition to obtain the best value for HHSC. HHSC may conduct discussions for the purpose of Obtaining clarification of proposal ambiguities, requesting modifications to a proposal, and/or obtaining a BAFO. HHSC may make an award prior to the completion of discussions with all Respondents admitted to the field of competition, if HHSC determines that the award represents best value to the State of Texas.

HHSC 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.

4.6 DELIVERABLES SPECIFICATIONS

1. Deliverables must be provided on the dates specified; any changes to the delivery date must have prior written-approval by the HHSC Contract Manager or designate.
2. All Deliverables must be submitted in a format approved by the HHSC designate.
3. If the Deliverable cannot be provided within the scheduled time frame, the awarded Contractor is required to contact the HHSC designate in writing with a reason for the delay and the proposed revised schedule; the request for a revised schedule must include impacts on related tasks and the overall project.
4. A request for a revised schedule must be reviewed and approved by the HHSC designate before placed in effect; Contract terms and conditions may dictate remedies, associated costs, and other actions based on the facts related to the request for a revised schedule.
5. HHSC will complete a review of each submitted Deliverable within ten (10) business days from the date of receipt.

4.7 AWARD

1. PCS executes awards per Texas Administration Code Title 1, Part 15, Chapter 391.¹⁶
2. PCS may make no contract award, if no offer received is acceptable, as well as the right to make a partial award to a qualified Respondent including some, but not all, of the product and/or Services Deliverables.
3. PCS reserves the right to separate Deliverables and award them to different qualified Respondents.
4. PCS reserves the right to request additional products and services from the awarded Contractor to be performed at a fixed rate proposed by the awarded Contractor in its response and incorporated into the Contract:
 - a. A payment schedule for the awarded Contractor's successful products and services will be negotiated with the awarded Contractor;
 - b. Payments will be contingent upon performance targets as defined in the Respondent's proposed template, as negotiated and mutually agreed upon prior to final award and as agreed to in the negotiated and signed Contract.
5. All dates are subject to change, at HHSC's discretion.
6. For procurements over \$25,000.00, awards will be posted on the Electronic State Business Daily (ESBD) – per state statute and rule,¹⁷ and also on the HHS Systems [Doing Business with HHS](#) → [Contracting with HHS](#) → [Contracts Awarded by HHS](#) website.¹⁸

¹⁶ 1 TAC Pt. 15, Ch. 391: [https://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=4&ti=1&pt=15&ch=391](https://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=1&pt=15&ch=391)

¹⁷ Citations: Tex. Gov't Code § 2155.083(a); 34 TAC Pt. 1, Ch. 20, Subch. B, Div. 2, § 20.109(c).

¹⁸ HHSC Reference: <https://contracts.hhs.texas.gov/>

ARTICLE V. NARRATIVE/TECHNICAL OFFER

Offers must contain the following context:

5.1 NARRATIVE OVERVIEW

5.1.1 Executive Summary

Provide a high-level overview of the approach to meeting the requirements as presented. The summary must demonstrate an understanding of HHSC's goals and objectives for this Solicitation.

5.1.2 Project Work Plan

Describe the proposed processes and methodologies for providing all components of the Scope of Work as described, including the Respondent's approach to meeting the Project schedule. Respondent should 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.

5.1.3 Value-Added Benefit

Describe any service or deliverables that are not required by this Solicitation that the Respondent proposes to provide at no additional cost to HHSC. Respondents are not required to propose value-added benefits, but inclusion of such benefits may result in a more favorable evaluation.

5.1.4 Key Staffing Profile

Respondent must provide a key staffing profile and resumes for staff that will be responsible for the performance of the Services requested under this Solicitation.

5.2 OFFER REQUIRED CONTENT

5.2.1 Part 1 - Business Proposal

The business proposal must include the following sections:

1. Section 1 - Executive Summary
 - a. In this section, condense and highlight the content of the business proposal to provide HHSC with a broad understanding of the Respondent's approach to meeting the RFO's business requirements.
 - b. The summary must demonstrate an understanding of HHSC's goals and objectives for this procurement.
2. Section 2 - Corporate Background and Experience

This section details the Respondent's corporate background and experience. If the Respondent proposes to use Subcontractor(s), it must describe any existing or ongoing relationships with the Subcontractor(s), including project descriptions. The section should include the following information:

- a. Corporate Background and Experience: Describe the Respondent's corporate background as it relates to projects similar in scope and complexity to the Project described in this RFO.

- b. **References:** Include a description and at least three (3) references from projects performed within the last five (5) years that demonstrate the Respondent's ability to perform the Scope of Work described in the RFO.
 - 1) Include contract dates and contact information (customer points of contact, address, telephone number and email address).
 - 2) The Respondent must explain whether it performed the work as the awarded Contractor or its Subcontractor.
 - 3) If the Respondent performed the work as a Subcontractor, the Respondent must describe the scope of subcontracted activities.
- c. **Subcontractors:** If the proposal includes the use of Subcontractors, include a similar description of each Subcontractor's corporate background and experience.
- d. **Resumes:** Identify and describe the Respondent's and its Subcontractor's proposed labor skill set and provide resumes of all proposed key personnel (as defined by the Respondent).
 - 1) Resumes must demonstrate experience germane to the position proposed.
 - 2) Resumes should include work on projects cited under the Respondent's corporate experience, and the specific functions performed on such projects.
 - 3) Each resume should include at least three (3) references from recent projects.
 - 4) References may not be the Respondent's or Subcontractor's employees.
- e. **Bonding:** HHSC reserves the right to require the awarded Contractor to procure one or more performance, fidelity, payment or other bond if, during the term of the Contract, HHSC in its sole discretion determines that there is a business need for such requirement.

3. Section 3 - Project Work Plan

Describe the Respondent's proposed processes and methodologies for providing all components of this RFO's ARTICLE 2 - SCOPE OF WORK / SPECIFICATIONS as described, including the Respondent's approach to meeting the project schedule.

4. Section 4 - Value-added Benefits

Describe any services or deliverables that are not required by the RFO that the Respondent proposes to provide at no additional cost to HHSC. Respondents are not required to proposed value-added benefits, but inclusion of such benefits may result in a more favorable evaluation.

5. Section 5 – Assumptions

State any business, economic, legal, programmatic, or practical assumptions that underlie the Respondent's response to the business proposal. HHSC reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into the Contract resulting from this RFO are deemed rejected by HHSC.

6. Section 6 – Appendices

Respondents are not required to submit appendices to the business proposal.

7. Section 7 - Certifications and Other Required Forms

See Section 6.6.1 - Required Documentation for the full list of forms. HHSC encourages Respondents to carefully review all of these exhibits and submit questions regarding their completion prior to the deadline for submitting questions, in accordance with Section 3.5 - Inquiries.

5.2.2 Part 2 - Technical Proposal

Respondents must provide a detailed description of the proposed technical solution, which must support all business activities and requirements described in the RFO.

The technical proposal must reflect a clear understanding of the nature of the Work undertaken, and must include a detailed descriptions of the proposed system(s) – within the following sections:

1. Section 1 -Technology Architecture

Provide a detailed description of the proposed technology architecture and include one or more diagrams that detail the relationships between key technical components.

2. Section 2 - Capacity Management and System Availability

The awarded Contractor is responsible for delivering a cost-effective, high-availability environment that minimizes the frequency and impact of system failures, reduces downtime, and minimizes recovery time in the event of catastrophic failure.

- a. In this section, provide details on the Respondent's approach to providing a highly available system.
- b. In addition, provide details on the proposed approach to monitoring system performance and use and planning, sizing and controlling the system as capacity needs change.

3. Section 3 - Software and Hardware Components

The Respondent must provide details on the software and hardware components they propose to use in its system.

- a. This includes, but is not limited to, the proposed server topology, specifications for the hardware components, and data storage components.
- b. The Respondent should also include details on the tools and utilities they utilize to design, build, test, deploy, report, monitor, and operate the system and its components.

4. Section 4-- Systems Integration

Describe the Respondent's approach to integrating the proposed system with other information systems.

5. Section 5 - System Administration, Support, and Maintenance

Detail the Respondent's approach to administering the system and system components.

- a. Detail the proposed approach to system support, including the levels of support offered and the process for requesting support.
- b. In addition, provide a summary of the Respondent's proposed strategy for maintaining and repairing the system.

6. Section 6 - System Security and Disaster Recovery

Detail on the Respondent's approach to security architecture, including the development and implementation measures that will provide security and protection for the system.

- a. Describe the proposed backup and recovery processing approach, and proposed virus protection strategy.
- b. Describe the Respondent's general approach to re-establishing operations in the event of a catastrophe, as well as its approach to providing HHSC with a disaster recovery plan.
- c. Provide specifications on any hardware and software components utilized by the proposed security and disaster recovery solutions.

7. Section 7 - Performance Monitoring and Management

Describe the Respondent's proposed methodology for monitoring and reporting system performance, as well as the Respondent's proposed approach to technology management.

- a. This includes the methods for centrally managing system resources such as servers, backup, archiving, and recovery equipment, databases and applications.
- b. Address methods for auditing, tracing and scanning the system.
- c. Provide details on the use of specialized tools the Respondent will use to automate and track monitoring and management activities.

5.2.3 Part 3 - Costs Proposal

Section 5.2 – Offer Required Content includes the details for submitting costs offers:

1. Respondents must use this format for their costs offers and place it in a separate, sealed package, clearly marked with the Respondent's name, the RFO number, and the RFO submission date.
2. Respondents must base their costs offers on the Scope of Work, as described.
3. This section should include any business, economic, legal, programmatic, or practical assumptions that underlie the costs proposal.
4. HHSC reserves the right to accept or reject any assumptions.
5. All assumptions not expressly identified and incorporated into the Contract resulting from this RFO are deemed rejected by HHSC.
6. Respondents must separately identify value-added benefits, costs-savings and costs-avoidance methods and measures, and the effect of such methods on the costs proposal and Scope of Work.

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 as requested, 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 the Scope of Work, focusing on its company's key strengths and competitive advantages.

6.1.2 Company Profile

Provide a company profile to include:

1. 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.
2. If Respondent is an affiliate of, or has a joint venture or strategic alliance with, another company, the Respondent must identify the percentage of ownership and the percentage of the parent's ownership:
 - a. The entity performing the majority of the Work under a Contract, throughout the duration of the Contract, must be the primary bidder.
 - b. Provide 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.
3. 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.
4. The location of company headquarters and any field office(s) that may provide services for any resulting Contract under this Solicitation.
5. The number of employees in the company, both locally and nationally, and the location(s) from which employees will be assigned.
6. The name, address, and telephone number of Respondent's point of contact for any resulting Contract under this Solicitation.
7. 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.
8. **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 will 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 will include:

1. Client name;
2. Contract/project description;
3. Total dollar amount of contract/project;
4. Key staff assigned to the referenced contract/project that will be designated for work under this Solicitation; and
5. Client contract/project manager name, telephone number, fax number and email address.

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.

1. Respondent must indicate whether or not Respondent holds any financial interest in any major Subcontractor.
2. 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

1. Respondent must include in its Solicitation Response a complete disclosure of any alleged or significant contractual failures within Exhibit F (*Vendor Information and Disclosures*).
2. In addition, Respondent must disclose any civil or criminal litigation or investigation over the last five (5) years that involves Respondent or in which Respondent has been judged guilty or liable including any allegations of such that are currently pending.
3. Respondent must also disclose any settlement agreements entered into in the last five (5) years related to alleged contractual failures.
4. Solicitation Response may be rejected based upon Respondent's prior history with the State of Texas or with any other party that demonstrates, without limitation, unsatisfactory performance, adversarial or contentious demeanor, or significant failure(s) to meet contractual obligations.
5. **Failure to comply with the terms of this provision may disqualify Respondent.**

6.5 CONFLICTS

1. Respondent must certify that it does not have any personal or business interests that present a conflict of interest with respect to the RFO and any resulting Contract: see Exhibit F (*Vendor Information and Disclosures*).
2. Additionally, if applicable, the Respondent must disclose all potential conflicts of interest.

3. 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.
4. HHSC will determine to what extent, if any, a potential conflict of interest can be mitigated and managed during the term of the Contract.
5. Failure to identify actual and potential conflicts of interest may result in disqualification of a Solicitation Response or termination of a Contract.
6. Respondents must include any activities of affiliated or parent organizations and individuals who may be assigned to this Contract, if any.
7. Additionally, pursuant to Texas Government Code Section 2252.908,¹⁹ a successful Respondent awarded a Contract greater than \$1 million dollars or awarded a Contract that would require the successful Respondent to register as a lobbyist under Texas Government Code, Chapter 305 must submit a disclosure of interested parties form to the System Agency at the time the awarded Contractor submits the signed Contract.
8. Rules and filing instructions may be found on the Texas Ethics Commission's public website,²⁰ and additional instructions will be given by HHSC to successful Respondents.

6.6 ASSURANCES, CERTIFICATIONS, AND STANDARDS COMPLIANCE

6.6.1 Required Documentation

By entering a Contract with an HHS System, the awarded Contractor and their Subcontractors agree to comply with and complete the following HHSC required documentation. These documents will be incorporated into the Contract as attachments to the signature packet with the awarded Contractor, as applicable:

1. Exhibit A: Respondent Affirmations and Solicitation Acceptance
2. Exhibit D-1: HHS Data Use Agreement (DUA) (Version 8-5 – 08/08/19)
3. Exhibit D-2: Attachment 2 to DUA, HHS Security and Privacy Inquiry (SPI) (Version 2-1 - 06/2018)
4. Exhibit E: Exceptions Form, if applicable
5. Exhibit F: Vendor Information and Disclosures
6. Exhibit H-1: HUB Subcontracting Plan (HSP)
7. Exhibit H-2: HSP Quick Checklist (HSP Attachment 1)

(NOTE: DUA Frequently Asked Questions are published on the HHS [Doing Business with HHS > Contracting with HHS](#) webpage)²¹

¹⁹ Reference: <https://statutes.capitol.texas.gov/Docs/GV/htm/GV.2252.htm>

²⁰ Reference: <https://www.ethics.state.tx.us/>

²¹ Reference: <https://hhs.texas.gov/doing-business-hhs/contracting-hhs>

6.6.2 HHSC Standards Compliance

By entering a Contract with an HHS Systems, the awarded Contractor and their Subcontractors agree to comply with the following HHSC standards, as applicable:

1. Exhibit B (*HHSC Uniform Terms and Conditions – Vendor, Version 2.15*), as applicable.
2. Exhibit C (*HHSC Special Conditions, Version 1.2*), as applicable.
3. Exhibit J (HHS Information Security and Privacy Requirements), as applicable.
4. All Work associated with this Solicitation must be performed within the United States of America, with the Project being conducted in Austin, Texas.
5. Any onsite work must be performed during normal business hours, 8:00 AM until 5:00 PM Central Time, or times approved and/or requested by HHSC.
6. Communications with HHSC and the awarded Contractor will be through electronic mail, conference calls, scheduled meetings, and other appointments as mutually agreed upon.

6.7 CORPORATE GUARANTEE

If the Respondent is substantially or wholly owned by another corporate (or other) entity, HHSC reserves the right to request that such entity unconditionally guarantee performance by the Respondent in each and every term, covenant, and condition of the Contract as executed by the Parties.

6.8 HUB SUBCONTRACTING PLAN

Respondents are to submit one (1) copy of the HUB Subcontracting Plan (HSP), in accordance with the RFO, in a separate sealed envelope, with the RFO submission [labeled: HUB Subcontracting Plan (HSP)]. Include all supporting documentation in accordance with Exhibit H-1 (*HSP*), and Exhibit H-2 (*HSP Attach 1 – HSP Quick Checklist*). In addition, submit one (1) electronic copy of the HSP on a portable media, such as a flash drive, compatible with Microsoft Office 2010 or Adobe PDF.

6.9 OTHER REPORTS

6.9.1 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.

6.9.2 Financial Capacity and Annual Report Information

Respondent must submit annual reports, to supply evidence of financial stability sufficient to demonstrate reasonable stability and solvency appropriate to the requirements of this procurement. Respondents must submit a current financial statement plus two (2) years of audited financial reports including all supplements, management discussion and analysis, and auditors' opinions. At a minimum, such financial statements and reports must include a balance sheet, statement of income and expense, statement of changes in financial position, cash flows, and capital expenditures.

If the Respondent is a corporation that is required to report to the Securities and Exchange Commission, Respondent must submit its two most recent SEC Forms 10K, Annual Reports pursuant to Section 13 or 15(d) of the **Securities Exchange Act of 1934**. Financial materials may be submitted electronically in word searchable PDF format.

If audited financial statements are not available, the Respondent must supply sufficient evidence to demonstrate reasonable stability and solvency appropriate to the requirements of this procurement. HHSC will review unaudited financial information submitted by a Respondent and any other information that a Respondent believes meets the requirements of this section.

If the submitted documents do not provide adequate assurance of financial stability or solvency, HHSC reserves the right to request additional information or to disqualify Respondent. If any change in ownership is anticipated during the twelve (12) months following the Proposal due date, the Respondent must describe the circumstances of such change and indicate when the change is likely to occur.

[* THIS SPACE INTENTIONALLY BLANK. *]

ARTICLE VII. COSTS AND PRICING

7.1 PRICE OFFER

Respondents will enter their price offer in the price offer templates below:

1. In formatting the price offer form, first (1st) year cost assumptions were made that are listed below.
2. If the Respondent's price offer is based on other assumptions, the Respondent will describe those differences and make adjustments to the price offer form as needed:
 - a. The first (1st) year price offer must include start up, training, usage, and maintenance costs.
 - b. Training will be for at least five (5) system administrators; this is an estimate and may change before a Contract is signed.
 - c. Usage and maintenance costs shall pertain to all programs (Projects) samples and phone minutes.
 - d. System shall allow unlimited number of read-only users to access the system at no cost.
3. The assumptions for the 2nd through 4th Year Costs are that the Contract will be renewed annually.

7.2 PRICE OFFER TEMPLATES

7.2.1 General Information

Request for Offer:	
Company Name:	
Pricing Contact Name:	
Title:	
Phone Number:	
Email:	

7.2.2 First (1st) Year Costs

Qty	Description	Unit Price	Extended Price
	Start up: training and development of the interfaces for Microsoft products, and system documentation.		
	Usage and maintenance for all programs (projects) consisting of not more than 16,000 samples per quarter.		
<i>Total</i>			

7.2.3 Second (2nd) Through Fourth (4th) Year Costs

Qty	Description	Unit Price	Extended Price
	Second (2 nd) Year Usage and Maintenance Cost		
	Third (3 rd) Year Usage and Maintenance Cost		
	Fourth (4 th) Year Usage and Maintenance Cost		
<i>Total</i>			

7.3 COST PROPOSAL CLARIFICATION

As noted above, cost information must not be included with the Respondent's Business and Technical Offers – Parts 1 and 2. Respondent must submit a separate cost proposal for the services listed in Article 2 - Scope of Work / Specifications, as detailed in Section 5.2.3 - Part 3: Costs Proposal.

The cost proposal provided is necessary to provide the products and Services according to the minimum specifications, requirements, provisions, terms, and conditions set forth in this in this Solicitation and will include all:

- equipment
- labor
- materials
- personnel
- supplies
- tools

including, but not limited to:

- associated costs
- incidental costs
- travel expenses

7.4 PAYMENTS

The first (1st) year payment will be authorized by HHSC after access to the RMS System is provided, system administrator and end user training is complete, and HHSC has had an additional time period of no more than ten (10) business days to verify the functionality of the system:

1. Payment will be made upon subsequent receipt of an invoice for the authorized amount, pursuant to the Texas Government Code Chapter 2251²² (*also known as the Texas Prompt Payment Act*).
2. The unit price for each specified agreed-upon Deliverable will be established prior to the beginning of the RFO term and may be renegotiated annually during the Contract renewal process if mutually agreed upon by the Parties.
3. Once unit prices are established for the HHS Systems State Fiscal Year, those prices may not increase during the State Fiscal Year.
4. Prices may be decreased during the State Fiscal Year, if agreed upon by the HHS Systems Agency and the awarded Contractor.
5. Provided that the awarded Contractor is not in breach of the Contract, HHSC reserves the option to pay the awarded Contractor hourly billed rates, as mutually agreed upon prior to the commencement of the issuance of the purchase order for the Contract.
6. Respondents must provide the cost and pricing details as associated with this RFO.
7. The Respondents may provide volume discounts for consideration, if applicable.

7.5 DISPUTED AMOUNTS

HHSC may withhold payment of any charges that it disputes in good faith and may set-off amounts the awarded Contractor owes HHSC as credits against charges payable to the awarded Contractor under the Contract.

²² Tex. Gov't Code Ch. 2155: <https://statutes.capitol.texas.gov/Docs/GV/htm/GV.2251.htm>

ARTICLE VIII. GENERAL TERMS AND CONDITIONS

8.1 GENERAL CONDITIONS

8.1.1 Solicitation Amendment

HHSC 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 will be binding for a period of two hundred and forty (240) days after the due date for submission of Solicitation Responses. Each Respondent may extend the time for which its Solicitation Response will be honored. Upon Contract execution, prices agreed upon by the awarded Contractor(s) are an irrevocable offer for the term of the Contract and any Contract renewals or extension(s). No other costs, rates, or fees will be payable to the Respondent, unless expressly agreed upon in writing by HHSC.

8.1.3 Costs Incurred

Respondents understand the issuance of this Solicitation in no way constitutes a commitment by HHSC to award a Contract or to pay any costs incurred by a Respondent in the preparation of a response to this Solicitation. HHSC 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

HHSC will look solely to awarded Contractor for the performance of all contractual obligations that may result from an award based on this Solicitation. The awarded Contractor will not be relieved of its obligations for any nonperformance by its Subcontractors.

8.1.5 General Requirement for the Release of Proposals

Solicitation Responses are subject to the Texas Public Information Act (PIA or “the Act”), 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.

Amendments to the PIA passed during the 86th Legislative Session, specifically making “contracting information” public information that must be disclosed in response to a public information request unless otherwise excepted by the Act. S.B. 943, Acts 2019, 86th Leg., R.S. (to be codified as Tex. Gov’t Code §§ 552.003(7), 552.0222). Legislative bills are available on the Texas Legislature Online website: <https://capitol.texas.gov/Home.aspx>.

In addition, pursuant to Texas Government Code Section 2261.253(a), HHSC is required to post executed contracts and the associated solicitation documents on the agency website. Contract documents posted to the web may include the Solicitation Response of any Respondent receiving a Contract.

HHSC does not have authority to agree that any information submitted will not be subject to disclosure. Disclosure is governed by the PIA. Respondents are advised to consult with their legal counsel concerning disclosure issues resulting from this process and to take precautions to safeguard trade secrets and proprietary or otherwise confidential information. If it is necessary for Respondent to include proprietary or confidential information (*which may include, but is not limited to, trade secrets or privileged information*), Respondent must clearly mark in bold red letters the term “CONFIDENTIAL” using at least fourteen (14) point font, on that specific part or page of the submittal which Respondent believes to be confidential. All submittals and parts of submittals that are not marked confidential will be automatically considered to be public information. Should trade secrets or proprietary or otherwise confidential information be included in the submitted electronic copy, the content should be marked in the same manner as the original as stated above. In addition, Respondent should mark the medium with the word “CONFIDENTIAL.” If HHSC receives a public information request seeking information marked by Respondent as confidential, Respondent will receive notice of the request as required by the Texas Public Information Act.

If HHSC receives a public information request for submittals and parts of submittals that are not marked confidential, the information will be disclosed to the public as required by the Texas Public Information Act. Note that pricing is not generally considered confidential under the Texas Public Information Act. Merely making a blanket claim that the entire Solicitation Response is protected from disclosure because it contains any amount of proprietary or confidential information is not acceptable and may make the entire Solicitation Response subject to release under the PIA.

8.1.6 State and Federal Taxes

Purchases made for state use are exempt from the Texas states sales tax, and certain purchases are exempt from federal excise tax. Tax Exemption Certificates are available upon request.

8.2 INSURANCE

8.2.1 Required Coverage

For the duration of any Contract resulting from this Solicitation, Respondent will acquire insurance, bonds or both, with financially sound and reputable independent insurers, in the type and amount listed on Exhibit G (Insurance). Failure to maintain insurance coverage or acceptable alternative methods of insurance will be deemed a Breach of Contract.

8.2.2 Alternative Insurability

Notwithstanding the preceding, HHSC reserves the right to consider reasonable alternative methods of insuring the Contract in lieu of the insurance policies customarily required. It will be the Respondent's responsibility to recommend to HHSC alternative methods of insuring the Contract. Any alternatives proposed by Respondent should be accompanied by a detailed explanation regarding Respondent's inability to obtain the required insurance and/or bonds. HHSC will be the sole and final judge as to the adequacy of any substitute form of insurance coverage.

8.3 PROTESTS

Title 1 of the Texas Administrative Code, Part 15, Chapter 391, Subchapter D, Protests, outlines the protest procedures for this procurement. These rules provide a formal protest procedure to be used by any Respondent who is allegedly aggrieved in connection with the solicitation, evaluation, or award of a contract by HHSC.

ARTICLE IX. SUBMISSION CHECKLIST

This checklist is provided for Respondent's convenience only and identifies content as requested in this Solicitation.

Original Solicitation Response Package

The Solicitation Package must include the "Original" Solicitation Response in hard-copy consisting of two parts described in detail below, each under separate cover but packaged together and clearly labeled "Original" on each.

1. Proposal and Respondent Information

- | | |
|--|----------------|
| a. Part 1 - Business Proposal | Section 5.2.1 |
| b. Part 2 - Technical Proposal | Section 5.2.2 |
| c. Company Information | Section 6.1 |
| d. References | Section 6.2 |
| e. Major Subcontractor Information | Section 6.3 |
| f. Litigation and Contract History | Section 6.4 |
| g. Conflicts | Section 6.5 |
| h. Assurances, Certifications, and Standards Compliance | Section 6.6 |
| i. Respondent Noted Exceptions, Reservations, or Limitations | Sections 3.6.5 |
| j. Respondent Noted Assumptions | Sections 3.6.6 |
| k. Corporate Guarantee | Section 6.7 |

2. Costs

- | | |
|----------------------------|---------------|
| a. Costs and Pricing | Article 7 |
| b. Part 3 – Costs Proposal | Section 5.2.3 |

3. HUB Subcontracting Plan

Section 6.8, Exhibits
H-1 & H-2

Copies to be provided - all clearly labeled as "**Copy**"

- | | |
|----------|--|
| <u>1</u> | Hard copies of Business & Technical Offers as noted above. |
| <u>1</u> | Hard copies of Cost Proposal as noted above. |
| <u>1</u> | Hard copies of HUB Subcontracting Plan (HSP) as noted above. |
| <u>1</u> | Electronic copies of Business & Technical Offers in searchable PDF on individual USB Drives. |
| <u>1</u> | Electronic copy of Cost Proposal in Excel Format with active formulas on a USB Drive. |
| <u>1</u> | Electronic copy of HUB Subcontracting Plan (HSP) in Excel Format with active formulas on a USB Drive. |

SEE SECTION 6.6.1 - REQUIRED DOCUMENTATION FOR LIST OF DOCUMENTS TO BE INCORPORATED INTO THE CONTRACT AS ATTACHMENTS TO THE SIGNATURE PACKET WITH THE AWARDED CONTRACTOR.

NOTE ON USB DRIVES

THE USB DRIVE MUST BE LABELED WITH THE FOLLOWING INFORMATION:

- (1) *Bidder/Respondent/Applicant Name*
 - (2) *Solicitation Number*
 - (3) *Date and Time Offers Due*
-

ARTICLE X. LIST OF NOTED RFO EXHIBITS

Exhibit	Description	File Name Reference
A	Affirmations and Solicitation Acceptance, HHSC Version 1.5	HHS0004486 RMS System RFO Exhibit A (AAaSA v1-5)
B	HHSC Uniform Terms and Conditions – Vendor, Version 2.15	HHS0004486 RMS System RFO Exhibit B (HHSC UTCs v2-15)
C	HHSC Special Conditions, Version 1.2	HHS0004486 RMS System RFO Exhibit C (HHSC SpecCon v1-2)
D-1	HHS Data Use Agreement, Version.8.5	HHS0004486 RMS System RFO Exhibit D-1 (DUA v8-5)
D-2	Security and Privacy Inquiry (SPI) Texas HHS System -Data Use Agreement -Attachment 2 SPI Version 2.1 (06/2018)	HHS0004486 RMS System RFO Exhibit D-2 (DUA A-2, SPI)
E	Exceptions Form	HHS0004486 RMS System RFO Exhibit E (Exceptions Form)
F	Vendor Information and Disclosures	HHS0004486 RMS System RFO Exhibit F (VIaD)
G	Insurance Requirements	HHS0004486 RMS System RFO Exhibit G (Insurance)
H-1	HUB Subcontracting Plan (HSP)	HHS0004486 RMS System RFO Exhibit H-1 (HSP)
H-2	HSP Quick Checklist (HSP Attachment 1)	HHS0004486 RMS System RFO Exhibit H-2 (HSP_A-1)
I	Evaluation Tool Criteria Sheet	HHS0004486 RMS System RFO Exhibit I (Eval Tool Criteria)
J	HHS Information Security and Privacy Requirements	HHS0004486 RMS System RFO Exhibit J (InfoSec-Privacy Reqs)
K	Key Performance Measures & Liquidated Damages	HHS0004486 RMS System RFO Exhibit K (KPMs and LDs)

Attachment 1: Change Request Form Example

Date:							
Project Name/Number:							
Customer:							
Purchase Order Number:							
Change Request Number:							
Change Requested by:							
Description of Change/Issue:							
Reason for Change/Need for Resolution (<i>Include Benefits</i>):							
Importance:		Essential		Highly Desirable		Low Priority	
Action Required to Implement Change:							
Affected Deliverables (Products, Services, and/or Milestones), Projects, or Tasks:							
Expected Costs and Timescale:							
Effect on Schedule:		Extension		Increase/Reduce		No Effect	
Decision:							
Accepted / Rejected		Contractor Representative:				Date:	
Accepted / Rejected		Agency Representative:				Date:	

