



TEXAS
Health and Human
Services

Cecile Young, Executive Commissioner

Request for Proposals (RFP)
For Document Processing Services

RFP No. HHS0007333

Date of Release: August 25, 2020

Responses Due: September 16, 2020 2:00PM CST

- 920-22 *Data Preparation and Processing Services,
Including Bates Coding
- 920-38 Optical Scanning Service
- 962-69 Personnel Services, Temporary
- 204-88 Scanners, Document: Handheld, Desktop and
High Volume

(* Automated Information Systems (AIS))

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ARTICLE I. EXECUTIVE SUMMARY, DEFINITIONS, AND AUTHORITY

1.1 EXECUTIVE SUMMARY

The Health and Human Services Commission (“**HHSC**”) seeks qualified Respondents to provide Document Processing Services (“**DPS**”). Services must be provided in accordance with the specifications contained in this Request for Proposal (“**RFP**”) and within **Exhibit C Contract Requirements**.

To be considered for award, Respondents must execute **Exhibit A Affirmations and Solicitation Acceptance** and **Exhibit B Federal Assurances Non-Construction** and **Exhibit B1 Certification Regarding Lobbying** of this Solicitation and provide all other required information and documentation as set forth in this Solicitation.

1.2 DEFINITIONS

As used in this Solicitation, unless the context clearly indicates otherwise, the following terms and conditions have the meanings assigned below. Refer to **Exhibit D HHSC Uniform Terms and Conditions** for additional definitions.

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

“**BAFO**” means Best and Final Offer; term used in bids to indicate that no further negotiation on the amount or terms.

“**CBO**” means Community Based Organization; Organization providing assistance to an applicant applying for and enrolling in state-funded programs by aiding in the application process and seeking answers to case inquiries.

“**CHIP**” means Children’s Health Insurance Program.

“**CMQ**” means Contract Monitoring Questionnaire

“**Consumer**” means a member of the target population to be served by the Respondent’s organization.

“**Contractor**” means the Party selected to provide the goods or services under this Contract, if any.

“**CPP**” means Community Partner Program.

“**DPS**” means Document Processing Services.

“**DPC**” means Document Processing Center

“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.

“KPR” means Key Performance Requirement

“Procurement Library” means the procurement documents to provide additional information in support of a fully executed Contract, as a result of this procurement.

“Project” means specific activities of the Contractor that are supported by funds provided under a Contract resulting from this Solicitation.

“PHI” means protected health information.

“Respondent” means the entity responding to this Solicitation. May also be referred to in that context as “Applicant.”

“Solicitation” or “RFP” means this “Request for Proposals” 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.

“State Action Request” or “SAR” means the formal communication from HHSC to Contractor.

“Successful Respondent” means an entity that is selected as an Apparent Awardee and executes a contract to receive an award as a result of this RFP.

“Supplemental Nutrition Assistance Program” or “SNAP” means a federal nutrition Program, which provides nutrition benefits to supplement the food budget of families in need, so they can purchase healthy food and move towards self-sufficiency.

“System Agency” means Health and Human Services (HHS), its officers, employees or authorized agents.

“TANF” means Temporary Assistance for Needy Families.

“TIERS” means Texas Integrated Eligibility and Redesign System

“Vendor Action Request” or “VAR” means the formal communication from the Contractor to HHSC.

1.3 AUTHORITY

The System Agency is soliciting the services listed herein under the following Texas Government Code Title 4, Subtitle 1, Chapter 531, Sub Chapter A:

Section 531.002 of the Government Code directs System Agency to be responsible for ensuring the delivery of state health and human services in a manner that:

- A. Uses an integrated system to determine client eligibility;
- B. Maximizes the use of federal, state, and local funds; and
- C. Emphasizes coordination, flexibility, and decision-making at the local level.

Section 531.003 (2) of the Government Code describes System Agency’s goals are to provide a system that delivers prompt, comprehensive, effective services to the people of this state by:

- A. Improving access to health and human services at the local level; and
- B. Eliminating architectural, communications, programmatic, and transportation barriers.

Section 531.0055 (b)(2) of the Government Code perform information systems planning and management for the health and human services system under Section 531.0273, with:

- A. The provision of information technology services for the health and human services system considered to be a centralized administrative support service either performed by commission personnel or performed under a contract with the commission; and
- B. An emphasis on research and implementation on a demonstration or pilot basis of appropriate and efficient uses of new and existing technology to improve the operation of the health and human services system and delivery of health and human services;

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ARTICLE II. SCOPE OF WORK

2.1 DESCRIPTION OF SERVICES/STATEMENT OF WORK/SPECIFICATIONS

System Agency's mission objectives for the RFP are to obtain program and operational optimization of eligibility determination for health and human services programs. The mission objectives are to:

- A. Obtain a qualified Respondent to ensure continuous service in the performance and improvement of document processing functions;
- B. Ensure all inbound correspondence is properly imaged within timeframes and correctly uploaded to appropriate systems as described **Exhibit C, Contract Requirements**.
- C. Leverage State investments in facilities, equipment, telephony infrastructure and automation capabilities by proposing a solution that uses and improves utilization of resources available to the State¹; and
- D. Support System Agency's modernization efforts to continuously improve business processes and take advantage of emerging technologies that promote efficiency and improved service delivery.

System Agency continues to modernize the eligibility determination processes that connect Texans to services that include the Children's Health Insurance Program ("CHIP"), Medicaid, Supplemental Nutrition Assistance Program ("SNAP"), Temporary Assistance for Needy Families ("TANF"), and other State and Federal health and human services programs. System Agency's current eligibility system offers individuals access to services through a statewide network of eligibility offices, telephony, mail, fax, and the Internet. System Agency is committed to providing a system that supports completing cases the same day all required documentation is received and to promoting self-service options for Consumers through YourTexasBenefits.com and 2-1-1.

System Agency eligibility staff use an integrated automation system – Texas Integrated Eligibility and Redesign System ("TIERS") – to support the eligibility determination process. TIERS has allowed System Agency to expand Internet and call centers services to provide 24 hours a day, seven days a week self-service options for Consumers, and to utilize other technologies to increase efficiency in the business process.

YourTexasBenefits.com currently allows Texans to submit initial applications and renewals for benefits, upload verifications and other required documentation, create online accounts to view case details, report changes, and print temporary Medicaid identification cards. Other features include giving Consumers the ability to view and receive electronic communications and to receive text reminders. By providing tools to support more self-service options for Consumers, System Agency expects to see staff productivity increase as more Consumers use these options. Furthermore, when Consumers enter application data into YourTexasBenefits.com, the data is pre-populated into TIERS, reducing the time System Agency staff must spend on data entry during the application processing.

1.Note: Throughout the RFP, if a Respondent is required to utilize HHSC equipment, the state in its discretion may nevertheless consider alternative imaging solutions that involve the use of equipment other than the states equipment."

TIERS allow Consumer case files and documentation to be processed and stored electronically. These electronic case files are the foundation of the eligibility business process and allows System Agency to transfer case information between offices and across geographic areas.

System Agency is committed to providing a system that supports completing cases the same day all required documentation is received and to promoting self-service options for Consumers through YourTexasBenefits.com and 2-1-1.

A key component of System Agency's eligibility determination process is the Document Processing Center ("DPC"). To become a part of the electronic case file, all inbound Consumer-related documents sent by mail or overnight courier (rather than directly uploaded online or faxed) must be converted to electronic images and routed through System Agency automation systems. These electronic files enable System Agency to electronically task eligibility work to staff around the State and include essential confidential case information that is assessed prior to a final eligibility decision by System Agency staff. Accurate and timely imaging of these documents is essential to System Agency's goal of providing access to benefits as quickly as possible to Texans that qualify.

The scope of work described in detail in this RFP defines the work to be done by the qualified Respondent to support the work of skilled System Agency State workers in customer care centers, centralized organization units, local and out-stationed office locations, and in staffing other channels that make it easier for the Consumer to apply for benefits and to access services.

2.1.1 Key Performance Requirements and Deliverable

System Agency will monitor the performance of the Contract awarded under this RFP. All services and Deliverables under the Contract must be provided at an acceptable quality level and in a manner consistent with acceptable standards, customs, and practices. The Successful Respondent must ensure services are provided at least at the level established for DPS' approved minimum goals and outcomes. The Successful Respondent must report on key performance requirements and deliverables in accordance to the quality and performance outlined within **Exhibit E Key Performance Requirements** ("KPR"), and **Exhibit F Deliverables** outlined below:

- A. All services and Deliverables provided under any agreement must be provided in a manner consistent with the standards of quality and integrity as outlined in the agreement, the Solicitation, and the Successful Respondent's proposal.
- B. All services and Deliverables must meet or exceed the required level of performance specified in or under any agreement and must meet or exceed System Agency's mission and objectives, as set forth in the Solicitation.
- C. The Successful Respondent must perform the services in a quality manner, in accordance with best practices and high professional standards used in well-managed operations performing services similar to the services described in the agreement.

System Agency formal communication process will be utilized for the submission of all KPRs and Deliverable reports. System Agency provides comments and approval of each report provided in support of this agreement via the formal communication process see **Exhibit C Contract Requirements, Section 2.1. Formal Communication Requirements.**

2.2 CONTRACT AWARD, TERM AND AMOUNT

2.2.1 Contract Award and Execution

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

If, for any reason, a final contract cannot be executed with a Respondent selected for award within 15 days of the System Agency's determination to seek to contract with that Respondent, the System Agency may negotiate a contract with the next highest scoring Respondent or may withdraw, modify, or partially award this Solicitation.

2.2.2 Contract Term

The System Agency shall award one contract for Document Processing Services under this RFP. The initial contract period shall begin April 1, 2021 and continue through April 1, 2024. The System Agency reserves the option to amend the term of the contract for up to two (2) extensions of one (1) year for up to two (2) additional years.

Subject to the availability of funds, the System Agency, at its sole discretion, may extend this Contract for any period(s) of time, provided the Contract term, including all extensions or renewals, does not exceed five (5) years. Notwithstanding the limitation in the preceding sentence, the System Agency, at its sole discretion, also may extend the Contract beyond five (5) years as necessary to ensure continuity of service, for purposes of transition, or as otherwise determined by the System Agency to serve the best interest of the State.

2.2.3 Contract Amount

Historically, HHSC expended **\$6,091,362** million in FY2018 and **\$4,960,090** million in FY2019 for Document Processing Services.

However, notwithstanding the preceding, the System Agency reserves the right to increase this amount if additional state or federal funding become available during the term of the Contract, including any extensions.

2.3 DATA USE AGREEMENT

By entering into a Contract, or purchase order with System Agency, as a result of this Solicitation, Respondent agrees to be bound by the terms of the Data Use Agreement attached as **Exhibit G Data Use Agreement** and **Exhibit G-1 Security and Privacy Inquiry (SPI).**

Contractor shall follow all federal and state rules and regulations as they apply to the disclosure of protected health information (“**PHI**”) obtained from System Agency that is

necessary for the performance of the and audit services, including the Health Insurance Portability and Accountability Act (“**HIPAA**”). Respondent must ensure the reliability and security of the information obtained from System Agency for the performance of the audit services.

2.4 NO GUARANTEE OF VOLUME, USAGE OR COMPENSATION

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

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

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ARTICLE III. ADMINISTRATIVE INFORMATION

3.1 SCHEDULE OF EVENTS

Event	Projected Date	Comments
Solicitation Release	August 25, 2020	Solicitation is released by System Agency /PCS Purchaser.
Deadline for Submitting Questions	September 2, 2020 2:00pm CT	All inquiries must be submitted by email to the designated System Agency /PCS Point of Contact indicated in Section 3.5.1 Point of Contact
System Agency Posts Responses to Vendor Questions	September 9, 2020	See Section 3.5.6 Responses for review of responses to questions regarding the RFP.
Respondent Conference (Mandatory) A Respondent who does not attend the conference is automatically disqualified.	August 28, 2020	See Section 3.5.7 Vendor Conference
Deadline for Submission of RFP Responses NOTE: Responses must be RECEIVED by System Agency by the deadline.	September 16, 2020	Same procedure as original written question submission. Deadline for submission of Solicitation Responses due to PCS by 2 pm Central Time.
Evaluation Period	September 16 - 21, 2020	See Section 4.1 Evaluation Criteria
Anticipated Contract Start Date	April 1, 2021	

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

3.2 CHANGES, AMENDMENT OR MODIFICATION TO SOLICITATION

The System Agency reserves the right to change, amend or modify any provision of this Solicitation, or to withdraw this Solicitation at any time prior to award if it is in the best interest of the System Agency. Any such revisions will be posted such 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 Sole Point of Contact listed in **Section 3.5.1** as soon as possible so corrective Addenda may be furnished to prospective Respondents.

3.4 INFORMALITIES

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

3.5 INQUIRIES

3.5.1 Sole Point of Contact

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

Name: Brad Westbrook
Title: Purchaser
Address: Health and Human Services Commission
1100 W 49th Street; Mail Code 2020
Building S
Austin, TX 78756
Phone: 512-406-2557
Email: Brad.westbrook@hhsc.state.tx.us

See also, **Section 3.5.3** below.

3.5.2 Prohibited Communication

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

3.5.3 Exceptions to the Sole Point of Contact

The only exceptions to the Sole Point of Contact are the HUB coordinator, or, if expressly directed by the Sole Point of Contact, another designated System Agency representative, e.g., during contract negotiations, if any. Should Respondents have questions regarding proper completion of the HUB Subcontracting Plan, the HUB coordinator may be contacted at Cheryl.Bradley@hhsc.state.tx.us.

3.5.4 Questions

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

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

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

3.5.5 Clarification

Respondents must notify the Sole 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 Sole Point of Contact of such issues, the Respondent submits its Solicitation at its own risk, and if awarded a Contract: (1) shall have waived any claim of error or ambiguity in the Solicitation and any resulting Contract, (2) shall not contest the interpretation by any System Agency of such provision(s), and (3) shall not be entitled to additional compensation, relief, or time by reason of ambiguity, error, or later correction.

3.5.6 Responses

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

3.5.7 Vendor Conference

The System Agency will conduct a mandatory pre-submittal vendor conference on August 28, 2020 at 10:00AM Central Time via: https://teams.microsoft.com/#/pre-join-calling/19:meeting_YTNkNTkxNzMtNjBjOS00OThhLTkyZjYtYWZmYmEyZjVhZWVl@thred.ad.v2. The vendor conference is mandatory and failure to attend will result in disqualification.

People with disabilities who wish to attend the meeting and require auxiliary aids or services should contact the Sole Point of Contact identified in this RFP at least 72 hours before the meeting so appropriate arrangements can be made.

3.6 SOLICITATION RESPONSE COMPOSITION AND DELIVERY

3.6.1 Generally

The Respondent proposal must address all the services listed in this RFP.

3.6.2 Submission Options

Solicitation Responses must be submitted following one (1) of the two (2) options provided below.

Submission Option #1: Respondent shall submit the following via email to pcsbids@hhsc.state.tx.us:

- a. One file named “Original Proposal” that contains the Respondent’s entire proposal in searchable PDF.
- b. In accordance with Section 8.1.5, one file named “Public Information Copy” that contains the Respondent’s entire proposal in searchable PDF, if applicable.
- c. One file named “Cost Proposal” that contains the Respondent’s Cost Proposal in MS Word format; this is **Exhibit K Cost Forms**.
- d. One file named “HUB Subcontracting Plan” that contains Respondent’s HSP in accordance with **Section 6.8, HUB Subcontracting Plan**.
- e. Include the following information in the email SUBJECT line: HHS0007333, <Vendor Name>, C/O: Bid Coordinator, 09/16/2020 2:00PM CST
All electronic submissions must be compatible with Microsoft Office 2000. In addition, Solicitation Responses submitted by email **must be submitted to pcsbids@hhsc.state.tx.us**, not directly to the Point of Contact. Submission to any other email address may result in a late response and/or disqualification of the Solicitation Response.

Submission Option #2: Respondent shall submit the following through the Online Bid Room utilizing the procedures in **Exhibit O, HHS Online Bid Room**:

- a. One file named “Original Proposal” that contains the Respondent’s entire proposal in searchable portable document format (PDF).
- b. In accordance with Section 8.1.5, one file named “Public Information Copy” that contains the Respondent’s entire proposal in searchable PDF, if applicable.
- c. One file named “Cost Proposal” that contains the Respondent’s Cost Proposal in MS Word format (compatible with Microsoft Office 2000).
- d. One file named “HUB Subcontracting Plan” that contains Respondent’s HSP in accordance with **Section 6.8, HUB Subcontracting Plan**.

Respondents must submit **searchable** PDF files. Respondents must not submit password-protected files. Submitting non-searchable (image only) files will be deemed non-

compliant. Any disparities between the contents of the electronic offers will be interpreted in favor of the System Agency.

Each copy of Respondent's Solicitation Response must include all required attachments, checklists, and other documents. Failure to submit all required documents in the required format(s) may result in disqualification of the Solicitation Response without further consideration. Respondents shall prepare, organize, and label their Solicitation Responses clearly and concisely, representing the Respondent's qualifications and capabilities under this RFP. The Respondent should follow the instructions and requirements of this RFP.

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

3.6.2 Submission in Separate Parts

Solicitation Responses must be submitted in separate parts:

- A. Vendor Information and Disclosures,
- B. Narrative Proposal,
- C. Attachments (**Reference Article X. Exhibits and Forms**)
- D. Cost Proposal, and
- E. HUB Subcontracting Plan ("HSP").

The entire Solicitation Response electronic copies—must then be submitted in one package to System Agency.

3.6.3 Page Limit and Supporting Documentation

The Narrative/Technical Proposal should not exceed 150 pages in length, not including appendices or attachments, and should be formatted as follows: 8 1/2" x 11" paper, 12 inch, Times New Roman font size, and single-sided. 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 the supporting information can be found. The electronic copy must be organized with a file format that corresponds with the checklist provided in this RFP.

3.6.4 Discrepancies

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

3.6.5 Exceptions

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

Respondents are highly encouraged, in lieu of including exceptions in their Solicitation Responses, to address all issues that might be advanced by way of exception by submitting such issues pursuant to **Section 3.5.4 Questions**, or **Section 3.5.5 Clarifications**. Any exception included in a Solicitation Response may result in a Respondent not being

awarded a Contract. If a Respondent includes exceptions in its Solicitation Response, the Respondent is required to use the Exceptions Form included as **Exhibit H Exceptions List** to this Solicitation and provide all information requested on the form (Solicitation Section Number, Solicitation Section Title, Language to which Exception is Taken, Proposed Language, and Statement as to whether or not, by indicating only “yes” or “no,” Respondent still wants to be considered for a Contract award if the exception is denied). Any exception that does not provide all required information without qualification in the format set forth in **Exhibit H Exceptions List** may be rejected without consideration.

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 the System Agency.

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. Furthermore, all Solicitation Responses constitute binding offers. **Any Solicitation Response to this Solicitation that includes any type of disclaimer or other statement indicating that the response does not constitute a binding offer may be disqualified.**

3.6.6 Assumptions

Respondent must identify on the **Exhibit M Assumptions and Exceptions Form** any business, economic, legal, programmatic, or practical assumptions that underlie the Respondent's response to the Solicitation. The System Agency reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into any Contract resulting from this RFP are deemed rejected by the System Agency.

3.7 SOLICITATION RESPONSE SUBMISSION AND DELIVERY

3.7.1 Deadline

Solicitation Responses must be received as indicated in **Section 3.6 Solicitation Response Composition and Delivery** by the System Agency no later than the date and time specified in **Section 3.1**.

3.7.2 Labeling

Solicitation Responses shall be clearly labeled as follows:

SOLICITATION NO: RFP HHS0007333
SOLICITATION NAME: Document Processing Services
SOLICITATION RESPONSE DEADLINE: September 16, 2020 2:00PM CST
PURCHASER: Brad Westbrook
RESPONDENT: _____

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

specified date and time. The System Agency will not be responsible for any technical issues that result in late delivery, inappropriately identified documents, or other submission error that may lead to disqualification (including substantive or administrative) or nonreceipt of the Respondent's proposal.

3.7.3 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 Sole 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. The System Agency may request Solicitation Response Modifications at any time.

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

4.1 EVALUATION CRITERIA

4.1.1 Conformance with State Law

Solicitation Responses shall be evaluated in accordance with Title 10, Subtitle D of the Texas Government Code/ applicable law and using **Exhibit I Evaluation Score Tool**.

A three-step selection process will be used:

- A. Eligibility screening;
- B. Evaluation based upon specific selection criteria; and
- C. Final Selection based upon State priorities.

4.1.2 Minimum Qualifications

Respondents must meet the minimum qualifications listed below. Furthermore, 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 the System Agency.

- A. Respondents must have recently been in business for a minimum of two (2) years, or the principals/owners must have had recent ownership/executive management experience in a previous company that provided Document Processing services;
- B. Respondents shall have demonstrated experience in Document Processing Services;
- C. Respondents shall ensure the costs proposed are within costs provided in this RFP, **Section 2.4.3 Contract Amount**;
- D. Respondents must be financially solvent and adequately capitalized; and
- E. Respondent must be authorized to do business in the State of Texas.

4.1.3 Specific Criteria

Solicitation Responses shall be consistently evaluated and scored in accordance with the following criteria using **Exhibit I Evaluation Score Tool**:

Criteria	Weight
1. The Respondent’s Executive Summary demonstrates an understanding of the System Agency’s goals and objectives for this Solicitation.	5%
2. The Respondent’s Project Work Plan demonstrates a quality approach to the processes and methodologies for providing all components of the Scope of Work described in Exhibit C, Contract Requirements,	55%

Exhibit E Key Performance Requirements, and Exhibit F Deliverables.

3. The Respondent's Cost Proposal demonstrates a quality approach to ensuring the highest levels of quality, accuracy and efficiency. 40%

See Also, **Exhibit I Evaluation Score Tool**, for sub-criteria.

4.1.4 Other Information

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

4.2 INITIAL COMPLIANCE SCREENING

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

4.3 COMPETITIVE RANGE AND BEST AND FINAL OFFER

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

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

4.4 ORAL PRESENTATIONS AND SITE VISITS

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

The System Agency may require site visits from any or all Respondents. The System Agency will notify selected Respondents of the time and location of site visits. Failure to permit or participate in the requested site visit may eliminate a Respondent from further

consideration. The System Agency is not responsible for any costs incurred by the Respondent in preparation for any site visit.

4.5 QUESTIONS OR REQUESTS FOR CLARIFICATION BY THE SYSTEM AGENCY

The System Agency reserves the right to ask questions or request clarification from any Respondent at any time during the Solicitation process, including during Oral Presentations, Site Visits, or during the BAFO process.

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ARTICLE V. NARRATIVE/TECHNICAL PROPOSAL

5.1 NARRATIVE PROPOSAL

5.1.1 Executive Summary

The Respondent must provide a high-level overview of the approach to meeting the RFP's requirements. The summary must demonstrate an understanding of the goals and objectives of **Article II Scope of Award**, and **Exhibit C Contract Requirements**.

5.1.2 Project Work Plan

Respondents must describe the proposed services, processes, and methodologies for meeting all components described in **Article II Scope of Award**, of this RFP, including the Respondent's approach to meeting the timeline and associated milestones for providing contract requirements listed in **Exhibit C Contract Requirements**.

Respondents are required to provide a project schedule. A detailed project schedule of work to be performed and associated time-lines shall result in a written report submitted by respondents with and at the time of their proposal. The Project Work Schedule shall identify when one-third and two thirds of the Quality Assurance Review work will be completed. See **Exhibit C Contract Requirements**, **Section 3.12** Quality Assurance Program Requirements, for all Quality Assurance Requirements associated with this Solicitation.

Respondent must identify all tasks to be performed, including all Contract activities, to take place during the Contract Term, noted in Article II, **Section 2.2.2**. Respondent must also include all Deliverables and Contract KPRs requested within **Exhibit E Key Performance Requirements ("KPR")**, and **Exhibit F Deliverables** and a plan of operation that meets the requirements specified in **Exhibit C Contract Requirements**, **Section 3.8.1 Business Operations Plan**. SYSTEM AGENCY's expectations are for the Respondent to provide a clear and concise proposal.

5.1.3 Project Schedules

Respondents are required to provide a project schedule in the Project Work Plan under **Section 5.1.2 Project Work Plan**. A detailed project schedule of work to be performed and associated time-lines shall result in a written report submitted by respondents with and at the time of their proposal. The Project Work Schedule shall identify when one-third and two thirds of the Quality Assurance Review work will be completed. See **Exhibit C Contract Requirements** **Section 3.12 Quality Assurance Program Requirements**, for all Quality Assurance Requirements associated with this Solicitation.

5.1.4 Value-Added Benefits

Describe any service or deliverables that are not required by this Solicitation that the Respondent proposes to provide at no additional cost to the System Agency. 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 APPENDICES

5.2.1 Key Staffing Profile

Respondent must provide an organizational structure for successful fulfillment of contract and performance requirements. The Respondent must identify the key personnel and allocate them 100% to this contract (i.e. not permitted to manage, oversee, or participate in other projects, contracts, etc.). Key Personnel is defined as all executive, director or management level positions assigned to this contract. Resumes and references for key personnel must be provided to System Agency for evaluation and approval as part of the Respondent's proposal. Additionally, the Successful Respondent must provide for System Agency approval prior notice of any changes in key personnel during the term of the contract and any extension.

See **Exhibit C Contract Requirements, Section, 3.4**, for all Key Personnel and Organizational Requirements associated with this Solicitation.

5.2.2 Risk Management & Issue Resolution Plan

Respondents must include examples of previous risk management plans in their proposals. See **Exhibit C Contract Requirements, Section 3.6**, Risk management & Issue Resolution Plan, for all Risk Management Requirements associated with this Solicitation.

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ARTICLE VI. REQUIRED RESPONDENT INFORMATION

6.1 COMPANY INFORMATION

Respondent must provide satisfactory evidence of its ability to manage and coordinate the types of activities described in this Solicitation and to produce the specified goods or services on time. As a part of the Solicitation Response requested in Article III, Respondent must provide the following information:

6.1.1 Company Narrative

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

6.1.2 Company Profile

Provide a company profile to include:

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

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

6.2 MAJOR SUBCONTRACTOR INFORMATION

Respondent must identify any and all subcontractors with whom the Respondent intends to utilize in performing fifteen percent (15%) or more of any Contract duties. Respondent must indicate any financial interest Respondent holds in any subcontractor. It may be required as a condition of award that an authorized officer or agent of each proposed major subcontractor sign a statement to the effect that the subcontractor has read, and will agree to abide by, Respondent's obligations under any contract awarded pursuant to this Solicitation.

6.3 LITIGATION AND CONTRACT HISTORY

Respondent must include in its Solicitation Response a complete disclosure of any alleged or significant contractual failures. Respondent must also disclose any settlement agreements entered into in the last five (5) years related to alleged contractual failures.

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.

Failure to comply with the terms of this provision may disqualify Respondent. Solicitation Response may be rejected based upon Respondent's prior contractual 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.

to comply with the terms of this provision may disqualify Respondent. 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.

6.4 CONFLICTS

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

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

Additionally, pursuant to Section 2252.908 of the Texas Government Code, a successful respondent awarded a Contract greater than \$1 million dollars, or that requires an action or vote of the governing body, must submit a disclosure of interested parties to the System Agency at the time the business entity submits the signed Contract. Rules and filing

instructions may be found on the Texas Ethics Commission's public website and additional instructions will be given by System Agency to successful respondents.

6.5 AFFIRMATIONS AND CERTIFICATIONS

Respondent must complete and return all of the following listed forms below as well as those listed in **Article IX**:

- A. **Exhibit A Affirmations and Solicitation Acceptance**
- B. **Exhibit B Federal Assurances Non-Construction and**
- C. **Exhibit B1 Certification Regarding Lobbying**

6.6 OTHER REPORTS

6.6.1 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.

6.6.2 Financial Capacity and Annual Report

Respondent shall submit:

- a) The last two (2) years of audited financial statements;
- b) If applicable, last two (2) years of consolidated statements for any holding companies or affiliates;
- c) An un-audited financial statement of the most recent quarter of operation; and
- d) A full disclosure of any events, liabilities, or contingent liabilities that could affect Respondent's financial ability to perform this Contract.

If Respondent is unable to provide the required reports specified above, Respondent may, at the discretion of the System Agency, provide the following:

- a) The last two (2) years unaudited financial statements or a balance sheet statement of financial position;
- b) An un-audited financial statement of the most recent quarter of operation; and
- c) A full disclosure of any events, liabilities, or contingent liabilities that could affect Respondent's financial ability to perform this Contract.

6.7 CORPORATE GUARANTEE

If the respondent is substantially or wholly owned by another corporate (or other) entity, SYSTEM AGENCY 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

Please refer to **Exhibit J HUB Subcontracting Checklist, Plan and Exhibit J1 Sample CMBL HUB Vendor Detail** for documentation associated with the HSP requirements and Sample CMBL information. Exhibits J includes:

- 1. Hub Subcontracting Plan (HSP) Requirements
- 2. HSP Form and HSP Quick Checklist

3. Sample CMBL-HUB Vendor Detail List

Submit two (2) electronic copies of the HSP marked “Original” and signed by an authorized representative on a portable media, such as a USB flash drive, compatible with Microsoft Office 2016. The HSP must be separate from RFP submission and labeled: HSP and include all supporting documentation in accordance with **Exhibit J HUB Subcontracting Checklist, Plan and Exhibit J1 Sample CMBL HUB Vendor Detail (HUB Subcontracting Plan (HSP) Requirements)**.

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ARTICLE VII. COST PROPOSAL

7.1 FINANCIAL REQUIREMENTS

7.1.2 Accounting Policy Manual and Disclosure Statement

The Respondent must submit an initial Accounting Policy Manual and Disclosure Statement with the Respondent's cost proposal includes all proposed accounting policies and procedures (including cost allocations) the Respondent included in the Respondent's cost proposal.

The Respondent's accounting policy manual must include all calculations and methodologies used to determine all direct, indirect, and overhead costs. In addition, the Respondent's policy regarding paid time off ("**PTO**") and employee separation, and the Respondent's policy regarding PTO in the event of early termination of the contract resulting from this RFP must be detailed within the accounting policy manual for System Agency's review.

7.2 COST PROPOSAL

As noted above, cost information must not be included with the Respondent's Information and the Narrative/Technical Proposal. Respondent must submit a cost proposal for the services listed in **Article 2 Scope of Work**. The cost proposal provided is for the goods and/or services as specified in this Solicitation and shall include all labor, materials, tools, supplies, equipment, and personnel, including but not limited to, travel expenses, associated costs and incidental costs necessary to provide the products and services according to the minimum specifications, requirements, provisions, terms, and conditions set forth in this RFP. It should include any business, economic, legal, programmatic, or practical assumptions that underlie the Cost Proposal. System Agency reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into the contract resulting from this RFP are deemed rejected by System Agency.

A Respondent must complete, **Exhibit K Cost Forms**. Respondents must complete and place the Cost Form in a separate, sealed package, clearly marked with the respondent's name, the RFP number, and the RFP submission date.

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

7.2.1 Cost Proposal and Price Summary

Respondent shall utilize the System Agency template provided and identify costs to be requested from System Agency. Respondents must break out costs to a degree that is

sufficient to enable System Agency to determine if costs are reasonable, allowable and necessary for the successful performance of the Project.

The Cost Forms include the Transitional Pricing Schedules (**Attachment K, Appendix A-1**), **Operational Pricing Schedules (Attachment K, Appendix A-2)**, and Price Summary Sheets (**Attachment K, Appendix A-3**), must include all position staffing levels, staffing costs, capital equipment costs, subcontractor costs, consultant costs, other costs, and any required supporting documentation to validate all costs included in the Respondent's Cost Proposal. Any subcontractor with 20% or more of the projected costs of the contract resulting from this RFP must submit a complete set of pricing sheets (**Appendix A-1, Appendix A-2 and Appendix A-3**) with the Respondent's cost proposal.

7.2.2 Pricing Schedules and Price Sheets

Forms substantially similar to those described in this section must provide the component costs of the Firm Fixed Prices quoted for providing the services and deliverables set forth in this RFP. **Attachment K, Appendix A-1** contains Transitional Pricing Schedules, **Attachment K, Appendix A-2** contains Operational Pricing Schedules, and **Attachment K, Appendix A-3** contains the formal Price Summary Sheets.

The Respondent must structure its pricing quotation to allow System Agency a method to map the proposed costs for the cost proposal submitted back to the Respondent's Detailed Work Plan for the initial term of the Contract. For purposes of responding to this RFP, the Respondent should provide separate Transitional Costs through the proposed transition period. For the Operations period, the Respondent must provide the costs for the entire operations period, including operations for the two optional renewal periods. The pricing quotation(s) for each specific business functional area must agree with the Firm Fixed Prices proposed (Fixed and Variable Prices).

The Respondent's transitional cost proposal sheets for the Transitional period (**Appendix A-1**) are listed below.

The Respondent's operational cost proposal sheets must be delineated by the primary business functions for the Operations period (**Appendix A-2**) listed below.

- A. Program Management Office;
- B. General Operational;
- C. Document Processing;
 - 1. Pick-up/Acceptance of Mail;
 - 2. Opening and Sorting;
 - 3. Scanning /Imaging;
 - 4. Rerouting of Misdirected Mail; and
 - 5. Returning of Original.
- D. Facility Infrastructure (including Office Leases, Leasehold improvements, Furniture and Equipment);
- E. Technical Infrastructure (including IT Equipment and Software);
- F. Training; and

G. Quality.

Some of the Respondent’s cost proposal sheets must segregate the expenses that allow the application of indirect rate(s) and the allowable Administrative Service Fee from those that shall only be allowed as Pass-Through Items (expenses). A complete listing of expenses that have been designated as Pass-Through Items are included in **Exhibit C, Contract Requirements, Section 4.3.6**, of this RFP.

The Cost Proposal must contain the following Transitional Pricing Schedules found in **Appendix A-1**.

TRANSITIONAL PRICING SCHEDULES – APPENDIX A-1	
PRICING SCHEDULE	DESCRIPTION
1	Full Time Equivalents (FTE’s) by Key Milestone, Position Classification, and Month (For all months of Transition)
2	Salaries by Key Milestone, Position Classification, and Month (For all months of Transition)
3a	Summary of Budget Information Shown in 3b (By Key Milestone)
3b	Budget Information (Expense Format)
4	Budget Information, Key Milestone, Type, and Month (For all months of Transition)
5a	Detailed Capital Equipment Listing by Type and Month of Purchase (during Transition Phase)
5b	Capital Equipment Expenses and Depreciation by Expense Type and Month during Transition Phase
6	Subcontractor(s) Listing
7	Consultant(s) Listing

The Cost Proposal must also contain the following operational pricing schedules found in Appendix A-2.

OPERATIONAL PRICING SCHEDULES – APPENDIX A-2	
PRICING SCHEDULE	DESCRIPTION
1	FTEs by Business Functional Area, Position Classification, and Month (For all months of Operations)

OPERATIONAL PRICING SCHEDULES – APPENDIX A-2	
PRICING SCHEDULE	DESCRIPTION
2	Salaries by Business Functional Area, Position Classification, and Month (For all months of Operations)
3a	Summary of Budget Information Shown in 3b (by Contract Year)
3b	Budget Information (by Contract Year)
4	Budget Information by Business Functional Area, Type, and Month (For all months of Operations)
5a	Detailed Capital Equipment Listing by Type and Month of Purchase (For all months of Operations)
5b	Capital Equipment Expenses and Depreciation by Expense Type and Month (For all months of Operations)
6	Subcontractor(s) Listing
7	Consultant(s) Listing
8	Detailed Analysis of Proposed Indirect Rate(s)
9	Employee Benefits and Fringe Benefits
10	Proposed Administrative Service Fee Percentage Analysis
11	Projected State and local taxes, including Texas Franchise Taxes to be paid in Texas by Vendor (prime Vendor) and all proposed subcontractors for all months of operations

The Price Summary must also contain the following price summary sheets found in **Appendix A-3**.

PRICE SUMMARY SHEETS – Appendix A-3	
PRICING SHEET	DESCRIPTION
1	Transitional Pricing Schedule Fixed Administrative Fees
2	Operational Pricing Schedule Fixed Administrative Fees
3	Operational Pricing Variable Administrative Fees
4	Operational Pricing Schedule: Periodic Activity, All-Inclusive Hourly Labor Rates

Instructions for completing each schedule and the declaration form are given in the following sections. Summary forms should be supported by the detailed information contained on monthly schedules. Amounts shown on the monthly schedules must agree with the cumulative amounts shown on the summary forms. In addition to paper copies of the Respondent's Cost Proposal and Price Summary sheets, Respondents must submit electronic versions in Microsoft Excel format. Any electronic version of the pricing forms must contain any and all formulas used to calculate pricing information contained on the forms and include any and all links to other worksheets/forms included in the Respondent's Cost Proposal.

7.2.3 Payment for Administrative Services

The Respondent's Cost Proposal and Price Summary Sheet(s) must be based on the Respondent's proposed costs and an administrative service fee that shall be included as part of each proposed Fixed Fee, each proposed Variable Fee and each proposed Periodic Activity Fee. The final administrative service fee included in the contract resulting from this RFP shall remain unchanged and be applicable for all fixed fees, variable fees, periodic activity fees, recurring activity fees and any change orders executed during the term of the contract, unless mutually agreed to by the parties by a contract amendment.

7.2.4 Transitional Pricing Schedules

A Respondent must use Exhibit K Cost Forms, Appendix A-1 Transitional Pricing for submitting proposed transitional pricing. Transitional pricing schedules must include the costs related to the required Transition Project Management Office.

A. Transitional Pricing Schedule 1

Pricing Schedule 1 shows the number of Full Time Equivalents (“FTEs”) by Key Milestone, position classification, and month for the transitional phase of the Contract.

This schedule must present the Respondent's transitional project staffing levels. The schedule details the proposed staffing levels by Key Milestone, by position classification, and by month, and extends the totals of all personnel through the entire transitional phase of the Contract. Transitional Pricing Schedule 1 must include project staffing levels related to the formation of the Transitional Project Management Office. The number of FTEs in each Key Milestone must be sub-totaled by month and the total number of FTEs must be shown by month. Transitional Pricing Schedule 1 must show the same position classifications shown in Transitional Pricing Schedule 2 and Operational Pricing Schedule.2.

Respondents must include a written narrative and additional supporting schedules justifying the proposed FTEs including, but not limited to, the number of proposed FTEs, the start date, the transitional functions to be performed, the number of weeks necessary to train staff for the respective duties, the number of weeks to perform readiness reviews with System Agency program staff, etc.

B. Transitional Pricing Schedule 2

Pricing Schedule 2 shows the salaries for the FTEs in Transitional Pricing Schedule 1 by Key Milestone, position classification, and month during the transitional phase of the Contract.

This schedule must present the Vendor's transitional salary expenses. The schedule must detail the proposed salaries by Key Milestone, by position classification, and by month, and extend the totals of all personnel through the entire transitional phase of the Contract. Transitional Pricing Schedule 2 must also include project staffing levels related to the formation of the Transitional Project Management Office. The salaries

in each Key Milestone must be sub-totaled by month and the total salaries must be shown by month. Transitional Pricing Schedule 2 must show the same Key Milestones and position classifications as those shown in Transitional Pricing Schedule 1.

C. Transitional Pricing Schedule 3a

Pricing Schedule 3a shows the Respondent's total proposed costs for the transitional phase of the Contract by each Key Milestone that must be completed by the Respondent. This schedule summarizes and totals the Respondent's proposed transitional costs as detailed in Transitional Pricing Schedule 3b with designations for the Key Milestones that are applicable for the transitional phase. The total shown on this schedule must agree to the total shown on each of the supporting Transitional Pricing Schedules. Each Key Milestone must be completed and accepted by System Agency before any payment shall be due the Vendor. No partial payments shall be authorized.

D. Transitional Pricing Schedule 3b

Pricing Schedule 3b summarizes the Respondent's proposed transitional costs by expense type. The costs shown for salaries on this schedule must agree to the salaries shown in Transitional Pricing Schedule 2. The costs shown on this schedule must agree in total and by expense type to the costs shown in Transitional Pricing Schedule 4. Expense types shown on these schedules must be consistent with the expense types shown on the Transitional Pricing Schedule 4 and Operational Pricing Schedule 4.

E. Transitional Pricing Schedule 4

Pricing Schedule 4 shows the Respondent's proposed transitional costs by Key Milestone, expense type, and month. The costs shown for salaries on this schedule (for each Key Milestone), and monthly amounts must agree to the salaries shown in Transitional Pricing Schedules 2 by Key Milestone, and by month. The costs shown must agree in total and by expense type to the costs shown in Transitional Pricing Schedule 3b. Expense types shown on this schedule must be consistent with the expense types shown on the Transitional Pricing Schedule 3b and Operational Pricing Schedule 3b. Salaries and fringe benefits must be sub-totaled for each Key Milestone for each month. Total costs for each Key Milestone must be sub-totaled for each month. Any applicable Indirect Charges (Overhead and General and Administrative Expenses) and the Administrative Service Fee for each Key Milestone must be shown by month and a total for each Key Milestone by month must be shown.

F. Transitional Pricing Schedule 5a

Pricing Schedule 5a shows the Respondent's proposed acquisitions and leases of capital equipment by business functional area, equipment category, equipment type, and month of acquisition during the transitional phase of the Contract. The Respondent must show the acquisitions and leases of all capital equipment grouped by category and type within each category. Each equipment category must be sub-totaled for each month. The equipment categories used in this schedule must be consistent with the equipment categories used in Operational Pricing Schedule 5a.

The term capital equipment includes, but is not limited to, office furniture, office equipment, telephone equipment, scanning equipment, computer furniture, computer equipment, computer software, the cost of initial installation (excluding in-house labor), and leasehold improvements. Computer software and software licenses that fall under this definition are limited to those that transfer with equipment to the State upon termination of the contract resulting from this RFP and do not require any monthly or annual fees to continue to be operational.

G. Transitional Pricing Schedule 5b

Pricing Schedule 5b shows the Respondent's proposed lease expenses, rental expenses, amortization expenses, and depreciation of capital equipment for the transitional phase of the Contract. The Respondent must show the expenses and depreciation of all capital equipment grouped by equipment category and month. The equipment categories used must be consistent with the equipment categories used in Operational Pricing Schedule 5b.

The expenses, depreciation, and amortization of leasehold improvements shown in this schedule must agree to the capital expenses, depreciation, and amortization costs shown on Transitional Pricing Schedule 3b in total. The Respondent must be consistent in the expense and depreciation of capital equipment purchased during the transitional phase of the Contract for the specific component that shall be carried into service for the operational phase of the Contract for the specific component. Equipment expense, depreciation, and amortization of leasehold improvements taken during the transitional phase of the Contract must be considered when showing the equipment expense, depreciation, and amortization of leasehold improvements for the operational phase of the Contract.

The Respondent's methodology for expensing and depreciating the equipment purchased in the transitional phase must be consistent with that used for equipment purchased during the operational phase. The Respondent's methodology for amortizing leasehold improvements in the transitional phase must be consistent with that used for amortizing leasehold improvements during the operational phase. The Respondent methodology for expensing any inter-company charges for the pro rata usage of mainframe computer systems in the transitional phase of the Contract must be consistent with that used for inter-company charges for capital equipment during the operational phase of the Contract.

All capital equipment must be expensed from the projected purchase / installation date through the initial base contract term on a straight-line basis.

H. Transitional Pricing Schedule 6

Pricing Schedule 6 shows the Respondent's list of proposed subcontractors for the transition period. The Respondent must provide the following for each proposed subcontractor:

1. A detailed description of each type of service each subcontractor shall provide.
2. The subcontractor's name and contact information.

3. The need for this subcontractor and the need for the subcontractor's services.
4. All travel reimbursements proposed by each subcontractor.
5. The deliverables the Vendor expects from each subcontractor.
6. The total cost for each subcontractor.

Any sub-contractor with 15% or more of the projected costs of the contract resulting from this RFP must submit a complete set of pricing sheets (**Appendix A-1, Appendix A-2, and Appendix A-3**).

The total cost for all proposed subcontractors must agree to the subcontractor costs shown on Transitional Pricing Schedules 3b in total.

System Agency reserves the right to have any subcontractor submit a complete set of pricing sheets (**Appendix A-1, Appendix A-2, and Appendix A-3**).

I. Transitional Pricing Schedule 7

Pricing Schedule 7 shows the Respondent's list of proposed consultants for the transition period. The Respondent must provide the following for each proposed consultant:

1. A detailed description of each type of service each consultant shall provide.
2. The consultant's name and contact information.
3. The need for this consultant and the need for the consultant's services.
4. All travel reimbursements proposed by each consultant.
5. The deliverables the Vendor expects from each consultant.
6. The total cost for each consultant.

The total cost for all proposed consultants must agree to the consultant costs shown on Transitional Pricing Schedules 3b in total.

7.2.5 Operational Pricing Schedules

A Respondent must use Exhibit K Cost Forms, Appendix A-2 Operational Pricing for submitting proposed operational pricing.

A. Operational Pricing Schedule 1

Pricing Schedule 1 shows the number of FTEs by business functional area, position classification, and month for the operational phase of the Contract.

This schedule must present the Respondent's operational project staffing levels. The schedule must detail the proposed staffing levels by business functional area, by position classification, and by month, and extend the totals of all personnel through the entire operational phase of the Contract. The number of FTEs in each business functional area must be sub-totaled by month and the total number of FTEs must be shown by month. Operational Pricing Schedule 1 must show the same position classifications as those shown in Operational Pricing Schedule 2 and Transitional Pricing Schedule 2.

Respondents must include a written narrative and additional supporting schedules justifying the proposed FTEs including, but not limited to, the number of proposed FTEs, the start date, the operational functions to be performed, the number of weeks necessary to train staff for their respective duties, the number of weeks to perform readiness reviews with System Agency program staff, etc.

Respondents must also provide projected staff turnover ratios, projected productive minutes per month for all FTEs, including underlying assumptions, projected metrics related to the different types of documents that shall be processed.

B. Operational Pricing Schedule 2

Pricing Schedule 2 shows the salaries for the FTEs in Operational Pricing by business functional area, position classification, and month during the operational phase of the Contract.

This schedule must present the Respondent's operational salary expenses. The schedule must detail the proposed salaries by business functional area, by position classification, and by month, and extend the totals of all personnel through the entire operational phase of the Contract. The salaries in each business functional area must be sub-totaled by month and the total salaries must be shown by month. Operational Pricing Schedule 2 must show the same position classifications shown in Operational Pricing Schedule 1 and Transitional Pricing Schedule 1.

C. Operational Pricing Schedule 3a

Pricing Schedule 3a shows the Respondent's total proposed costs for the operational phase of the Contract. This schedule summarizes and totals the Respondent's proposed operational costs as detailed in Operational Pricing Schedules 3b. The totals shown on this schedule must agree to the total shown on each of the supporting Operational Pricing Schedules.

D. Operational Pricing Schedule 3b

Pricing Schedule 3b summarizes the Respondent's proposed operational costs for expense type, and State Fiscal Year. The costs shown for salaries on this schedule for the entire operational phase of the Contract must agree to the salaries shown in Operational Pricing Schedule 2 for the entire operational phase of the Contract. The total costs shown on this schedule for the entire operational phase of the Contract must agree in total and by expense type to the costs shown in Operational Pricing Schedule 4 for the entire operational phase of the Contract. Expense types shown on this schedule must be consistent with the expense types shown on the Operational Pricing Schedule 4 and Transitional Pricing Schedule 4.

E. Operational Pricing Schedule 4

Pricing Schedule 4 shows the Respondent's proposed operational costs for business functional area, expense type, and month. The costs shown for salaries on this schedule for business functional area, and month must agree to the salaries shown in Operational Pricing Schedule 2 by business functional area, and month. The costs shown must

agree in total and by expense type to the costs shown in Operational Pricing Schedule 3b. Expense types shown on these schedules must be consistent with the expense types shown on the Operational Pricing Schedule 3b and Transitional Pricing Schedule 3b. Salaries and fringe benefits must be sub-totaled for each business functional area for each month. Total costs for each business functional area must be sub-totaled for each month. Any applicable Indirect Charges (Overhead, General and Administrative Expenses and the Administrative Service Fee) for each business functional area must be shown by month and a total for each business functional area by month must be shown.

F. Operational Pricing Schedule 5a

Pricing Schedule 5a shows the Respondent's proposed acquisitions and leases of capital equipment by business functional area, equipment category, equipment type, and month of acquisition or lease during the first 12 months of the operational phase. The Respondent must show the acquisitions and leases of all capital equipment grouped by category and type within each category. Each equipment category must be sub-totaled for each month. The equipment categories used in this schedule must be consistent with the equipment categories used in Transitional Pricing Schedule 5a.

The term capital equipment includes, but is not limited to, office furniture, office equipment, telephone equipment, scanning equipment, computer furniture, computer equipment, computer software, the cost of initial installation (excluding in-house labor), and leasehold improvements. **Computer software and software licenses that fall under this definition are limited to those that transfer with equipment to the State upon termination of the contract resulting from this RFP and do not require any monthly or annual fees to continue to be operational.**

G. Operational Pricing Schedule 5b

Pricing Schedule 5b shows the Respondent's proposed lease expenses, rental expenses, amortization expenses, and depreciation of capital equipment for the operational phase. The Respondent must show the expenses and depreciation of all capital equipment for all components, grouped by equipment category and month. The equipment categories used in this schedule must be consistent with equipment categories used in Transitional Pricing Schedule 5b.

The expenses, depreciation and amortization of leasehold improvements shown in this schedule must agree to the capital expenses, depreciation, and amortization costs shown on Operational Pricing Schedule 3b in total. The Respondent must be consistent in the expense and depreciation of capital equipment purchased during the transitional phase that shall be carried into service for the operational phase. Equipment expense, depreciation, and amortization of leasehold improvements taken during the transitional phase must be considered when determining the equipment expense, depreciation, and amortization of leasehold improvements for the operational phase.

The Respondent's methodology for expensing and depreciating equipment purchased in the operational phase must be consistent with that used for equipment purchased

during the transitional phase. The Respondent's methodology for amortizing leasehold improvements in the operational phase must be consistent with that used for amortizing leasehold improvements during the transitional phase. The Respondent's methodology for expensing any inter-company charges for the pro rata usage of mainframe computer systems in the operational phase must be consistent with that used for inter-company charges for capital equipment during the transitional phase.

All capital equipment must be expensed from the projected purchase / installation date through the initial base contract term on a straight-line basis.

H. Operational Pricing Schedule 6

Pricing Schedule 6 shows the Respondent's list of proposed subcontractors for the operational period. The Respondent must provide the following for each proposed subcontractor:

1. A detailed description of each type of service each subcontractor shall provide.
2. The subcontractor's name and contact information.
3. The need for this subcontractor and the subcontractor's services.
4. All travel reimbursements proposed by each subcontractor.
5. The deliverables the Vendor expects from each subcontractor.
6. The total cost for each subcontractor.

Any subcontractor with 20% or more of the projected costs of the contract resulting from this RFP must submit a complete set of pricing sheets (**Appendix A-1, Appendix A-2, and Appendix A-3**).

The total cost for all proposed subcontractors must agree to the subcontractor costs shown on Operational Pricing Schedule 3b in total.

System Agency reserves the right to have any subcontractor submit a complete set of pricing sheets (**Appendix A-1, Appendix A-2, and Appendix A-3**).

I. Operational Pricing Schedule 7

Pricing Schedule 7 shows the Respondent's list of proposed consultants for the operational period. The Vendor must provide the following for each proposed consultant:

1. A detail description of each type of service each consultant shall provide.
2. The consultant's name and contact information.
3. The need for this consultant and the need for the consultant's services.
4. All travel reimbursements proposed by the consultant.
5. The deliverables the Vendor expects from each consultant.
6. The total cost for each consultant.

The total cost for all proposed consultants must agree to the consultant costs shown on Operational Pricing Schedule 3b in total.

J. Operational Pricing Schedule 8

Pricing Schedule 8 shows a detailed analysis of the Respondent's proposed indirect rate(s). The Respondent must give a detailed analysis of each indirect rate shown in Operational Pricing Schedule 3b and Operational Pricing Schedule 4. The analysis of each of the Respondent's indirect rates should include, but is not limited to:

1. A detailed explanation of each indirect rate proposed for the component.
2. The calculation methodology for each rate.
3. The source of the costs included in each indirect rate.
4. The methodology of allocating the costs included in each indirect rate.
5. The Respondent's internal lines of business and business segments included in each indirect rate.
6. The total amount for each indirect rate proposed for the duration of the contract resulting from this RFP; including the amount(s) applicable for the transition period, Operational Contract Years 1 – 3, and the two (2) optional renewal periods. These amounts must agree to the amounts shown on Operational Pricing Schedule 3b.
7. An analysis of the impact the award of this specific component would have on the Respondent's current indirect rate(s).

Respondents must provide a detailed listing of the types of support services that shall be provided by the Respondent's home office that are included in each applicable Indirect Rate. Respondents must also provide a detailed listing of the types of support expenses that shall be paid by the Respondent's home office that are included in each applicable Indirect Rate

K. Operational Pricing Schedule 9

Pricing Schedule 9 shows a detailed analysis of the Respondent's employee benefits, and fringe benefits. The Respondent must submit either a copy of the materials describing the employee benefits description as given to each employee, or a detailed description of the type of employee benefit, and fringe benefits offered to the Respondent's employees. The analysis must describe how these benefits would be directly or indirectly charged and included in the amounts shown in Operational Pricing Schedule 2 and in the Respondent's total Cost Proposal.

Respondents must also document any other type of expenses that are included in the employee benefits, and fringe benefits, calculation(s) that would not normally appear in the materials provided to each employee describing employee benefits (i.e. are staff turnover elements included in this calculation?, are non-productive staff time included in this calculation?, etc.).

L. Operational Pricing Schedule 10

Pricing Schedule 10 shows a detailed analysis of the Respondent's proposed Administrative Service Fee percentage used in the Cost Proposal. The Respondent must provide an explanation and justification of how the proposed Administrative Service Fee percentage used correlates with risk assumed by the Respondent. The Administrative Service Fee percentage utilized to calculate the final fixed pricing

included in the Contract resulting from this RFP shall also be effective for any and all contract amendments during the life of the Contract including any extensions.

M. Operational Pricing Schedule 11

Pricing Schedule 11 shows a detailed analysis of the Respondent's projected State and local taxes, including Texas franchise taxes, to be paid in Texas during the entire operational period of the Cost Proposal. The Respondent must indicate the projected State and local taxes, including Texas franchise taxes, to be paid in Texas by the Respondent and each proposed subcontractor.

7.2.6 Price Summary Sheets

The Price Summary sheets are included in **Appendix A-3**. Instructions for completing each sheet and the declaration form are given in the following sections.

A. Price Summary Sheet 1

Price Summary Sheet 1 shows the fixed administrative fees for the transition period. The total fixed fees on this sheet must be consistent with the detailed Transitional Pricing Schedules in **Appendix A-1**.

B. Price Summary Sheet 2

Price Summary Sheet 2 shows the fixed administrative fees for the first 12 months of the operational period and the fixed annual inflator/deflator proposed by the Respondent. The total fixed fees for the first 12 operational months on this sheet (Operational Contract Year 1) must be consistent with the more detailed Operational Pricing Schedules in **Appendix A-2**. The fixed administrative fees for subsequent 12-month operational periods shall be determined by application of the fixed annual price inflator/deflator. The subsequent 12-month operational period fixed fees must also be consistent with detailed Operational Pricing Schedules in **Appendix A-2**. The fixed annual inflator/deflator shall not be effective until the beginning of the second 12-month operational period and is contingent upon System Agency's approval prior to the start of the operational year.

C. Price Summary Sheet 3

Price Summary Sheet 3 shows the variable administrative fees for the first 12-month operational period (Operational Contract Year 1), by the specific types of variable activities requested by the State and the fixed annual inflator/deflator proposed by the Respondent. The variable administrative fees for subsequent 12-month operational periods shall be determined by application of the fixed annual price inflator/deflator and shall be calculated utilizing four decimal places (0.0000). The fixed annual inflator/deflator shall not be effective until the beginning of the second 12-month operational period and is contingent upon System Agency's approval prior to the start of the operational year. The variable activities to be included in the variable administrative fee(s) are described in **Exhibit C Contract Requirements, Section 4.3.4**. Additional statistical data may be found in **Exhibit S Mail Volume by Transaction Type** and **Exhibit T Historical Monthly Operational Status Reports**.

D. Price Summary Sheet 4

Price Summary Sheet 4 shows the all-inclusive hourly labor rate(s) and the proposed fixed annual inflator/deflator used to show costs associated with additional non-recurring and/or periodic activities to be performed by the Respondent by service categories. The maximum fees associated with additional non-recurring and/or periodic activities to be performed by the Respondent shall be based on explicit fixed prices proposed for Respondent inputs and the actual number of hours worked on the specific modification by the Respondent's staff and/or the staff of a Respondent's subcontractor. All-inclusive hourly labor rates are to be proposed for the applicable transition period and the first 12-month operational period, for each of the service categories listed. For all subsequent 12-month operational periods, the all-inclusive hourly labor rate shall be determined by application of the proposed fixed annual inflator/deflator. The fixed annual inflator/deflator shall not be effective until the beginning of the second 12-month operational period.

7.2.7 Cost Proposal – Assumptions

The Respondent must provide a detailed explanation of any assumptions the Respondent made in responding to the Cost Proposal of the RFP.

7.3 PERFORMANCE MEASURES AND ASSOCIATED REMEDIES

System Agency shall monitor the performance of the contract issued under this RFP. All services and deliverables under the contract shall be provided at or above a level acceptable by System Agency as defined by the requirements specified in this RFP. Failure to comply may, at the discretion of System Agency, result in the assessment of Liquidated Damages.

System Agency has identified in **Exhibit E Key Performance Requirements (KPRs)**, in this RFP. System Agency shall review the key performance requirements to ensure the Successful Respondent is achieving the desired outcome.

The KPRs shall be used to gauge the Successful Respondent's commitment to successful performance, its willingness to stand behind its products and services during the course of the contract, as well as, its confidence in its ability to perform. However, all areas of responsibility and all requirements in the Contract shall be subject to performance evaluation by System Agency Any and all responsibilities or requirements not fulfilled may have remedies applied and either actual or liquidated damages assessed, as determined by System Agency.

System Agency shall include standard remedies in the contract resulting from the RFP. Examples of remedies include but are not limited to:

- A. Pass-through of a proportional share of Federal disallowances and sanctions/penalties imposed on the State and resulting from the Successful Respondent's performance or non-performance under the contract;

- B. Written corrective action plan(s) approved by System Agency that details the specified performance issues, as well as steps and timelines for the Successful Respondent to respond and correct;
- C. Additional or ad hoc reporting by the Successful Respondent, at no cost to System Agency, to address performance issues;
- D. Accelerated monitoring of the Successful Respondent's performance by System Agency or its designee, including access to the Successful Respondent's facilities, records, data, information systems and personnel;
- E. Withholding or set-off of payments to the Successful Respondent;
- F. The assessment of liquidated damages in accordance with Texas law;
- G. Termination or suspension of the contract; and
- H. Equitable remedies as provided by Texas law.

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ARTICLE VIII. GENERAL TERMS AND CONDITIONS

8.1 GENERAL CONDITIONS

8.1.1 Amendment

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

8.1.2 Offer Period

Solicitation Responses shall be binding for a period of 240 day 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 Respondent(s) are an irrevocable offer for the term of the Contract and any Contract renewals or extension(s). No other costs, rates, or fees shall be payable to the Respondent unless expressly agreed upon in writing by the System Agency.

8.1.3 Costs Incurred

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

8.1.4 Contract Responsibility

The System agency will look solely to Respondent for the performance of all contractual obligations that may result from an award based on this Solicitation. Respondent shall not be relieved of its obligations for any nonperformance by its subcontractors.

8.1.5 Public Information Act

Proposals and contracts are subject to the Texas Public Information Act (PIA), Texas Government Code Chapter 552, and may be disclosed to the public upon request. Other legal authority also requires System Agency to post contracts and proposals on its public website and to provide such information to the Legislative Budget Board for posting on its public website.

Under the PIA, certain information is protected from public release. If Respondent asserts that information provided in its Solicitation Response is exempt from disclosure under the PIA, Respondent must:

- a. Mark Original Proposal:
 1. Mark the Original Proposal, on the top of the front page, the words "CONTAINS CONFIDENTIAL INFORMATION" in large, bold, capitalized

letters (the size of, or equivalent to, 12-point Times New Roman font or larger); and

2. Identify, adjacent to each portion of the Solicitation Response that Respondent claims is exempt from public disclosure, the claimed exemption from disclosure (NOTE: no redactions are to be made in the Original Proposal);

- b. Certify in Original Proposal – **Exhibit A Affirmations and Solicitation Acceptance** (attached to this Solicitation):

Certify, in the designated section of Affirmations and Solicitation Acceptance, Respondent’s confidential information assertion and the filing of its Public Information Act Copy; and

- c. Submit Public Information Act Copy of Proposal:

Submit a separate “Public Information Act Copy” of the Original Proposal (in addition to the original and all copies otherwise required under the provisions of this Solicitation). The Public Information Act Copy must meet the following requirements:

1. The copy must be clearly marked as “Public Information Act Copy” on the front page in large, bold, capitalized letters (the size of, or equivalent to, 12-point Times New Roman font or larger);
2. Each portion Respondent claims is exempt from public disclosure must be redacted (blacked out); and
3. Respondent must identify, adjacent to each redaction, the claimed exemption from disclosure. Each identification provided as required in Subsection (c) of this section must be identical to those set forth in the Original Proposal as required in Subsection (a)(2), above. The only difference in required markings and information between the Original Proposal and the “Public Information Act Copy” of the proposal will be redactions - which can only be included in the “Public Information Act Copy.” There must be no redactions in the Original Proposal.

By submitting a response to this Solicitation, Respondent agrees that, if Respondent does not mark the Original Proposal, provide the required certification in the Affirmations and Solicitation Acceptance, and submit the Public Information Act Copy, Respondent’s proposal will be considered to be public information that may be released to the public in any manner including, but not limited to, in accordance with the Public Information Act, posted on the System Agency’s public website, and posted on the Legislative Budget Board’s public website.

If any or all Respondents submit partial, but not complete, information suggesting inclusion of confidential information and failure to comply with the requirements set forth in this section, System Agency, in its sole discretion and in any solicitation, reserves the right to (1) disqualify all Respondents that fail to fully comply with the requirements set forth in this section, or (2) to offer all Respondents that fail to fully comply with the requirements set forth in this section additional time to comply.

Respondent should not submit a Public Information Act Copy indicating that the entire proposal is exempt from disclosure. Merely making a blanket claim that the entire proposal is protected from disclosure because it contains any amount of confidential, proprietary, trade secret, or privileged information is not acceptable, and may make the entire proposal subject to release under the PIA.

Proposals should not be marked or asserted as copyrighted material. If Respondent asserts a copyright to any portion of its proposal, by submitting a proposal, Respondent agrees to reproduction and posting on public websites by the State of Texas, including the System Agency and all other state agencies, without cost or liability.

The System Agency will strictly adhere to the requirements of the PIA regarding the disclosure of public information. As a result, by participating in this solicitation process, Respondent acknowledges that all information, documentation, and other materials submitted in the proposal in response to this Solicitation may be subject to public disclosure under the PIA. The System Agency does not have authority to agree that any information submitted will not be subject to disclosure. Disclosure is governed by the PIA and by rulings of the Office of the Texas Attorney General. 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. The System Agency assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by Respondents.

For more information concerning the types of information that may be withheld under the PIA or questions about the PIA, please refer to the Public Information Act Handbook published by the Office of the Texas Attorney General or contact the attorney general's Open Government Hotline at (512) 478-OPEN (6736) or toll-free at (877) 673-6839 (877-OPEN TEX). To access the Public Information Act Handbook, please visit the attorney general's website at <http://www.texasattorneygeneral.gov>.

8.2 INSURANCE

8.2.1 Required Coverage

For the duration of any Contract resulting from this Solicitation, Respondent shall acquire insurance, bonds, or both, if applicable with financially sound and reputable independent insurers, in the type and amount listed in **Exhibit L Insurance**. Failure to maintain insurance coverage or acceptable alternative methods of insurance shall be deemed a breach of Contract.

8.2.2 Alternative Insurability

Notwithstanding the preceding, the System Agency 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 the System Agency 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. The System Agency shall be the sole and final judge as to the adequacy of any substitute form of insurance coverage.

8.3 PROTEST

If a respondent wishes to file a protest they may do so in accordance with the rules published by System Agency in the Texas Administrative Code, Title 1, RULE §391.403.

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ARTICLE IX. SUBMISSION CHECKLIST

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

Original Solicitation Response Package

The Solicitation Package must include the Solicitation Response in one of the approved submission methods identified in **Section 3.6 Solicitation Response Composition and Delivery**.

1. Proposal and Respondent Information

- | | | |
|---|------------------------------------|-------|
| a. Narrative/Technical Proposal | (Section 5.1) | _____ |
| b. Company Information | (Section 6.1) | _____ |
| c. Major Subcontractor Information | (Section 6.2) | _____ |
| d. Litigation and Contract History | (Section 6.3) | _____ |
| e. Conflicts | (Section 6.4) | _____ |
| f. Affirmations and Solicitation
Acceptance, Certifications | (Section 6.5) | _____ |
| g. Exceptions | (Sections 3.6.5) | _____ |
| h. Data Use Agreement | (Section 2.3) | _____ |
| i. Security and Privacy Inquiry (SPI). | (Section 2.3) | _____ |
| j. Corporate Guarantee | (Section 6.7) | _____ |
| k. Insurance | (Section 8.2) | _____ |
| l. Assumptions and Exceptions | (Section 3.6.6) | _____ |
| 2. Cost Proposal | (Article 7 and Exhibit K) | _____ |
| 3. HUB Subcontracting Plan and CMBL HUB Vendor Detail List | (6.8 and Exhibit J and Exhibit J1) | _____ |

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ARTICLE X. EXHIBITS AND FORMS

Exhibits	<u>Description</u>	Respondent to fill out exhibit when responding to RFP
Exhibit A	Affirmations and Solicitation Acceptance	Yes
Exhibit B	Federal Assurances – Non-Construction Programs	Yes
Exhibit B1	Certification Regarding Lobbying	Yes
Exhibit C	Contract Requirements	No
Exhibit D	HHSC Uniform Terms and Conditions	No
Exhibit E	Key Performance Requirements	No
Exhibit F	Deliverables	No
Exhibit G	Data Use Agreement	Yes
Exhibit G1	Security and Privacy Inquiry (SPI)	Yes
Exhibit H	Exceptions List	Yes, if applicable
Exhibit I	Evaluation Score Tool	No
Exhibit J1	HUB Subcontracting Plan and Checklist	Yes, if applicable
Exhibit J	Sample CMBL HUB Vendor Detail	Yes, if applicable
Exhibit K	Cost Forms	Yes
Exhibit L	Insurance	No
Exhibit M	Assumptions	Yes, if applicable
Exhibit N	Vendor Information and Disclosures	Yes
Exhibit O	Online Bid Room	No
Exhibit P	HHSC KOFAX ES-ECM Mail Channel Flow	No
Exhibit Q	Kofax Mail Channel - DR Site	No
Exhibit R	HHSC Equipment Inventory	No
Exhibit S	Mail Volume by Transaction Type	No
Exhibit T	Historical Monthly Operational Status Report	No

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TEXAS
Health and Human
Services

Exhibit A:
Affirmations and Solicitation
Acceptance

Document Processing Services
Health and Human Services Commission (HHSC)

Exhibit A
Affirmations and Solicitation Acceptance

Exhibit A. HHSC AFFIRMATIONS AND SOLICITATION ACCEPTANCE

In this document, the terms Respondent, Contractor, Applicant, and Vendor, when referring to the following affirmations (whether framed as certifications, representations, warranties, or in other terms) refer to Respondent, and the affirmations apply to all Respondents regardless of their business form (e.g., individual, partnership, corporation).

Respondent affirms, without exception, as follows:

1. Respondent represents and warrants that all certifications, representations, warranties, and other provisions in this Affirmations and Solicitation Acceptance apply to Respondent and all of Respondent's principals, officers, directors, shareholders, partners, owners, agents, employees, subcontractors, independent contractors, and any other representatives who may provide services under, who have a financial interest in, or otherwise are interested in this Solicitation or any contract resulting from this Solicitation.
2. Respondent represents and warrants that all statements and information provided to HHSC are current, complete, and accurate. This includes all statements and information in this Solicitation Response.
3. Respondent understands that HHSC will comply with the Texas Public Information Act (Chapter 552 of the Texas Government Code) as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas. Information, documentation, and other material prepared and submitted in connection with this Solicitation or any resulting contract may be subject to public disclosure pursuant to the Texas Public Information Act. In accordance with Section 2252.907 of the Texas Government Code, Respondent is required to make any information created or exchanged with the State pursuant to the contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State.
4. Respondent represents and warrants that it will comply with the requirements of Section 552.372(a) of the Texas Government Code. Except as provided by Section 552.374(c) of the Texas Government Code, the requirements of Subchapter J (Additional Provisions Related to Contracting Information), Chapter 552 of the Government Code, may apply to the contract and the Respondent agrees that the contract can be terminated if the Respondent knowingly or intentionally fails to comply with a requirement of that subchapter.
5. Respondent acknowledges its obligation to specifically identify information it contends to be confidential or proprietary and, if Respondent designated substantial portions of its Solicitation Response or its entire Solicitation Response as confidential or proprietary, the Solicitation Response is subject to being disqualified.

Exhibit A
Affirmations and Solicitation Acceptance

6. Respondent's Solicitation Response will remain a firm and binding offer for 240 days from the date the Solicitation Response is due.
7. Respondent shall not assign its rights under the contract or delegate the performance of its duties under the contract without prior written approval from HHSC. Any attempted assignment in violation of this provision is void and without effect.
8. Respondent accepts the Solicitation terms and conditions unless specifically noted by exceptions advanced in the form and manner directed in the Solicitation. No exceptions, terms, or conditions will be considered if not advanced in the form and manner directed in the Solicitation. Respondent agrees that all exceptions to the Solicitation as well as terms and conditions advanced by Respondent that differ in any manner from HHSC's terms and conditions are rejected unless expressly accepted by HHSC in writing in a fully executed contract.
9. Respondent agrees that HHSC has the right to use, produce, and distribute copies of and to disclose to HHSC employees, agents, and contractors and other governmental entities all or part of Respondent's Solicitation Response as HHSC deems necessary to complete the procurement process or comply with state or federal laws.
10. Respondent generally releases from liability and waives all claims against any party providing information about the Respondent at the request of HHSC.
11. Respondent acknowledges all addenda and amendments to the Solicitation.
12. Respondent certifies that if a Texas address is shown as the address of Respondent on this Response, Respondent qualifies as a Texas Bidder as defined in Section 2155.444(c) of the Texas Government Code.
13. Respondent represents and warrants that it qualifies for all preferences claimed under 34 Texas Administrative Code, Section 20.306 or Chapter 2155, Subchapter H of the Texas Government Code as indicated below (check applicable boxes):
 - Goods produced or offered by a Texas bidder that is owned by a Texas resident service-disabled veteran
 - Goods produced in Texas or offered by a Texas bidder that is not owned by a Texas resident service-disabled veteran
 - Agricultural products grown in Texas
 - Agricultural products offered by a Texas bidder
 - Services offered by a Texas bidder that is owned by a Texas resident service-disabled veteran
 - Services offered by a Texas bidder that is not owned by a Texas resident service-disabled veteran
 - Texas Vegetation Native to the Region
 - USA-produced supplies, materials or equipment
 - Products of persons with mental or physical disabilities

Exhibit A
Affirmations and Solicitation Acceptance

- Products made of recycled, remanufactured, or environmentally sensitive materials including recycled steel
 - Energy efficient products
 - Rubberized asphalt paving material
 - Recycled motor oil and lubricants
 - Products produced at facilities located on formerly contaminated property
 - Products and services from economically depressed or blighted areas
 - Vendors that meet or exceed air quality standards
 - Recycled or reused computer equipment of other manufacturers
 - Foods of higher nutritional value
 - Commercial production company or advertising agency located in Texas
14. Respondent has not given, has not offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Solicitation Response, this Solicitation, or any contract resulting from this Solicitation.
15. Under Section 2155.004, Texas Government Code (relating to financial participation in preparing solicitations), Respondent certifies that the individual or business entity named in this Response or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.
16. Under Sections 2155.006 and 2261.053 of the Texas Government Code (relating to convictions and penalties regarding Hurricane Rita, Hurricane Katrina, and other disasters), the Respondent certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.
17. Under Section 231.006(d) of the Texas Family Code regarding child support, Respondent certifies that the individual or business entity named in this Response is not ineligible to receive the specified payment and acknowledges that the contract may be terminated and payment may be withheld if this certification is inaccurate. Furthermore, any Respondent subject to Section 231.006 of the Texas Family Code must include in the Response the names and social security numbers (SSNs) of each person with at least 25% ownership of the business entity submitting the Response:
- Name: _____ SSN: _____
- Name: _____ SSN: _____
- Name: _____ SSN: _____
- Name: _____ SSN: _____

FEDERAL PRIVACY ACT NOTICE: This notice is given pursuant to the Federal Privacy Act. Disclosure of requested SSNs is required under Section 231.006(c) and

Exhibit A
Affirmations and Solicitation Acceptance

Section 231.302(c)(2), Texas Family Code. The SSNs will be used to identify persons that may owe child support. The SSNs will be kept confidential to the fullest extent permitted by law.

If submitted by email, Responses containing SSNs must be encrypted. Failure by a Respondent to provide or encrypt the SSNs as required may result in disqualification of the Respondent's Response.

18. Respondent certifies that it and its principals are not suspended or debarred from doing business with the state or federal government as listed on the *State of Texas Debarred Vendor List* maintained by the Texas Comptroller of Public Accounts and the *System for Award Management (SAM)* maintained by the General Services Administration. This certification is made pursuant to the regulations implementing Executive Order 12549 and Executive Order 12689, Debarment and Suspension, 2 C.F.R. Part 376, and any relevant regulations promulgated by the Department or Agency funding this project. This provision shall be included in its entirety in Respondent's subcontracts, if any, if payment in whole or in part is from federal funds.
19. Respondent certifies that it is not listed in the prohibited vendors list authorized by Executive Order 13224, "*Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism,*" published by the United States Department of the Treasury, Office of Foreign Assets Control.
20. Respondent represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.
21. In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Respondent certifies that it is not (1) the executive head of an HHS agency, (2) a person who at any time during the four years before the date of the contract was the executive head of an HHS agency, or (3) a person who employs a current or former executive head of an HHS agency.
22. Under Section 2155.0061 of the Texas Government Code, the Respondent certifies that the individual or business entity named in this Response or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.
23. Respondent represents and warrants that it is not currently delinquent in the payment of any franchise taxes owed the State of Texas under Chapter 171 of the Texas Tax Code.
24. Respondent agrees that any payments due under any contract resulting from this Solicitation shall be applied towards any debt or delinquency that is owed to the State of Texas.
25. Respondent represents and warrants that payments to Respondent and Respondent's receipt of appropriated or other funds under any contract resulting from this Solicitation are not prohibited by Sections 556.005, 556.0055, or 556.008 of the Texas Government Code (relating to use of appropriated money or state funds to employ or pay lobbyists, lobbying expenses, or influence legislation).

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26. Respondent agrees to comply with Section 2155.4441 of the Texas Government Code, requiring the purchase of products and materials produced in the State of Texas in performing service contracts.
27. Respondent agrees that upon request of HHSC, Respondent shall provide copies of its most recent business continuity and disaster recovery plans.
28. Respondent expressly acknowledges that state funds may not be expended in connection with the purchase of an automated information system unless that system meets certain statutory requirements relating to accessibility by persons with visual impairments. Accordingly, Respondent represents and warrants to HHSC that the technology provided to HHSC for purchase is capable, either by virtue of features included within the technology or because it is readily adaptable by use with other technology, of:
 - providing equivalent access for effective use by both visual and non-visual means;
 - presenting information, including prompts used for interactive communications, in formats intended for non-visual use; and
 - being integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired.

For purposes of this Section, the phrase “equivalent access” means a substantially similar ability to communicate with or make use of the technology, either directly by features incorporated within the technology or by other reasonable means such as assistive devices or services which would constitute reasonable accommodations under the Americans With Disabilities Act or similar state or federal laws. Examples of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands and other means of navigating graphical displays, and customizable display appearance.

In accordance with Section 2157.005 of the Texas Government Code, the Technology Access Clause contract provision remains in effect for any contract entered into before September 1, 2006.

29. If Respondent is submitting a Response for the purchase or lease of computer equipment, then Respondent certifies that it is in compliance with Subchapter Y, Chapter 361 of the Texas Health and Safety Code related to the Computer Equipment Recycling Program and the Texas Commission on Environmental Quality rules in 30 TAC Chapter 328.
30. If Respondent is submitting a Response for the purchase or lease of covered television equipment, then Respondent certifies that it is compliance with Subchapter Z, Chapter 361 of the Texas Health and Safety Code related to the Television Equipment Recycling Program.
31. Respondent represents and warrants that it will comply with the requirements of Section 2054.5192 of the Texas Government Code relating to cybersecurity training and required verification of completion of the training program.

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32. Respondent acknowledges that, pursuant to Section 572.069 of the Texas Government Code, a former state officer or employee of a state agency who during the period of state service or employment participated on behalf of a state agency in a procurement or contract negotiation involving Respondent may not accept employment from Respondent before the second anniversary of the date the contract is signed or the procurement is terminated or withdrawn.
33. Respondent represents and warrants that it has no actual or potential conflicts of interest in providing the requested goods or services to HHSC under this Solicitation and any resulting contract and that Respondent's provision of the requested goods and/or services under this Solicitation and any resulting contract will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety.
34. Respondent understands that HHSC does not tolerate any type of fraud. The agency's policy is to promote consistent, legal, and ethical organizational behavior by assigning responsibilities and providing guidelines to enforce controls. Violations of law, agency policies, or standards of ethical conduct will be investigated, and appropriate actions will be taken. All employees or contractors who suspect fraud, waste or abuse (including employee misconduct that would constitute fraud, waste, or abuse) are required to immediately report the questionable activity to both the Health and Human Services Commission's Office of the Inspector General at 1-800-436-6184 and the State Auditor's Office. Respondent agrees to comply with all applicable laws, rules, regulations, and HHSC policies regarding fraud including, but not limited to, HHS Circular C-027.
35. The undersigned affirms under penalty of perjury of the laws of the State of Texas that (a) in connection with this Response, neither I nor any representative of the Respondent has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15; (b) in connection with this Response, neither I nor any representative of the Respondent has violated any federal antitrust law; and (c) neither I nor any representative of the Respondent has directly or indirectly communicated any of the contents of this Response to a competitor of the Respondent or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Respondent.
36. Respondent represents and warrants that it is not aware of and has received no notice of any court or governmental agency proceeding, investigation, or other action pending or threatened against Respondent or any of the individuals or entities included in numbered paragraph 1 of this Affirmations and Solicitation Acceptance within the five (5) calendar years immediately preceding the submission of this Solicitation response that would or could impair Respondent's performance under any contract resulting from this Solicitation, relate to the contracted or similar goods or services, or otherwise be relevant to HHSC's consideration of entering into a contract. If Respondent is unable to make the preceding representation and warranty, then Respondent instead represents and warrants that it has provided to HHSC a complete, detailed disclosure of any such court or governmental agency proceeding, investigation, or other action that would or could impair Respondent's performance under a contract awarded as a result of this

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Solicitation, relate to the contracted or similar goods or services, or otherwise be relevant to HHSC's consideration of entering into a contract. In addition, Respondent acknowledges this is a continuing disclosure requirement. Respondent represents and warrants that, if awarded a contract as a result of this Solicitation, Respondent shall notify HHSC in writing within five (5) business days of any changes to the representations or warranties in this clause and understands that failure to so timely update HHSC shall constitute breach of contract and may result in immediate contract termination.

37. Respondent certifies that for contracts for services, Respondent shall utilize the U.S. Department of Homeland Security's E-Verify system during the term of the contract to determine the eligibility of:
- (a) all persons employed by Respondent to perform duties within Texas; and
 - (b) all persons, including subcontractors, assigned by Respondent to perform work pursuant to the contract within the United States of America.
38. If this Solicitation is for an employment contract, a professional services contract under Chapter 2254 of the Texas Government Code, or a consulting services contract under Chapter 2254 of the Texas Government Code, Respondent represents and warrants that neither Respondent nor any of Respondent's employees including, but not limited to, those authorized to provide services under the contract, were former employees of an HHS Agency during the twelve (12) month period immediately prior to the date of the execution of the contract.
39. If this Solicitation is for consulting services,
- (A). In accordance with Section 2254.033 of the Texas Government Code, a Respondent offering to provide consulting services in response to this solicitation who has been employed by, or employs an individual who has been employed by, HHSC or another State of Texas agency at any time during the two years preceding the submission of Respondent's Solicitation Response must disclose the following information in its Solicitation Response and hereby certifies that this information is true, correct, and complete:
- (1) Name of individual(s) (Respondent or employee(s)): _____
 - (2) Status (circle one): Respondent Employee
 - (3) The nature of the previous employment with HHSC or the other State of Texas agency:

 - (4) The date the employment was terminated and the reason for the termination:

 - (5) The annual rate of compensation for the employment at the time of its termination: _____

If more than one individual is identified in A(1) above, Respondent must provide responses to A(2)-(5) as to each identified individual. To satisfy this requirement, Respondent must attach a separate page or pages, as necessary, and include the information required in Section A, including subsections (1)-(5). Respondent must

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identify here how many pages, if any, are attached: _____. Respondent acknowledges, agrees, and certifies that all information provided is true, correct, and complete on this and all attached pages.

(B). If no information is provided in response to Section A above, Respondent certifies that neither Respondent nor any individual employed by Respondent was employed by HHSC or any other State of Texas agency at any time during the two years preceding the submission of Respondent's Solicitation Response.

40. Pursuant to Section 2271.002 of the Texas Government Code, Respondent certifies that either (i) it meets an exemption criteria under Section 2271.002; or (ii) it does not boycott Israel and will not boycott Israel during the term of the contract resulting from this Solicitation. If Respondent refuses to make that certification, Respondent shall state here any facts that make it exempt from the boycott certification:

41. Respondent understands, acknowledges, and agrees that, pursuant to Article IX, Section 6.25 of the General Appropriations Act (the Act), to the extent allowed by federal and state law, money appropriated by the Texas Legislature may not be distributed to any individual or entity that, during the period for which funds are appropriated under the Act: (i) performs an abortion procedure that is not reimbursable under the state's Medicaid program; (ii) is commonly owned, managed, or controlled by an entity that performs an abortion procedure that is not reimbursable under the state's Medicaid program; or (iii) is a franchise or affiliate of an entity that performs an abortion procedure that is not reimbursable under the state's Medicaid program. The provision does not apply to a hospital licensed under Chapter 241, Health and Safety Code, or an office exempt under Section 245.004(2), Health and Safety Code. Respondent represents and warrants that it is not ineligible, nor will it be ineligible during the term of the contract resulting from this Solicitation, to receive appropriated funding pursuant to Article IX, Section 6.25.

42. Respondent understands, acknowledges, and agrees that, pursuant to Chapter 2272 of the Texas Government Code, except as exempted under that Chapter, HHSC cannot contract with an abortion provider or an affiliate of an abortion provider. Respondent certifies that it is not ineligible to contract with HHSC under the terms of Chapter 2272 of the Texas Government Code. If Respondent refuses to make that certification, Respondent shall state here any facts that make it exempt from the certification:

43. Respondent understands, acknowledges, and agrees, that solicitation responses and contracts are subject to the Texas Public Information Act (PIA), Texas Government Code Chapter 552, and may be disclosed to the public upon request or through posting on the

Exhibit A
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System Agency's website, the LBB's website, or as otherwise required by law.
Respondent certifies that it:

- asserts that information provided in its response is exempt from disclosure under the PIA, and Respondent, therefore, has submitted a "Public Information Act Copy" as required under the solicitation; or
 - asserts that there is no information provided in its response that is exempt from disclosure under the PIA, and Respondent, therefore, has not submitted a "Public Information Act Copy."
44. Respondent understands, acknowledges, and agrees that any false representation or any failure to comply with a representation, warranty, or certification made by Respondent is subject to all civil and criminal consequences provided at law or in equity including, but not limited to, immediate termination of any contract resulting from this Solicitation.
 45. Respondent represents and warrants that it will comply with all applicable laws and maintain all permits and licenses required by applicable city, county, state, and federal rules, regulations, statutes, codes, and other laws that pertain to any contract resulting from this Solicitation.
 46. Respondent represents and warrants that all statements and information prepared and submitted in this document are current, complete, true, and accurate. Submitting a Response with a false statement or material misrepresentations made during the performance of a contract is a material breach of contract and may void the submitted Response and any resulting contract.
 47. By submitting this Response, Respondent represents and warrants that the individual submitting this document and the documents made part of this Response is authorized to sign such documents on behalf of the Respondent and to bind the Respondent under any contract that may result from the submission of this Response.

Signature Page Follows

Exhibit A
Affirmations and Solicitation Acceptance

Authorized representative on behalf of Respondent must complete and sign the following:

Legal Name of Respondent

Assumed Business Name of Respondent, if applicable (d/b/a or ‘doing business as’)

Texas County(s) for Assumed Business Name (d/b/a or ‘doing business as’)
Attach Assumed Name Certificate(s) filed with the Texas Secretary of State for each Texas County Where Assumed Name Certificate(s) has been filed

Signature of Authorized Representative

Date Signed

Printed Name of Authorized Representative
First, Middle Name or Initial, and Last Name

Title of Authorized Representative

Physical Street Address

City, State, Zip Code

Mailing Address, if different

City, State, Zip Code

Phone Number

Fax Number

Email Address

DUNS Number

Federal Employer Identification Number

Texas Payee ID No. – 11 digits

Texas Franchise Tax Number

Texas Secretary of State Filing Number



TEXAS
Health and Human
Services

Exhibit B: Federal Assurances – Non Construction

**Document Processing Services
Health and Human Services Commission (HHSC)**

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
APPLICANT ORGANIZATION	DATE SUBMITTED



TEXAS
Health and Human
Services

Exhibit C: Contract Requirements

**Document Processing Services
Health and Human Services Commission (HHSC)**

1. Overview

A Document Processing Services (**DPS**) contract award provides services that will assist in the Health and Human Service Commission's (**HHSC's**) efforts to continue to modernize the eligibility system and improve Texans' timely access to health and human service programs as described below in a manner that assures the highest levels of quality, accuracy and efficiency.

System Agency continues to modernize the eligibility determination processes that connect Texans to services that include the Children's Health Insurance Program ("**CHIP**"), Medicaid, Supplemental Nutrition Assistance Program ("**SNAP**"), Temporary Assistance for Needy Families ("**TANF**"), and other State and Federal health and human services programs. System Agency's current eligibility system offers individuals access to services through a statewide network of eligibility offices, telephony, mail, fax, and the Internet. System Agency is committed to providing a system that supports completing cases the same day all required documentation is received and to promoting self-service options for Consumers through YourTexasBenefits.com and 2-1-1.

System Agency eligibility staff use an integrated automation system – Texas Integrated Eligibility and Redesign System ("**TIERS**") – to support the eligibility determination process. TIERS has allowed System Agency to expand Internet and call centers services to provide 24 hours a day, seven days a week self-service options for Consumers, and to utilize other technologies to increase efficiency in the business process.

YourTexasBenefits.com currently allows Texans to submit initial applications and renewals for benefits, upload verifications and other required documentation, create online accounts to view case details, report changes, and print temporary Medicaid identification cards. Other features include giving Consumers the ability to view and receive electronic communications and to receive text reminders. By providing tools to support more self-service options for Consumers, System Agency expects to see staff productivity increase as more Consumers use these options. Furthermore, when Consumers enter application data into YourTexasBenefits.com, the data is pre-populated into TIERS, reducing the time System Agency staff must spend on data entry during the application processing.

TIERS allow Consumer case files and documentation to be processed and stored electronically. These electronic case files are the foundation of the eligibility business process and allows System Agency to transfer case information between offices and across geographic areas.

System Agency's mission objectives for the Request for Proposal (**RFP**) are to obtain program and operational optimization of eligibility determination for health and human services programs. The mission objectives are to:

1. Obtain a qualified Vendor to perform and improve document processing functions;
2. Ensure all inbound correspondence is properly imaged within timeframes as described in Exhibit E, Key Performance Requirements;
3. Leverage State investments in facilities, equipment, and telephony infrastructure and automation capabilities by proposing a solution that uses and improves utilization of resources available to the State; and

4. Support System Agency's modernization efforts to continually improve business processes and take advantage of emerging technologies that promote efficiency and improved service delivery.

Contracts are awarded to an organization, not an individual. When accepting a contract, the Respondent agrees to administer the program in accordance with the contract requirements listed in the RFP and within the following Contract Requirements.

Additionally, the Successful Respondent must perform all requirements outlined in this RFP, including but not limited to the numbered items beginning with item number DP 001 below and continuing throughout this RFP. Requirements that call for the Successful Respondent to submit tangible or intangible products to System Agency ("Deliverables") as part of this RFP include the letter "D" at the end of the item number (for example, see item DP 005-D).

2. Management Requirements

2.1 Formal Communication Requirements

The Successful Respondent must establish formal communication with System Agency for receipt and response to requests for information, high level estimates of costs, work products, ad hoc reports, deliverables, updates and other required correspondence related to performance of contract requirements. System Agency will issue State Action Requests (**SARs**) to the Successful Respondent following established procedures and timelines. The Successful Respondent will issue Vendor Action Requests (**VARs**) to System Agency following established procedures and timelines, inclusive of the submission of the Contract Deliverables and Key Performance Requirements (**KPRs**), template to be provided to Successful Respondent upon award. The Respondent's proposal should describe how the Respondent will establish and manage formal communication with System Agency, inclusive of a point of contact, a processes and procedures to manage response due dates, and an associated quality assurance process.

In addition to the requirements stated above, the Successful Respondent must:

- | | |
|--------|---|
| DP 001 | Submit complete and accurate responses to any SAR or VAR memos no later than ten calendar days after the Successful Respondent's receipt of the request or by the date specified in the memo. |
| DP 002 | Submit written request for extension of a SAR or VAR deadline that specifies the estimated date of completion and reasons for the extension no later than three business days prior to the response due date. |
| DP 003 | The Successful Respondent must provide ad hoc reports and respond to Legislative inquiries and other high priority requests within 36 hours from the time of the request or by the date and/or time specified by System Agency. |

DP 004 If the Successful Respondent is late in responding, or does not provide adequate information, System Agency will assess non-compliance remedies as described in **Section 2.2 Performance Measures and Associated Remedies**.

System Agency's formal communication process will be utilized for the submission of all KPRs and Deliverable reports. System Agency provides comments and approval of each report provided in support of this agreement.

System Agency Responsibilities

To fulfill the requirements of this procurement, System Agency will:

1. Provide SAR and VAR related communication procedural requirements, template to be provided to Successful Respondent upon award.
2. Define the criteria for data elements to be included in ad hoc reports and the information which will be included in the executed reports or other high priority requests.

At its discretion, System Agency may:

1. Review, approve, or require modification to the Successful Respondent's proposed formal communication process.

2.2 Performance Measures and Associated Remedies

System Agency will monitor the performance of the contract issued under this RFP. All services and deliverables under the contract shall be provided at or above a level acceptable by System Agency as defined by the requirements specified in this RFP. Failure to comply may, at the discretion of System Agency, result in the assessment of Liquidated Damages.

System Agency has identified the KPRs in this RFP as referenced in **Exhibit E Key Performance Requirements**, to the RFP. System Agency will review KPRs to ensure the Successful Respondent is achieving the desired outcome. Reviews will be completed upon submission of KPRs on the established reporting date as referenced in **Exhibit E Key Performance Requirements**.

KPRs will be used to gauge the Successful Respondent's commitment to successful performance, its willingness to stand behind its products and services during the course of the contract, as well as, its confidence in its ability to perform. However, all areas of responsibility and all requirements in the Contract will be subject to performance evaluation by System Agency. Any and all responsibilities or requirements not fulfilled may have remedies applied and either actual or liquidated damages assessed, as determined by System Agency.

System Agency will include standard remedies in the contract resulting from the RFP. Examples of remedies include but are not limited to:

1. Pass-through of a proportional share of Federal disallowances and sanctions/penalties imposed on the State and resulting from the Successful Respondent's performance or non-performance under the contract;
2. Written corrective action plan(s) approved by System Agency that details the specified performance issues, as well as steps and timelines for the Successful Respondent to respond and correct;
3. Additional or ad hoc reporting by the Successful Respondent, at no cost to System Agency, to address performance issues;
4. Accelerated monitoring of the Successful Respondent's performance by System Agency or its designee, including access to the Successful Respondent's facilities, records, data, information systems and personnel;
5. Withholding or set-off of payments to the Successful Respondent;
6. The assessment of liquidated damages in accordance with Texas law;
7. Termination or suspension of the contract; and
8. Equitable remedies as provided by Texas law.

2.3 Contract Retention Requirement

The Successful Respondent must comply with contract retention requirements described in **Exhibit D HHSC Uniform Terms and Conditions**.

2.4 Contract Monitoring Requirements and Questionnaire

The Successful Respondent must comply with all applicable cost principles, audit and contract monitoring, and administrative requirements in accordance with the Contract, contract management guidelines, and state and federal regulations. To ensure compliance with these requirements, System Agency utilizes a risk-based contract monitoring process. The Contract Monitoring Questionnaire (CMQ) is part of the risk-based contract monitoring process and provides System Agency with detailed and ongoing information regarding the Successful Respondent's internal and financial controls and other general contracting processes.

In addition to the requirements stated above, the Successful Respondent must:

- DP 005-D Submit an initial CMQ within 30 calendar days after Contract execution and annually thereafter within 60 calendar days prior to the end of each State Fiscal Year.

3. Operational Requirements

System Agency is seeking to procure a Successful Respondent to provide Document Processing Services using State provided imaging solution as outlined in **Exhibit P HHSC Kofax ES -ECM Mail Channel Flow and Exhibit Q Kofax Mail Channel – DR Site**, or a combination of State supplied, and Successful Respondent provided imaging solutions. The Successful Respondent must provide a comprehensive business solution for managing inbound documents received from System Agency offices, applicants and existing Consumers such as, but not limited to, applications

for assistance, requests for recertification for assistance, verification documents, reported changes, Enrollment Broker (**EB**) documents, requests for verification forms, or other Consumer correspondence.

The Successful Respondent is expected to utilize System Agency equipment while performing the services to conserve System Agency resources and minimize cost unless a Successful Respondent wishes to propose an alternative imaging solution that would involve the use of other equipment in lieu of System Agency equipment. System Agency may consider such an alternative if (i) it yields the best value, is in the best interest of the State, and (ii) the Respondent's proposal of an alternative solution fully addresses all System Agency's requirements. Similarly, the Respondent may propose a location other than Austin, Texas within the State of Texas for a primary Document Processing Center (**DPC**) location.

If the Successful Respondent chooses to submit an alternative imaging solution or location, the Successful Respondent is encouraged but is not required to submit a proposal utilizing System Agency equipment. An alternative imaging solution or location may be submitted in addition to or independent of a submission that utilizes the State provided imaging solution. Submissions proposing an alternative solution must address the same pricing, transition, readiness, operation, and turnover requirements as stated in this RFP. Additionally, the Successful Respondent must operate the proposed solution within the State of Texas.¹

The Successful Respondent shall provide a comprehensive inbound document processing services and a detailed processing timeframe; retention and real-time retrieval strategy for documents received; and associated cost implications in compliance with System Agency requirements. The document processing services must include imaging of inbound documents, which is defined as the process of scanning and saving documents as electronic images in the system for online access and viewing, as well as document handling and retention according to System Agency requirements. One existing site to be assumed by the Successful Respondent is the DPC currently operating in Austin, Texas. The disaster recovery site available to be assumed by the Successful Respondent, if necessary, is in Athens, Texas.

As part of the agreement for managing documents, the Successful Respondent must include a process for accepting System Agency paper documentation from System Agency offices and staff in accordance with System Agency-defined procedures. The process must be consistent with System Agency document processing procedures and integrated with System Agency's process for image capture and must include performance standards and reporting mechanisms that are acceptable to System Agency.

In addition to the requirements stated above, the Successful Respondent must:

DP 006 Assist System Agency with implementation of initiatives that help the agency meet State and Federal timeliness requirements for processing Consumer/applicant requests.

¹ **PLEASE NOTE** that wherever in the RFP a Respondent is required to utilize HHSC equipment, the State, in its discretion may nevertheless consider alternative imaging solutions that involve the use of equipment other than the State's equipment.

- DP 007 Receive and process inbound mail including, but not limited to:
1. Operate and maintain existing System Agency managed post office boxes for receipt of mail;
 2. Pick up mail in a manner approved by System Agency from the United States Postal Service (USPS) facility in Austin, Texas, or other locations as required;
 3. Accept delivery from other delivery services at Austin, Texas, or other locations as approved, from all carriers including but not limited to Fed Ex Corporation, United Parcel Service, Lone Star Mailing Services, and DHL International;
 4. Open incoming mail and send to imaging within defined time periods specified in the **Exhibit E Key Performance Requirements**;
 5. Identify and secure Federal Tax Information (FTI) according to System Agency defined method;
 6. Reroute misdirected mail or payments as approved by System Agency;
 7. Modify and maintain document processing procedures as defined and approved by System Agency;
 8. After scanning is complete, return any original documents to the Consumer;
 9. Retain received inbound documents for 30 business days then destroy accordingly;
 10. Process and dispose of contaminated mail accordingly;
 11. Properly and efficiently handle threatening mail;
 12. Comply with the Health Insurance Portability and Accountability Act (HIPAA) and other applicable state and federal privacy, security and breach notification laws when receiving, identifying and processing documents that may constitute an unauthorized disclosure of information and
 13. In the event of a disaster, properly handle Disaster SNAP Applications as requested by System Agency.
- DP 008 Scan documents front and back into imaging equipment to create an image of all information, including envelopes, which has been received from any form of mail delivery service, as indicated in **Exhibit P HHSC Kofax ES-ECM Mail Channel Flow**.
- DP 009 Ensure quality of image is usable by image association and System Agency staff.
- DP 010 Conduct daily quality assurance review of images within defined time periods specified in the key performance requirements.
- DP 011 Maintain quality of service in compliance with System Agency specified service levels including:
1. Imaging/scanning equipment and operational resources,
 2. Image quality,
 3. Agency received date for documents
 4. Scanning of all agreed to documentation received by the DPC, and

5. Escalation and corrective action/resolution processes as related to imaging (rescan, image research, etc.).

- DP 012 Design, develop, implement and maintain acceptable quality controls for ensuring accuracy of data collected from inbound documents (inclusive of agency's received date being identified, maintained, and utilized).
- DP 013 Establish a process to notify and route to System Agency those documents, not imaged, that are not appropriate for imaging but have been received by mail. These documents in accordance to KPR#6. established by System Agency other than the normal case document processing guidelines. This includes but is not limited to hazardous materials or other items received that cannot be imaged.
- DP 014 Meet all State and Federal record retention, privacy and confidentiality requirements.
- DP 015 Maintain and reconcile established reporting methods to provide end to end count transaction reconciliation to System Agency.
- DP 016-D Submit document processing procedures and business processes updates within 30 business days after contract execution and anytime thereafter when specified by System Agency.
- DP 017-D Submit annual updates to the document processing procedures and business processes no less than 30 calendar days prior to the end of each operational year of the contract.

3.1.1 System Agency Responsibilities

To fulfill the requirements of this procurement, System Agency will:

1. Provide the image capture software solution, currently Kofax, as referenced in **Exhibit P HHSC Kofax ES – ECM Mail Channel Flow and Exhibit Q Kofax Mail Channel – DR Site.**
2. Provide image routing software solution with sorting rules based upon the type of document received or another bar coding.
3. Monitor the Successful Respondent's compliance with policy, timeliness and accuracy standards, and require corrective action plans when standards are not met.
4. Provide imaging solution for scanning.

At its discretion, System Agency may:

1. Initiate or review and approve changes, additions, deletions, and other modifications to all of the Successful Respondent functions, business processes or workflows.
2. Review, approve, or require modification to all detailed plans associated with designing and deploying the Successful Respondent's processes.

3.2 Equipment, Accessibility and Operations

The Successful Respondent must leverage the current document processing equipment owned by System Agency. The Respondent will submit a transition work plan as required in the RFP for transition of the current DPC operations.

The Respondent will be expected to provide sufficient and trained staffing levels to maintain and operate the mail and imaging equipment to meet System Agency requirements. This staff will use the document processing equipment to manage, maintain and improve mail and imaging operations.

The Respondent agrees that in the event their proposal incorporates imaging solution technology, their proposal meets all of the State of Texas accessibility requirements and that the final contract will include appropriate language including warranties and representations as specified in 1 Texas Administrative Code Chapter 213, Subchapter B(b).

Rule 213.18 of the Administrative Code that the Successful Respondent provide all that apply:

1. Credible evidence of the vendor's capability or ability to produce accessible EIR products and services. Such evidence may include, but is not limited to, a vendor's internal accessibility policy documents, contractual warranties for accessibility testing documents, and examples of prior work results.

The Successful Respondent will utilize the two existing sites of DPS operations in Texas. The current DPC is operating in Austin and Athens, Texas. For the Austin and Athens sites, the Successful Respondent must leverage the current document processing equipment. The Successful Respondent may propose an additional or alternate disaster recovery site within the continental United States.

In addition to the requirements stated above, the Successful Respondent must:

- DP 018 Utilize existing mail opening equipment.
- DP 019 Utilize existing mail sorting equipment.
- DP 020 Utilize existing document imaging/scanning equipment compliant with System Agency requirements and technical specifications.
- DP 021 Utilize existing document processing equipment to support business continuity.

3.2.1 System Agency Responsibilities

To fulfill the requirements of this procurement, System Agency will:

2. Facilitate discussions with applicable resources for the Successful Respondent's proposal to leverage existing System Agency and State infrastructure components.
3. Provide the image capture procedure for storage of images.

At its discretion, System Agency may:

4. Initiate or review and approve changes, additions, deletions, and other modifications to all functions and processes.
5. Review, approve, or require modification to the Successful Respondent's proposed final integration, testing and deployment strategy.

3.3 Training Requirements

System Agency will have oversight (monitor, review and approve) of all training activities. The Successful Respondent's proposal must provide a training strategy sufficient to meet or exceed its contractual responsibilities, to comply with Federal, State and System Agency requirements and to support System Agency functions.

The Successful Respondent must allow adequate time for the review and approval process. System Agency reserves the right to require the Successful Respondent to revise any training material.

3.3.1 Training Plan

The Successful Respondent must provide a training plan which describes processes that include training activities for Successful Respondent and System Agency staff and subcontractors. The Successful Respondent must develop procedures for maintaining and updating the training plan and training materials throughout the contract term.

DP 022-D Submit a Training Plan no less than 60 calendar days prior to the operational start date or by the date specified by System Agency and anytime thereafter when specified by System Agency including but not limited to all of the requirements listed below.

The training plan must address the following requirements:

A. Staffing

1. The Successful Respondent will propose an administrative organizational training structure that meets or exceeds contractual responsibilities.
2. The Successful Respondent must include a description of the different types of instructor-led training and intended instructor to student ratio.
3. The Successful Respondent will identify all levels of training staff knowledge, experience, skills and abilities.

4. The Successful Respondent will provide a plan for monitoring training staff, including but not limited to corrective action planning, to ensure quality products are developed and delivered.
5. The Successful Respondent will explain how staffing plan accommodates potential increases/decreases in work volumes and staff turnover.

B. Curriculum Development

1. The Successful Respondent will outline appropriate curricula and training delivery method.
2. The Successful Respondent will include a plan for designing, developing, implementing and maintaining curriculum that supports System Agency functions, fulfills contractual responsibilities, and utilizes appropriate adult learning methodologies.
3. The Successful Respondent will design new hire, existing, and supervisor/management training plans for initial, remedial, and corrective action, refresher/reinforcement, and continuous improvement training.
4. The Successful Respondent will design curricula that capture expected results (measurable and repeatable) for students.
5. The Successful Respondent must describe how curricula will capture expected results (measurable and repeatable) for students and trainers to measure successful completion of training.
6. System Agency reserves the right to observe and participate in training sessions.

DP 023-D Submit all initial curricula, training materials, and tools 30 calendar days prior to initial training delivery dates to System Agency for review and approval. System Agency reserves the right to request training material and tools at its discretion.

C. Training Delivery

1. The Successful Respondent will outline a plan for timely, effective training delivery and knowledge transfer.
2. The Successful Respondent will design student assessments that measure successful achievement of class competencies.

D. Continuous Improvement

1. The Successful Respondent will describe processes that support ongoing employee and business process excellence, growth and development.
2. The Successful Respondent will provide detailed description of internal evaluation processes; including corrective actions and monitoring that ensure successful training.

E. Training Automation Support

1. The Successful Respondent will include strategies for training staff on all equipment required for all levels of staff to effectively perform job tasks.
2. The Successful Respondent must provide a plan for tracking staff training, including but not limited to completion, student assessment scores, and

evaluations in a learning management system. System Agency must have full access to learning management data to validate, monitor and review training progress and training outcomes.

F. Facilities/Equipment/Materials

The Successful Respondent will outline a plan that provides the best value in either training being available within a reasonable distance of the facility, or training being centralized. Refer to the **Facility Acquisition and Equipment Requirements**, for additional guidelines in **Exhibit C, Section 3.8**.

G. Costing Methodology

The Successful Respondent must include methodologies and all metrics/formulas used to determine initial, additional, and ongoing training costs.

H. Single Point of Contact

The Successful Respondent will provide a single point of contact for all training activities to facilitate communication, help resolve issues and complaints, escalate problems, and share successes.

I. Accessibility and Diversity

The Training Plan must include specific training approaches to address training for persons with disabilities.

In addition to the requirements stated above, the Successful Respondent must:

- | | |
|--------|--|
| DP 024 | Design, develop, implement and maintain a training plan that ensures the Successful Respondent staff effectively performs job tasks that support System Agency functions and is in accordance with contractual responsibilities. |
| DP 025 | Design, develop and maintain curricula, training materials and tools. The Successful Respondent must describe how curricula will capture expected results (measurable and repeatable) for student and trainers to measure successful completions of training. |
| DP 026 | Deliver initial, ongoing, refresher/reinforcement training to all Successful Respondent and designated System Agency staff (on a schedule agreed upon by System Agency) as required to meet or exceed its contractual responsibilities and to support System Agency functions. |
| DP 027 | Design, develop, implement and maintain a continuous improvement process (internal quality assurance process) that demonstrates The Successful Respondent must commit to quality improvement in training curriculum and delivery. |

- DP 028-D Submit a quarterly Training Delivery Completion and Status Report by the tenth (10th) business day of each calendar quarter (i.e. Jan – March due by the 10th business day of April) which includes the following Training Deliverable Reports specified below:
1. A Training Delivery Completion Report which outlines, but is not limited to, classes delivered, number of pass/fail participants by class, class name, delivery dates, trainer name, type of training, remediation plan and follow up plan on subsequent reports; and
 2. A Training Calendar of all classes scheduled including but not limited to class title, class size, course dates, audience, and type of training for the upcoming three months with an explanation for any changes on the prior submissions.
- DP 029 The Successful Respondent must provide fully accessible training facilities in Texas which are sufficiently equipped for initial and ongoing continuous improvement training.
- DP 030 The Successful Respondent will provide and maintain training repository and learning management system and ensure System Agency access.

3.3.2 System Agency Responsibilities

At its discretion, System Agency may:

1. Have oversight of all Vendor training activities.
2. Audit (monitor, observe and evaluate) Vendor delivered training.
3. Review and approve Vendor curricula and training related materials and require additions or deletions.
4. Review training plan and require additions, deletions, or use of System Agency developed curricula.
5. Provide training contacts to facilitate communication and resolve issues.

3.4 Key Personnel and Organizational Requirements

To establish strong accountability controls, the Successful Respondent must propose and provide for System Agency approval ongoing reporting of organizational structure and identification of key personnel, including resumes and references.

In its proposal, the Successful Respondent must propose an organizational structure for successful fulfillment of contract and performance requirements. The Successful Respondent must identify the key personnel and allocate them 100% to this contract (i.e. not permitted to manage, oversee, or participate in other projects, contracts, etc.). Key Personnel is defined as all executive, director or management level positions assigned to this contract. Resumes and references for key personnel must be provided to System Agency for evaluation and approval as part of the Successful Respondent's proposal.

Additionally, the Successful Respondent must provide for System Agency approval prior notice of any changes in key personnel during the term of the contract and any extension.

The Successful Respondent may not reduce the agreed upon organizational staffing levels without prior written approval by System Agency. The Successful Respondent must not replace any key personnel without System Agency's prior written approval. System Agency reserves the right to approve or reject any staff and replacement staff proposed by the Successful Respondent.

After contract award, the Successful Respondent must propose for System Agency approval all organizational changes that result in a restructure of the organization or redirection of key personnel to perform functions other than the responsibilities of their current positions, either temporarily or permanently.

In addition to the requirements stated above, the Successful Respondent must:

- DP 031 Maintain a core staff sufficient for successful fulfillment of contract and performance requirements with experience in systems, operations, policy and procedures, and in the functional areas in which they work.
- DP 032 Propose key personnel in their response and provide resumes and references for System Agency approval.
- DP 033 Allocate key personnel 100% to this contract.
- DP 034-D Submit notification to System Agency in writing 14 calendar days prior to a key personnel vacancy for any reason or prior to making any changes in key personnel other than changes due to resignation, death, or military recall. Notification must include a plan to recruit Key Personnel.
- DP 035 Remove key personnel or any Successful Respondent's employee or subcontractor employee found unacceptable to System Agency, including any system access they may have, immediately upon request of removal by System Agency.
- DP 036-D Replace any key personnel with System Agency approved personnel within 14 days of the approval with personnel of equal or greater ability and qualifications.
- DP 037-D Submit resumes and references of proposed replacement key personnel for HHSC review prior to making a job offer no later than seven calendar days from notification of a resignation or request for removal.
- DP 038-D Submit an initial organizational chart within 30 calendar days after the operational start date, including the names and positions of all personnel

assigned to this contract. The organizational chart must designate who are key personnel.

- DP 039-D Submit an updated organizational chart on a quarterly basis within ten calendar days after the end of the calendar quarter identifying the names and positions of all personnel assigned to this contract. The organizational chart must designate who are key personnel. The quarters for reporting are listed below:
1. January – March due by the 10th of April;
 2. April – June due by the 10th of July;
 3. July – September due by the 10th of October; and
 4. October – December due by the 10th of January.
- DP 040-D Submit notification to System Agency in writing and request approval ten calendar days prior to whenever key personnel are temporarily redirected to perform functions other than the responsibilities of their current position, unless previously approved by System Agency.
- DP 041 Obtain appropriate background checks for all personnel and, on System Agency's request, for subcontractors who by virtue of their access to information or facilities may, in System Agency's sole discretion, present a risk to the safety or security of consumers and other persons or the integrity, confidentiality or security of System Agency information. The Successful Respondent must represent and warrant to System Agency, that continued employment of such personnel by the Successful Respondent is contingent upon the Successful Respondent's compliance with these and other appropriate security measures that may be required by System Agency.

3.4.1 System Agency Responsibilities

At its discretion, System Agency may:

1. Review, approve or require modification to the Successful Respondent's proposed key personnel.
2. Review, approve, or require modification to any changes in key personnel.
3. Reserve the right to require replacement of key personnel or any of the Successful Respondent's employee or subcontractor employee found unacceptable to System Agency.
4. Reserve the right to request a rebate or price reduction for key personnel positions that remain vacant longer than 30 calendar days.
5. Review, approve, or require modification to the Successful Respondent's proposed, initial and quarterly organizational charts and organizational changes.

3.5 Transition Phase Requirements

System Agency must ensure that the process of transition to a new Vendor from the incumbent Vendor upon contract award, results in a predictable and, seamless transition where services to Consumers continue to be delivered in a timely and accurate manner.

The transition will be determined successful if Consumers and System Agency do not experience any degradation in service levels. The transition should not impede the delivery of eligibility determination by System Agency or negatively impact the accuracy and timeliness of those determinations.

The following presents the scope of work for the Transition Phase of the contract resulting from this procurement. The primary objectives of the Transition Phase are to meet the following with an emphasis on cost, schedule, and quality:

1. Ensure a smooth transition and implementation of business operations and systems;
2. Perform readiness assessment thoroughly and timely for implementation;
3. Establish strong Vendor accountability controls;
4. Ensure comprehensive knowledge transfer;
5. Ensure cost effectiveness; and
6. Mitigate risk to consumers and System Agency.

The work activities and requirements outlined in this section are applicable to the Successful Respondent. For each contract component, "Transition Phase" is defined as those activities that the Successful Respondent must conduct between the effective date of the contract and the Successful Respondent's operational start date. This includes all of the project management activities required to successfully support eligibility support services, and other components as determined by System Agency.

3.5.1 Transition Phase Project Management

To ensure a successful transition of current operations to the Successful Respondent, System Agency is seeking proposals that must include a comprehensive project management approach including but not limited to the following:

1. Project Management Office (PMO) Organization,
2. Transition Phase Work Plan (with schedule and resource allocations),
3. Facility and Business Structure Transition Plan,
4. Transition operations,
5. Staffing,
6. Training,
7. System equipment and testing,
8. Systems and operations readiness assessment,
9. Implementation,
10. Coordination and communication,
11. Risk management and issue resolution,
12. Change management,
13. Systems integrations where applicable,
14. Security management,
15. Disaster recovery and business continuity, and

16. Integration of business operations.

System Agency reserves the right to waive the review and approval of any the Successful Respondent's work product. Neither the waiver of review nor approval by System Agency will relieve the Successful Respondent of liability for errors and omissions in the work product.

In its response, the Respondent must clearly explain how it will fulfill all needs and requirements contained in this section. Mere recitation of System Agency and the Successful Respondent requirements will not be considered as an adequate response. Responses which only regurgitate, acknowledge, or reiterate the requirements of the RFP will be considered non-responsive.

3.5.2 Transition Phase - Project Management Office Organization

To ensure a smooth transition and implementation, the Successful Respondent must establish a Transition Phase Project Management Office (**PMO**) in Texas with an organizational structure that is responsible for managing the transition project tasks, deliverables, and risks.

System Agency, the incumbent Vendor and the Successful Respondent must work together during the initial Transition Phase to define specific project management and reporting standards, establish communication protocols, and establish specific work products and tasks the Successful Respondent's PMO will perform. In the proposal, the Successful Respondent must outline communication protocols, including the Successful Respondent's approach to progress tracking and status reporting.

The proposal must also include a proposed PMO organization outlining individual roles and responsibilities. Additionally, the Successful Respondent must propose the specific skill requirements for each of the roles identified in the PMO organization proposed. The proposal must include resumes and references for key positions of the PMO organization proposed, unless staff is approved by System Agency. The Successful Respondent must propose specific tasks and work products to be performed by the PMO for the Transition Phase of the contract and for operations under the contract throughout the life cycle of the contract (only if the Vendor intends to continue to maintain a PMO until termination of the contract).

DP 042 Implement PMO organization structure contained in the proposal no later than fifteen business days after contract execution.

If the Successful Respondent intends to continue to maintain a PMO after the Transition Phase is concluded, then the Successful Respondent must include in the proposal specific functions that will be performed by the operations PMO for System Agency to review and approve.

3.5.3 Transition Phase Work Plan

To ensure the mitigation of risk to System Agency and Consumer services/access, the Successful Respondent must establish a comprehensive Transition Phase Work Plan to track the project team's progress regarding project tasks, deliverables, management of risks and progress towards readiness for operations assumption.

System Agency and the Successful Respondent must work together throughout the Transition Phase to establish a detailed schedule for all activities and define expectations for the content and format of the contract deliverables. This detailed schedule must address continued business operations for all transition functions and requirements.

Proposals must include a work plan and examples of reports that support the progress on the work plan for the transition components including, but not limited to due dates and tasks associated with:

1. Transition operations;
2. Staffing;
3. Training;
4. Quality assurance and quality control activities;
5. System equipment and testing;
6. Systems and operations readiness assessment;
7. Implementation; and
8. Coordination and communication.

For each of the above components, include the following data elements within the work plan that the Vendor is required to report on:

1. A logical sequence of tasks and progress reports;
2. A clear definition of each task and progress report;
3. Staff loading for each task and progress report;
4. A specific target completion date for each task and progress report;
5. Track and report completion of tasks within work plan; and
6. Task and progress report relationships and dependencies.

In addition to the requirements stated above, the Successful Respondent must:

DP 043-D Submit a Transition Phase Work Plan within 45 calendar days after contract execution. The Plan must address the business requirements detailed in this RFP and describe how the Successful Respondent's proposal will fulfill each of those requirements.

DP 044 Upon final approval from System Agency on the Transition Phase Work Plan, the Successful Respondent is expected to begin performing work under the plan.

DP 045 Coordinate with incumbent Vendor as needed.

- DP 046-D Submit a weekly Transition Phase Status Report by 5:00 p.m. the Monday following the last day of the week covered by the report. System Agency will inform the Successful Respondent when the weekly transition phase status report submission period begins and ends. The weekly status report must include but is not limited to the following:
1. Accurate reflection of the status of work completed against the Transition Phase Work Plan and Facilities and Business Structure Transition Plan;
 2. Status of meeting activities and due dates;
 3. Status of identified risks, mitigation strategies and activities, and contingency plan;
 4. Issues and resolution of issues, including the length of time from discovery to resolution; and
 5. Requested corrective actions by System Agency and the status.

DP 047 Monitor, track and update work plan.

DP 048 Meet all due dates contained within work plan.

The Transition Phase Work Plan will be evaluated at the close of transition for the Successful Respondent's compliance and subsequently retired as a deliverable.

The Business Operations Plan is a separate plan from the Transition Phase Work Plan and will be submitted according to the requirements outlined in this RFP.

3.5.4 Facility and Business Structure Transition Plan

The Successful Respondent must submit a Facility and Business Structure Transition Plan that documents the approach for transition and implementation, and describes how the assets, facilities, and support operations will transition from the current incumbent. This plan must also document the approach for transition and implementation of assets, facilities, and support operations at the conclusion of the contract awarded under this RFP to either System Agency or at System Agency's discretion to a future Vendor.

The Successful Respondent is to assume the existing DPC in Austin, Texas, under a sub-lease arrangement from the current Vendor, unless an alternative site is approved by System Agency. Currently, the Disaster Recovery (DR) site is in Athens, Texas. System Agency requires a DR site for the DPC. The Successful Respondent may propose an additional or alternate DR site in the continental United States. The Successful Respondent must indicate the location of the disaster recovery site and the proximity to Successful Respondent's central site and provide a description of backup and recovery procedures specifying timeframes for restoring service and whether the service restored is full or partial.

The existing DPC in Austin, Texas, and the DR site contain State owned assets listed in **Exhibit R HHSC Equipment Inventory for Austin and Athens**. The Successful Respondent will be expected to use existing State assets until the end of the assets' recommended life cycle. All Successful Respondent acquired equipment must be supported by the Successful Respondent.

The Transition Plan must describe how the transition of functions, facilities, assets, and processes will transition from the incumbent Vendor to the Successful Respondent. The Successful Respondent will be the lead during transition.

In addition to the requirements stated above, the Successful Respondent must:

DP 049-D Submit a Facility and Business Structure Transition Plan within 60 calendar days after contract execution or by the date specified by System Agency. The Plan must include but is not limited to the following:

1. The overall approach for transitioning control and management of the current assets (i.e. leverage of current investments);
2. The process and procedures to shift responsibility and control of facilities identified under the proposal that are operated by the incumbent Vendor to the Successful Respondent and detail the structure under which those facilities will be managed and operated;
3. A plan for transitioning facilities, including operational management;
4. List of all subcontracts, including functions performed by each subcontractor;
5. Key contacts with subcontractors;
6. The processes to be used during transition period;
7. The Project Schedule with key milestones;
8. Outline of procedures to be followed during the implementation period, including the plan for managing the period of concurrent operations with the incumbent Vendor;
9. Identification of issues that need to be addressed during the implementation period, including, but not limited to:
 - a. meeting performance standards;
 - b. operations of the facilities and who directs the support of operations;
 - c. how disputes and issues between the Successful Respondent and incumbent Vendors will be resolved; and
 - d. liability;
10. The method of identifying, documenting and transferring assets developed by the Successful Respondent (nature, type, stage of delivery, location, etc.) during the course of the contract that are

subject to transition to a new incoming Vendor at the termination of the contract to HHSC or its designee;

11. Identification of roles and responsibilities for the Successful Respondent, the incumbent Vendor, System Agency, and additional stakeholders; and
12. Point of contact and procedures for managing problems or issues during the transition period.

3.6 Risk Management & Issue Resolution Plan

To ensure the mitigation of risk to System Agency and consumers, the Successful Respondent must establish a comprehensive risk management and issue resolution plan. The risk management and issue resolution plan must include the methodology and approach to risk management and issue resolution through the Transition Phase and after refinement during transition to describe the process by which the Successful Respondent detects, manages, resolves and notifies System Agency of problems during the remainder of the contract life cycle.

System Agency requires that where the Successful Respondent identifies risk, the Successful Respondent identify actions to mitigate the risk and/or resolve the issue. The Successful Respondent must describe processes and procedures requiring approval by HHSC, for reporting, tracking, monitoring, prioritizing, resolving, and escalating problems.

The Successful Respondent must develop, implement, and maintain a comprehensive risk management process that identifies potential risks associated with each service component proposed. Respondents must include examples of previous risk management plans in their proposals.

The proposed risk management plan must include:

1. Risk identification methodology that identifies and classifies risk by severity, impact, and probability of occurrence;
2. Operational and system implementation risks, including any that may pose a risk to the successful fulfillment of the contract;
3. Process for communicating and updating System Agency; and
4. A mitigation methodology, including examples of how the assessed risks will be managed, reported, monitored, and how any new risks will be identified, assessed, and mitigated.

In addition to the requirements stated above, the Successful Respondent must:

DP 050 Develop a comprehensive risk management and issue resolution plan.

DP 051-D Submit a Risk Management Process, including an issue resolution and notification process, within 30 calendar days prior to operational start date

or by the date specified by System Agency and anytime thereafter when specified by System Agency.

- DP 052 Implement and maintain the process upon receipt of System Agency approval and revise as needed or at System Agency's direction.
- DP 053 Report progress of identified risks and mitigation activities throughout the transition phase within the weekly Transition Phase Status Report (**DP 046-D**) and Monthly Status Report (**DP 069-D**) after transition.
- DP 054 Develop risk mitigation strategies and contingency plans for any identified risks that may impact business operations in sufficient time to prevent an adverse impact to current operations.
- DP 055 Document issue resolution and closures to the satisfaction and approval of System Agency.
- DP 056 Report resolution of issues to System Agency, including the length of time from discovery to resolution.
- DP 057 Develop and seek implementation approval from System Agency of the steps to prevent recurrence of issues.
- DP 058 Provide access for System Agency and its designees to the Successful Respondent's issues and risks tracking system and/or logs.

3.7 Readiness Assessment Process

To ensure the mitigation of risk to System Agency and Consumers and assure a smooth transition, the Respondent must prepare a comprehensive Readiness Assessment Plan for all components of their proposal. The Readiness Assessment Plan must specify how the Successful Respondent will prepare and test its staff, business practices, systems, and required system interfaces for the performance of business functions prior to the formal readiness review.

The Successful Respondent's readiness assessment process must detail how the readiness assessment will be conducted and how the results of the assessment will be collected, presented, and if problems are identified, how they will be addressed.

As part of the Readiness Assessment process, it is required that the Successful Respondent plan, prepare, and conduct rigorous system(s) testing in a tightly controlled and fully production-ready environment. Operationally, it is required that the Successful Respondent plan, prepare and determine the readiness of the Successful Respondent's personnel and business practices, at the onset of the Operational Phase, or at any time the Successful Respondent initiates a new business processes, technology, systems, and facilities upon request by System Agency.

Expected outcomes from readiness assessment include, but not limited to the following:

1. a full end-to-end demonstration of all functions;
2. All contracted functions and contractual requirements (including manual processes if appropriate);
3. All system processes and staff functions, including System Agency staff and other subcontracted Vendors; and
4. All physical security, data security, and fire/disaster prevention and recovery procedures.

The Respondent's proposal must include a high-level Readiness Assessment Plan defining:

1. The proposed methodology for testing the operational and system readiness;
2. Recommended approaches to resolve any identified problems;
3. The proposed readiness result tracking, reporting, and communication strategy; and
4. The proposed readiness assessment schedule, activities, and resource allocation requirements.

In addition to the requirements stated above, the Successful Respondent must:

- DP 059-D Submit a Readiness Assessment Plan for the operations and systems within 45 calendar days after contract execution or by the date specified by System Agency. The Plan must include but is not limited to the following:
1. How the Successful Respondent will prepare and test its staff, business practices and systems, and required system interfaces for the performance of business functions prior to the formal readiness review;
 2. How the readiness assessment will be conducted;
 3. How the results will be collected and presented; and
 4. How problems will be addressed, if identified.
- DP 060 Conduct full end-to-end readiness assessment.
- DP 061 Demonstrate knowledge of the State's system(s) and connectivity pathways.
- DP 062 Demonstrate that all components of the proposed business process function in accordance with the requirements of the contract and State and Federal laws and policy.
- DP 063 Participate in periodic readiness walkthroughs and assessments conducted by System Agency.
- DP 064 Participate in meetings with System Agency and other Vendors to define the details of the readiness assessment and develop the assessment schedule.

- DP 065 Conduct any necessary training sessions for individuals that will participate in the Readiness Assessment process including those designated by System Agency.
- DP 066 Demonstrate that all staff, business practices and systems are in place and ready for implementation.
- DP 067-D Submit the results of the Readiness Assessment in a Readiness Assessment Report within 15 business days after the readiness assessment process has been completed. The Report must identify problems uncovered and indicate how and when the Successful Respondent will address and resolve the problems identified.
- DP 068 Maintain the readiness test outcomes or result files as directed and approved by System Agency.
- DP 069 Execute readiness test cycles to include all external data interfaces.

3.7.1 System Agency Responsibilities

At its discretion, System Agency may:

1. Provide a project management oversight team to review the performance and progress of the Transition Phase Work Plan and Facility and Business Structure Transition tasks.
2. Review, approve, or require modification to the Transition Phase and Facility and Business Structure Transition Work Plan.
3. Research and respond to the Successful Respondent's questions or requests for information to promote a smooth transition.
4. Review, approve, or require modification to the Successful Respondent's proposed key personnel and PMO organizational structure.
5. Review, approve, or require modification to the work products of the PMO.
6. Perform overall monitoring and management overview of the project to ensure timely progress and satisfactory completion of tasks and activities.
7. Review and comment on written status reports and work plan/task schedule updates.
8. Provide notice to the Successful Respondent of inadequate performance; request review and approve plans for corrective action.
9. Monitor progress toward achievement of project milestones and key dates, and request status updates as needed.
10. Review, approve, or require modification to the Successful Respondent's proposed risk management process including the identified risks, severity ratings, and probability evaluation.
11. Review, approve, or require modification of the Successful Respondent's proposed readiness assessment process and readiness result report including the schedule of activities and assessment review cycle.
12. Review, approve, or require modification of the Successful Respondent's readiness review result report and provide approval to begin implementation.

13. Conduct operational readiness tests and require the Successful Respondent to correct all deficiencies in the manner and time specified by System Agency.

3.8 Operational Phase Requirements

During the life of the contract, the Successful Respondent will be required to carry out daily operational activities related to implementing comprehensive document processing services. As part of these responsibilities, the Successful Respondent will be required to develop, implement and maintain plans, processes, systems, and procedures for the management and reporting practices that support the daily operational activities.

System Agency and the Successful Respondent must work together throughout the Operational Phase to establish a detailed schedule for all activities and define expectations for the content and format of the contract deliverables. This detailed schedule must address continued business operations for all operational functions and requirements.

3.8.1 Business Operations Plan

To create strong accountability controls, and to ensure effective on-going operations with an emphasis on continuous improvement, the Successful Respondent must have strong management practices and an administrative and staffing structure sufficient to meet contractual responsibilities. Therefore, the Successful Respondent must submit a Business Operations Plan to System Agency for review and approval prior to the operational start date. The Business Operations Plan will not be implemented prior to System Agency approval.

- DP 070-D Submit an initial Business Operations Plan 30 calendar days prior to the scheduled operational start date or by the date specified by System Agency and anytime thereafter when specified by System Agency. The Plan must include but is not limited to the following:
1. An outline (i.e. work plan) of all component activities (tasks, due dates, completion dates, timelines and deliverables) planned for the upcoming year;
 - a. Operations;
 - b. Staffing;
 - c. Training;
 - d. Quality assurance and quality control; and
 - e. Coordination and communication.
 2. The business improvement objectives, priorities, and outcomes for the upcoming year;
 3. The methodology for performing activities and meeting objectives;
 4. Customer service performance measures and targets that ensure timeliness, accuracy, availability and access to services; and
 5. Plans for developing and implementing any necessary corrective actions.

A key component of the Business Operations Plan is an operational work plan. The operational work plan must be used to track the progress regarding tasks, timelines, deliverables, and the management of risk.

The Business Operations Plan must be an interactive and flexible working document to be revised and updated as business workflows, processes, procedures, structures, and/or organization changes occur. As a result, the Successful Respondent will be required to provide a detailed six-month evaluation report. The six-month evaluation serves as the primary basis for revisions, if any, to the business operations plan to reflect updated goals, activities, and processes. Therefore, the Successful Respondent is required to evaluate the actual activities performed as compared to System Agency approved Business Operations Plan.

- DP 071 Implement the Business Operations Plan after approval is obtained by System Agency.
- DP 072-D Submit a detailed six-month evaluation report of the Business Operations Plan within 30 calendar days after the end of the six-month reporting period covered by the report beginning six-months after operational start date.
- DP 073-D Provide a daily reconciliation report via e-mail providing an end-to-end count of transactions.
- DP 074-D Submit a Monthly Status Report within ten business days following the last day covered by the report. System Agency will inform the Successful Respondent when the monthly status report submission period begins. The monthly status report must include but is not limited to the following:
1. Accurate reflection of the status of work completed against the Business Operations Work Plan;
 2. Status of meeting tasks/activities and due dates;
 3. Operational impacts and plans to complete tasks/activities where the due dates were missed without causing an adverse effect on operations;
 4. Trend analysis;
 5. Equipment maintenance status and issues;
 6. Security system issues, status, impacts and corrective measures;
 7. Performance data and metrics;
 8. Status of identified risks, mitigation strategies and activities, and contingency plans;
 9. Issues, resolution of issues, including the length of time from discovery to resolution; and
 10. Requested corrective actions by System Agency and the status.

3.8.2 System Agency Responsibilities

At its discretion, System Agency may:

1. Establish the minimum requirements for the Business Operations Plan.
2. Review, approve, or require modification to the Vendor's proposed Business Operations Plan.

3.9 Facility Acquisition and Equipment Requirements

The Vendor's proposal must address the following facility acquisition and equipment requirements and provide maximum leverage of current asset investments as described below.

3.9.1 Leverage of Current Investment

Maximum Leverage of Current Asset Investment

The proposal must utilize assets in which System Agency has already made a significant investment for document processing. The intent is to ensure System Agency's investments in facilities, hardware, and software for operations covered under this RFP are utilized to full advantage as a way to reduce start up and operating costs. The Successful Respondent must utilize the existing DPC located in Austin, Texas, and is expected to arrange to sub lease the existing DPC space. Currently, the DR site for the DPC operations is in the Athens Call Center within the Eligibility Support Services (ESS) Vendor's lease. See **Exhibit R HHSC Equipment Inventory for Austin and Athens** for additional information.

The Successful Respondent will be expected to use existing State assets currently in use in the DPC until the end of the assets recommended life cycle. Assets and equipment acquired by the Successful Respondent, as approved by System Agency, must be maintained and supported by the Successful Respondent.

To ensure facility, leasehold improvements, furniture and fixtures, technology and equipment already acquired is utilized to the best value for System Agency, the Successful Respondent will obtain and be responsible for sustaining facility, leasehold improvements, furniture and fixtures, imaging equipment, other technology and software to support the proposal in the Austin facility under a sub-lease arrangement. The proposal must demonstrate consideration of the assets already in place and how these will be utilized to continue to support delivery of the services covered under this RFP to minimize startup costs, maintain continuity of services, and ensure an effective transition of operational responsibility. The proposal must describe the approach for refreshing equipment and acquisition of new equipment for any new sites proposed.

In addition to the requirements stated above, the Successful Respondent must:

- DP 075 Design, implement, and maintain an implementation plan for the overall approach for transitioning control and management of current assets that leverages the assets already in place.
- DP 076-D Implement approved plan within 60 calendar days after contract execution or by the date specified by System Agency.
- DP 077 Develop an overall approach for acquisition of any additional assets to ensure interoperability with assets acquired from System Agency to support these operations, and to maintain future interoperability.
- DP 078 Develop an approach that implements ongoing technology to refresh and maintain operations at current or (n-1) levels.

3.9.2 Configuration Management

The Successful Respondent must develop and implement a Configuration Management process that includes procedures to track hardware and software inventories installed and the combination of hardware and software residing on each component of equipment. This applies to any hardware and software assigned from System Agency as well as any expansion or replacement hardware and software.

In addition to the requirements stated above, the Successful Respondent must:

- DP 079-D Submit a Configuration Management Plan including an overall approach for tracking and managing hardware and software inventories including version control within 30 calendar days after contract execution or by the date specified by System Agency and anytime thereafter when specified by System Agency.
- DP 080 Develop an overall approach for tracking and managing hardware and software that resides on each component of equipment.

3.9.3 Facility Acquisition, Management and Operation

The Facility and Business Structure Transition Plan must include processes and procedures to shift responsibility and control of facilities identified under the proposal that are operated by the incumbent Vendor to the Successful Respondent through a sub-lease arrangement with the ESS Vendor (for the DR site in Athens, Texas). The proposal must also provide a plan for transitioning facilities, including operational management, to System Agency or its designee at the end of this award.

In addition to the requirements stated above, the Successful Respondent must:

- DP 081 Propose and describe the Document Processing Services operations in two locations in Texas. The Austin, Texas, DPC is the only site

used for operations and must be assumed by the Successful Respondent. The current DR site in Athens, Texas, must be assumed and maintained by the Successful Respondent. The Respondent may propose an additional or alternate disaster recovery site within the continental United States.

DP 082 Procure, equip, furnish, operate and maintain facilities appropriate to support the proposed document processing services and describe how the sub leasing arrangement fulfills the requirements.

DP 083 Provide directly as a part of a core business operation, through the landlord, or through a subcontractor, all facility maintenance, managerial and administrative functions including but not limited to:

1. Facilities day-to-day management;
2. Operation and maintenance of electrical, mechanical and Heating, Ventilation, and Air Conditioning (**HVAC**) equipment;
3. Architectural, structural and mechanical maintenance of building including doors, windows and gate systems;
4. Floor repair;
5. Physical security including security guards;
6. Lock and locksmith services including security locks and electronic locks;
7. Intrusion alarm systems;
8. Office supplies;
9. Document output (copies, printers, faxes);
10. Postage meters;
11. Document pick up & destruction;
12. USPS, UPS, FedEx, Lone Star, DHL; etc.;
13. Break room supplies;
14. Appliance repair including repair of kitchen and break room equipment;
15. Janitorial services;
16. Elevators and vertical transportation systems;
17. Landscape maintenance;
18. Radio system;
19. Repairs to vandalism;
20. Fire extinguishers;
21. Fire alarm and fire suppression system, including fire sprinklers; and
22. Exterior lighting including lighting in the parking lot.

3.10 Security Management

The Successful Respondent will be responsible for providing security for each component of the contract. To ensure consistency in Consumers' access to services statewide and

mitigate risks to HHSC and taxpayers, the Successful Respondent must provide a Security Management Process Plan for both the implementation and transition phase and continuing business operations. The Successful Respondent must develop and implement a Security Management Process that includes methods for resolving the following major security concerns for business operations and transition: environmental security, physical site security, computer hardware security, computer software security, data access and storage, Consumer/user security, telecommunications security, and network security.

In addition to the requirements stated above, the Successful Respondent must:

- DP 084-D Submit a Security Management Process Plan within 35 business days after contract execution or by the date specified by System Agency and anytime thereafter when specified by System Agency.
- DP 085 The Security Management Process Plan must include an overall approach for establishing and maintaining security that meets all State and Federal requirements (including FTI and HIPAA) and protects against unauthorized access.
- DP 086 Develop and implement methods that ensure security for all components of the system including:
1. Environmental security;
 2. Physical site security;
 3. Computer hardware security;
 4. Computer software security;
 5. Data access and storage;
 6. Consumer/user security;
 7. Telecommunications security; and
 8. Network security.
- DP 087 Develop and implement a process for documenting, tracking, monitoring and reporting security issues to System Agency.
- DP 088-D Submit a report of security systems issues within one calendar day of discovery detailing the security violation, when and how it was discovered, operational impacts, and corrective measures to detect and prevent future violations.

3.11 IT Disaster Recovery and Business Continuity

To ensure the mitigation of risk to HHSC and Consumers, the Successful Respondent must provide an Information Technology (IT) Disaster Recovery Plan and a Business Continuity Plan specific to the Transition Phase as a part of their response and during ongoing operations. It is critical that the IT Disaster Recovery Plan and Business Continuity Plan provide for service delivery to the citizens of Texas upon receipt of the mail, and as such

the Successful Respondent shall continue to be expected to meet all conditions of the contract.

The Successful Respondent must develop, implement, exercise, and maintain an IT Disaster Recovery Plan and a Business Continuity Plan to reestablish operations and service delivery in the event of an unplanned system outage (scanning equipment, telephony or otherwise) and/or in the event, a catastrophe occurs, or a facility is no longer available. The Respondent must submit an IT Disaster Recovery Plan and a Business Continuity Plan as part of the Transition Phase Work Plan. The location(s) of all IT Disaster Recovery operations must also be identified and approved by System Agency.

Recovery Time Objective (RTO)

The Successful Respondent must reestablish the document processing center infrastructure and processing capabilities within 24 hours from the date and time of a disaster declaration and identify risk and risk mitigation options.

In its proposal, the Respondent must provide what problems should be anticipated and how the Respondent would plan to address and resolve these problems. HHSC is interested in a realistic assessment of where potential problems are likely to occur during the Transition Phase and in ongoing operations.

In addition to the requirements stated above, the Successful Respondent must:

DP 089-D Submit an IT Disaster Recovery Plan and a Business Continuity Plan specific to the transition and on-going operations within 45 calendar days after contract execution or by the date specified by System Agency and within 30 calendar days following an annual IT disaster recovery exercise or anytime thereafter when specified by System Agency.

The IT Disaster Recovery Plan must include but may not be limited to the following:

1. A detailed approach for reestablishing IT operations and service delivery in the event of an unplanned system outage (e.g. hardware or software outages) and/or in the event a catastrophe occurs affecting performance of:
 - a. Host operations;
 - b. Telecommunications network; and
 - c. Any other systems required for operations.
2. A description of potential issues that may realistically occur, including, but not limited to instances such as natural disasters, unplanned system outages, a facility is no longer available, etc., during the operations phase of a project and an outline of courses of action to address and resolve the anticipated problems;
3. A description of backup and recovery procedures specifying timeframes for restoring service and whether the service restored is full or partial;
4. A contingency plan addressing interruption to the established training plan and outlining communication processes, short and/or long-term resolutions, action steps, and response time frames;

5. A proposed reporting mechanism specific to IT Disaster Recovery and Contingency Operations;
6. The process for informing State contacts of major system outages immediately but no later than five minutes of occurrence and providing documented Incident Reports within 24 hours; and
7. A commitment to host and participate in an enterprise-wide exercise of the IT disaster recovery solution annually or more frequently if required by System Agency.

The Business Continuity Plan must include but may not be limited to:

1. A detailed approach for reestablishing operations and service delivery in the event of an unplanned system outage (e.g. hardware or software outages) and/or in the event a catastrophe occurs affecting performance of:
 - a. Host operations;
 - b. Telecommunications network; and
 - c. Any other systems required for operations.
2. A description of potential issues that may realistically occur, including, but not limited to instances such as natural disasters, unplanned system outages, a facility is no longer available, etc., during the operations phase of a project and an outline of courses of action to address and resolve the anticipated problems;
3. A description of personnel seat management, hiring practices and relocation to a recovery site following a disaster. This description must include specifying timeframes for restoring service and whether the service restored is full or partial;
4. A contingency plan addressing interruption to the established training plan and outlining communication processes, short and/or long-term resolutions, action steps, and response time frames;
5. A proposed reporting mechanism specific to contingency operations;
6. The process for informing State contacts of major system outages immediately but no later than five minutes of occurrence and providing documented Incident Reports within 24 hours; and
7. A commitment to host and participate in an enterprise-wide exercise of the IT Disaster Recovery and Business Continuity solutions on an annual basis or more frequently if required by System Agency.

DP 090-D Submit annual updates to the IT Disaster Recovery Plan and the Business Continuity Plan 30 calendar days prior to the end of the operational year of the contract or within 30 calendar days following an IT Disaster Recovery exercise and/or Business Continuity exercise;

DP 091 Develop, implement, test and maintain an IT Disaster Recovery and a Business Continuity Plan during the Transition Phase and Operational Phase of the project ensuring service delivery once operations commence upon receipt of the mail. The approved IT Disaster Recovery and Business Continuity Plan must be in place prior to operations for each functional area.

- DP 092 Proactively identify potential issues that are realistic during a Transition Phase of a project and outline courses of action to address and resolve the anticipated problems.
- DP 093-D All major system outages must be reported to System Agency via e-mail or telephone if e-mail is unavailable within five minutes after the Successful Respondent determines a major system outage has occurred.
- DP 094-D Submit an Incident Report to System Agency via the official correspondence process within 24 hours of reported system outages detailing the incident, when and how it was discovered, system and operational impacts, and corrective measures to detect and prevent future incidents.

3.11.1 System Agency Responsibilities

To fulfill the requirements of this procurement, System Agency will:

1. Ensure the provision and maintenance of System Agency automated systems.

At its discretion, System Agency may:

1. Review, approve, or require modification to the Successful Respondent's proposal.
2. Initiate or review and approve changes, additions, deletions, and other modifications to all system functions.
3. Facilitate discussions with applicable resources for the Successful Respondent's proposal to leverage existing System Agency and State infrastructure components, including but not limited to facilities.
4. Review, approve, or require modification to the Successful Respondent's proposed final integration, testing and deployment strategy.
5. Review, approve, or require modification to the Successful Respondent's proposed facility acquisition, management and operation plan.
6. Review, approve, or require modification to the Successful Respondent's proposed Configuration Management Plan.
7. Review, approve, or require modification to the Successful Respondent's proposed Security Management Process Plan.
8. Review, approve, or require modification to the Successful Respondent's proposed IT Disaster Recovery Plan.
9. Review, approve, or require modification to the Successful Respondent's proposed Business Continuity Plan.

3.12 Quality Assurance Program Requirements

System Agency seeks a complete and comprehensive solution in the design, development, implementation, and maintenance of the Successful Respondent's Quality Assurance (QA) program.

The Successful Respondent must have a comprehensive, continuous, measurable, and auditable QA program to achieve total quality management. The program must embody the Successful Respondent's endorsement of the fundamental importance of quality by promoting, reinforcing, and acknowledging quality management activities.

Regular self-assessments should be conducted to identify and report compliance with requirements, rules, laws and regulations throughout the agreement period, as well as reporting the extent to which the desired results and benefits established by the contract are being achieved.

The QA program must be designed to ensure that outcomes, products and services delivered are of the highest quality and meet or exceed Federal, State, and System Agency requirements.

All QA activities performed by the Successful Respondent will be subject to ongoing, periodic, and random inspection by System Agency. The Successful Respondent will make all QA systems, processes, reports, and data available to System Agency and provide the necessary hardware, software, tools, and training as appropriate to System Agency as necessary in order to review the QA program.

Core components of the QA program are described in sections the following sections.

3.12.1 Quality Management Plan

The Quality Management (QM) plan is a comprehensive collection of the following related components

1. Quality Assurance Areas – Functional Successful Respondent areas subject to QA.
2. Performance Measurement Plans – A collection of performance measures for activities, tasks, events, processes, systems, etc. associated to a QA Area.
3. Assessment Plans – A collection of one or more plans associated to each individual performance measure and used to evaluate the performance standard(s) for the performance measure.
4. Corrective Action and Continuous Improvement Plans – A collection of one or more plans designed and implemented to meet performance standards or prevent quality issues.

The QM plan is a dynamic plan subject to reviews and updates frequently by the Successful Respondent and System Agency. It must also be available to authorized System Agency staff at all times.

DP 095-D Submit an initial Quality Management Plan, 45 calendar days prior to the scheduled operational start date. The Plan must consist of, but is not limited to, the following:

1. Quality Assurance Areas – identify and provide a comprehensive report listing areas subject to quality assurance with an area description and reason for selection;
2. Performance Measurement Plan – identify all performance measures and standards for each quality assurance area; and
3. Assessment Plans – evaluate a performance measure against the established standards for each performance measure.

DP 096-D Submit an Annual Quality Management Plan 45 calendar days prior to the end of each operational year of the contract.

DP 097-D Submit a monthly Quality Management Report, in a form acceptable to System Agency within 15 business days following the end of the reporting month. The report must consist of, but not be limited to, the following:

1. Modifications and updates to the Quality Management Plan as applicable;
2. Identified a comprehensive list of areas subject to QA with an area description and reason for selection;
3. Corrective action and continuous improvement plans as applicable; and
4. Reports for each assessment conducted, timeframes assessment completed, and findings as a result of the assessment.

If a Respondent proposes their own quality assurance system, then:

DP 098-D Submit a Data Access Plan 25 business days prior to the operational start date that describes in detail the necessary processes and procedures and tools, hardware, software, training and other resources necessary to provide data access and system monitoring to System Agency related to quality assurance activities.

3.12.2 Quality Assurance Areas

The Successful Respondent is expected to maintain a high level of quality performance across all areas and throughout its systems, activities, functions, and processes.

The Respondent's response must identify areas of operation that require a defined QA component. Broad areas subject to quality assurance include but are not limited to DPS as follows:

1. Opening and sorting of documents
2. Maintaining and ensuring data integrity of documents
3. Scanning of documents and image quality

In addition to the requirements stated above, the Vendor must:

DP 099 Identify and provide a comprehensive report listing areas subject to QA with an area description and reason for selection.

3.12.3 Performance Measurement Plans

To identify all performance measures associated with QA areas, a performance measurement plan identifying all performance measures and standards is needed for each QA area. Performance measures are used to evaluate the level of quality and service provided to Consumers/applicants and other users of the solution.

For each QA Area, the Respondent's response must include a performance measurement plan with information including but not limited to the following for each performance measure on the plan:

1. Description of the activities, tasks, events, processes, or systems being measured.
2. QA area associated with the measure.
3. Performance standard(s), calculation methodology, and recommended industry standards (where applicable).
4. Applicable metrics.
5. Reporting frequency.
6. Identification of Assessment Plans.
7. Monitoring frequency.
8. Auditing frequency.
9. Impact statement(s) of not meeting the standard.
10. Corrective action and continuous improvement plans.
11. Impacts and dependencies on other processes, performance measures, or areas.
12. Description of how the measure will be met or exceeded.
13. Applicable System Agency programs associated with the measure.

In addition to the requirements stated above, the Successful Respondent must:

DP 100 Design, develop, implement and maintain comprehensive performance measurement plans for each QA area and include processes on reviewing, amending, and modifying the plan on an on-going basis.

DP 101 Adhere to performance measures and performance standards.

3.12.4 Assessment Plans

Each performance measure on the performance measurement plan must have an accompanying assessment plan or plans.

The purpose of an assessment plan is to evaluate a performance measure against the established standards for the performance measure. Assessment plans should be executed on a periodic schedule to:

1. Accurately measure standards,
2. Provide for actions and remedies to meet or achieve standards not being met or at risk of not being met,
3. Identify trends in performance, and
4. Prevent quality issues before they occur.

The Respondent's response must include an assessment plan for each performance measure and must have at least one or more of the following components and applicable sub-components:

1. Monitoring Components - with information on:
 - a. Online (real-time) or other processes for tracking and monitoring automated, system, or manual workflows to capture metrics on timeliness, workflow, and other items.
 - b. Early detection and warning systems designed to provide the earliest possible notification of trends that may cause performance or quality issues.
 - c. Other solutions to monitor performance or quality.
 - d. Mitigation options to immediately correct timeliness or quality issues.
 - e. Reports with the outcome of the assessment and the performance standard achieved.
2. Auditing Components - with information on:
 - a. Sampling methodology
 - i. Confidence interval
 - ii. Confidence level
 - iii. Sample size determination
 - iv. Statistical validity
 - b. Sample frame/universe selection criteria
 - i. Source of data
 - ii. Time period
 - iii. Population size
 - iv. Stratification
 - c. Review instruments
 - i. Questions/elements to be reviewed
 - ii. Known responses to questions/elements when applicable
 - iii. Designed to collect, summarize, and report findings
 - d. Data, systems, or items necessary to perform the assessment
 - e. Reports with the outcome of the assessment and the performance standard achieved.

System Agency may require the Successful Respondent to use System Agency designed review instruments for defined QA processes in an System Agency data entry system. The Respondent may propose their own QA system allowing HHSC full and complete access to the system using System Agency review instruments for data collection.

1. Other Components – with information on:
 - a. Other Vendor proposed solutions to evaluate the performance measure.

In addition to the requirements stated above, the Successful Respondent must:

DP 102 Design, develop, and implement a detailed and descriptive assessment plan or plans for each performance measure on the performance measurement plan including processes on updating the assessment plan on an ongoing basis.

DP 103 Produce and send reports to System Agency according to agree upon timeframes.

DP 104 Implement HHSC designed review instruments when required.

3.12.5 Corrective Action and Continuous Improvement Plans

The Respondent must utilize all available information from assessment plans and other sources as part of continuous improvement to prevent issues with quality, improve services provided, and take corrective action when necessary to achieve performance standards.

For performance standards that are at risk of or are not being met, the Respondent must:

1. Implement prevention measures and corrective actions designated by System Agency.
2. Analyze and utilize all assessment findings to design, develop, and implement correction action plans to improve and meet performance standards.
3. Utilize early warning and detection information and implement necessary measures to improve and meet performance standards.
4. Implement Successful Respondent designed activities to monitor and achieve quality results and meet performance standards.
5. Immediately notify System Agency of any and all findings and or early warning and detection information that will adversely impact quality or performance.

In addition to the requirements stated above, the Respondent must:

DP 105 Design, develop, and implement correction action plans.

DP 106 Submit corrective action plans to System Agency for approval.

DP 107 Report on corrective action plan progress according to timeframes, format, and frequency.

3.12.6 Reporting Requirements

Timely, accurate, and meaningful reporting of activities is an essential component across the QA spectrum to provide System Agency, Successful Respondent

Management, and other stakeholders with necessary information to identify issues, problems and successes.

The Respondent's proposal must include information on a reporting solution that:

1. Is accessible within the HHSC Intranet to authorized System Agency users even if on the Respondent's internal network;
2. Is accessible by multiple concurrent users;
3. Delivers on-demand, ad-hoc, periodic, and scheduled reports;
4. Uses standardized report formats across like activities; and
5. Contains a catalogue of reports to include definitions on format, content, and search and filter parameter with identification of, or references to, applicable reports in other systems and/or reporting tools.

To ensure cost effectiveness, the reporting solution may be separate from, part of, or integrated into an overall reporting solution for the RFP.

In addition to the requirements stated above, the Successful Respondent must:

DP 108 Design, develop, implement, and maintain a reporting solution to deliver, manage, maintain, and catalogue reports across all QA functions with a description of the proposed QA reporting technology and tools.

3.12.7 Data Access Requirements

All inputs, outputs, and data used to perform QA activities and functions must be subject to inspection, validation, and sub-sampling by System Agency on demand.

The Vendor's proposal must include information on providing authorized System Agency staff open and unlimited access to, but not limited to, the following:

1. All automated systems, databases, and data therein;
2. Reporting repositories and tools;
3. Tracking systems;
4. Reports;
5. Records;
6. Electronic call records;
7. Data warehouses; and
8. Historical and/or archived data.

3.12.8 Repository Requirements

The QA function comprises a collection of artifacts (data, documents, reports, etc.) that must be secured, stored, maintained, and made accessible to authorized Successful Respondent and System Agency staff.

The Respondent's response must include information on how all QA artifacts will be maintained, accessed, or referenced within a central electronic repository or

system and be available to HHSC staff at all times within the System Agency network and to System Agency even if on the Respondent's internal network.

In addition to the above requirements, the Successful Respondent must:

DP 109 Design, develop, implement, and maintain a repository or other solution to catalogue, store, secure all QA artifacts. The solution must be online and accessible by System Agency staff within the System Agency network and to System Agency even if on the Successful Respondent's internal network.

3.12.9 Single Point of Contact

A single point of contact for all QA Successful Respondent Activities will facilitate communication, help resolve issues and complaints, escalate problems and share successes.

The Respondent's response must include a designated QA contact to:

1. Participate in Federal and/or State audits, as required, including maintaining records, systems, documents, and tracking systems open and accessible to designated State and Federal officials.
2. Cooperate with State and Federal Quality Control Examiners by providing information or assistance as needed.
3. Attend System Agency meeting and make presentations as requested.
4. Participate in System Agency workgroups or other activities related to QA.

3.12.10 Respondent Practices Requirements

Successful Respondent practices are those activities that currently exist in the Successful Respondent's organization(s) in order to achieve quality.

The Respondent's response must include a detailed statement describing the Respondent's approach to quality in its current organization to include but not limited to best practices, industry standards, self-audits, awards, etc. at or above a quality level acceptable by System Agency and as defined by the requirements specified in the RFP.

3.12.11 System Agency Responsibilities

To fulfill the requirements of this procurement, System Agency will:

1. Monitor the Successful Respondent's performance against the performance measures agreed upon.
2. Monitor and audit the Successful Respondent's performance against the assessment plans.
3. Recommend and require prevention and corrective action measures.

At its discretion, System Agency may:

1. Review, approve, or require modification to the Successful Respondent's proposed QA Areas.
2. Review, approve, or require modification to the Successful Respondent's proposed Performance Measurement Plans.
3. Review the Successful Respondent's performance measurement plans on an ongoing basis.
4. Review, approve or require modification to the data access plan
5. Review, approve, or require modification to the Successful Respondent's proposed assessment plans.
6. Review the Successful Respondent's assessment plans on an ongoing basis.
7. Require corrective action plans from the Successful Respondent.
8. Approve the Successful Respondent's corrective action plans.
9. Approve the QA component of the reporting solution devised by the Successful Respondent.
10. Request and require the removal and replacement of the QA contact as deemed necessary.
11. Review and approve the Successful Respondent's QA repository solution.

3.13 Communication and Coordination Requirements

DP 110-D Submit an initial Communication and Coordination Plan within 30 calendar days after contract execution or by the date specified by System Agency; updates may be requested anytime thereafter when specified by System Agency. The plan must be submitted annually thereafter describing the processes and procedures used by the Vendor and its subcontractors to manage communications responsibilities. The plan should delineate the responsibilities for each function under its purview, including approval processes, internal and external communications, and contractual obligations.

The plan should also describe:

1. Who will perform each specified task? The client and Vendors should be specified where necessary;
2. When will each task be performed and with what frequency including deadlines as necessary; and
3. What distinct actions are required to accomplish each task? The goal is to provide a level of detail such that if the person normally responsible for the task is unavailable, a person with a similar background or skill

set but unfamiliar with the specific task could complete the task effectively and efficiently.

DP 111-D The Successful Respondent shall submit an annual Communications and Coordination Plan twelve months following System Agency approval of the initial plan.

3.14 Turnover Requirements

The following presents the turnover requirements to which the Respondent must agree. Turnover is defined as those activities that are required for the Successful Respondent to perform in order to transition contract operations to a subsequent Vendor or System Agency.

System Agency reserves the right to waive the review and approval of the Successful Respondent's work products. System Agency approval of the Successful Respondent's work product will not relieve the Successful Respondent of liability for errors and omissions in the work product.

In its response, the Respondent must clearly explain how it will fulfill all needs and requirements contained in this section in relation to the service component(s) to which the Respondent is responding. Mere recitation of System Agency responsibilities and Successful Respondent's requirements will not be considered as an adequate response. Responses which only regurgitate, acknowledge, or reiterate the requirements of the RFP will be considered non-responsive.

3.14.1 Turnover Phases

At the commencement and during turnover, the Successful Respondent must ensure that System Agency and the Consumers do not experience any adverse impact from the transfer of services to another entity or to System Agency. Six months prior to the end of the contract term or a date specified by System Agency, the Successful Respondent must develop and implement an System Agency approved, comprehensive Turnover Plan that details the processes to be followed, the proposed scheduled, activities including knowledge transfer, and resource requirements associated with the turnover tasks identified.

Turnover activities include, but are not limited to:

1. Transfer of information including data and reference tables (if applicable); data entry software (if utilized); third-party software and all applicable licenses and modifications; documentation relating to software and interfaces; functional business process flows; and operational information concerning subcontractors;
2. Transfer of all written (electronic format) documentation, including work in progress pertaining to the business processes including but not limited to: work instructions, business use cases, work process flows, system user instructions, process memos, and any other materials used in the business process;

3. Transfer of all training materials in electronic format including but not limited to: development methodology including software package if used, curriculum materials, training class statistics, outcomes and documentation, materials in development and supporting documentation, best practice materials, all other training and curriculum development documentation and data;
4. Process and components of comprehensive and complete knowledge transfer to System Agency or to another entity of all components in the RFP and the contract;
5. The implementation of a quality assurance process to monitor turnover activities;
6. Training System Agency and/or its designated agent's staff in the operation of business processes and any supporting processes related to the RFP and the contract; and
7. Post-turnover services including a Turnover Results Report and access to the Successful Respondent's staff with technical and operational expertise for up to 90 days after the transition date for defect resolution and turnover component, including software maintenance.

The Successful Respondent must not execute contracts and licensing agreements under the contract that are not transferable to another entity or System Agency upon Turnover.

System Agency will make the final determination regarding completion of knowledge transfer.

3.14.2 Turnover Plan

To ensure smooth transition of turnover and mitigate risk to System Agency and Consumers, the Successful Respondent must prepare a comprehensive Turnover Plan. In the proposal, the Respondent must provide a high-level turnover strategy including the methodologies and approaches that will be used to proactively ensure a successful turnover.

The Successful Respondent must develop and implement a Turnover Plan approved by System Agency that covers the turnover of the operational activities, equipment, and systems to either System Agency or a successor Vendor. The approved plan must be provided to System Agency no less than six months prior to the end of the contract or date specified by System Agency, including any extension. The Turnover Plan must be a comprehensive document detailing the processes, proposed schedule, activities and systems, and resource requirements associated with the turnover tasks. Additionally, the Turnover Plan, must be provided in a format and media specified by System Agency.

As part of the Turnover Plan and in addition to those requirements listed in this section as stated above, the Successful Respondent must provide System Agency with:

1. Copies of all relevant data and reference tables, documentation, or other pertinent information necessary to take over and successfully assume operational activities; including all works in progress;
2. Current inventories, correspondence, documentation of outstanding issues, and other operations support documentation;
3. A description of the Successful Respondent's approach and schedule for transfer of inventories and operational support information;
4. All information and systems required to continue operations by the date specified in the System Agency approved Turnover Plan; and
5. All information necessary for turnover of the facilities including leases, list of all assets and inventory within the facility, and operation of the facilities to System Agency or its designee.

In addition to the requirements stated above, the Successful Respondent must:

- DP 112-D Submit an Operations Turnover Plan within 60 calendar days after the Transition Phase is complete or date specified by System Agency, detailing the processes to be followed, the proposed schedule, tasks, and resources requirements associated with the turnover activities documented in Section 3.13.1. (Turnover Phases) and Section 3.13.2. (Turnover Plan).
- DP 113-D Submit an Annual Operations Turnover Plan 60 calendar days prior to the end of each operational year of the contract. Submit a "ready to execute" Turnover Plan six months prior to the end of the contract or upon request by System Agency.
- DP 114 Appoint, with System Agency approval, a manager to manage and coordinate all turnover activities outlined in the Turnover Plan approved by System Agency.
- DP 115 Not reduce operational staffing levels during the turnover period without prior approval by System Agency.
- DP 116 Not restrict or prevent Successful Respondent's staff from accepting employment with any successor Vendor or System Agency. System Agency will work with the incumbent and successor Vendors on the timing of any transition of incumbent staff.
- DP 117 Provide to System Agency or its designee, within 20 business days of the request, all updated computer programs, data and reference tables, scripts, and other documentation and records required by System Agency or its designees.
- DP 118 Turn over the operation and management of all business functions to System Agency or its designee. This turnover must be planned

and managed in an orderly fashion so that no disruption of service to users, Consumers and/or beneficiaries takes place.

- DP 119-D Submit a comprehensive Knowledge Transfer Plan, including training products and subject matter experts no less than 60 calendar days prior to the end of the contract.
- DP 120 Provide training to the successor Vendor and System Agency prior to completion of turnover.
- DP 121 Work closely with System Agency to ensure that this turnover of responsibilities and the necessary knowledge transfer is completed by the end of the contract period.

3.14.3 Facilities and Business Structure Turnover Plan

The Facilities and Business Structure Turnover Plan must describe the Successful Respondent's role and responsibilities during the turnover period to a new Vendor; such as the expiration of the term of the contract awarded pursuant to a future RFP, or termination due to contract default. The incoming Vendor will be the lead in coordinating activities. The Successful Respondent pursuant to this RFP is designated as the outgoing Vendor for purposes of the Turnover Plan. The plan must acknowledge that the outgoing Vendor will be responsive to the incoming Vendor.

In addition to the requirements stated above, the Successful Respondent must:

- DP 122-D Submit a Facilities and Business Structure Turnover Plan within 60 calendar days after the Transition Phase is complete that includes but is not limited to the following:
1. List of all subcontracts;
 2. Key contacts with subcontractors;
 3. Schedule with milestones and due dates;
 4. Issues that need to be addressed during a transition period;
 5. Identification of cost impacts to System Agency (i.e. lease termination fee, employee headcount, salary impacts, etc.);
 6. Description of procedures to be followed during the implementation period, including the plan for managing the period of concurrent operations with the Successful Respondent, as the current (outgoing) Vendor;
 7. Identification of issues that need to be addressed during the implementation period (including, but not limited to, meeting performance standards; which Vendor operates the facilities, and directs support operations; how disputes and issues between the incoming and outgoing Vendors will be resolved; liability);

8. Identification of roles and responsibilities for the incoming Vendor and subcontractor, the outgoing Vendor, HHSC and additional stakeholders;
9. Point of contact and procedures for managing problems or issues during the turnover period;
10. A report of progress of milestones during the turnover period;
11. The method of identifying, documenting and transferring assets developed by the Successful Respondent (nature, type, stage of delivery, location, etc.) during the course of the contract that are subject to turnover to a new (incoming) Vendor; and
12. A contact person and procedures for managing problems or issues during the turnover period.

DP 123 Begin turnover activities 60 calendar days prior to contract termination and execution must be complete within 60 calendar days post contract termination.

DP 124-D Submit an Annual Facilities and Business Structure Turnover Plan 60 calendar days prior to the end of each operational year of the contract. Submit a “ready to execute” Turnover Plan six months prior to the end of the contract or upon request by System Agency.

3.14.4 Turnover Results

To ensure smooth transition of turnover and mitigate risk to System Agency and Consumers, the Successful Respondent must provide a comprehensive turnover results report.

Following turnover of operations, the Successful Respondent must provide System Agency with a turnover results report documenting the completion and outcomes of each step of the Turnover Plan previously approved by System Agency. Turnover will not be considered complete and final payment will not be made until the Turnover Results Report is received and approved by System Agency.

In addition to the requirements stated above, the Successful Respondent must:

DP 125-D Submit a Turnover Results Report within 45 calendar days after the completion of turnover activities or by the date specified by System Agency.

DP 126 Respond in a timely manner to all System Agency requests regarding turnover information.

3.14.5 Post-Turnover Support

To ensure smooth transition of turnover and mitigate risk to System Agency and Consumers, the Successful Respondent must provide post-turnover support.

The Successful Respondent must describe the methodology and approach that will be used to provide System Agency with post-turnover support. The Successful Respondent proposed approach must include a provision for the Successful Respondent to provide a manager-level employee with significant experience with the contract and access to other technical and operational experts to remain on-site for at least 90 calendar days following contract termination. Additionally, the Successful Respondent must agree that the contract termination will not be complete until the post-turnover support required is completed, with payment due 30 days after completion of the obligations.

In addition to the requirements stated above, the Successful Respondent must:

- DP 127 Be responsible for any malfunctions that existed in the equipment or technology prior to turnover or that were caused by lack of the Successful Respondent's support during turnover, as may be determined by System Agency.
- DP 128 Propose and provide experienced personnel to support System Agency during the entire post-turnover support period.

3.14.6 System Agency Responsibilities

To fulfill the requirements of this procurement, System Agency will:

1. Closely monitor the Successful Respondent's activities and evaluate the Successful Respondent's readiness for turnover.

At its discretion, System Agency may:

1. Review, approve, or require modification to the Successful Respondent's proposed post-turnover support resources.
2. Provide working space for the post-turnover support resources.
3. Assign work to be done on a full-time basis to support post-turnover activities.
4. Review, approve, or require modification to the Successful Respondent's proposed Turnover Results Report including the data components and format.
5. Review, approve, or require modification to the Turnover Plan.

4. Financial Requirements

4.1 Overview of Financial Approach

The financial approach described below documents the various System Agency and Successful Respondent's responsibilities required under this RFP. The objective of the Financial Approach is to describe the financial components that will enable System Agency and the State programs included in this RFP to achieve the Mission Objectives described in Section 2.2.1 of the RFP and to ensure that all services required of the Successful

Respondent are provided as efficiently and effectively as possible to assist System Agency in its responsibility for the efficient and effective administration of State and Federal funds through the application of sound management practices.

4.2 Financial Accounting and Reporting Requirements

4.2.1 Overview of Financial Accounting and Reporting Requirements

This section presents System Agency and the Successful Respondent's responsibilities for recording and reporting Contract transactions.

The need for greater public and financial accountability in the administration of critical taxpayer-funded programs has led to a demand for more information regarding government programs and services. Public officials, legislators, and citizens want and need to know whether government funds are handled properly and in compliance with laws and regulations. They also want and need to know whether government organizations, programs, services and Vendors (including any subcontractors) retained to provide contracted services are achieving their purposes and whether these organizations, programs, services and Vendors (including any subcontractors) are operating economically and efficiently.

Any expenses incurred by the Successful Respondent or any of its subcontractors for the completion of any contractual requirement that are deemed by System Agency or any auditors to be inefficient or uneconomical will be deemed unallowable under the contract resulting from the RFP. System Agency reserves the right to withhold or reduce the Successful Respondent's administrative payments for the duration of the contract for any contractual requirement not met.

4.2.2 Business Objectives of Financial Accounting and Reporting Requirements

The business objectives relating to Accounting and Reporting requirements include, but are not limited to the following:

1. Accumulating and reporting accounting data in accordance with the following standards (as they may be amended during the term of the Contract):
 - a. Generally Accepted Accounting Principles (**GAAP**);
 - b. Title 48 CFR, Chapter 1, Parts 30 and 31 and Chapter 99;
 - c. Federal guidelines, rules and regulations applicable to programs within the scope of the RFP;
 - d. System Agency guidelines, rules, regulations and provisions applicable to programs within scope of this procurement. Where System Agency guidelines, rules, regulations and provisions of this procurement are in conflict with GAAP, Title 48 CFR Chapter 99, Title 48 CFR, Chapter 1, Part 30 or Title 48 CFR Chapter 1, Part 31, then the System Agency guidelines, rules, regulations and provisions of this procurement will prevail; and

- e. Providing authorized governmental representatives of the State and the Federal government full access to all information needed to conduct financial reviews and audits required by law or by the contract resulting from this RFP in accordance with applicable standards.
2. Effectively regulating costs. To this end, allowable costs are costs that are:
 - a. Necessary and reasonable for the proper and efficient performance and administration of applicable Federal awards;
 - b. Allocable to applicable Federal awards under the provisions of the Federal standards or any other accounting provisions included in the contract resulting from this RFP;
 - c. Authorized or not prohibited under State laws, State regulations, System Agency policies, or any provision included in the contract resulting from this RFP;
 - d. In conformity with any limitations or exclusions set forth in applicable accounting principles, Federal laws, terms and conditions of the Federal award(s) to System Agency and/or the Contract;
 - e. Consistent with policies, regulations and procedures that apply uniformly to Federal awards impacting the Contract;
 - f. Determined in accordance with GAAP; and
 - g. Adequately documented.
 3. Timely reporting of annual Fidelity Bonding Renewal. The fidelity bond required by this section must:
 - a. Be issued by a surety or other entity duly licensed and authorized to conduct business in the State of Texas and rated “A” or better by a rating agency acceptable to System Agency;
 - b. Be in the amount not less than \$8,000,000; and
 - c. Name System Agency as the principal beneficiary of the bond, and System Agency clients as additional beneficiaries as their interests may appear.

DP 129-D The Successful Respondent must submit the Annual Fidelity Bonding Renewal within 10 business days of issuance.

4.2.3 Financial Accounting Requirements

The Successful Respondent’s accounting records and procedures are subject to System Agency approval. Accruals of expenses or liabilities are subject to System Agency review and approval. System Agency will not recognize as valid costs any accruals that it deems inappropriate. For example, lease agreement costs beyond the effective date of termination or completion of a resulting contract, or lease cancellation expenses resulting from termination or completion of the contract, are not valid, allowable costs. System Agency will not recognize as valid costs any excessive charges or fees from the Successful Respondent or any of the Successful Respondent’s subcontractors that System Agency deems inappropriate.

Allowable and non-allowable direct and indirect costs, wherever applicable to any payments to the Successful Respondent, will be governed by the principles set forth

in the following regulations (as may be amended during the term of the contract) and documents:

1. Title 48 CFR, Chapter 1, Part 31, Contract Cost Principles and Procedures.
2. Title 48 CFR, Chapter 1, Part 30, Cost Accounting Standards Administration.
3. Title 48 CFR Chapter 99–Cost Accounting Standards.

In addition to costs that are unallowable pursuant to the above accounting principles, System Agency has deemed certain items within the allowable costs to be specifically unallowable for the contract resulting from this RFP. The list of additional unallowable costs is as follows:

1. Local and State taxes paid to local or State governments outside of Texas (other than hotel, airline and sales taxes expended specifically for the contract resulting from this RFP);
2. Federal taxes (other than hotel and airline taxes expended specifically for the contract resulting from this RFP);
3. Bid and Proposal costs of any type;
4. Employee bonuses of any type;
5. Tuition fees;
6. Employee or facility relocation costs, except as allowed through contract amendment;
7. Travel costs not in compliance with HHSC Travel Policy (i.e. unallowable travel expenses applicable to System Agency staff are also applicable to the Successful Respondent staff);
8. Professional or technical society's annual dues or relevant fees;
9. Professional conferences, meetings or symposiums, inclusive of training or professional development activities unless specifically authorized by System Agency or through the approved Training Plan (DP 022-D);
10. Professional licenses annual dues or relevant fees;
11. Social activities or luncheons of any type/purpose;
12. Break room and/or refreshment supplies or services of any type;
13. Immigration or visa fees of any type;
14. Public Relations and Selling costs;
15. Actual costs, remedies and/or damages due to System Agency for the Successful Respondent not meeting System Agency performance requirements;
16. Any monies owed to the Federal government due to the Successful Respondent not meeting Federal performance requirements;
17. Dispute resolution and arbitration costs;
18. Contingency funding costs;
19. Pre-contract costs;
20. Indirect expenses (Overhead, General and Administrative charges, etc.) and administrative service fees related to pass-through items; and
21. Inter-company profits and margins related to all transactions with any parent, affiliate, or subsidiary organization, including inter-company profits and margins related to all transactions the Successful Respondent or the Successful Respondent's subsidiary has with any parent, affiliate, or subsidiary organization.

In addition to the requirements stated above, the Successful Respondent must:

DP 130 Establish and maintain an accounting system in accordance with the following standards (as they may be amended during the term of the contract):

1. Title 48 CFR, Chapter 1, Parts 30 and 31 and Chapter 99;
2. Applicable Federal guidelines, rules, and regulations;
3. HHSC guidelines, rules, regulations and provisions of this procurement;
4. GAAP (Where System Agency guidelines, rules, regulations and provisions of this procurement are in conflict with GAAP, Title 48 CFR, Chapter 1 Part 30, Title 48 CFR, Chapter 1, Part 31 and/or Title 48 CFR, Chapter 99, then the System Agency guidelines, rules, regulations and provisions of this procurement will prevail);
5. The Successful Respondent's accounting system must (1) maintain accounting records related directly to the performance of the contract resulting from this RFP and (2) maintain accounting records related to the contract resulting from this RFP separate and apart from other corporate accounting records; and
6. Part 9904.401 relates to cost accounting standards regarding the consistency in estimating, accumulating and reporting costs. The Vendor's methods used in estimating costs must be consistent with the cost accounting practices used in accumulating and reporting actual costs.

DP 131 Maintain an accounting system that provides an audit trail containing sufficient financial documentation to allow for the reconciliation of billings, reports, and financial statements with all general ledger accounts and specific business functional areas.

DP 132 Maintain, document, and submit operations cost data in accordance with HHSC requirements and Federal manuals and directives.

Documentation must support and differentiate between functional operational costs for services provided by the Successful Respondent for any of the programs supported by the contract resulting from this RFP. As required by Federal regulations or as may be required by System Agency guidelines, documentation must differentiate between IT and non-IT. Such cost allocation reports must be in a format and content approved by System Agency. The format of these reports must allow System Agency to comply with Federal reporting requirements and to compare operations cost data to the Cost Proposal and Price Summary information for each

applicable business functional area administered under the contract resulting from this RFP.

DP 133-D Submit a final Accounting Policy Manual and Disclosure Statement within 45 calendar days after contract execution which includes any modifications necessary due to contract negotiations and all of the proposed accounting policies and procedures the Successful Respondent must follow during the duration of any contract resulting from the RFP.

Any modifications to the final accounting policy manual approved by System Agency must be approved in writing by System Agency prior to implementation of any change. System Agency reserves the right to require revisions to the Successful Vendor's accounting policy manual at any time during the contract resulting from this RFP.

4.2.4 System Agency Responsibilities

At its discretion, System Agency may:

1. Monitor the Successful Respondent's performance and compliance with the Financial Accounting Requirements.
2. Require the Successful Respondent to provide any information necessary to monitor their performance.

4.2.5 General Access to Accounting Records

The Successful Respondent must provide authorized governmental representatives of System Agency and the Federal government full access to all financial and accounting records related to the performance of the contract resulting from this RFP, including all requested subcontractor financial and accounting records. The financial and accounting records shall be provided to the authorized governmental representatives of System Agency and the Federal government in an electronic format by the due date provided by System Agency.

In addition to the requirements stated above, the Successful Respondent and its subcontractors must:

DP 134 Cooperate with System Agency, System Agency auditors, Texas State Auditor's Office (SAO) and the Federal government in their inspections, audits, and/or review, and provide all necessary records and information. As required by Title 48 CFR, Chapter 1, Part 30, Title 48 CFR, Chapter 1, Part 31 and Title 48 CFR, Chapter 99, it is the responsibility of the Successful Respondent to provide adequate documentation and justification to the authorized representatives of System Agency, System Agency auditors, SAO and the Federal

government during the inspection, audit and/or review process for all expenses included in the Successful Respondent's accounting records.

- DP 135 Permit authorized governmental representatives of System Agency and the Federal government full access, both on-line (on a read-only basis) and in person, during normal business hours, to the accounting records that System Agency, System Agency auditors, SAO and/or the Federal government determine are relevant to the contract resulting from this RFP. Such access is guaranteed at all times during the performance and retention period of the contract resulting from this RFP, and will include both announced and unannounced inspections, on-site audits, and the review, analysis, and/or reproduction of reports produced by the Successful Respondent.
- DP 136 Make all accounting records or supporting documentation relevant to the resulting contract available to System Agency or its agents within ten business days of receiving a written request from System Agency for specified records or information. At the request of System Agency or its agents, provide copies of any accounting records or supporting documentation System Agency determines is relevant to a resulting contract within ten business days of receiving a written request from System Agency for copies of the specified records or information. If such documentation is not made available as requested, the Successful Respondent agrees to reimburse System Agency for all costs incurred by System Agency including, but not limited to wages, fringe benefits, payroll taxes, transportation, lodging, and subsistence for all State representatives, or their agents, to carry out their inspection, audit, review, analysis, and/or reproduction functions at the location(s) of such accounting records.
- DP 137 Pay any and all additional costs, including but not limited to any applicable professional fees, incurred by System Agency resulting from the Successful Respondent's failure to provide the requested accounting records or financial information within the specified ten business days of receiving a written request from System Agency for specified accounting records or information.
- DP 138 Deliver to System Agency any reports or records that cannot be accessed on-line by System Agency personnel within ten business days of receiving a written request for such information, or by the due date provided by System Agency.
- DP 139 Provide authorized governmental representatives of System Agency, System Agency auditors, Texas SAO and the Federal

government with access to accounting and financial records of any and all subcontractors, suppliers, or other parties the Successful Respondent hires, retains, or otherwise employs or pays for goods or services related to the performance of the contract resulting from this RFP. This requirement is limited to those records that relate to the performance of any applicable functions of the contract resulting from this RFP. The Successful Respondent must include this requirement in any contract(s) it enters into with subcontractors, suppliers, or other parties.

DP 140 Provide authorized governmental representatives of System Agency, System Agency auditors, Texas SAO and the Federal government with access to the accounting and financial records of the Successful Respondent's parent company, affiliates, subsidiaries and to any individual, partnership, firm, subsidiary, affiliate, or corporation of the Successful Respondent or parent company of the Successful Respondent that transacts business with any department, board, commission, institution or other System Agency or Federal agency connected with the contract resulting from this RFP. This requirement is limited to those records that relate to the performance of the contract resulting from this RFP.

4.2.6 Financial Report Requirements

System Agency will require the Successful Respondent to provide financial reports to support contract monitoring and support any System Agency and Federal reporting requirements.

In addition to the requirements stated above, the Successful Respondent must:

DP 141-D Submit an expense summary, detailing operations under the contract resulting from this RFP for each of the applicable business functional areas of the contract, no later than 20 calendar days after the end of each reporting month. Each summary will include accounts in conformance with GAAP and any applicable provisions included in this RFP. The Successful Respondent must identify and eliminate any expenses not allowed by State or Federal laws and regulations and any applicable provisions included in this RFP.

In addition to an expense account listing, the report will also identify total expenditures by business functional area, cost center, line of business, and specific component of the contract.

Reported salary expenses must identify the Successful Respondent's staff by their name and role, as identified in **Appendix A-2 Schedule 2: Salaries by Functional Area, Exhibit K.**

The report must also include a comparison between allowable expenses and the projected expenses as provided by the Successful Respondent. A narrative must also be included, detailing the reason(s) for any discrepancies.

System Agency reserves the right to request modifications to monthly financial reports if, in System Agency's sole determination, such changes are in System Agency's best interest. Requested modifications to monthly financial reports will be completed by the Successful Respondent and/or any subcontractor with no additional charges due from System Agency.

The expense summary will fully disclose the financial impact of all transactions with any parent, affiliated, or subsidiary organization either under a formal or informal arrangement that relates to the performance under the contract. These transactions must be reported in a manner such that inter-company profits and margins are eliminated. The methodologies and assumptions supporting cost allocations must be disclosed, including cost allocations from home and/or central offices; and must follow the prescribed methodologies included in the accounting policy manual approved by System Agency.

DP 142-D

Submit, no later than 90 calendar days after the end of each operational contract period or after the termination of a contract resulting from this RFP, annual financial statements for the preceding operational contract period that depict the financial position of the Successful Respondent and the result of operations (including administrative service fees) for each applicable business functional area under the contract, as well as the result of operations under all contracts for the State of Texas for the period.

The Successful Respondent must identify and eliminate any expenses not allowed by State or Federal laws and regulations and any applicable provisions included in this RFP and must provide all documentation necessary for System Agency to validate the absence of unallowable expenses. Additionally, supportive documentation for actual direct, indirect, fringe, and franchise tax expenses must be included in the submission of this financial statement. The Successful Respondent must reimburse System Agency for any expenses that System Agency determines to be unallowable under the terms of the contract resulting from this RFP.

System Agency will consider this financial statement (report of Allowable Costs) as "FINAL" for the applicable operational

contract period and will not recognize any additional direct expense(s) not included in the financial report as allowable for the Retrospective Cost Settlement element of the contract.

However, System Agency's approval of the Successful Respondent's reported allowable costs does not relieve the Successful Respondent from revisions required by System Agency or System Agency's representatives at any point during the term of the contract resulting from this RFP, nor does it relieve the Successful Respondent from any costs associated with or resulting from any revisions required.

DP 143-D Submit an income statement for each applicable business functional area that includes all revenue and expenses incurred in the yearly operation of the Successful Respondent no later than 90 calendar days after the end of each operational contract period or after the termination of the contract. Each applicable statement must include accounts in conformance to GAAP and any applicable provisions included in this RFP.

The Successful Respondent must clearly identify and eliminate any expenses not allowed by System Agency or by State or Federal laws and regulations. The income statement must fully disclose the financial impact of all transactions with any parent, affiliated, or subsidiary organization either under a formal or informal arrangement in supplying or receiving any service, supplies, or equipment to/from the Successful Respondent that relate to the performance under the contract. Revenues and expenses associated with these transactions will be reported in a manner to ensure that inter-company profits and margins are eliminated.

DP 144-D Submit a certified public accountant's statement of tangible net worth as of the most recent State Fiscal Year end, and for each State Fiscal Year during the term of the contract resulting from this RFP.

The Successful Respondent must submit tangible net worth statements during the term of the contract resulting from this RFP between September 1 and September 30 of each State Fiscal Year. Included in the statement must be a description of any uncertainties and the potential impact of such uncertainties on tangible net worth.

Tangible net worth is defined as net worth less intangible assets. Net worth can include a parent company's assets if these assets have been pledged if a subsidiary is the Successful Respondent.

DP 145-D Submit a list of all nonexpendable capital items acquired under the contract no later than 30 calendar days after the end of the transition period and within 15 calendar days after the end of each State Fiscal quarter thereafter when nonexpendable capital items are acquired.

This report is only required if nonexpendable capital items are purchased during the quarter. The list of the nonexpendable capital items will include, at a minimum:

A description of each capital item;

1. Model number;
2. Manufacturer's serial number where applicable,
3. Funding source;
4. Information needed to calculate the Federal and State share of the acquisition cost;
5. Date of acquisition;
6. Unit cost; and
7. Information on the location of the capital item.

The Successful Respondent must obtain prior approval from System Agency before purchasing any nonexpendable capital equipment items and/or any commercially available off the shelf software for the Contract.

DP 146-D Submit the Primary Subcontractor's quarterly report of Allowable Costs within 15 calendar days after the end of the calendar quarter. The report must include the sum of Allowable Costs incurred by the Successful Respondent, plus the allowable administrative service fee applicable for the Primary Subcontractor during the subjected State Fiscal Quarter.

The Primary Subcontractor's Allowable Costs will be subject to the financial terms and conditions contained in the contract between the Vendor and System Agency.

DP 147-D Submit formal notification affirming total maximum cost for the following operational year no less than 60 calendar days prior to the end of each operational year. In the absence of concurrence by the Parties, negotiation of costs for the following year will begin on December 1st.

The total maximum cost of the Services and Deliverables supplied by the Successful Respondent to System Agency during each Operational Contract Year will not exceed the lesser of (a) the Successful Respondent's Fees (Fee Ceiling) or (b) the sum of the Allowable

Costs incurred by the Successful Respondent plus the allowable administrative service fee during the subject Operational Contract Year.

For the submission of this deliverable to be considered complete, the Successful Respondent must update and provide the following:

1. Appendix A-2 Operational Pricing (Schedules 1 – 11); and
2. Appendix A-3 Summary Pricing (Summary Sheets 2 – 4).

The updated Appendix A-2 Operational Pricing and Appendix A-3 Summary Pricing will not be in effect until written approval from System Agency is provided.

4.2.7 System Agency Responsibilities

At its discretion, System Agency may:

1. Monitor the Successful Respondent's compliance for providing the specified financial reports on or before the specified times.
2. Review financial reports provided by the Successful Respondent for accuracy and completeness.
3. Assess applicable remedies/liquidated damages for any late reports, incorrect reports, or additional expenses incurred by System Agency, authorized representatives, or agents of System Agency.

4.3 Financial Payment Structure and Provisions

The financial payment structure for the DPS contract relates to the Administrative Payments. The following sections describe the anticipated pricing structures contemplated by HHSC and the major variables affecting the administrative payments.

4.3.1 Overview of Financial Payment Structures

Payment for the contractual services described in this RFP will be based on several pricing structures, depending on the specific service and/or deliverable required and whether the Successful Respondent correctly performed the required service and/or deliverable. The Successful Respondent will receive payments monthly as compensation for correctly and appropriately performing the services required in the contract resulting from this RFP.

The methods by which the Successful Respondent will be paid for services under the Contract include Administrative Costs; Nonrecurring Maintenance, Modifications, and Additional Periodic Activities; Additional Recurring Activities; and Transition Costs.

4.3.2 Payment for Administrative Services

Payment to the Successful Respondent for administrative services will be based on a combination of one or more fixed administrative fee(s) plus one or more variable administrative fee(s). The costs for administrative services will be subject to the Retrospective Cost Settlement provisions documented in **Section 4.3.7** of these **Contract Requirements**.

HHSC requires that no more than 40% of the administrative fees for DPS will be paid utilizing fixed fees and a minimum of 60% of the administrative fees for DPS will be paid utilizing variable fees. System Agency reserves the right to determine the final percentage of fixed fees and variable fees in the contract for DPS.

Any expenses incurred by the Successful Respondent after the commencement of the operational phase of the contract resulting from this RFP to complete transition activities or correct any defects from the Transition Phase must not be recorded as an operational expense and will not be considered an allowable expense for the respective contract.

System Agency will reduce the fixed and/or variable payments for any services that become obsolete or no longer necessary during the contract resulting from this RFP.

System Agency will not recognize as valid costs any excessive charges or fees from the Successful Respondent or any of the Successful Respondent's subcontractors that System Agency deems inappropriate. By the due date specified by System Agency, the Successful Respondent shall repay all costs determined by System Agency to be unallowable.

System Agency will reduce the fixed and/or variable payments in any optional year exercised by System Agency for any expenses that will not be applicable during the optional year, such as, but not limited to, depreciation and amortization expenses for capital items fully expensed during the initial base contract period.

System Agency reserves the right to modify the fixed and variable fee payment methodologies to include fewer variable payment elements and/or additional variable payment elements in the administrative payment structure at any time during the contract resulting from the RFP.

The Respondent's Cost Proposal and Price Summary Sheet(s) must be based on the Respondent's proposed costs and an administrative service fee that will be included as part of each proposed Fixed Fee, each proposed Variable Fee and each proposed Periodic Activity Fee. The final administrative service fee included in the contract resulting from this RFP will remain unchanged and be applicable for all fixed fees, variable fees, periodic activity fees, recurring activity fees and any change orders

executed during the term of the contract, unless mutually agreed to by the parties by a contract amendment.

4.3.3 Fixed Administrative Fees

Fixed administrative fees will be proposed for the first 36-month operational period of a resulting contract, and for the optional 24-month extension period. The final annual fixed administrative fees included in the resulting contract will be paid in 12 equal monthly payments. Fixed administrative fees for operational period less than 12 months will be paid in equal monthly payments based on the total number of applicable months included in the final operational period. Operational costs in excess of the final fixed price amount(s) included in the contract resulting from this RFP will not be paid by System Agency. Fixed administrative fees will be paid to the Successful Respondent retrospectively.

A Successful Respondent must submit one or more monthly invoice(s) following the month in which the Successful Respondent provides administrative services. System Agency will process and pay monthly fixed administrative fees in accordance with Chapter 2251, Texas Government Code. Separate invoices for each service function must be submitted by the Successful Respondent to System Agency in the format specified by System Agency. Each invoice will be processed and paid separately.

The Successful Respondent will supply detailed information with the invoice(s) as directed by System Agency to enable System Agency to allocate costs for the services according to the various State and Federal funding sources that support the contract for specific Document Processing Services within the contract. The Successful Respondent must also provide supporting documentation for fixed administrative cost invoices, in an electronic format, subject to approval by System Agency, according to the various State and/or Federal funding sources that support the contract.

System Agency, at its sole discretion, may at any time reject or choose to process only a portion of a fixed administrative fee invoice, as allowable by statute, law, or the Texas Prompt Payment Act (**PPA**). If System Agency decides to process an invoice in this manner, an adjustment will be made by System Agency and only that portion of the fixed administrative invoice that can be verified and validated will be paid.

To be paid for the fixed administrative fees previously denied or not processed by System Agency, the Successful Respondent must submit supplemental invoice(s) along with any and all necessary corrections. System Agency will process and pay fixed administrative fees billed on supplemental invoices in accordance with Chapter 2251, Texas Government Code. Each invoice will be processed and paid separately.

4.3.4 Variable Administrative Fees

Separate variable administrative fees will be proposed for the first 36-month operational period of the resulting Contract, and for the optional 24-month extension period. Variable administrative fees will be paid to the Successful Respondent retrospectively.

The Successful Respondent must submit monthly variable administrative payment invoices based on the determination of the separate fees and costs as stated below. System Agency will process and pay monthly variable administrative fee(s) in accordance with Chapter 2251, Texas Government Code. Separate variable payment invoices for each program type must be submitted by the Successful Respondent to System Agency in the format specified by System Agency. Each invoice will be processed and paid separately.

As directed by System Agency, the Successful Respondent will separate the variable payment invoices according to the various State and Federal funding sources that support the applicable contract that have responsibilities for specific segments of the respective service functions. The Successful Respondent must also provide supporting documentation for variable administrative cost invoices, in an electronic format, subject to approval by System Agency, according to the various State and Federal funding sources that support the applicable contract that have responsibilities for specific segments of the respective service functions.

System Agency, at its sole discretion, may at any time reject or choose to process only a portion of the variable administrative fee invoice, as allowable by statute, law, or the Texas PPA. If System Agency decides to process the invoice in this manner, an adjustment will be made by System Agency and only that portion of the variable administrative invoice that can be verified and validated will be paid.

To be paid for the variable administrative fees previously denied or not processed by System Agency, the Successful Respondent must submit supplemental invoice(s) along with any and all necessary corrections. System Agency will process and pay variable administrative fees billed on supplemental invoices in accordance with Chapter 2251, Texas Government Code. Each invoice will be processed and paid separately.

4.3.5 Determination of Variable Fees

Variable Administrative Fees will be paid utilizing the variable billing elements described below.

Inbound Documents Processed

Incoming mail received by the DPC are appropriately processed by the Successful Respondent. The inbound documents are measured by counting the document sets (as defined by an envelope that contains multiple documents related to a single

program application or case file) received as opposed to the number of pages, images and/or documents contained in the single client submission.

Document sets received from the Consumer are appropriately processed and uploaded to the applicable system and are ready for processing by the next business day are process in a usable complete electronic format.

Consumers may send the same document(s) multiple times. Each instance of the document initiated by the Consumer will be treated as a separate billable event. Duplicate inbound document sets received as a result of the Successful Respondent not processing or not appropriately processing documents pursuant to terms of the contract resulting from this RFP will not be counted as a billable transaction.

Inbound document sets will be billable as the transactions are processed in a usable complete electronic format in the applicable system.

A "billable transaction" means a transaction documented in a manner that allows System Agency to determine by audit that the transaction (i) was expressly required by the final contract resulting from this RFP, (ii) was fully completed (no partially performed transactions); (iii) was actually performed by the Successful Respondent, (iv) was a valid, single and unique transaction and not a duplicate of a previously billed transaction; (v) was accurately calculated by the Successful Respondent, and (vi) complies with all quality requirements of the contract. Additionally, transactions generated as a result of errors or not processed in a timely manner by the Successful Respondent shall not be billable.

The process is described in the workflow diagram referenced in **Exhibit P HHSC KOFAX ES-ECM Mail Channel Flow**.

4.3.6 Payment for Implementation and Modifications

Transition Costs

Transition costs to meet RFP requirements will be paid on a fixed fee basis. Transition costs in excess of the final fixed price amount(s) included in the contract resulting from this RFP will not be paid by System Agency.

Transition costs will be proposed to allow the Successful Respondent to assume the responsibilities of each Key Milestone included in the RFP effective with the operational start date included in this RFP applicable to the specific Key Milestone. Transition costs will not be paid as an element of operational administrative costs. Transition costs will be paid to the Successful Respondent retrospectively.

Any expenses incurred by the Successful Respondent after the operational start date of a specific Key Milestone to complete transition activities or correct any defects from the Transition Phase of that specific Key Milestone must not be recorded as an

operational expense and will not be considered an allowable expense for the Retrospective Cost Settlement element of the contract.

System Agency intends to process and pay the transition costs in accordance with Chapter 2251, Texas Government Code. Separate invoices for each completed Key Milestone must be submitted by the Successful Respondent to System Agency in the format specified by System Agency. Each invoice will be processed and paid separately. As directed by System Agency, the Successful Respondent will separate the invoices according to the various State and Federal funding sources that support the applicable contract that have responsibilities for specific Key Milestones and/or segments of the respective service functions.

System Agency, at its sole discretion, may at any time reject or choose to process only a portion of a Key Milestone transition invoice, as allowed by statute, law, or the Texas PPA. If System Agency decides to process an invoice in this manner, an adjustment will be made by System Agency and only that portion of the Key Milestone transition invoice that can be verified and validated will be paid.

The Successful Respondent must submit supplemental invoice(s) along with any and all necessary corrections to be paid for the Key Milestone transition fees previously denied or not processed by System Agency. System Agency will process and pay Key Milestone transition fee(s) billed on supplemental invoices in accordance with Chapter 2251, Texas Government Code. Each invoice will be processed and paid separately.

Proposed transition costs will be included in the pricing evaluation for each Key Milestone. Actual transition costs in excess of the amount included in the Contract for each Key Milestone will not be paid by System Agency. Transition requirements for each Key Milestone will be subjected to one or more performance measurement(s). Performance remedies, either liquidated damages and/or actual damages, may apply to each Key Milestone if the Successful Respondent is not able to provide all of the necessary services and/or deliverables on the specified operational start date for the specific Key Milestone.

Additional Periodic Activities

System Agency anticipates that, during the life of the Contract, implementation of Federal and State mandates and other State initiatives will require additions or changes to the activities performed under the contract resulting from this RFP. If applicable, payment for costs associated with non-recurring modifications and additional periodic activities required after the Operational Start Date will be negotiated with the Successful Respondent. The costs for such non-recurring modifications will be based on the explicit fixed hourly rates proposed by the Successful Respondent as described in the instructions for completion of the pricing proposal forms (payment for additional activities - catalog pricing/all-inclusive hourly labor rates) and the actual number of hours worked on the specific modification by the Successful Respondent's staff or the staff of the Successful

Respondent's subcontractor. The costs for such non-recurring modifications will be subject to the Retrospective Cost Settlement provisions.

The Successful Respondent must specify all-inclusive hourly labor rates for:

- A. **Non-Technical Operations** (including but not limited to the following types of service levels: Service Management Team Lead, Consultant, Associate Consultant and Service Management Representative).
- B. **Other Administrative Services** (including but not limited to the following types of service levels: Project/Task Manager, Quality Assurance Representative and Project Control Specialist).

The costs for such non-recurring modifications will be subject to the Retrospective Cost Settlement provisions.

The Successful Respondent will employ the all-inclusive hourly labor rates proposed in developing pricing proposals for the performance of non-recurring modifications and additional periodic activities required after the Operational Start Date. Additional periodic activities are defined as the provision of any service(s), deliverable(s), or product(s) that will not be performed on a regular recurring basis. The all-inclusive hourly labor rates will be proposed for the first 12 months of the resulting contract. Rates for subsequent 12-month operational periods and for periods less than 12 months following the first 12 months of the contract will be determined by the application of a fixed annual price inflator/deflator proposed by the Successful Respondent and accepted by System Agency.

The Periodic Activity All-Inclusive Hourly Labor Rates proposed by the Respondent must contain all costs related to performing the required functions; including, but not limited to, local/long-distance travel, local/long distance telephone communications, computer depreciation and/or computer usage costs, salaries, fringe benefits, indirect overhead charges and the allowable administrative service fee. No additional costs will be paid for any other items unless System Agency, in its sole discretion, determines that any additional cost(s) requested by the Successful Respondent are extremely unique to the specific project and that the Successful Respondent should not have otherwise included those additional costs as part of the required all-inclusive hourly labor rates.

System Agency intends to process and pay the Periodic Activity fee(s) in accordance with Chapter 2251, Texas Government Code. If any discrepancies are determined in the information provided by the Successful Respondent, System Agency will notify the Successful Respondent of the discrepancies and will not process the invoice until all information is reconciled.

System Agency, at its sole discretion, may at any time reject or choose to process only a portion of the modifications fee invoice as allowed by statute, law, or the Texas PPA. If System Agency decides to process the invoice in this manner, an

adjustment will be made by System Agency and only verified and validated portions of the invoice will be paid.

The Successful Respondent must submit supplemental invoice(s) along with any and all necessary corrections to be paid for the modification fee(s) previously denied or not processed by System Agency. System Agency intends to process and pay modification fee(s) billed on supplemental invoices in accordance with Chapter 2251, Texas Government Code. Each invoice will be processed and paid separately.

Additional Recurring Activities

System Agency anticipates that, during the life of the contract resulting from this RFP, implementation of Federal and State mandates and other State initiatives will require additions or changes to the normal recurring activities performed under the contract resulting from this RFP. All such changes will be negotiated between System Agency and the Successful Respondent. The pricing associated with additional recurring activities will be negotiated between the Successful Respondent and System Agency after System Agency determines that the Successful Respondent has submitted all of the detailed cost information (including detailed supporting metrics deemed appropriate by System Agency) necessary to accurately modify the applicable fixed and/or variable formulas. Once a total cost for the additional recurring activities is agreed upon, HHSC will make the determination as to whether one or more of the fixed fee formula(s) are modified, one or more of the variable fee formula(s) are modified, or all payment elements are modified.

The fixed annual inflation/deflation factor(s) and the allowable administrative service fee included in the final contract will be applicable for any of the proposed expenses submitted by the Successful Respondent and approved by System Agency to determine the appropriate fixed and/or variable fee adjustments included in the amendment executed to include the additional recurring activities in the applicable contract.

Payment for Pass-Through Items

Actual expenditures for Pass-Through Items will be paid without allocation of any indirect charges (general and administrative expenses, overhead, etc.) or the allowable administrative service fee. The Respondent must utilize the detailed pricing schedules to depict the amount of pass-through expenses that will be paid

without indirect charges or the allowable administrative service fee. Items designated as Pass-Through Items include, but are not limited to the following:

- A. Capital expenditures including lease and/or rental payments on capital equipment;
- B. Sales taxes on capital expenditures including lease and /or rental payments on capital equipment;
- C. All postage expenses and/or delivery expenses directly related to the operation of the contract resulting from this RFP;
- D. Software license fees and software maintenance fees;
- E. Equipment maintenance and service agreement fees;
- F. Office rent (all documented costs imposed by the lessor);
- G. All printing costs including but not limited to toner cartridges, separator sheets, client communications, client handouts, bulletins, and similar print materials;
- H. All consumable supplies;
- I. All purchases made at the behest of System Agency;
- J. All subcontract expenses, including but not limited to labor costs; and
- K. All telecommunication lines and services, including local lines, toll-free lines, electronic communications lines, fiber optic lines, cell phones, internet connections, etc.

4.3.7 Retrospective Cost Settlement

Administrative fees paid to the Successful Respondent during each Operational Contract Year (as defined by a 12-month period or applicable number of months if less than 12 months) will consist of: (i) the Fixed Administrative Fees; (ii) the Variable Administrative Fees; (iii) the Administrative Fees for the Additional Periodic Activities; and (iv) the Administrative Fees for the Additional Recurring Activities. The sum of the four Fee components will be referred to as the “Fee Ceiling”. The total maximum cost of the Services and Deliverables supplied by the Successful Respondent to System Agency during each Operational Contract Year will not exceed the lesser of (a) the Successful Respondent’s Fees (Fee Ceiling) or (b) the sum of the Allowable Costs incurred by the Successful Respondent plus the allowable administrative service fee during the subject Operational Contract Year.

If a Positive Payment Disparity exists for three consecutive months and the Positive Payment Disparity for each of those three months is at least equal to or greater than 5% of the Successful Respondent’s fees disbursed by HHSC; then the Successful Respondent shall agree to decrease the Fixed Pricing Components and/or the Variable Pricing Components (the “Adjusted Vendor Fees”) payable by System Agency in future months. System Agency agrees to increase the Adjusted Vendor Fees to amounts that would not exceed the Successful Respondent’s Fees as they existed prior to the first adjustment if Allowable Costs are projected to exceed Adjusted Vendor Fees. Nothing contained in this section shall be construed as increasing the Fee Ceiling.

(A) General Requirements

Not later than 90 days after the expiration of each Operational Contract Year, or such period as has been mutually agreed upon by System Agency and the Successful Respondent, the Successful Respondent will submit to System Agency a report of the Allowable Costs incurred by the Successful Respondent during such Operational Contract Year.

The Successful Respondent must clearly identify and eliminate any expenses not allowed by State or Federal laws and regulations, any applicable provisions included in this RFP, and must provide all documentation necessary for System Agency to validate the absence of unallowable expenses. Supportive documentation for actual, indirect, fringe, and franchise tax expenses must be included in the submission of this financial statement. The Successful Respondent must reimburse System Agency for all expenses that System Agency determines to be unallowable under the terms of the contract resulting from this RFP.

System Agency will consider the report of Allowable Costs incurred as “FINAL” for the applicable Operational Contract Period and will not recognize any additional direct expense(s) not included in the financial report as allowable for the Retrospective Cost Settlement element (**DP 145-D**).

A review of the Allowable Costs pursuant to the contract will be undertaken by System Agency and the Successful Respondent as soon as possible following System Agency’s receipt of Successful Respondent’s report. The review by System Agency may include an audit of the Allowable Costs submitted by the Successful Respondent. System Agency will determine the approved Allowable Costs (“Approved Allowable Costs”) and System Agency will notify the Successful Respondent with a full explanation of any exceptions it has taken to the Successful Respondent’s report of its Allowable Costs.

Any determination made by System Agency regarding the Approved Allowable Costs will be final and conclusive, unless within 30 days from the receipt of the written notice to the Successful Respondent of such exceptions, the Successful Respondent files a written objection with System Agency, which dispute will be resolved in accordance with the Dispute Resolution procedures included in **Exhibit D Uniform Terms and Conditions**. System Agency’s approval of the Successful Respondent’s reported allowable costs does not relieve the Successful Respondent from revisions required by System Agency or its representatives at any point during the term of the contract resulting from this RFP, nor does it relieve the Successful Respondent from any costs associated with or resulting from any revisions required.

System Agency and the Successful Respondent will make all necessary adjustments as may be necessary in accordance with the provisions of the following sections:

- 1) If, for the subject Operational Contract Year (12-month period or applicable number of months if less than 12 months), the Vendor Fees (Fee Ceiling) disbursed to the Successful Respondent are in excess of the Approved

Allowable Costs plus the allowable administrative service fee, the Successful Respondent will refund any excess to System Agency.

- 2) If, for the subject Operational Contract Year, the Vendor Fees (Fee Ceiling) disbursed to the Successful Respondent are less than the Approved Allowable Costs plus the allowable administrative service fee, the Successful Respondent will accept the Vendor's Fees disbursed or otherwise payable to the Successful Respondent as payment in full for Services and Deliverables performed during the subject Operational Contract Year.

As depicted in this RFP, Payment Disparity Credits provided to System Agency during an Operational Contract Year or portion thereof will not accrue or transfer to succeeding Operational Contract Years.

(B) Monthly Reconciliations

On a monthly basis, System Agency and the Successful Respondent shall reconcile the amounts disbursed to the Successful Respondent in order to determine whether the Vendor Fees disbursed to the Successful Respondent during the previous month are either in excess or less than the amount of the Vendor's Allowable Costs plus the allowable administrative service fee during that previous month (a "Payment Disparity").

- 1) A "Positive Payment Disparity" shall exist when the Vendor Fees disbursed to the Successful Respondent during the previous month exceeds the amount of Vendor's Allowable Costs plus the allowable administrative service fee during that previous month.
- 2) A "Negative Payment Disparity" shall exist when the Vendor Fees disbursed to the Successful Respondent during the previous month are less than the amount of Vendor's Allowable Costs plus the allowable administrative service fee incurred by the Successful Respondent during that previous month.

In the event of a Positive Payment Disparity, the Successful Respondent shall adjust one or more of the next month's invoice(s) to System Agency to remedy the Positive Payment Disparity by providing System Agency with a credit to the amount owed to the Successful Respondent (the "Adjusted Invoice"). Any credits provided to System Agency by the Successful Respondent shall be referred to as "Payment Disparity Credits." Payment Disparity Credits provided to System Agency during the Operational Contract Year will not accrue or transfer to succeeding Operational Contract Years. The Successful Respondent must clearly identify and detail the reasoning for all such payment adjustments.

In the event of a Negative Payment Disparity, the Successful Respondent shall be allowed to adjust one or more of the next month's invoice(s) to HHSC to remedy the Negative Payment Disparity, if one or more previous invoices in an Operational Contract Year were adjusted due to a Positive Payment Disparity and there are Payment Disparity Credits available for application. The Successful Respondent's adjustment will be limited to the amount of any Payment Disparity Credit balance available from previous Positive Payment Disparity adjustments retained by System

Agency. In no event will the Negative Payment Disparity adjustment be applied if it would cause the amounts disbursed to the Successful Respondent to exceed the Fee Ceiling. The Successful Respondent will include a positive adjustment to one of the Fixed Pricing Component invoices otherwise payable, by increasing the amount invoiced for the next month on an Adjusted Invoice. The Successful Respondent must clearly identify and detail the reasoning for all such payment adjustments.

(C) Three Month Reconciliations with Vendor

If a Positive Payment Disparity exists for three consecutive months and the Positive Payment Disparity for each of those three months is at least equal to or greater than 5% of the Vendor Fees disbursed by System Agency; then the Successful Respondent shall agree to decrease the Fixed Pricing Components and/or the Variable Pricing Components (the “Adjusted Vendor Fees”) payable by System Agency in future months.

System Agency agrees to increase the Adjusted Vendor Fees to amounts that would not exceed the Vendor Fees as they existed prior to the first adjustment if Allowable Costs are projected to exceed Adjusted Vendor Fees.

Nothing contained in this section shall be construed as increasing the Fee Ceiling.

4.4 Additional Financial Components

4.4.1 Ownership of Capital Items

Generally, ownership of all nonexpendable capital items funded by the contract resulting from this RFP will pass to System Agency at the expiration of the contract. The State shall have the option to require the Successful Respondent to dispose of any capital items at the expiration of the contract that the State chooses not to assume ownership of the nonexpendable capital items.

1. Nonexpendable capital items are defined as tangible and personal property of a non-consumable nature that have an acquisition cost of \$500.00 or more per unit and an expected useful life of at least one year. The term nonexpendable capital item includes, but is not limited to, office furniture, office equipment, telephone equipment, computer furniture, computer equipment, computer software and computer leases.
2. Computer software and software license(s) that fall under this definition are limited to those that transfer with equipment to System Agency upon termination of the Contract and do not require any monthly or annual fees to continue to be operational.
3. Facility of equipment repairs valued at or above \$500 that have not received advanced approval from System Agency, and that the Successful Respondent did not provide three or more bids to perform the work are considered unallowable (willful intent to circumvent this requirement may result in the Successful Respondent being liable for repair costs, as determined by System Agency).

All nonexpendable capital items, including nonexpendable capital items that are leased, will be depreciated on a monthly basis over the initial term of the contract, including any applicable transition months. The cost of installation (excluding in-house labor) of equipment, furniture, workstations, and other leasehold improvements required to make the space useable to meet the requirements of the contract will also be treated in the same manner as the capital item; the cost will be depreciated over the initial term of a contract, including any applicable transition months. All capital lease(s) must include the ability for the Successful Respondent to purchase the capital items included in the lease for \$1.00 at the expiration of the initial base term of the Contract.

1. If a contract terminates before the end of the initial term, System Agency will have the option to take ownership of all, some, or none of the nonexpendable capital items.
2. If System Agency chooses to take ownership of a nonexpendable capital item, System Agency will (subject to the other limitations set forth in the contract), reimburse the Successful Respondent for the remaining months of any nonexpendable capital item costs (depreciation), amortized capitalized lease costs, amortized operating lease costs, costs related to lease purchase options and/or installation costs related to equipment, furniture, workstations, or other leasehold improvements (capital items) acquired under a resulting contract. These costs are limited to the initial term of the resulting contract.
3. In exercising its options under the foregoing paragraph, System Agency will have the right to offset against any such reimbursements any remedies and/or damages that System Agency is entitled to assess against the Successful Respondent.
4. If System Agency does not choose to take ownership of a nonexpendable capital item, then all costs associated with that item remain the responsibility of the Successful Respondent without any recourse to System Agency.

The Successful Respondent is advised not to enter into any leases that extend beyond the initial term of a resulting contract. In no event will System Agency reimburse the Successful Respondent for the portion of any lease that is allocable beyond the initial term of the contract, or any fees associated with the termination of a lease that extends beyond or before the initial term of the resulting contract, if not assumable by System Agency. The Successful Respondent will be responsible to pay any costs related to exercising any purchase option to provide System Agency with a clear title to any capital items System Agency chooses to retain. The Successful Respondent will be responsible to pay any such costs on or before the date the contract expires or is terminated.

The funds budgeted for capital equipment cannot be used for any expenditures other than for capital items (capital equipment purchases, capital equipment leases or installation costs related to equipment, furniture, workstations, or other leasehold improvements) necessary to meet the requirements of a resulting contract.

All nonexpendable capital items acquired under a resulting contract will be recorded and a list will be provided to System Agency at the end of the transition period and each State Fiscal quarter thereafter (DP 144-D). The Successful Respondent must use an asset tracking system, processes, procedures, and asset tracking software designed by System Agency to record all nonexpendable capital items on the required asset list. The list of the nonexpendable capital items will include, at a minimum, a description of each capital item, model number, manufacturer's serial number where applicable, funding source, information needed to calculate the Federal and State share of the acquisition cost, date of acquisition, unit cost, and information on the specific location of the capital item. System Agency reserves the right to modify the detailed information necessary that is related to this asset listing requirement.

At System Agency's option and subject to its prior written approval and acceptance, ownership of all nonexpendable capital items acquired during the term of the contract will vest in System Agency at the earliest of:

1. The date the nonexpendable capital item is no longer needed to fulfill any requirements of the contract;
2. The date the item is turned over to System Agency; or
3. Upon expiration or termination of the contract.

At no time will the Successful Respondent dispose of nonexpendable capital items purchased for the contract without prior approval from System Agency. Within ten business days after the earliest of the events stated above, the Successful Respondent will provide System Agency with all documentation reasonably necessary to authenticate System Agency's ownership of the items.

The Successful Respondent must obtain prior approval from System Agency before purchasing any nonexpendable capital equipment items and/or any commercially off the shelf software for the Contract. The Successful Respondent must obtain prior approval from System Agency before purchasing any outdoor/indoor furniture regardless of dollar amount. Any single item with a purchase price over \$500 must receive prior approval for purchase by System Agency and have no less than three bid quotes accompanying the request. Facility or equipment repairs valued at or above \$500 that have not received advanced approval from System Agency, and that the Successful Respondent did not provide three or more bids to perform the work are considered unallowable (willful intent to circumvent this requirement may result in the Successful Respondent being liable for repair costs, as determined by System Agency).

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TEXAS
Health and Human
Services

Exhibit D:
HHSC Uniform Terms
and Conditions

Document Processing Services
Health and Human Services Commission (HHSC)



TEXAS

Health and Human Services

Health and Human Services (HHS)

Uniform Terms and Conditions - Vendor

Version 3.0

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ARTICLE I. DEFINITIONS AND INTERPRETIVE PROVISIONS

1.1 DEFINITIONS

As used in this Contract, unless the context clearly indicates otherwise, the following terms and conditions have the meanings assigned below:

“Amendment” means a written agreement, signed by the Parties, which documents changes to the Contract other than those permitted by Work Orders.

“Attachment” means documents, terms, conditions, or information added to this Contract following the Signature Document or included by reference and made a part of this Contract.

“Contract” means the Signature Document, these Uniform Terms and Conditions, along with any Attachments, and any Amendments, purchase orders, or Work Orders that may be issued by the System Agency, to be incorporated by reference for all purposes.

“Contractor” means the Party selected to provide the goods or Services to the State under this Contract.

“Deliverable” means a Work Product(s), including all reports and project documentation, prepared, developed, or procured by Contractor as part of the Services under the Contract for the use or benefit of the System Agency or the State of Texas.

“Effective Date” means the date agreed to by the Parties as the date on which the Contract takes effect.

“Federal Fiscal Year” means the period beginning October 1 and ending September 30 each year, which is the annual accounting period for the United States government.

“GAAP” means Generally Accepted Accounting Principles.

“GASB” means the Governmental Accounting Standards Board.

“Goods” means supplies, materials, or equipment.

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

“Health and Human Services” or “HHS” includes the Department of State Health Services (DSHS), in addition to the Health and Human Services Commission.

“HUB” means Historically Underutilized Business, as defined by Chapter 2161 of the Texas Government Code.

“Intellectual Property Rights” means the worldwide proprietary rights or interests, including patent, copyright, trade secret, and trademark rights, as such rights may be evidenced by or embodied in:

- i. any idea, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement;

- ii. any work of authorship, including any compilation, computer code, website or web page design, literary work, pictorial work, or graphic work;
- iii. any trademark, service mark, trade dress, trade name, branding, or other indicia of source or origin;
- iv. domain name registrations; and
- v. any other proprietary or similar rights. The Intellectual Property Rights of a Party include all worldwide proprietary rights or interests that the Party may have acquired by assignment, by exclusive license, or by license with the right to grant sublicenses.

“[Parties](#)” means the System Agency and Contractor, collectively.

“[Party](#)” means either the System Agency or Contractor, individually.

“[Project](#)” means the goods or Services described in the Signature Document or a Work Order of this Contract.

“[Scope of Work](#)” means the description of Services and Deliverables specified in the Contract and as may be amended.

“[Services](#)” means the tasks, functions, and responsibilities assigned and delegated to Contractor under the Contract.

“[Signature Document](#)” means the document executed by both Parties that specifically sets forth all of the documents that constitute the Contract.

“[Solicitation](#)” means the document issued by the System Agency (including any published addenda, exhibits, and Attachments) under which the goods or Services provided under the Contract were initially requested, which is incorporated by reference for all purposes in its entirety.

“[Solicitation Response](#)” means Contractor’s full and complete response (including any Attachments and addenda) to the Solicitation, which is incorporated by reference for all purposes in its entirety.

“[State Fiscal Year](#)” means the period beginning September 1 and ending August 31 each year, which is the annual accounting period for the State of Texas.

“[State of Texas Textravel](#)” means the State Travel Management Program through the Texas Comptroller of Public Accounts website and Texas Administrative Code, Title 34, Part 1, Chapter 5, Subchapter C, Section 5.22, relative to travel reimbursements under this Contract, if any.

“[Subcontract](#)” means any written agreement between Contractor and a third party to fulfill the requirements of the Contract. All Subcontracts are required to be in writing.

“[Subcontractor](#)” means any individual or entity that enters a contract with the Contractor to perform part or all of the obligations of Contractor under this Contract.

“[System Agency](#)” means HHSC or any of the agencies of the State of Texas that are overseen by HHSC under authority granted under state law and the officers, employees, authorized representatives, and designees of those agencies. These agencies include: HHSC and the Department of State Health Services.

“**Third Party IP**” means the Intellectual Property Rights of any third party that is not a party to this Contract, and that is not a Subcontractor.

“**Work**” means all Services to be performed, goods to be delivered, and any appurtenant actions performed, and items produced, conceived, or developed, including Deliverables.

“**Work Order**” means an individually negotiated document that is executed by both Parties and which authorizes a Project, if any, in an indefinite quantity Contract.

“**Work Product**” means any and all works, including work papers, notes, materials, approaches, designs, specifications, systems, innovations, improvements, inventions, software, programs, source code, documentation, training materials, audio or audiovisual recordings, methodologies, concepts, studies, reports, whether finished or unfinished, and whether or not included in the Deliverables, that are developed, produced, generated, or provided by Contractor in connection with Contractor’s performance of its duties under the Contract or through use of any funding provided under this Contract.

1.2 INTERPRETIVE PROVISIONS

- A. The meanings of defined terms include the singular and plural forms.
- B. The words “hereof,” “herein,” “hereunder,” and similar words refer to this Contract as a whole and not to any particular provision, section, Attachment, or schedule of this Contract unless otherwise specified.
- C. The term “including” is not limiting and means “including without limitation” and, unless otherwise expressly provided in this Contract, (i) references to contracts (including this Contract) and other contractual instruments shall be deemed to include all subsequent Amendments and other modifications, but only to the extent that such Amendments and other modifications are not prohibited by the terms of this Contract, and (ii) references to any statute or regulation are to be construed as including all statutory and regulatory provisions consolidating, amending, replacing, supplementing, or interpreting the statute or regulation.
- D. Any references to “sections,” “appendices,” or “attachments” are references to sections, appendices, or attachments of the Contract.
- E. Any references to agreements, contracts, statutes, or administrative rules or regulations in the Contract are references to these documents as amended, modified, or supplemented from time to time during the term of the Contract.
- F. The captions and headings of this Contract are for convenience of reference only and do not affect the interpretation of this Contract.
- G. All Attachments, including those incorporated by reference, and any Amendments are considered part of the terms of this Contract.
- H. This Contract may use several different limitations, regulations, or policies to regulate the same or similar matters. All such limitations, regulations, and policies are cumulative and each will be performed in accordance with its terms.
- I. Unless otherwise expressly provided, reference to any action of the System Agency or by the System Agency by way of consent, approval, or waiver will be deemed modified by the phrase “in its sole discretion.”
- J. Time is of the essence in this Contract.

ARTICLE II. PAYMENT PROVISIONS

2.1 PROMPT PAYMENT

Payment shall be made in accordance with Chapter 2251 of the Texas Government Code, commonly known as the Texas Prompt Payment Act. Chapter 2251 of the Texas Government Code shall govern remittance of payment and remedies for late payment and non-payment.

2.2 ANCILLARY AND TRAVEL EXPENSES

- A. Except as otherwise provided in the Contract, no ancillary expenses incurred by the Contractor in connection with its provision of the Services or Deliverables will be reimbursed by the System Agency. Ancillary expenses include, but are not limited to costs associated with transportation, delivery, and insurance for each Deliverable.
- B. When the reimbursement of travel expenses is authorized by the Contract, all such expenses will be reimbursed in accordance with the rates set by the State of Texas *Travel* available at the Texas Comptroller of Public Accounts State Travel Management Program website.

2.3 NO QUANTITY GUARANTEES

The System Agency makes no guarantee of volume or usage of work under this Contract. All Work requested may be on an irregular and as needed basis throughout the Contract term.

2.4 TAXES

Purchases made for State of Texas use are exempt from the State Sales Tax and Federal Excise Tax. Contractor represents and warrants that it shall pay all taxes or similar amounts resulting from the Contract, including, but not limited to, any federal, State, or local income, sales or excise taxes of Contractor or its employees. System Agency shall not be liable for any taxes resulting from the contract.

ARTICLE III. STATE AND FEDERAL FUNDING

3.1 EXCESS OBLIGATIONS PROHIBITED

The Contract is subject to termination or cancellation, without penalty to the System Agency, either in whole or in part, subject to the availability of state funds. System Agency is a state agency whose authority and appropriations are subject to actions of the Texas Legislature. If System Agency becomes subject to a legislative change, revocation of statutory authority, or lack of appropriated funds that would render either System Agency's or Contractor's delivery or performance under the Contract impossible or unnecessary, the Contract will be terminated or cancelled and be deemed null and void. In the event of a termination or cancellation under this Section, System Agency will not be liable to Contractor for any damages that are caused or associated with such termination, or cancellation, and System Agency will not be required to give prior notice.

3.2 NO DEBT AGAINST THE STATE

This Contract will not be construed as creating any debt by or on behalf of the State of Texas.

3.3 DEBT AND DELINQUENCIES

Contractor agrees that any payments due under the Contract shall be directly applied towards eliminating any debt or delinquency it has to the State of Texas including, but not limited to, delinquent taxes, delinquent student loan payments, and delinquent child support.

3.4 REFUNDS AND OVERPAYMENTS

- A. At its sole discretion, the System Agency may:
- i. withhold all or part of any payments to Contractor to offset overpayments, unallowable or ineligible costs made to the Contractor, or if any required financial status report(s) is not submitted by the due date(s); or,
 - ii. require Contractor to promptly refund or credit - within thirty (30) calendar days of written notice - any funds erroneously paid by System Agency which are not expressly authorized under the Contract.
- B. "Overpayments," as used in this Section, include payments:
- i. made by the System Agency that exceed the maximum allowable rates;
 - ii. that are not allowed under applicable laws, rules, or regulations; or,
 - iii. that are otherwise inconsistent with this Contract, including any unapproved expenditures. Contractor understands and agrees that it will be liable to the System Agency for any costs disallowed pursuant to financial and compliance audit(s) of funds received under this Contract. Contractor further understands and agrees that reimbursement of such disallowed costs shall be paid by Contractor from funds which were not provided or otherwise made available to Contractor under this Contract.

ARTICLE IV. WARRANTY, AFFIRMATIONS, ASSURANCES, AND CERTIFICATIONS

4.1 WARRANTY

Contractor warrants that all Work under this Contract shall be completed in a manner consistent with standards under the terms of this Contract, in the applicable trade, profession, or industry; shall conform to or exceed the specifications set forth in the Contract; and all Deliverables shall be fit for ordinary use, of good quality, and with no material defects. If System Agency, in its sole discretion, determines Contractor has failed to complete Work timely or to perform satisfactorily under conditions required by this Contract, the System Agency may require Contractor, at its sole expense, to:

- i. Repair or replace all defective or damaged Work;
- ii. Refund any payment Contractor received from System Agency for all defective or damaged Work and, in conjunction therewith, require Contractor to accept the return of such Work; and,
- iii. Take necessary action to ensure that Contractor's future performance and Work conform to the Contract requirements.

4.2 GENERAL AFFIRMATIONS

Contractor certifies that, to the extent General Affirmations are incorporated into the Contract under the Signature Document, the Contractor has reviewed the General Affirmations and that Contractor is in compliance with all requirements.

4.3 FEDERAL ASSURANCES

Contractor certifies that, to the extent federal assurances are incorporated into the Contract under the Signature Document, the Contractor has reviewed the federal assurances and that Contractor is in compliance with all requirements.

4.4 FEDERAL CERTIFICATIONS

Contractor certifies that, to the extent federal certifications are incorporated into the Contract under the Signature Document, the Contractor has reviewed the federal certifications and that Contractor is in compliance with all requirements. In addition, Contractor certifies that it is and shall remain in compliance with all applicable federal laws, rules, and regulations, as they may pertain to this Contract.

ARTICLE V. INTELLECTUAL PROPERTY

5.1 OWNERSHIP OF WORK PRODUCT

- A. All right, title, and interest in the Work Product, including all Intellectual Property Rights therein, is exclusively owned by System Agency. Contractor and Contractor's employees will have no rights in or ownership of the Work Product or any other property of System Agency.
- B. Any and all Work Product that is copyrightable under United States copyright law is deemed to be "work made for hire" owned by System Agency, as provided by Title 17 of the United States Code. To the extent that Work Product does not qualify as a "work made for hire" under applicable federal law, Contractor hereby irrevocably assigns and transfers to System Agency, its successors and assigns, the entire right, title, and interest in and to the Work Product, including any and all Intellectual Property Rights embodied therein or associated therewith, and in and to all works based upon, derived from, or incorporating the Work Product, and in and to all income, royalties, damages, claims and payments now or hereafter due or payable with respect thereto, and in and to all causes of action, either in law or in equity for past, present or future infringement based on the copyrights, and in and to all rights corresponding to the foregoing.
- C. Contractor agrees to execute all papers and to perform such other acts as System Agency may deem necessary to secure for System Agency or its designee the rights herein assigned.
- D. In the event that Contractor has any rights in and to the Work Product that cannot be assigned to System Agency, Contractor hereby grants to System Agency an exclusive, worldwide, royalty-free, transferable, irrevocable, and perpetual license, with the right to sublicense, to reproduce, distribute, modify, create derivative works of, publicly perform and publicly display, make, have made, use, sell and offer for sale the Work Product and any products developed by practicing such rights.
- E. The foregoing does not apply to Incorporated Pre-existing Works or Third Party IP that are incorporated in the Work Product by Contractor. Contractor shall provide System Agency access during normal business hours to all Vendor materials, premises, and computer files containing the Work Product.

5.2 CONTRACTOR'S PRE-EXISTING WORKS

- A. To the extent that Contractor incorporates into the Work Product any works of Contractor that were created by Contractor or that Contractor acquired rights in prior to the Effective

Date of this Contract (“**Incorporated Pre-existing Works**”), Contractor retains ownership of such Incorporated Pre-existing Works.

- B. Contractor hereby grants to System Agency an irrevocable, perpetual, non-exclusive, royalty-free, transferable, worldwide right and license, with the right to sublicense, to use, reproduce, modify, copy, create derivative works of, publish, publicly perform and display, sell, offer to sell, make and have made, the Incorporated Pre-existing Works, in any medium, with or without the associated Work Product.
- C. Contractor represents, warrants, and covenants to System Agency that Contractor has all necessary right and authority to grant the foregoing license in the Incorporated Pre-existing Works to System Agency.

5.3 THIRD PARTY IP

- A. To the extent that any Third Party IP is included or incorporated in the Work Product by Contractor, Contractor hereby grants to System Agency, or shall obtain from the applicable third party for System Agency’s benefit, the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license, for System Agency’s internal business purposes only,
 - i. to use, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such Third Party IP and any derivative works thereof embodied in or delivered to System Agency in conjunction with the Work Product, and
 - ii. to authorize others to do any or all of the foregoing.
- B. Contractor shall obtain System Agency’s advance written approval prior to incorporating any Third Party IP into the Work Product, and Contractor shall notify System Agency on delivery of the Work Product if such materials include any Third Party IP.
- C. Contractor shall provide System Agency all supporting documentation demonstrating Contractor’s compliance with this **Section 5.3**, including without limitation documentation indicating a third party’s written approval for Contractor to use any Third Party IP that may be incorporated in the Work Product.

5.4 AGREEMENTS WITH EMPLOYEES AND SUBCONTRACTORS

Contractor shall have written, binding agreements with its employees and subcontractors that include provisions sufficient to give effect to and enable Contractor’s compliance with Contractor’s obligations under this **Article V**.

5.5 DELIVERY UPON TERMINATION OR EXPIRATION

No later than the first calendar day after the termination or expiration of the Contract or upon System Agency’s request, Contractor shall deliver to System Agency all completed, or partially completed, Work Product, including any Incorporated Pre-existing Works, and any and all versions thereof. Contractor’s failure to timely deliver such Work Product is a material breach of the Contract. Contractor will not retain any copies of the Work Product or any documentation or other products or results of Contractor’s activities under the Contract without the prior written consent of System Agency.

5.6 SURVIVAL

The provisions and obligations of this **Article V** survive any termination or expiration of the Contract.

5.7 SYSTEM AGENCY DATA

- A. As between the Parties, all data and information acquired, accessed, or made available to Contractor by, through, or on behalf of System Agency or System Agency contractors, including all electronic data generated, processed, transmitted, or stored by Contractor in the course of providing data processing services in connection with Contractor's performance hereunder (the "**System Agency Data**"), is owned solely by System Agency.
- B. Contractor has no right or license to use, analyze, aggregate, transmit, create derivatives of, copy, disclose, or process the System Agency Data except as required for Contractor to fulfill its obligations under the Contract or as authorized in advance in writing by System Agency.
- C. For the avoidance of doubt, Contractor is expressly prohibited from using, and from permitting any third party to use, System Agency Data for marketing, research, or other non-governmental or commercial purposes, without the prior written consent of System Agency.
- D. Contractor shall make System Agency Data available to System Agency, including to System Agency's designated vendors, as directed in writing by System Agency. The foregoing shall be at no cost to System Agency.
- E. Furthermore, the proprietary nature of Contractor's systems that process, store, collect, and/or transmit the System Agency Data shall not excuse Contractor's performance of its obligations hereunder.

ARTICLE VI. PROPERTY

6.1 USE OF STATE PROPERTY

- A. Contractor is prohibited from using State Property for any purpose other than performing Services authorized under the Contract.
- B. State Property includes, but is not limited to, System Agency's office space, identification badges, System Agency information technology equipment and networks (*e.g.*, laptops, portable printers, cell phones, iPads or tablets, external hard drives, data storage devices, any System Agency-issued software, and the System Agency Virtual Private Network (VPN client)), and any other resources of System Agency.
- C. Contractor shall not remove State Property from the continental United States. In addition, Contractor may not use any computing device to access System Agency's network or e-mail while outside of the continental United States.
- D. Contractor shall not perform any maintenance services on State Property unless the Contract expressly authorizes such Services.
- E. During the time that State Property is in the possession of Contractor, Contractor shall be responsible for:
 - i. all repair and replacement charges incurred by State Agency that are associated with loss of State Property or damage beyond normal wear and tear, and
 - ii. all charges attributable to Contractor's use of State Property that exceeds the Contract scope. Contractor shall fully reimburse such charges to System Agency within ten (10) calendar days of Contractor's receipt of System Agency's notice of amount due. Use of State Property for a purpose not authorized by the Contract shall constitute breach of contract and may result in termination of the Contract and the pursuit of other remedies available to System Agency under contract, at law, or in equity.

6.2 DAMAGE TO GOVERNMENT PROPERTY

- A. In the event of loss, destruction, or damage to any System Agency or State of Texas owned, leased, or occupied property or equipment by Contractor or Contractor's employees, agents, Subcontractors, and suppliers, Contractor shall be liable to System Agency and the State of Texas for the full cost of repair, reconstruction, or replacement of the lost, destroyed, or damaged property.
- B. Contractor shall notify System Agency of the loss, destruction, or damage of equipment or property within one (1) business day. Contractor shall reimburse System Agency and the State of Texas for such property damage within 10 calendar days after Contractor's receipt of System Agency's notice of amount due.

6.3 PROPERTY RIGHTS UPON TERMINATION OR EXPIRATION OF CONTRACT

In the event the Contract is terminated for any reason, or upon its expiration State Property remains the property of the System Agency and must be returned to the System Agency by the end date of the Contract or upon System Agency's request.

ARTICLE VII. WORK ORDERS

7.1 WORK ORDERS

If the Contract is for indefinite quantities of Services, as specified in the Signature Document, all Work will be performed in accordance with properly executed Work Orders.

7.2 PROPOSALS

For Work Order contracts, the Contractor shall submit to System Agency separate proposals, including pricing and a project plan, for each Project.

7.3 RESPONSIBILITY

For each approved Project, the Contractor shall be responsible for all Work assigned under the Work Order. Multiple Work Orders may be issued during the term of this Contract, all of which will be in writing and signed by the Parties. Each Work Order will include a scope of Services; a list of tasks required; a time schedule; a list of Deliverables, if any; a detailed Project budget; and any other information or special conditions as may be necessary for the Work assigned.

7.4 TERMINATION

If this Work Order is in effect on the day the Contract would otherwise expire, the Contract will remain in effect until this Work Order is terminated or expires; and the Contract and this Work Order may be amended after such termination or expiration to extend the performance period or add ancillary deliverables or services, only to the extent necessary.

ARTICLE VIII. RECORD RETENTION, AUDIT, AND CONFIDENTIALITY

8.1 RECORD MAINTENANCE AND RETENTION

- A. Contractor shall keep and maintain under GAAP or GASB, as applicable, full, true, and complete records necessary to fully disclose to the System Agency, the Texas State Auditor's Office, the United States Government, and their authorized representatives

sufficient information to determine compliance with the terms and conditions of this Contract and all state and federal rules, regulations, and statutes.

- B. Contractor shall maintain and retain legible copies of this Contract and all records relating to the performance of the Contract including supporting fiscal documents adequate to ensure that claims for contract funds are in accordance with applicable State of Texas requirements. These records shall be maintained and retained by Contractor for a minimum of seven (7) years after the Contract expiration date or seven (7) years after the completion of all audit, claim, litigation, or dispute matters involving the Contract are resolved, whichever is later.

8.2 AGENCY'S RIGHT TO AUDIT

- A. Contractor shall make available at reasonable times and upon reasonable notice, and for reasonable periods, work papers, reports, books, records, supporting documents kept current by Contractor pertaining to the Contract for purposes of inspecting, monitoring, auditing, or evaluating by System Agency and the State of Texas.
- B. In addition to any right of access arising by operation of law, Contractor and any of Contractor's affiliate or subsidiary organizations, or Subcontractors shall permit the System Agency or any of its duly authorized representatives, as well as duly authorized federal, state or local authorities, unrestricted access to and the right to examine any site where business is conducted or Services are performed, and all records, which includes but is not limited to financial, client and patient records, books, papers or documents related to this Contract. If the Contract includes federal funds, federal agencies that shall have a right of access to records as described in this section include: the federal agency providing the funds, the Comptroller General of the United States, the General Accounting Office, the Office of the Inspector General, and any of their authorized representatives. In addition, agencies of the State of Texas that shall have a right of access to records as described in this section include: the System Agency, HHSC, HHSC's contracted examiners, the State Auditor's Office, the Texas Attorney General's Office, and any successor agencies. Each of these entities may be a duly authorized authority.
- C. If deemed necessary by the System Agency or any duly authorized authority, for the purpose of investigation or hearing, Contractor shall produce original documents related to this Contract.
- D. The System Agency and any duly authorized authority shall have the right to audit billings both before and after payment, and all documentation that substantiates the billings.
- E. Contractor shall include this provision concerning the right of access to, and examination of, sites and information related to this Contract in any Subcontract it awards.

8.3 RESPONSE/COMPLIANCE WITH AUDIT OR INSPECTION FINDINGS

- A. Contractor must act to ensure its and its Subcontractors' compliance with all corrections necessary to address any finding of noncompliance with any law, regulation, audit requirement, or generally accepted accounting principle, or any other deficiency identified in any audit, review, or inspection of the Contract and the Services and Deliverables provided. Any such correction will be at Contractor's or its Subcontractor's sole expense. Whether Contractor's action corrects the noncompliance shall be solely the decision of the System Agency.

- B. As part of the Services, Contractor must provide to System Agency upon request a copy of those portions of Contractor's and its Subcontractors' internal audit reports relating to the Services and Deliverables provided to the State under the Contract.

8.4 STATE AUDITOR'S RIGHT TO AUDIT

- A. The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the Contract or indirectly through a subcontract under the Contract. The acceptance of funds directly under the Contract or indirectly through a subcontract under the Contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, an entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.
- B. The Contractor shall comply with any rules and procedures of the state auditor in the implementation and enforcement of Section 2262.154 of the Texas Government Code.

8.5 CONFIDENTIALITY

Contractor shall maintain as confidential and shall not disclose to third parties without System Agency's prior written consent, any System Agency information including but not limited to System Agency Data, System Agency's business activities, practices, systems, conditions and services. This section will survive termination or expiration of this Contract. The obligations of Contractor under this section will survive termination or expiration of this Contract. This requirement must be included in all subcontracts awarded by Contractor.

ARTICLE IX. CONTRACT REMEDIES AND EARLY TERMINATION

9.1 CONTRACT REMEDIES

To ensure Contractor's full performance of the Contract and compliance with applicable law, the System Agency reserves the right to hold Contractor accountable for breach of contract or substandard performance and may take remedial or corrective actions, including, but not limited to:

- i. suspending all or part of the Contract;
- ii. requiring the Contractor to take specific actions in order to remain in compliance with the Contract;
- iii. recouping payments made by the System Agency to the Contractor found to be in error;
- iv. suspending, limiting, or placing conditions on the Contractor's continued performance of Work; or
- v. imposing any other remedies, sanctions, or penalties authorized under this Contract or permitted by federal or state law.

9.2 TERMINATION FOR CONVENIENCE

The System Agency may terminate the Contract, in whole or in part, at any time when, in its sole discretion, the System Agency determines that termination is in the best interests of

the State of Texas. The termination will be effective on the date specified in the System Agency's notice of termination.

9.3 TERMINATION FOR CAUSE

Except as otherwise provided by the U.S. Bankruptcy Code, or any successor law, the System Agency may terminate the Contract, in whole or in part, upon either of the following conditions:

i. Material Breach

The System Agency will have the right to terminate the Contract in whole or in part if the System Agency determines, in its sole discretion, that Contractor has materially breached the Contract or has failed to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction and such violation prevents or substantially impairs performance of Contractor's duties under the Contract. Contractor's misrepresentation in any aspect of Contractor's Solicitation Response, if any, or Contractor's addition to the System for Award Management (SAM) will also constitute a material breach of the Contract.

ii. Failure to Maintain Financial Viability

The System Agency may terminate the Contract if, in its sole discretion, the System Agency has a good faith belief that Contractor no longer maintains the financial viability required to complete the Work, or otherwise fully perform its responsibilities under the Contract.

9.4 CONTRACTOR RESPONSIBILITY FOR SYSTEM AGENCY'S TERMINATION COSTS

If the System Agency terminates the Contract for cause, the Contractor shall be responsible to the System Agency for all costs incurred by the System Agency and the State of Texas to replace the Contractor. These costs include, but are not limited to, the costs of procuring a substitute vendor and the cost of any claim or litigation attributable to Contractor's failure to perform any Work in accordance with the terms of the Contract.

ARTICLE X. INDEMNITY

10.1 GENERAL INDEMNITY

- A. CONTRACTOR SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE STATE OF TEXAS AND SYSTEM AGENCY, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF OR RESULTING FROM ANY ACTS OR OMISSIONS OF CONTRACTOR OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE CONTRACT AND ANY PURCHASE ORDERS ISSUED UNDER THE CONTRACT.**
- B. THIS PARAGRAPH IS NOT INTENDED TO AND WILL NOT BE CONSTRUED TO REQUIRE CONTRACTOR TO INDEMNIFY OR HOLD HARMLESS THE STATE OR THE SYSTEM AGENCY FOR ANY CLAIMS OR LIABILITIES**

RESULTING FROM THE NEGLIGENT ACTS OF OMISSIONS OF THE SYSTEM AGENCY OR ITS EMPLOYEES.

- C. For the avoidance of doubt, System Agency shall not indemnify Contractor or any other entity under the Contract.**

10.2 INTELLECTUAL PROPERTY

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE SYSTEM AGENCY AND THE STATE OF TEXAS FROM AND AGAINST ANY AND ALL CLAIMS, VIOLATIONS, MISAPPROPRIATIONS, OR INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHTS AND/OR OTHER INTANGIBLE PROPERTY, PUBLICITY OR PRIVACY RIGHTS, AND/OR IN CONNECTION WITH OR ARISING FROM:

- i. THE PERFORMANCE OR ACTIONS OF CONTRACTOR PURSUANT TO THIS CONTRACT;**
- ii. ANY DELIVERABLE, WORK PRODUCT, CONFIGURED SERVICE OR OTHER SERVICE PROVIDED HEREUNDER; AND/OR**
- iii. SYSTEM AGENCY'S AND/OR CONTRACTOR'S USE OF OR ACQUISITION OF ANY REQUESTED SERVICES OR OTHER ITEMS PROVIDED TO SYSTEM AGENCY BY CONTRACTOR OR OTHERWISE TO WHICH SYSTEM AGENCY HAS ACCESS AS A RESULT OF CONTRACTOR'S PERFORMANCE UNDER THE CONTRACT.**

10.3 ADDITIONAL INDEMNITY PROVISIONS

- A. CONTRACTOR AND SYSTEM AGENCY AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY INDEMNITY CLAIM. CONTRACTOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE, INCLUDING ATTORNEYS' FEES.**
- B. THE DEFENSE SHALL BE COORDINATED BY THE CONTRACTOR WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND CONTRACTOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL.**
- C. CONTRACTOR SHALL REIMBURSE SYSTEM AGENCY AND THE STATE OF TEXAS FOR ANY CLAIMS, DAMAGES, COSTS, EXPENSES OR OTHER AMOUNTS, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES AND COURT COSTS, ARISING FROM ANY SUCH CLAIM. IF THE SYSTEM AGENCY DETERMINES THAT A CONFLICT EXISTS BETWEEN ITS INTERESTS AND THOSE OF CONTRACTOR OR IF SYSTEM AGENCY IS REQUIRED BY APPLICABLE LAW TO SELECT SEPARATE COUNSEL, SYSTEM AGENCY WILL BE PERMITTED TO SELECT SEPARATE COUNSEL AND CONTRACTOR SHALL PAY ALL REASONABLE COSTS OF SYSTEM AGENCY'S COUNSEL.**

ARTICLE XI. GENERAL PROVISIONS

11.1 AMENDMENT

The Contract may only be amended by an Amendment executed by both Parties.

11.2 INSURANCE

- A. Unless otherwise specified in this Contract, Contractor shall acquire and maintain, for the duration of this Contract, insurance coverage necessary to ensure proper fulfillment of this Contract and potential liabilities thereunder with financially sound and reputable insurers licensed by the Texas Department of Insurance, in the type and amount customarily carried within the industry as determined by the System Agency. Contractor shall provide evidence of insurance as required under this Contract, including a schedule of coverage or underwriter's schedules establishing to the satisfaction of the System Agency the nature and extent of coverage granted by each such policy, upon request by the System Agency. In the event that any policy is determined by the System Agency to be deficient to comply with the terms of this Contract, Contractor shall secure such additional policies or coverage as the System Agency may reasonably request or that are required by law or regulation. If coverage expires during the term of this Contract, Contractor must produce renewal certificates for each type of coverage.
- B. These and all other insurance requirements under the Contract apply to both Contractor and its Subcontractors, if any. Contractor is responsible for ensuring its Subcontractors' compliance with all requirements.

11.3 LIMITATION ON AUTHORITY

- A. The authority granted to Contractor by the System Agency is limited to the terms of the Contract.
- B. Contractor shall not have any authority to act for or on behalf of the System Agency or the State of Texas except as expressly provided for in the Contract; no other authority, power, or use is granted or implied. Contractor may not incur any debt, obligation, expense, or liability of any kind on behalf of System Agency or the State of Texas.
- C. Contractor may not rely upon implied authority and is not granted authority under the Contract to:
 - i. Make public policy on behalf of the System Agency;
 - ii. Promulgate, amend, or disregard administrative regulations or program policy decisions made by State and federal agencies responsible for administration of a System Agency program; or
 - iii. Unilaterally communicate or negotiate with any federal or state agency or the Texas Legislature on behalf of the System Agency regarding System Agency programs or the Contract. However, upon System Agency request and with reasonable notice from System Agency to the Contractor, the Contractor shall assist the System Agency in communications and negotiations regarding the Work under the Contract with state and federal governments.

11.4 LEGAL OBLIGATIONS

Contractor shall comply with all applicable federal, state, and local laws, ordinances, and regulations, including all federal and state accessibility laws relating to direct and indirect use

of information and communication technology. Contractor shall be deemed to have knowledge of all applicable laws and regulations and be deemed to understand them.

11.5 CHANGE IN LAWS AND COMPLIANCE WITH LAWS

Contractor shall comply with all laws, regulations, requirements and guidelines applicable to a vendor providing services and products required by the Contract to the State of Texas, as these laws, regulations, requirements and guidelines currently exist and as amended throughout the term of the Contract. System Agency reserves the right, in its sole discretion, to unilaterally amend the Contract to incorporate any modifications necessary for System Agency's compliance, as an agency of the State of Texas, with all applicable state and federal laws, regulations, requirements and guidelines.

11.6 E-VERIFY PROGRAM

Contractor certifies that for Contracts for Services, Contractor shall utilize the U.S. Department of Homeland Security's E-Verify system during the term of the Contract to determine the eligibility of:

- i. all persons employed by Contractor to perform duties within Texas; and
- ii. all persons, including subcontractors, assigned by the Contractor to perform Work pursuant to the Contract within the United States of America.

11.7 PERMITTING AND LICENSURE

At Contractor's sole expense, Contractor shall procure and maintain for the duration of this Contract any state, county, city, or federal license, authorization, insurance, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or Services required by this Contract. Contractor shall be responsible for payment of all taxes, assessments, fees, premiums, permits, and licenses required by law. Contractor shall be responsible for payment of any such government obligations not paid by its Subcontractors during performance of this Contract.

11.8 SUBCONTRACTORS

Contractor may not subcontract any or all of the Work and/or obligations under the Contract without prior written approval of the System Agency. Subcontracts, if any, entered into by the Contractor shall be in writing and be subject to the requirements of the Contract. Should Contractor subcontract any of the services required in the Contract, Contractor expressly understands and acknowledges that in entering into such Subcontract(s), System Agency is in no manner liable to any subcontractor(s) of Contractor. In no event shall this provision relieve Contractor of the responsibility for ensuring that the services performed under all Subcontracts are rendered in compliance with the Contract.

11.9 INDEPENDENT CONTRACTOR

Contractor and Contractor's employees, representatives, agents, Subcontractors, suppliers, and third-party service providers shall serve as independent contractors in providing the services under the Contract. Neither Contractor nor System Agency is an agent of the other and neither may make any commitments on the other party's behalf. Contractor shall have no claim against System Agency for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee

benefits of any kind. The Contract shall not create any joint venture, partnership, agency, or employment relationship between Contractor and System Agency.

11.10 GOVERNING LAW AND VENUE

This Contract shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under the Contract is fixed in any court of competent jurisdiction of Travis County, Texas, unless the specific venue is otherwise identified in a statute which directly names or otherwise identifies its applicability to the System Agency.

11.11 SEVERABILITY

If any provision of the Contract is held to be illegal, invalid or unenforceable by a court of law or equity, such construction will not affect the legality, validity or enforceability of any other provision or provisions of this Contract. It is the intent and agreement of the Parties this Contract shall be deemed amended by modifying such provision to the extent necessary to render it valid, legal and enforceable while preserving its intent or, if such modification is not possible, by substituting another provision that is valid, legal and enforceable and that achieves the same objective. All other provisions of this Contract will continue in full force and effect.

11.12 SURVIVABILITY

Expiration or termination of the Contract for any reason does not release Contractor from any liability or obligation set forth in the Contract that is expressly stated to survive any such expiration or termination, that by its nature would be intended to be applicable following any such expiration or termination, or that is necessary to fulfill the essential purpose of the Contract, including without limitation the provisions regarding warranty, indemnification, confidentiality, and rights and remedies upon termination.

11.13 FORCE MAJEURE

Neither Contractor nor System Agency shall be liable to the other for any delay in, or failure of performance of, any requirement included in the Contract caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, failure of transportation, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome.

11.14 DISPUTE RESOLUTION

A. The dispute resolution process provided for in Chapter 2260 of the Texas Government Code must be used to attempt to resolve any dispute arising under the Contract. If the Contractor's claim for breach of contract cannot be resolved informally with the System Agency, the claim shall be submitted to the negotiation process provided in Chapter 2260. To initiate the process, the Contractor shall submit written notice, as required by Chapter 2260, to the individual identified in the Contract for receipt of notices. Any informal resolution efforts shall in no way modify the requirements or toll the timing of the formal written notice of a claim for breach of contract required under §2260.051 of the Texas

Government Code. Compliance by the Contractor with Chapter 2260 is a condition precedent to the filing of a contested case proceeding under Chapter 2260.

- B. The contested case process provided in Chapter 2260 is the Contractor's sole and exclusive process for seeking a remedy for an alleged breach of contract by the System Agency if the Parties are unable to resolve their disputes as described above.
- C. Notwithstanding any other provision of the Contract to the contrary, unless otherwise requested or approved in writing by the System Agency, the Contractor shall continue performance and shall not be excused from performance during the period of any breach of contract claim or while the dispute is pending. However, the Contractor may suspend performance during the pendency of such claim or dispute if the Contractor has complied with all provisions of Section 2251.051, Texas Government Code, and such suspension of performance is expressly applicable and authorized under that law.

11.15 NO IMPLIED WAIVER OF PROVISIONS

The failure of the System Agency to object to or to take affirmative action with respect to any conduct of the Contractor which is in violation or breach of the terms of the Contract shall not be construed as a waiver of the violation or breach, or of any future violation or breach.

11.16 MEDIA RELEASES

- A. Contractor shall not use System Agency's name, logo, or other likeness in any press release, marketing material, or other announcement without System Agency's prior written approval. System Agency does not endorse any vendor, commodity, or service. Contractor is not authorized to make or participate in any media releases or public announcements pertaining to this Contract or the Services to which they relate without System Agency's prior written consent, and then only in accordance with explicit written instruction from System Agency.
- B. Contractor may publish, at its sole expense, results of Contractor performance under the Contract with the System Agency's prior review and approval, which the System Agency may exercise at its sole discretion. Any publication (written, visual, or sound) will acknowledge the support received from the System Agency and any Federal agency, as appropriate.

11.17 NO MARKETING ACTIVITIES

Contractor is prohibited from using the Work for any Contractor or third-party marketing, advertising, or promotional activities, without the prior written consent of System Agency. The foregoing prohibition includes, without limitation, the placement of banners, pop-up ads, or other advertisements promoting Contractor's or a third party's products, services, workshops, trainings, or other commercial offerings on any website portal or internet-based service or software application hosted or managed by Contractor as part of the Work.

11.18 PROHIBITION ON NON-COMPETE RESTRICTIONS

Contractor shall not require any employees or Subcontractors to agree to any conditions, such as non-compete clauses or other contractual arrangements that would limit or restrict such persons or entities from employment or contracting with the State of Texas.

11.19 SOVEREIGN IMMUNITY

Nothing in the Contract shall be construed as a waiver of the System Agency's or the State's sovereign immunity. This Contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the System Agency or the State of Texas. The failure to enforce, or any delay in the enforcement of, any privileges, rights, defenses, remedies, or immunities available to the System Agency or the State of Texas under the Contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. System Agency does not waive any privileges, rights, defenses, or immunities available to System Agency by entering into the Contract or by its conduct prior to or subsequent to entering into the Contract.

11.20 ENTIRE CONTRACT AND MODIFICATION

This Contract constitutes the entire agreement of the Parties and is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Any additional or conflicting terms in any future document incorporated into the Contract will be harmonized with this Contract to the extent possible.

11.21 COUNTERPARTS

This Contract may be executed in any number of counterparts, each of which will be an original, and all such counterparts will together constitute but one and the same Contract.

11.22 CIVIL RIGHTS

- A. Contractor shall comply with all applicable state and federal anti-discrimination laws, including:
 - i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d, *et seq.*);
 - ii. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794);
 - iii. Americans with Disabilities Act of 1990 (42 U.S.C. §12101, *et seq.*);
 - iv. Age Discrimination Act of 1975 (42 U.S.C. §6101, *et seq.*);
 - v. Title IX of the Education Amendments of 1972 (20 U.S.C. §1681, *et seq.*);
 - vi. Food and Nutrition Act of 2008 (7 U.S.C. §2011, *et seq.*); and
 - vii. The System Agency's administrative rules, as set forth in the Texas Administrative Code, to the extent applicable to this Agreement.
- B. Contractor shall comply with all amendments to these laws, and all requirements imposed by the regulations issued pursuant to these laws. These laws provide in part that no persons in the United States may, on the grounds of race, color, national origin, sex, age, disability, political beliefs, or religion, be excluded from participation in or denied any service or other benefit provided by Federal or State funding, or otherwise be subjected to discrimination.
- C. Contractor shall comply with Title VI of the Civil Rights Act of 1964, and its implementing regulations at 45 C.F.R. Part 80 or 7 C.F.R. Part 15, prohibiting a contractor from adopting and implementing policies and procedures that exclude or have the effect of excluding or limiting the participation of clients in its programs, benefits, or activities on the basis of national origin. Civil rights laws require contractors to provide alternative methods for ensuring access to services for applicants and recipients who cannot express themselves fluently in English. Contractor shall take reasonable steps to provide services

and information, both orally and in writing and electronically, in appropriate languages other than English, to ensure that persons with limited English proficiency are effectively informed and can have meaningful access to programs, benefits, and activities.

Contractor shall post applicable civil rights posters in areas open to the public informing clients of their civil rights and including contact information for the HHS Civil Rights Office. The posters are available on the HHS website at: <http://hhscx.hhsc.texas.gov/system-support-services/civil-rights/publications>

- D. Contractor shall comply with Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 28 CFR Subpart G § 42.503, and Americans with Disabilities Act of 1990 and its implementing regulations at 28 CFR Subpart B §35.130 which includes requiring contractor to make reasonable modifications in policies, practices, or procedures when the modifications are necessary to avoid discrimination on the basis of disability, unless the contractor can demonstrate that making the modifications would fundamentally alter the nature of the service, program, or activity.
- E. Contractor shall comply with federal regulations regarding equal treatment for faith-based organizations under 45 C.F.R. Part 87 or 7 C.F.R. Part 16, as applicable. Contractor shall not discriminate against clients or prospective clients on the basis of religion or religious belief, and shall provide written notice to beneficiaries of their rights.
- F. Upon request, Contractor shall provide the HHSC Civil Rights Office with copies of the Contractor's civil rights policies and procedures.
- G. Contractor must notify HHSC's Civil Rights Office of any civil rights complaints received relating to its performance under this Contract. This notice must be delivered no more than ten (10) calendar days after receipt of a complaint. This notice must be directed to:
HHSC Civil Rights Office
701 W. 51st Street, Mail Code W206
Austin, Texas 78751
Phone Toll Free: (888) 388-6332
Phone: (512) 438-4313
Fax: (512) 438-5885.

11.23 ENTERPRISE INFORMATION MANAGEMENT STANDARDS

Contractor shall conform to HHS standards for data management as described by the policies of the HHS Chief Data and Analytics Officer. These include, but are not limited to, standards for documentation and communication of data models, metadata, and other data definition methods that are required by HHS for ongoing data governance, strategic portfolio analysis, interoperability planning, and valuation of HHS System data assets.

11.24 DISCLOSURE OF LITIGATION

- A. The Contractor must disclose in writing to the contract manager assigned to this Contract any material civil or criminal litigation or indictment either threatened or pending involving the Contractor. "Threatened litigation" as used herein shall include governmental investigations and civil investigative demands. "Litigation" as used herein shall include administrative enforcement actions brought by governmental agencies. The Contractor must also disclose any material litigation threatened or pending involving Subcontractors, consultants, and/or lobbyists. For purposes of this section, "material" refers, but is not limited, to any action or pending action that a reasonable person knowledgeable in the applicable industry would consider relevant to the Work under the Contract or any

development such a person would want to be aware of in order to stay fully apprised of the total mix of information relevant to the Work, together with any litigation threatened or pending that may result in a substantial change in the Contractor's financial condition.

- B. This is a continuing disclosure requirement; any litigation commencing after Contract Award must be disclosed in a written statement to the assigned contract manager within seven calendar days of its occurrence.

11.25 NO THIRD-PARTY BENEFICIARIES

The Contract is made solely and specifically among and for the benefit of the Parties named herein and their respective successors and assigns, and no other person shall have any right, interest, or claims hereunder or be entitled to any benefits pursuant to or on account of the Contract as a third-party beneficiary or otherwise.

11.26 BINDING EFFECT

The Contract shall inure to the benefit of, be binding upon, and be enforceable against, each Party and their respective permitted successors, assigns, transferees, and delegates.

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TEXAS
Health and Human
Services

Exhibit E: Key Performance Requirements

**Document Processing Services
Health and Human Services Commission (HHSC)**

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 1	
Reporting Period	As Requested
Service/Component	Official Correspondence State Action Request
Performance Standard	The Successful Respondent shall submit complete and accurate responses to any State Action Request (SAR) or Vendor Action Request (VAR) memos no later than ten calendar days after the Successful Respondent's receipt of the request or by the date specified in the memo.
Liquidated Damages Value	\$250.00
Measurement of Noncompliance	Each calendar day for each instance of a late submission, submission being found unacceptable by HHSC, or failure to provide requested information by the due date indicated by HHSC.
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Calculation/ Reporting Process	<p>HHSC determines Successful Respondent's compliance with this KPR by comparing the submission date of the SAR or VAR Response via the formal communication process to the established due date specified by HHSC.</p> <p>Note that for the due date established by HHSC, the Successful Respondent is expected to provide a response no later than 5:00 p.m. CDT (unless otherwise specified) of the due date provided to be considered compliant with this KPR.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 2	
Reporting Period	As Requested
Service/Component	Official Correspondence SAR or VAR Response
Performance Standard	The Successful Respondent must provide ad hoc reports and respond to Legislative inquiries and other high priority requests within 36 hours from the time of the request or by the date and/or time specified by HHSC.
Liquidated Damages Value	\$500.00
Measurement of Noncompliance	Each calendar day for each instance of a late submission, response being found incomplete or inaccurate by HHSC, or failure to provide requested response by the due date indicated by HHSC.
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Calculation/ Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the response date of the SAR or VAR Response from the Successful Respondent via the formal communication process to the established due date specified by HHSC.</p> <p>Note that for the due date established by HHSC, the Successful Respondent is expected to provide a response no later than 5:00 p.m. CDT (unless otherwise specified) of the due date provided to be considered compliant with this KPR.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 3	
Reporting Period	As required
Service/Component	Work Plan Due Dates
Performance Standard	The Successful Respondent must meet all due dates contained in all Work Plans: Transitions, Facility and Business Structure, and Business Operations. Failure to meet due dates for any Work Plan will be assessed separately.
Liquidated Damages Value	\$250.00
Measurement of Noncompliance	Each calendar day after each due date specified in the Work Plan
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Calculation/Reporting Process	<p>HHSC determines compliance with this KPR by comparing the completion date of each individual task to the HHSC approved due date for each due date contained in any Work Plan.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 4	
Reporting Period	Semiannually
Service/Component	Six-Month Evaluation Report of the Business Operations Plan
Performance Standard	The Successful Respondent must submit an acceptable detailed six-month evaluation report of the Business Operations Plan within 30 calendar days after the end of the six-month reporting period covered by the report.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day after due date
Calculation/Reporting Process	<p>HHSC determines compliance with this KPR by comparing the submission date of the Six-Month Evaluation Report of the Business Operations Plan via the formal communication process to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 5	
Reporting Period	Daily
Service/Component	Inbound Mail Timeliness
Performance Standard	The Successful Respondent must process 100% of all inbound documents (returned mail, non-image only, and image only) on the day of receipt by the Successful Respondent, or within the timeframe otherwise specified by HHSC. Any holdover mail will be included in the next day's 100% total.
Liquidated Damages Value	\$1,000.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each percentage point below 100%
Calculation/Reporting Process	<p>HHSC determines compliance with this KPR by comparing the successful Inbound Mail Timeliness percentage to the Performance Standard of 100% established in this KPR. This is rounded to the nearest tenth decimal.</p> <p>The calculation of liquidated damages is based on the following formula: calculation of liquidated damages is based on the following formula:</p> <p style="text-align: center;">a = Measurement of Noncompliance b = Frequency c = LD Value</p> <p style="text-align: center;">(a)(b)(c) = LD to be assessed at HHSC's discretion</p> <p>Example</p> <p>If the Successful Respondent is required to process 100% of inbound mail daily, and instead achieves 94.7%, then the variance from the benchmark is 5.3. Therefore, the calculation would be as follows:</p> <p style="text-align: center;">a = Each % point below 100% b = Daily c = \$1,000</p> <p style="text-align: center;">(5.3)(1)(\$1,000) = \$5,300</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 6	
Reporting Period	Daily
Service/Component	Inbound Mail Timeliness
Performance Standard	The Successful Respondent must process 100% of all inbound documents except for returned mail and image-only on the day of receipt by the Successful Respondent, or within the timeframe otherwise specified by HHSC. Any holdover mail will be included in the next day's 100% total.
Liquidated Damages Value	\$1,000.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each percentage point below 100%
Calculation/Reporting Process	<p>HHSC determines compliance with this KPR by comparing the successful Inbound Mail Timeliness percentage to the Performance Standard of 100% established in this KPR. This is rounded to the nearest tenth decimal.</p> <p>The calculation of liquidated damages is based on the following formula</p> <p style="text-align: center;">a = Measurement of Noncompliance b = Frequency c = LD Value</p> <p style="text-align: center;">(a)(b)(c) = LD to be assessed at HHSC's discretion</p> <p>Example</p> <p>If the Successful Respondent is required to process 100% of inbound mail daily, and instead achieves 94%, then the variance from the benchmark is 6. Therefore, the calculation would be as follows:</p> <p style="text-align: center;">a = Each % point below 100% b = Daily c = \$1,000</p> <p style="text-align: center;">(6)(1)(\$1,000) = \$6,000</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 7	
Reporting Period	Daily
Service/Component	Inbound Mail - Accuracy/Quality Services
Performance Standard	The Successful Respondent must ensure that 98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology and performance criteria in the Quality Management Plan.
Liquidated Damages Value	\$1,000.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each percentage point below 98%
Calculation/Reporting Process	<p>HHSC determines compliance with this KPR by comparing the successful Inbound Mail - Accuracy/Quality Services percentage to the Performance Standard of 98% established in this KPR. This is rounded to the nearest tenth decimal.</p> <p>The calculation of liquidated damages is based on the following formula:</p> <p style="text-align: center;">a = Measurement of Noncompliance b = Frequency c = LD Value</p> <p style="text-align: center;">(a)(b)(c) = LD to be assessed at HHSC’s discretion</p> <p>Example</p> <p>If the Successful Respondent is required to process 98% of inbound mail accurately daily, and instead achieves 94%, then the variance from the benchmark is 4. Therefore, the calculation would be as follows:</p> <p style="text-align: center;">a = Each % point below 98% b = Daily c = \$1,000</p> <p style="text-align: center;">(4)(1)(\$1,000) = \$4,000</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 8	
Reporting Period	Daily
Service/Component	Inbound Mail - Accuracy/Quality Services
Performance Standard	The Successful Respondent must ensure that all of inbound mail is processed maintaining and ensuring data integrity of documents, as determined in accordance with HHSC-approved methodology and performance criteria in the Quality Management Plan.
Liquidated Damages Value	\$250.00 per performance measurement
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each incident of non-performance criteria unmet
Calculation/Reporting Process	HHSC determines the Successful Respondent’s compliance with this KPR by assessing the performance measurements noted within the HHSC approved Quality Management Plan.

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 9	
Reporting Period	Daily
Service/Component	Inbound Mail
Performance Standard	The Successful Respondent must notify and route to HHSC 100% of unimaged documents received by mail that are not appropriate for imaging, within HHSC approved timeframes.
Liquidated Damages Value	\$100.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day per document
Calculation/Reporting Process	<p>HHSC determines compliance with this KPR by comparing the successful Inbound Mail percentage to the Performance Standard of 100% established in this KPR. This is rounded to the nearest tenth decimal.</p> <p>The calculation of liquidated damages is based on the following formula:</p> <p style="text-align: center;">a = Measurement of Noncompliance b = Frequency c = LD Value</p> <p style="text-align: center;">(a)(b)(c) = LD to be assessed at HHSC's discretion</p> <p>Example</p> <p>If the Successful Respondent is required to notify and route to HHSC 100% of unimaged documents daily, and instead achieves 94%, then the variance from the benchmark is 6. Therefore, the calculation would be as follows:</p> <p style="text-align: center;">a = Each % point below 100% b = Daily c = \$1,000</p> <p style="text-align: center;">(6)(1)(1,000) = \$6,000</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 10	
Reporting Period	Monthly
Service/Component	Imaging Accuracy/Quality Services
Performance Standard	The Successful Respondent must ensure that 98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology and performance criteria in the Quality Management Plan.
Liquidated Damages Value	\$1,000.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each percentage point below 98%
Calculation/Reporting Process	<p>HHSC determines compliance with this KPR by comparing the successful Inbound Mail - Accuracy/Quality Services percentage to the Performance Standard of 98% established in this KPR. This is rounded to the nearest tenth decimal.</p> <p>The calculation of liquidated damages is based on the following formula:</p> $a = \text{Measurement of Noncompliance} \quad b = \text{Frequency} \quad c = \text{LD Value}$ $(a)(b)(c) = \text{LD to be assessed at HHSC's discretion}$ <p>Example</p> <p>If the Successful Respondent is required to process 98% of images accurately monthly, and instead achieves 94%, then the variance from the benchmark is 4. Therefore, the calculation would be as follows:</p> $a = \text{Each \% point below 98\%} \quad b = \text{Monthly} \quad c = \$1,000$ $(4)(1)(\$1,000) = \$4,000$ <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 11	
Reporting Period	As Requested
Service/Component	Initial Disaster Recovery and Business Continuity Plan
Performance Standard	The Successful Respondent must prepare and submit an acceptable Disaster Recovery and Business Continuity Plan specific to the transition and on-going operations within 45 calendar days after contract execution or by the date specified by HHSC and anytime thereafter when specified by HHSC.
Liquidated Damages Value	\$1,000.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day after due date
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Initial Disaster Recovery and Business Continuity Plan via the formal communication process to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 12	
Reporting Period	Annually
Service/Component	Annual Disaster Recovery and Business Continuity Plan
Performance Standard	The Successful Respondent must prepare and submit an acceptable Annual Disaster Recovery and Business Continuity Plan within 30 calendar days prior to end of each operational year of the contract.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day after due date
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Annual Disaster Recovery and Business Continuity Plan via the formal communication process to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 13	
Reporting Period	As Required
Service/Component	Major System Outages Notification
Performance Standard	The Successful Respondent must notify HHSC of all major system outages via e-mail or telephone if e-mail is unavailable within five minutes after the Successful Respondent determines a major system outage has occurred. Submit an incident report to HHSC via the official correspondence process within 24 hours of reported system outage(s).
Liquidated Damages Value	\$250.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each incident that is not reported within 24 hours and/or each major system outage event
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Major System Outage Notification via the formal communication process to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 14	
Reporting Period	As Required
Service/Component	Incident Report
Performance Standard	CONTRACTOR must submit an incident report to HHSC via the official correspondence process within 24 hours of reported system outage(s).
Liquidated Damages Value	\$250.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions in order to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each business day after 24 hours of reported system outage(s).
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Incident Report via the formal communication process to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 15	
Reporting Period	As Required
Service/Component	Security Management Process Plan
Performance Standard	CONTRACTOR must prepare and submit an acceptable Security Management Process (Plan) within 35 business days after contract execution or by the date specified by HHSC and anytime thereafter when specified by HHSC.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each business day after due date
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Security Management Process Plan via the formal communication process to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 16	
Reporting Period	As Required
Service/Component	Security Features Systems and Confidential Information
Performance Standard	The Successful Respondent must maintain adequate security features for all of the respondent’s supported automation systems (voice and data) to protect the systems and all confidential information against any security breaches, unauthorized access, or other violation of state and federal regulations. Each event of a security breach, unauthorized access or other violation will be treated independently and will be subject to separate assessment of liquidated damages.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each event that results in a security breach
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by assessing compliance with the Security Management Process Plan for the protection of all confidential information against any security breaches, unauthorized access, or other violation of state and federal regulations.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 17	
Reporting Period	As Required
Service/Component	Report of Security Systems Issues
Performance Standard	The Successful Respondent must submit a report of security systems issues within one calendar day of discovery detailing the security violation, when and how it was discovered, operational impacts, and corrective measures to detect and prevent future violations.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each Security systems issue that is not reported within one calendar day
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Security System Issue via the formal communication process to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 18	
Reporting Period	As Required
Service/Component	Confidentiality
Performance Standard	The Successful Respondent must report to HHSC each occurrence of unauthorized destruction, loss, alteration, or unauthorized access to, use or disclosure of HHSC’s confidential information within 24 hours after the Successful Respondent becomes aware of the occurrence.
Liquidated Damages Value	\$1,000.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each occurrence that is not reported within 24 hours and/or each event of breach of confidentiality
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the notification of an occurrence of unauthorized destruction, loss, alteration, or unauthorized access to, use or disclosure of HHSC’s confidential information via the formal communication process to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 19	
Reporting Period	As Required
Service/Component	Key Personnel Timely Notification
Performance Standard	The Successful Respondent must submit notification to HHSC in writing within fourteen calendar days that a key personnel vacancy will occur for any reason or prior to making any changes in key personnel other than changes due to resignation, death, or military recall. Notification must include a plan to recruit Key Personnel.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day after due date
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the notification to HHSC that a key personnel vacancy will occur for any reason or prior to making any changes in key personnel other than changes due to resignation, death, or military recall via the formal communication process to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 20	
Reporting Period	Monthly
Service/Component	Monthly Status Report
Performance Standard	The Successful Respondent must submit an acceptable Monthly Status Report to HHSC within ten business days following the last day covered by the previous report.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day after due date
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Monthly Status Report to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 21	
Reporting Period	Monthly
Service/Component	Key Performance Requirements Report
Performance Standard	The Successful Respondent must submit an acceptable monthly Key Performance Requirements Monitoring Report acceptable to HHSC on the actual performance measures and standards results for all Key Performance Requirements within 20 calendar days after the end of each month.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day after due date
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Key Performance Requirements Monitoring Report to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 22	
Reporting Period	Monthly
Service/Component	Monthly Quality Management Report
Performance Standard	The Successful Respondent must submit a monthly Quality Management Report in a form acceptable to HHSC within 15 business days following the end of the reporting month.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day after due date
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Quality Management Report to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 23	
Reporting Period	As Required
Service/Component	Operations Turnover Plan
Performance Standard	The Successful Respondent must prepare and submit an acceptable Operations Turnover Plan within 60 calendar days after the Transition Phase is complete or date specified by HHSC.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day after due date
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Operations Turnover Plan to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 24	
Reporting Period	As Required
Service/Component	Annual Operations Turnover Plan
Performance Standard	The Successful Respondent must prepare and submit an acceptable Annual Operations Turnover Plan no less than 60 calendar days prior to the end of each operational year of the contract. Submit a “ready to execute” Turnover Plan six months prior to the end of the contract or upon request by HHSC.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day after due date
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Annual Operations Turnover Plan to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 25	
Reporting Period	As Required
Service/Component	Annual Facilities and Business Structure Turnover Plan
Performance Standard	The Successful Respondent must prepare and submit an acceptable Annual Facilities and Business Structure Turnover Plan no less than 60 calendar days prior to the end of each operational year of the contract. Submit a “ready to execute” Turnover Plan six months prior to the end of the contract or upon request by HHSC.
Liquidated Damages Value	\$250.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day after due date
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Annual Facilities and Business Structure Turnover Plan to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit E: Key Performance Requirements

DPS KPR 26	
Reporting Period	As Required
Service/Component	Turnover Results Report
Performance Standard	The Successful Respondent must prepare and submit an acceptable Turnover Results Report within 45 calendar days after the completion of turnover activities or by the date specified by HHSC.
Liquidated Damages Value	\$500.00
Non-compliance Remedies	<p>HHSC may take the following actions in the event of non-compliance or a missed KPR:</p> <ul style="list-style-type: none"> • Suspending all or part of the Contract; • Requiring the Successful Respondent specific corrective actions to remain in compliance with term of the Contract; • Recouping payments made to the Successful Respondent found to be in error; • Suspending, limiting, or placing conditions on the continued performance of the Project; • Imposing any other remedies authorized under the Contract; and • Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.
Measurement of Noncompliance	Each calendar day after due date
Calculation/Reporting Process	<p>HHSC determines the Successful Respondent’s compliance with this KPR by comparing the submission date of the Turnover Results Report to the established due date specified by HHSC.</p> <p>All correspondence shall be sent to HHSC DPS SAR VAR. Email address to be provided after contract execution.</p>

HHSC may assess a liquidated damage of up to \$1,000 per calendar day for each instance of CONTRACTOR breach of non-performance of a requirement that is not explicitly identified in the Key Performance Requirements.



TEXAS
Health and Human
Services

Exhibit: F Deliverables

**Document Processing Services
Health and Human Services Commission (HHSC)**

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit F: Deliverables

Deliverable ID	KPR No.	Requirements	Due Date	Frequency
DPS 005-D	N/A	<p>The Successful Respondent shall submit an initial CMQ within 30 calendar days after Contract execution and annually thereafter within 60 calendar days prior to the end of each State Fiscal Year.</p> <p>The Successful Respondent shall include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 2.4, Contract Monitoring Requirements and Questionnaire.</u></p>	<p>Within 30 calendar days after Contract execution and annually thereafter within 60 calendar days prior to the end of each State Fiscal Year</p>	<p>One-time Annually</p>
DPS 016-D Operational Requirements RFP	N/A	<p>The Successful Respondent shall submit document processing procedures and business processes updates within 30 business days after contract execution and anytime thereafter when specified by HHSC.</p> <p>The Successful Respondent shall include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3, Operational Requirements.</u></p>	<p>Within 30 business days after contract execution and anytime thereafter when specified by HHSC</p>	<p>One-Time As Required</p>
DPS 017-D Operational Requirements RFP	N/A	<p>The Successful Respondent shall submit annual updates to the document processing procedures and business processes no less than 30 calendar days prior to the end of each operational year of the contract.</p> <p>The Successful Respondent shall include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3, Operational Requirements.</u></p>	<p>No less than 30 calendar days prior to the end of each operational year of the contract</p>	<p>Annual</p>

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
DPS 022-D Training Plan RFP	N/A	<p>The Successful Respondent shall submit a Training Plan no less than 60 calendar days prior to the operational start date or by the date specified by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.2.1, Training Plan.</u></p>	No less than sixty 60 calendar days prior to the operational start date or by the date specified by HHSC and anytime thereafter when specified by HHSC	One-Time As Requested
DPS 023-D Training Plan RFP	N/A	<p>The Successful Respondent shall submit all initial curricula, training materials, and tools 30 calendar days prior to initial training delivery dates for review and approval. HHSC reserves the right to request training material and tools at its discretion.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.2.1, Training Plan.</u></p>	30 calendar days prior to initial training delivery dates	One-Time As Requested
DPS 028-D Training Plan RFP	N/A	<p>The Successful Respondent shall submit a quarterly Training Delivery Completion and Status Report by the tenth business day of each calendar quarter (i.e. Jan – March due by the 10th business day of April).</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.2.1, Training Plan.</u></p>	10 th business day of each calendar quarter	Quarterly

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 034-D</p> <p>Key Personnel & Organizational Requirements</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit notification to HHSC in writing 14 calendar days prior to a key personnel vacancy for any reason or prior to making any changes in key personnel other than changes due to resignation, death, or military recall. Notification must include a plan to recruit Key Personnel.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.3, Key Personnel & Organizational Requirements</u>.</p>	<p>14 calendar days that a key personnel vacancy will occur for any reason or prior to making any changes in key personnel</p>	<p style="text-align: center;">As Required</p>
<p style="text-align: center;">DPS 036-D</p> <p>Key Personnel & Organizational Requirements</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall replace any key personnel with HHSC approved personnel within 14 days of the approval with personnel of equal or greater ability and qualifications.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.3, Key Personnel and organizational Requirements</u>.</p>	<p>Within 14 days of the approval</p>	<p style="text-align: center;">As Required</p>

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 037-D</p> <p>Key Personnel Resumes and References</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit resumes and references of proposed replacement key personnel for HHSC review prior to making a job offer no later than and within seven calendar days from notification of a resignation or request for removal.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.3, Key Personnel and organizational Requirements.</u></p>	<p style="text-align: center;">Within seven calendar days from notification of a resignation or request for removal</p>	<p style="text-align: center;">As Required</p>
<p style="text-align: center;">DPS 038-D</p> <p>Initial Organizational Chart</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit an initial organizational chart within 30 calendar days after the operational start date, including the names and positions of all personnel assigned to this contract. The organizational chart must designate who are key personnel.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.3, Key Personnel and organizational Requirements.</u></p>	<p style="text-align: center;">Within 30 calendar days after the operational start date</p>	<p style="text-align: center;">One-time</p>

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 039-D</p> <p style="text-align: center;">Quarterly Updated Organizational Chart</p> <p style="text-align: center;">RFP</p>	N/A	<p>The Successful Respondent shall submit an updated organizational chart on a quarterly basis within ten calendar days after the end of the calendar quarter identifying the names and positions of all personnel assigned to this contract. The organizational chart must designate who are key personnel (i.e. Jan – March due by the 10th business day of April).</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.3, Key Personnel and organizational Requirements.</u></p>	10 th business day of each calendar quarter	Quarterly
<p style="text-align: center;">DPS 040-D</p> <p style="text-align: center;">Notification of Key Personnel Being Redirected</p> <p style="text-align: center;">RFP</p>	N/A	<p>The Successful Respondent shall submit notification to HHSC in writing and request approval ten calendar days whenever key personnel are temporarily redirected to perform functions other than the responsibilities of their current position.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.3, Key Personnel and organizational Requirements.</u></p>	10 calendar days whenever key personnel are temporarily redirected to perform functions other than the responsibilities of their current position	As Required

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 043-D</p> <p style="text-align: center;">Transition Phase Work Plan</p> <p style="text-align: center;">RFP</p>	N/A	<p>The Successful Respondent shall submit a Transition Phase Work Plan within 45 calendar days after contract execution.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.4.3, Transition Phase Requirements</u>.</p>	Within 45 calendar days after contract execution	One-Time
<p style="text-align: center;">DPS 046-D</p> <p style="text-align: center;">Weekly Transition Phase Status Report</p> <p style="text-align: center;">RFP</p>	N/A	<p>The Successful Respondent shall submit a weekly Transition Phase Status Report by 5:00 p.m. the Monday following the last day of the week covered by the report. HHSC will inform the Vendor when the weekly transition phase status report submission period begins and ends.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.4.3, Transition Phase Requirements</u>.</p>	By 5:00 p.m. the Monday following the last day of the week covered by the report	Weekly

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 049-D</p> <p style="text-align: center;">Facility and Business Structure Transition Plan</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit a Facility and Business Structure Transition Plan within 60 calendar days after contract execution or by the date specified by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.4.4, Facility and Business Structure Transition Plan.</u></p>	<p style="text-align: center;">Within 60 calendar days after contract execution or by the date specified by HHSC</p>	<p style="text-align: center;">One-Time</p>
<p style="text-align: center;">DPS 051-D</p> <p style="text-align: center;">Risk Management Process</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit a Risk Management Process, including an issue resolution and notification process, within 30 calendar days <u>prior to operational start date</u> or by the date specified by HHSC and anytime thereafter when specified by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.5, Risk Management and Issue Resolution Plan.</u></p>	<p style="text-align: center;">30 calendar days <u>prior to operational start date</u> or by the date specified by HHSC and anytime thereafter when specified by HHSC</p>	<p style="text-align: center;">One-Time As Requested</p>

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 059 -D</p> <p style="text-align: center;">Readiness Assessment Plan</p> <p style="text-align: center;">RFP</p>	N/A	<p>The Successful Respondent shall submit a Readiness Assessment Plan for the operations and systems within 45 calendar days after contract execution or by the date specified by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section XX, Readiness Assessment Process</u>.</p>	Within 45 calendar days after contract execution or by the date specified by HHSC	One-Time
<p style="text-align: center;">DPS 067-D</p> <p style="text-align: center;">Readiness Assessment Report</p> <p style="text-align: center;">RFP</p>	N/A	<p>The Successful Respondent shall submit the results of the Readiness Assessment in a Readiness Assessment Report within 15 business days after the readiness assessment process has been completed.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.6, Readiness Assessment Process</u>.</p>	Within 15 business days after the readiness assessment process has been completed	One-Time
<p style="text-align: center;">DPS 070-D</p> <p style="text-align: center;">Business Operations Plan</p> <p style="text-align: center;">RFP</p>	N/A	<p>The Successful Respondent shall submit an initial Business Operations Plan 30 calendar days prior to the scheduled operational start date or by the date specified by HHSC and anytime thereafter when specified by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.7.1, Business Operations Plan</u>.</p>	30 calendar days prior to the scheduled operational start date or by the date specified by HHSC and anytime thereafter when specified by HHSC	One-Time As Requested

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 072-D</p> <p style="text-align: center;">Business Operations Plan</p> <p style="text-align: center;">RFP</p>	KPR 4	<p>The Successful Respondent shall submit a detailed six-month evaluation report of the Business Operations Plan within 30 calendar days after the end of the six-month reporting period covered by the report after operational start date.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.7.1, Business Operations Plan.</u></p>	Within 30 calendar days after the end of the six-month reporting period covered by the report	Semi-Annually
<p style="text-align: center;">DPS 073-D</p> <p style="text-align: center;">Business Operations Plan</p> <p style="text-align: center;">RFP</p>	N/A	<p>The Successful Respondent shall submit a daily reconciliation report via e-mail providing an end-to-end count of transactions.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.7.1, Business Operations Plan.</u></p>	By noon of the next business day	Daily
<p style="text-align: center;">DPS 074-D</p> <p style="text-align: center;">Business Operations Plan</p> <p style="text-align: center;">RFP</p>	KPR 20	<p>The Successful Respondent shall submit a Monthly Status Report within ten business days following the last day covered by the report. HHSC will inform the Vendor when the monthly status report submission period begins.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.7.1, Business Operations Plan.</u></p>	Within ten business days following the last day covered by the report	Monthly

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 079-D</p> <p style="text-align: center;">Configuration Management RFP</p>	N/A	<p>The Successful Respondent shall submit a Configuration Management Plan including an overall approach for tracking and managing hardware and software inventories including version control within 30 calendar days after contract execution or by the date specified by HHSC and anytime thereafter when specified by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.8.2, Configuration Management</u>.</p>	<p>Within thirty (30) calendar days after contract execution or by the date specified by HHSC and anytime thereafter when specified by HHSC</p>	<p>One-Time As Requested</p>
<p style="text-align: center;">DPS 084-D</p> <p style="text-align: center;">Security Management RFP</p>	KPR 35	<p>The Successful Respondent shall submit a Security Management Process Plan within 35 business days after contract execution or by the date specified by HHSC and anytime thereafter when specified by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.9, Security Management</u>.</p>	<p>Within 35 business days after contract execution or by the date specified by HHSC and anytime thereafter when specified by HHSC</p>	<p>One-Time As Requested</p>

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 088-D</p> <p style="text-align: center;">Security Management</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">KPR 17</p>	<p>The Successful Respondent shall submit a report of security systems issues within one calendar day of discovery detailing the security violation, when and how it was discovered, operational impacts, and corrective measures to detect and prevent future violations.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.9, Security Management</u>.</p>	<p style="text-align: center;">Within one calendar day of discovery</p>	<p style="text-align: center;">As Required</p>
<p style="text-align: center;">DPS 089-D</p> <p style="text-align: center;">IT Disaster Recovery and Business Continuity</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">KPR 11</p>	<p>The Successful Respondent shall submit an IT Disaster Recovery Plan and a Business Continuity Plan specific to the transition and on-going operations within 45 calendar days after contract execution or by the date specified by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.10, IT Disaster Recovery and Business Continuity</u>.</p>	<p style="text-align: center;">Within 45 calendar days after contract execution or by the date specified by HHSC</p>	<p style="text-align: center;">One-Time As Requested</p>

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 090-D</p> <p style="text-align: center;">IT Disaster Recovery and Business Continuity</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">KPR 12</p>	<p>The Successful Respondent shall submit annual updates to the IT Disaster Recovery Plan and the Business Continuity Plan 30 calendar days prior to the end of the operational year of the contract or within 30 days following an IT DR exercise.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.10, IT Disaster Recovery and Business Continuity</u>.</p>	<p style="text-align: center;">30 calendar days prior to the end of the operational year of the contract or within 30 days following a DR exercise</p>	<p style="text-align: center;">Annually</p> <p style="text-align: center;">As Required</p>
<p style="text-align: center;">DPS 093-D</p> <p style="text-align: center;">Major Systems Outages Report</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">KPR 13</p>	<p>All major system outages must be reported to HHSC via e-mail or telephone if e-mail is unavailable within five minutes after the Successful Respondent determines a major system outage has occurred.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.10, IT Disaster Recovery and Business Continuity</u>.</p>	<p style="text-align: center;">Within five minutes after the Successful Respondent determines a major system outage has occurred</p>	<p style="text-align: center;">As Required</p>

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 094-D</p> <p style="text-align: center;">Major System Outages Report</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">KPR 14</p>	<p>The Successful Respondent shall submit an Incident Report to HHSC via the official correspondence process within 24 hours of reported system outages detailing the incident, when and how it was discovered, system and operational impacts, and corrective measures to detect and prevent future incidents.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.10, IT Disaster Recovery and Business Continuity</u>.</p>	<p style="text-align: center;">Within 24 hours of reported major system outage notification</p>	<p style="text-align: center;">As Required</p>
<p style="text-align: center;">DPS 095-D</p> <p style="text-align: center;">Quality Management Plan</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit an initial Quality Management Plan 45 calendar day prior to the scheduled operational start date.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.11.1, Quality Management Plan</u>.</p>	<p style="text-align: center;">45 calendar days prior to the scheduled operational start date</p>	<p style="text-align: center;">One-Time</p>

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 096-D</p> <p style="text-align: center;">Quality Management Plan</p> <p style="text-align: center;">RFP</p>	N/A	<p>The Successful Respondent shall submit an Annual Quality Management Plan 45 calendar day prior to the end of each operational year of the contract.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.11.1, Quality Management Plan.</u></p>	45 calendar days prior to the end of each operational year of the contract	Annually
<p style="text-align: center;">DPS 097-D</p> <p style="text-align: center;">Quality Management Plan</p> <p style="text-align: center;">RFP</p>	KPR 22	<p>The Successful Respondent shall submit a monthly Quality Management Report, in a form acceptable to HHSC within 15 business days following the end of the reporting month.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.11.1, Quality Management Plan.</u></p>	Within 15 business days following the end of the reporting month	Monthly

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 098-D</p> <p style="text-align: center;">Quality Management Plan</p> <p style="text-align: center;">RFP</p>	N/A	<p><i>Only applicable if a Vendor proposes own quality assurance system then:</i></p> <p>The Successful Respondent shall submit an Data Access Plan 25 business day prior to the operational start date that describes in detail the necessary processes and procedures and tools, hardware, software, training and other resources necessary to provide data access and system monitoring to HHSC related to quality assurance activities.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.11.1, Quality Management Plan.</u></p>	25 business days prior to the operational start date	One-Time
<p style="text-align: center;">DPS 110-D</p> <p style="text-align: center;">Communication and Coordination Requirements</p> <p style="text-align: center;">RFP</p>	N/A	<p>The Successful Respondent shall submit an initial Communication and Coordination Plan within 30 calendar days after contract execution or by the date specified by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.12, Communication and Coordination Plan.</u></p>	Within 30 calendar days after contract execution or by the date specified by HHSC	One-Time As Requested

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p>DPS 111-D</p> <p>Communication and Coordination Plan</p> <p>RFP</p>	N/A	<p>The Successful Respondent shall submit an annual Communications and Coordination Plan twelve months following HHSC approval of the initial plan</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.12, Communication and Coordination Plan.</u></p>	Twelve months following approval of the initial plan	Annually
<p>DPS 112-D</p> <p>Turnover Plan</p> <p>RFP</p>	KPR 23	<p>The Successful Respondent shall submit an Initial Operations Turnover Plan within 60 calendar days after the Transition Phase is complete or date specified by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.13.2, Turnover Plan.</u></p>	Within 60 calendar days after the Transition Phase is complete or date specified by HHSC	One-Time
<p>DPS 113-D</p> <p>Turnover Plan</p> <p>RFP</p>	KPR 24	<p>The Successful Respondent shall submit an Annual Operations Turnover Plan 60 calendar day prior to the end of each operational year of the contract and a “ready to execute” Turnover Plan six months prior to the end of the contract or upon request by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.13.2, Turnover Plan.</u></p>	<p>60 calendar days prior to the end of each operational year of the contract</p> <p>6 months prior to the end of the contract or upon request by HHSC</p>	<p>Annually</p> <p>One-Time</p> <p>As Requested</p>

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 119-D</p> <p style="text-align: center;">Turnover Plan</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit a comprehensive Knowledge Transfer Plan, including all materials useful and necessary to perform all job duties and subject matter experts no less than 60 calendar days prior to the end of the contract.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.13.2, Turnover Plan.</u></p>	<p style="text-align: center;">60 calendar days prior to the end of the contract</p>	<p style="text-align: center;">One-Time</p>
<p style="text-align: center;">DPS 122-D</p> <p style="text-align: center;">Facilities and Business Structure Turnover Plan</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit a Facilities and Business Structure Turnover Plan within 60 calendar days after the Transition Phase is complete.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.13.3, Facilities and Business Structure Turnover Plan.</u></p>	<p style="text-align: center;">Within 60 calendar days after the Transition Phase is complete</p>	<p style="text-align: center;">One-Time</p>

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 124-D</p> <p>Facilities and Business Structure Turnover Plan</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit an Annual Facilities and Business Structure Turnover Plan 60 calendar days prior to the end of each operational year of the contract and a “ready to execute” Turnover Plan six months prior to the end of the contract or upon request by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.13.3, Facilities and Business Structure Turnover Plan.</u></p>	<p>60 calendar days prior to the end of each operational year of the contract</p> <p>Six months prior to the end of the contract or upon request by HHSC</p>	<p style="text-align: center;">Annually</p> <p style="text-align: center;">One-Time</p> <p style="text-align: center;">As Requested</p>
<p style="text-align: center;">DPS 125-D</p> <p>Turnover Results</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">KPR 26</p>	<p>The Successful Respondent shall submit a Turnover Results Report within 45 calendar days after the completion of turnover activities or by the date specified by HHSC.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 3.13.4, Turnover Results.</u></p>	<p>Within 45 calendar days after the completion of turnover activities or by the date specified by HHSC</p>	<p style="text-align: center;">One-Time</p> <p style="text-align: center;">As Requested</p>

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p>DPS 129-D</p> <p>Fidelity Bond</p> <p>RFP</p>	N/A	<p>The Successful Respondent must submit the Annual Fidelity Bonding Renewal within 10 business days of issuance.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 4.2.2, Business Objectives of Financial Accounting and Reporting Requirements.</u></p>	Within 10 business days of issuance	<p>Annually</p> <p>One-Time</p> <p>As Requested</p>
<p>DPS 133-D</p> <p>Financial Accounting Requirements</p> <p>RFP</p>	N/A	<p>The Successful Respondent shall submit a final Accounting Policy Manual and Disclosure Statement within 45 calendar days after contract execution.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 4.2.3, Financial Accounting Requirements.</u></p>	Within 45 calendar days after contract execution	One-Time
<p>DPS 141-D</p> <p>Financial Report Requirements</p> <p>RFP</p>	N/A	<p>The Successful Respondent shall submit an expense summary detailing operation under the contract resulting from this RFP for each of the applicable business functional areas of the contract, no later than 20 calendar days after the end of each reporting month.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 4.2.5, Financial Report Requirements.</u></p>	No later than 20 calendar days after the end of each reporting month	Monthly

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Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 142-D</p> <p>Financial Report Requirements</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit, no later than 90 calendar days after the end of each operational reporting period or after the termination of a contract resulting from this RFP, annual financial statements for the preceding operational reporting period that depict the financial position of the Successful Respondent and the result of operations (including administrative service fees) for each applicable business functional area under the contract, as well as, the result of operations under all contracts for the State of Texas for the period.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 4.2.3, Financial Report Requirements.</u></p>	<p style="text-align: center;">No later than 90 calendar days after the end of each operational reporting period or after the termination of a contract</p>	<p style="text-align: center;">Annually</p>
<p style="text-align: center;">DPS 143-D</p> <p>Financial Report Requirements</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit an income statement for each applicable business functional area that includes all revenue and expenses incurred in the yearly operation of the Successful Respondent no later than 90 calendar days after the end of each operational contract period or after the termination of the contract.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 4.2.5, Financial Report Requirements.</u></p>	<p style="text-align: center;">No later than 90 calendar days after the end of each operational contract period or after the termination of the contract</p>	<p style="text-align: center;">Annually One-Time</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit F: Deliverables

Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 144-D</p> <p>Financial Report Requirements</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit a certified public accountant’s statement of tangible net worth as of the most recent State Fiscal Year end within the following timeframes:</p> <ul style="list-style-type: none"> • Within 30 calendar days after contract execution, and • No later than 30 calendar days after the end of each State Fiscal Year. <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 4.2.5, Financial Report Requirements.</u></p>	<p>Within 30 calendar days after contract execution</p> <p>No later than 30 calendar days after the end of each State Fiscal Year</p>	<p style="text-align: center;">One-Time</p> <p style="text-align: center;">Annually</p>
<p style="text-align: center;">DPS 145-D</p> <p>Financial Report Requirements</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit a list of all nonexpendable capital items acquired under the contract no later than 30 calendar days after the end of the transition period and within 15 calendar days after the end of each State Fiscal quarter thereafter when nonexpendable capital items are acquired.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 4.2.5, Financial Report Requirements.</u></p>	<p>No later than 30 calendar days after the end of the transition period</p> <p>Within 15 calendar days after the end of each State Fiscal quarter thereafter when nonexpendable capital items are acquired</p>	<p style="text-align: center;">Quarterly</p> <p style="text-align: center;">As required</p>

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit F: Deliverables

Deliverable ID	KPR No.	Requirements	Due Date	Frequency
<p style="text-align: center;">DPS 146-D</p> <p>Financial Report Requirements</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit the Primary Subcontractor’s quarterly report of Allowable Costs within 15 calendar days after the end of the calendar quarter.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 4.2.5, Financial Report Requirements.</u></p>	<p style="text-align: center;">Within 15 calendar days after the end of the calendar quarter</p>	<p style="text-align: center;">Quarterly</p>
<p style="text-align: center;">DPS 147-D</p> <p>Financial Report Requirements</p> <p style="text-align: center;">RFP</p>	<p style="text-align: center;">N/A</p>	<p>The Successful Respondent shall submit maximum costs for the following operational year no later than 60 calendar days prior to the end of each operational year of the contract.</p> <p>The Successful Respondent shall ensure to include all requirements outlined in <u>Exhibit C, Contract Requirements, Section 4.2.5, Financial Report Requirements.</u></p>	<p style="text-align: center;">60 calendar days prior to the end of each operational year of the contract</p>	<p style="text-align: center;">Annually</p>



TEXAS
Health and Human
Services

Exhibit G: Data Use Agreement V8.5

**Document Processing Services
Health and Human Services Commission (HHSC)**

**DATA USE AGREEMENT
BETWEEN THE
TEXAS HEALTH AND HUMAN SERVICES SYSTEM
AND
CONTRACTOR**

This Data Use Agreement (“DUA”) is effective as of the date of the Base Contract into which it is incorporated (“Effective Date”), by and between the Texas Health and Human Services System, which includes the Texas Health and Human Services Commission and the Department of State Health Services (“HHS”) and Contractor (the "Base Contract").

ARTICLE 1. PURPOSE; APPLICABILITY; ORDER OF PRECEDENCE

The purpose of this DUA is to facilitate access to, creation, receipt, maintenance, use, disclosure or transmission of Confidential Information with Contractor, and describe Contractor’s rights and obligations with respect to the Confidential Information and the limited purposes for which the Contractor may create, receive, maintain, use, disclose or have access to Confidential Information. This DUA also describes HHS’s remedies in the event of Contractor’s noncompliance with its obligations under this DUA. This DUA applies to both HHS business associates, as “business associate” is defined in the Health Insurance Portability and Accountability Act (HIPAA), and contractors who are not business associates, who create, receive, maintain, use, disclose or have access to Confidential Information on behalf of HHS, its programs or clients as described in the Base Contract. As a best practice, HHS requires its contractors to comply with the terms of this DUA to safeguard all types of Confidential Information.

As of the Effective Date of this DUA, if any provision of the Base Contract conflicts with this DUA, this DUA controls.

ARTICLE 2. DEFINITIONS

For the purposes of this DUA, capitalized, underlined terms have the following meanings:

“**Authorized Purpose**” means the specific purpose or purposes described in the Base Contract for Contractor to fulfill its obligations under the Base Contract, or any other purpose expressly authorized by HHS in writing in advance.

“**Authorized User**” means a person:

- (1) Who is authorized to create, receive, maintain, have access to, process, view, handle, examine, interpret, or analyze Confidential Information pursuant to this DUA;
- (2) For whom Contractor warrants and represents has a demonstrable need to create, receive, maintain, use, disclose or have access to the Confidential Information; and
- (3) Who has agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information as required by this DUA.

“**Breach**” means an impermissible use or disclosure of electronic or non-electronic sensitive personal information by an unauthorized person or for an unauthorized purpose that compromises the security or privacy of Confidential Information such that the use or disclosure poses a risk of reputational harm, theft of financial information, identity theft, or medical identity theft. Any acquisition, access, use, disclosure or loss of Confidential Information other than as permitted by this

DUA shall be presumed to be a Breach unless Contractor demonstrates, based on a risk assessment, that there is a low probability that the Confidential Information has been compromised.

“Confidential Information” means any communication or record (whether oral, written, electronically stored or transmitted, or in any other form) provided to or made available to Contractor or that Contractor may create, receive, maintain, use, disclose or have access to on behalf of HHS that consists of or includes any or all of the following:

- (1) Education records as defined in the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g; 34 C.F.R. Part 99
- (2) Federal Tax Information as defined in Internal Revenue Code §6103 and Internal Revenue Service Publication 1075;
- (3) Personal Identifying Information (PII) as defined in Texas Business and Commerce Code, Chapter 521;
- (4) Protected Health Information (PHI) in any form including without limitation, Electronic Protected Health Information or Unsecured Protected Health Information as defined in 45 C.F.R. §160.103;
- (5) Sensitive Personal Information (SPI) as defined in Texas Business and Commerce Code, Chapter 521;
- (6) Social Security Administration Data, including, without limitation, Medicaid information means disclosures of information made by the Social Security Administration or the Centers for Medicare and Medicaid Services from a federal system of records for administration of federally funded benefit programs under the Social Security Act, 42 U.S.C., Chapter 7;
- (7) All privileged work product;
- (8) All information designated as confidential under the constitution and laws of the State of Texas and of the United States, including the Texas Health & Safety Code and the Texas Public Information Act, Texas Government Code, Chapter 552.

“Destroy”, “Destruction”, for Confidential Information, means:

(1) Paper, film, or other hard copy media have been shredded or destroyed such that the Confidential Information cannot be read or otherwise cannot be reconstructed. Redaction is specifically excluded as a means of data destruction.

(2) Electronic media have been cleared, purged, or destroyed consistent with NIST Special Publication 800-88, "Guidelines for Media Sanitization," such that the Confidential Information cannot be retrieved.

“Discover, Discovery” means the first day on which a Breach becomes known to Contractor, or, by exercising reasonable diligence would have been known to Contractor.

“Legally Authorized Representative” of an individual, including as provided in 45 CFR 435.923 (authorized representative); 45 CFR 164.502(g)(1) (personal representative); Tex. Occ. Code § 151.002(6); Tex. H. & S. Code § 166.164 (medical power of attorney); and Texas Estates Code § 22.031 (representative).

“Required by Law” means a mandate contained in law that compels an entity to use or disclose Confidential Information that is enforceable in a court of law, including court orders, warrants, subpoenas or investigative demands.

“Subcontractor” means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

“Workforce” means employees, volunteers, trainees or other persons whose performance of work is under the direct control of a party, whether or not they are paid by that party.

ARTICLE 3. CONTRACTOR'S DUTIES REGARDING CONFIDENTIAL INFORMATION

Section 3.01 Obligations of Contractor

Contractor agrees that:

(A) With respect to PHI, Contractor shall:

(1) Make PHI available in a designated record set if requested by HHS, if Contractor maintains PHI in a designated record set, as defined in HIPAA.

(2) Provide to HHS data aggregation services related to the healthcare operations Contractor performs for HHS pursuant to the Base Contract, if requested by HHS, if Contractor provides data aggregation services as defined in HIPAA.

(3) Provide access to PHI to an individual who is requesting his or her own PHI, or such individual's Legally Authorized Representative, in compliance with the requirements of HIPAA.

(4) Make PHI available to HHS for amendment, and incorporate any amendments to PHI that HHS directs, in compliance with HIPAA.

(5) Document and make available to HHS, an accounting of disclosures in compliance with the requirements of HIPAA.

(6) If Contractor receives a request for access, amendment or accounting of PHI by any individual, promptly forward the request to HHS or, if forwarding the request would violate HIPAA, promptly notify HHS of the request and of Contractor's response. HHS will respond to all such requests, unless Contractor is Required by Law to respond or HHS has given prior written consent for Contractor to respond to and account for all such requests.

(B) With respect to ALL Confidential Information, Contractor shall:

(1) Exercise reasonable care and no less than the same degree of care Contractor uses to protect its own confidential, proprietary and trade secret information to prevent Confidential Information from being used in a manner that is not expressly an Authorized Purpose or as Required by Law. Contractor will access, create, maintain, receive, use, disclose, transmit or Destroy Confidential Information in a secure fashion that protects against any reasonably anticipated threats or hazards to the security or integrity of such information or unauthorized uses.

(2) Establish, implement and maintain appropriate procedural, administrative, physical and technical safeguards to preserve and maintain the confidentiality, integrity, and availability of the Confidential Information, in accordance with applicable laws or regulations relating to Confidential Information, to prevent any unauthorized use or disclosure of Confidential Information as long as Contractor has such Confidential Information in its actual or constructive possession.

(3) Implement, update as necessary, and document privacy, security and Breach notice policies and procedures and an incident response plan to address a Breach, to comply with the privacy, security and breach notice requirements of this DUA prior to conducting work under the Base Contract. Contractor

shall produce, within three business days of a request by HHS, copies of its policies and procedures and records relating to the use or disclosure of Confidential Information.

(4) Obtain HHS's prior written consent to disclose or allow access to any portion of the Confidential Information to any person, other than Authorized Users, Workforce or Subcontractors of Contractor who have completed training in confidentiality, privacy, security and the importance of promptly reporting any Breach to Contractor's management and as permitted in Section 3.01(A)(3), above. Contractor shall produce evidence of completed training to HHS upon request. HHS, at its election, may assist Contractor in training and education on specific or unique HHS processes, systems and/or requirements. All of Contractor's Authorized Users, Workforce and Subcontractors with access to a state computer system or database will complete a cybersecurity training program certified under Texas Government Code Section 2054.519 by the Texas Department of Information Resources.

(5) Establish, implement and maintain appropriate sanctions against any member of its Workforce or Subcontractor who fails to comply with this DUA, the Base Contract or applicable law. Contractor shall maintain evidence of sanctions and produce it to HHS upon request.

(6) Obtain prior written approval of HHS, to disclose or provide access to any Confidential Information on the basis that such act is Required by Law, so that HHS may have the opportunity to object to the disclosure or access and seek appropriate relief. If HHS objects to such disclosure or access, Contractor shall refrain from disclosing or providing access to the Confidential Information until HHS has exhausted all alternatives for relief.

(7) Certify that its Authorized Users each have a demonstrated need to know and have access to Confidential Information solely to the minimum extent necessary to accomplish the Authorized Purpose and that each has agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information contained in this DUA. Contractor and its Subcontractors shall maintain at all times an updated, complete, accurate list of Authorized Users and supply it to HHS upon request.

(8) Provide, and shall cause its Subcontractors and agents to provide, to HHS periodic written confirmation of compliance with controls and the terms and conditions of this DUA.

(9) Return to HHS or Destroy, at HHS's election and at Contractor's expense, all Confidential Information received from HHS or created or maintained by Contractor or any of Contractor's agents or Subcontractors on HHS's behalf upon the termination or expiration of this DUA, if reasonably feasible and permitted by law. Contractor shall certify in writing to HHS that all such Confidential Information has been Destroyed or returned to HHS, and that Contractor and its agents and Subcontractors have retained no copies thereof. Notwithstanding the foregoing, Contractor acknowledges and agrees that it may not Destroy any Confidential Information if federal or state law, or HHS record retention policy or a litigation hold notice prohibits such Destruction. If such return or Destruction is not reasonably feasible, or is impermissible by law, Contractor shall immediately notify HHS of the reasons such return or Destruction is not feasible and agree to extend the protections of this DUA to the Confidential Information for as long as Contractor maintains such Confidential Information.

(10) Complete and return with the Base Contract to HHS, attached as **Exhibit G1 HHS Security and Privacy Initial Inquiry (SPI)** at <https://hhs.texas.gov/laws-regulations/forms/miscellaneous/hhs-information-security-privacy-initial-inquiry-spi>. The SPI identifies basic privacy and security controls with which Contractor must comply to protect Confidential Information. Contractor shall comply with periodic security controls compliance assessment and monitoring by HHS as required by state and federal law, based on the type of Confidential Information Contractor creates, receives, maintains, uses, discloses or has access to and the Authorized Purpose and level of risk. Contractor's

security controls shall be based on the National Institute of Standards and Technology (NIST) Special Publication 800-53. Contractor shall update its security controls assessment whenever there are significant changes in security controls for HHS Confidential Information and shall provide the updated document to HHS. HHS also reserves the right to request updates as needed to satisfy state and federal monitoring requirements.

(11) Comply with the HHS Acceptable Use Policy (AUP) and require each Subcontractor and Workforce member who has direct access to HHS Information Resources, as defined in the AUP, to execute an HHS Acceptable Use Agreement.

(12) Only conduct secure transmissions of Confidential Information whether in paper, oral or electronic form. A secure transmission of electronic Confidential Information in motion includes secure File Transfer Protocol (SFTP) or encryption at an appropriate level as required by rule, regulation or law. Confidential Information at rest requires encryption unless there is adequate administrative, technical, and physical security as required by rule, regulation or law. All electronic data transfer and communications of Confidential Information shall be through secure systems. Contractor shall provide proof of system, media or device security and/or encryption to HHS no later than 48 hours after HHS's written request in response to a compliance investigation, audit, or the Discovery of a Breach. HHS may also request production of proof of security at other times as necessary to satisfy state and federal monitoring requirements. Deidentification of Confidential Information in accordance with HIPAA de-identification standards is deemed secure.

(13) Designate and identify a person or persons, as Privacy Official and Information Security Official, each of whom is authorized to act on behalf of Contractor and is responsible for the development and implementation of the privacy and security requirements in this DUA. Contractor shall provide name and current address, phone number and e-mail address for such designated officials to HHS upon execution of this DUA and prior to any change. Upon written notice from HHS, Contractor shall promptly remove and replace such official(s) if such official(s) is not performing the required functions.

(14) Make available to HHS any information HHS requires to fulfill HHS's obligations to provide access to, or copies of, Confidential Information in accordance with applicable laws, regulations or demands of a regulatory authority relating to Confidential Information. Contractor shall provide such information in a time and manner reasonably agreed upon or as designated by the applicable law or regulatory authority.

(15) Comply with the following laws and standards *if applicable to the type of Confidential Information and Contractor's Authorized Purpose*:

- Title 1, Part 10, Chapter 202, Subchapter B, Texas Administrative Code;
- The Privacy Act of 1974;
- OMB Memorandum 17-12;
- The Federal Information Security Management Act of 2002 (FISMA);
- The Health Insurance Portability and Accountability Act of 1996 (HIPAA);
- Internal Revenue Publication 1075 – Tax Information Security Guidelines for Federal, State and Local Agencies;
- National Institute of Standards and Technology (NIST) Special Publication 800-66 Revision 1 – An Introductory Resource Guide for Implementing the Health Insurance Portability and Accountability Act (HIPAA) Security Rule;

- NIST Special Publications 800-53 and 800-53A – Recommended Security Controls for Federal Information Systems and Organizations, as currently revised;
- NIST Special Publication 800-47 – Security Guide for Interconnecting Information Technology Systems;
- NIST Special Publication 800-88, Guidelines for Media Sanitization;
- NIST Special Publication 800-111, Guide to Storage of Encryption Technologies for End User Devices containing PHI;
- Family Educational Rights and Privacy Act
- Texas Business and Commerce Code, Chapter 521;
- Any other State or Federal law, regulation, or administrative rule relating to the specific HHS program area that Contractor supports on behalf of HHS.

(16) Be permitted to use or disclose Confidential Information for the proper management and administration of Contractor or to carry out Contractor’s legal responsibilities, except as otherwise limited by this DUA, the Base Contract, or law applicable to the Confidential Information, if:

- (a) Disclosure is Required by Law;
- (b) Contractor obtains reasonable assurances from the person to whom the information is disclosed that the person shall:
 1. Maintain the confidentiality of the Confidential Information in accordance with this DUA;
 2. Use or further disclose the information only as Required by Law or for the Authorized Purpose for which it was disclosed to the person; and
 3. Notify Contractor in accordance with Section 4.01 of a Breach of Confidential Information that the person Discovers or should have Discovered with the exercise of reasonable diligence.

(C) With respect to ALL Confidential Information, Contractor shall NOT:

- (1) Attempt to re-identify or further identify Confidential Information that has been deidentified, or attempt to contact any persons whose records are contained in the Confidential Information, except for an Authorized Purpose, without express written authorization from HHS.
- (2) Engage in prohibited marketing or sale of Confidential Information.
- (3) Permit, or enter into any agreement with a Subcontractor to, create, receive, maintain, use, disclose, have access to or transmit Confidential Information, on behalf of HHS without requiring that Subcontractor first execute either the Form Subcontractor Agreement, Attachment 1, or Contractor’s own Subcontractor agreement that ensures that the Subcontractor shall comply with the same safeguards and restrictions contained in this DUA for Confidential Information. Contractor is directly responsible for its Subcontractors’ compliance with, and enforcement of, this DUA.

ARTICLE 4. BREACH NOTICE, REPORTING AND CORRECTION REQUIREMENTS

Section 4.01. Cooperation and Financial Responsibility.

(A) Contractor shall, at Contractor's expense, cooperate fully with HHS in investigating, mitigating to the extent practicable, and issuing notifications as directed by HHS, for any Breach of Confidential Information.

(B) Contractor shall make Confidential Information in Contractor's possession available pursuant to the requirements of HIPAA or other applicable law upon a determination of a Breach.

(C) Contractor's obligation begins at the Discovery of a Breach and continues as long as related activity continues, until all effects of the Breach are mitigated to HHS's satisfaction (the "incident response period").

Section 4.02. Initial Breach Notice.

For federal information *obtained from a federal system of records*, including Federal Tax Information and Social Security Administration Data (which includes Medicaid and other governmental benefit program Confidential Information), Contractor shall notify HHS of the Breach within the first consecutive clock hour of Discovery. The Base Contract shall specify whether Confidential Information is obtained from a federal system of records. For all other types of Confidential Information Contractor shall notify HHS of the Breach not more than 24 hours after Discovery, *or in a timeframe otherwise approved by HHS in writing*. Contractor shall initially report to HHS's Privacy and Security Officers via email at: privacy@HHSC.state.tx.us and to the HHS division responsible for the Base Contract.

Contractor shall report all information reasonably available to Contractor about the Breach.

Contractor shall provide contact information to HHS for Contractor's single point of contact who will communicate with HHS both on and off business hours during the incident response period.

Section 4.03 Third Business Day Notice: No later than 5 p.m. on the third business day after Discovery, or a time within which Discovery reasonably should have been made by Contractor of a Breach of Confidential Information, Contractor shall provide written notification to HHS of all reasonably available information about the Breach, and Contractor's investigation, including, to the extent known to Contractor:

- a. The date the Breach occurred;
- b. The date of Contractor's and, if applicable, Subcontractor's Discovery;
- c. A brief description of the Breach, including how it occurred and who is responsible (or hypotheses, if not yet determined);
- d. A brief description of Contractor's investigation and the status of the investigation;
- e. A description of the types and amount of Confidential Information involved;
- f. Identification of and number of all individuals reasonably believed to be affected, including first and last name of the individual and if applicable, the Legally authorized representative, last known address, age, telephone number, and email address if it is a preferred contact method;
- g. Contractor's initial risk assessment of the Breach demonstrating whether individual or other notices are required by applicable law or this DUA for HHS approval, including an analysis of whether there is a low probability of compromise of the Confidential Information or whether any legal exceptions to notification apply;
- h. Contractor's recommendation for HHS's approval as to the steps individuals and/or Contractor on behalf of individuals, should take to protect the individuals from potential harm, including

Contractor's provision of notifications, credit protection, claims monitoring, and any specific protections for a Legally Authorized Representative to take on behalf of an individual with special capacity or circumstances;

- i. The steps Contractor has taken to mitigate the harm or potential harm caused (including without limitation the provision of sufficient resources to mitigate);
- j. The steps Contractor has taken, or will take, to prevent or reduce the likelihood of recurrence of a similar Breach;
- k. Identify, describe or estimate of the persons, Workforce, Subcontractor, or individuals and any law enforcement that may be involved in the Breach;
- l. A reasonable schedule for Contractor to provide regular updates regarding response to the Breach, but no less than every three (3) business days, or as otherwise directed by HHS in writing, including information about risk estimations, reporting, notification, if any, mitigation, corrective action, root cause analysis and when such activities are expected to be completed; and
- m. Any reasonably available, pertinent information, documents or reports related to a Breach that HHS requests following Discovery.

Section 4.04. Investigation, Response and Mitigation.

- (A) Contractor shall immediately conduct a full and complete investigation, respond to the Breach, commit necessary and appropriate staff and resources to expeditiously respond, and report as required to HHS for incident response purposes and for purposes of HHS's compliance with report and notification requirements, to the satisfaction of HHS.
- (B) Contractor shall complete or participate in a risk assessment as directed by HHS following a Breach, and provide the final assessment, corrective actions and mitigations to HHS for review and approval.
- (C) Contractor shall fully cooperate with HHS to respond to inquiries and/or proceedings by state and federal authorities, persons and/or individuals about the Breach.
- (D) Contractor shall fully cooperate with HHS's efforts to seek appropriate injunctive relief or otherwise prevent or curtail such Breach, or to recover or protect any Confidential Information, including complying with reasonable corrective action or measures, as specified by HHS in a Corrective Action Plan if directed by HHS under the Base Contract.

Section 4.05. Breach Notification to Individuals and Reporting to Authorities.

- (A) HHS may direct Contractor to provide Breach notification to individuals, regulators or third-parties, as specified by HHS following a Breach.
- (B) Contractor must comply with all applicable legal and regulatory requirements in the time, manner and content of any notification to individuals, regulators or third-parties, or any notice required by other state or federal authorities, including without limitation, notifications required by Texas Business and Commerce Code, Chapter 521.053(b) and HIPAA. Notice letters will be in Contractor's name and on Contractor's letterhead, unless otherwise directed by HHS, and will contain contact information, including the name and title of Contractor's representative, an email address and a toll-free telephone number, for the individual to obtain additional information.
- (C) Contractor shall provide HHS with draft notifications for HHS approval prior to distribution and copies of distributed and approved communications.

(D) Contractor shall have the burden of demonstrating to the satisfaction of HHS that any required notification was timely made. If there are delays outside of Contractor's control, Contractor shall provide written documentation to HHS of the reasons for the delay.

(E) If HHS directs Contractor to provide notifications, HHS shall, in the time and manner reasonably requested by Contractor, cooperate and assist with Contractor's information requests in order to make such notifications.

ARTICLE 5. GENERAL PROVISIONS

Section 5.01 Ownership of Confidential Information

Contractor acknowledges and agrees that the Confidential Information is and shall remain the property of HHS. Contractor agrees it acquires no title or rights to the Confidential Information.

Section 5.02 HHS Commitment and Obligations

HHS will not request Contractor to create, maintain, transmit, use or disclose PHI in any manner that would not be permissible under applicable law if done by HHS.

Section 5.03 HHS Right to Inspection

At any time upon reasonable notice to Contractor, or if HHS determines that Contractor has violated this DUA, HHS, directly or through its agent, will have the right to inspect the facilities, systems, books and records of Contractor to monitor compliance with this DUA. For purposes of this subsection, HHS's agent(s) include, without limitation, the HHS Office of the Inspector General, the Office of the Attorney General of Texas, the State Auditor's Office, outside consultants, legal counsel or other designee.

Section 5.04 Term; Termination of DUA; Survival

This DUA will be effective on the date on which Contractor executes the Base Contract and will terminate upon termination of the Base Contract and as set forth herein. If the Base Contract is extended, this DUA is extended to run concurrent with the Base Contract.

(A) If HHS determines that Contractor has violated a material term of this DUA; HHS may in its sole discretion:

- (1) Exercise any of its rights including but not limited to reports, access and inspection under this DUA and/or the Base Contract; or
- (2) Require Contractor to submit to a corrective action plan, including a plan for monitoring and plan for reporting as HHS may determine necessary to maintain compliance with this DUA; or
- (3) Provide Contractor with a reasonable period to cure the violation as determined by HHS; or
- (4) Terminate the DUA and Base Contract immediately and seek relief in a court of competent jurisdiction in Travis County, Texas.

Before exercising any of these options, HHS will provide written notice to Contractor describing the violation and the action it intends to take.

(B) If neither termination nor cure is feasible, HHS shall report the violation to the applicable regulatory authorities.

(C) The duties of Contractor or its Subcontractor under this DUA survive the expiration or termination of this DUA until all the Confidential Information is Destroyed or returned to HHS, as required by this DUA.

Section 5.05 Injunctive Relief

(A) Contractor acknowledges and agrees that HHS may suffer irreparable injury if Contractor or its Subcontractor fails to comply with any of the terms of this DUA with respect to the Confidential Information or a provision of HIPAA or other laws or regulations applicable to Confidential Information.

(B) Contractor further agrees that monetary damages may be inadequate to compensate HHS for Contractor's or its Subcontractor's failure to comply. Accordingly, Contractor agrees that HHS will, in addition to any other remedies available to it at law or in equity, be entitled to seek injunctive relief without posting a bond and without the necessity of demonstrating actual damages, to enforce the terms of this DUA.

Section 5.06 Indemnification

Contractor shall indemnify, defend and hold harmless HHS and its respective Executive Commissioner, employees, Subcontractors, agents (including other state agencies acting on behalf of HHS) or other members of HHS' Workforce (each of the foregoing hereinafter referred to as "Indemnified Party") against all actual and direct losses suffered by the Indemnified Party and all liability to third parties arising from or in connection with any breach of this DUA or from any acts or omissions related to this DUA by Contractor or its employees, directors, officers, Subcontractors, or agents or other members of Contractor's Workforce. The duty to indemnify, defend and hold harmless is independent of the duty to insure. Upon demand, Contractor shall reimburse HHS for any and all losses, liabilities, lost profits, fines, penalties, costs or expenses (including costs of required notices, investigation, and mitigation of a Breach, fines or penalties imposed on an Indemnified Party by a regulatory authority, and reasonable attorneys' fees) which may be imposed upon any Indemnified Party to the extent caused by and which results from the Contractor's failure to meet any of its obligations under this DUA. Contractor's obligation to defend, indemnify and hold harmless any Indemnified Party will survive the expiration or termination of this DUA.

Section 5.07 Insurance

(A) In addition to any insurance required in the Base Contract, at HHS's option, HHS may require Contractor to maintain, at its expense, the special and/or custom first- and third-party insurance coverages, including without limitation data breach, cyber liability, crime theft and notification expense coverages, with policy limits sufficient to cover any liability arising under this DUA, naming the State of Texas, acting through HHS, as an additional named insured and loss payee, with primary and noncontributory status.

(B) Contractor shall provide HHS with written proof that required insurance coverage is in effect, at the request of HHS.

Section 5.08 Entirety of the Contract

This DUA is incorporated by reference into the Base Contract and, together with the Base Contract, constitutes the entire agreement between the parties. No change, waiver, or discharge of obligations arising under those documents will be valid unless in writing and executed by the party against whom such change, waiver, or discharge is sought to be enforced.

Section 5.09 Automatic Amendment and Interpretation

Upon the effective date of any amendment or issuance of additional regulations to any law applicable to Confidential Information, this DUA will automatically be amended so that the obligations imposed on HHS and/or Contractor remain in compliance with such requirements. Any ambiguity in this DUA will be resolved in favor of a meaning that permits HHS and Contractor to comply with laws applicable to Confidential Information.

Section 5.10 Notices; Requests for Approval

All notices and requests for approval related to this DUA must be directed to the HHS Chief Privacy Officer at privacy@hsc.state.tx.us.

ATTACHMENT 1. SUBCONTRACTOR AGREEMENT FORM
HHS CONTRACT NUMBER

The DUA between HHS and Contractor establishes the permitted and required uses and disclosures of Confidential Information by Contractor.

Contractor has subcontracted with _____ (Subcontractor) for performance of duties on behalf of CONTRACTOR which are subject to the DUA. Subcontractor acknowledges, understands and agrees to be bound by the same terms and conditions applicable to Contractor under the DUA, incorporated by reference in this Agreement, with respect to HHS Confidential Information. Contractor and Subcontractor agree that HHS is a third-party beneficiary to applicable provisions of the subcontract.

HHS has the right, but not the obligation, to review or approve the terms and conditions of the subcontract by virtue of this Subcontractor Agreement Form.

Contractor and Subcontractor assure HHS that any Breach as defined by the DUA that Subcontractor Discovers shall be reported to HHS by Contractor in the time, manner and content required by the DUA.

If Contractor knows or should have known in the exercise of reasonable diligence of a pattern of activity or practice by Subcontractor that constitutes a material breach or violation of the DUA or the Subcontractor's obligations, Contractor shall:

1. Take reasonable steps to cure the violation or end the violation, as applicable;
2. If the steps are unsuccessful, terminate the contract or arrangement with Subcontractor, if feasible;
3. Notify HHS immediately upon Discovery of the pattern of activity or practice of Subcontractor that constitutes a material breach or violation of the DUA and keep HHS reasonably and regularly informed about steps Contractor is taking to cure or end the violation or terminate Subcontractor's contract or arrangement.

This Subcontractor Agreement Form is executed by the parties in their capacities indicated below.

CONTRACTOR

SUBCONTRACTOR

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE _____, **201** .

DATE: _____



TEXAS
Health and Human
Services

Exhibit H: Exceptions List

**Document Processing Services
Health and Human Services Commission (HHSC)**

EXHIBIT H: EXCEPTIONS (NOTE TO RESPONDENTS: COMPLETION OF THIS EXHIBIT IS NOT REQUIRED IF THERE ARE NO EXCEPTIONS. SEE SECTION 3.6.5 EXCEPTIONS AND 3.6.6 ASSUMPTIONS)

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

Solicitation Document	Solicitation Document Section Number	Solicitation Language to which Exception is Taken	Basis of Exception	Respondent's Proposed Language	Still Want to be Considered for Contract Award if Exception Denied? (State "Yes" or "No")



TEXAS
Health and Human
Services

Exhibit I: Evaluation Tool

**Document Processing Services
Health and Human Services Commission (HHSC)**

Document Processing Services Criteria, Subcriteria Sheet HHS0007333 Document Processing Services				
Evaluator				
Respondent				
#		Weight	Score	Comments
1	The Respondent's Executive Summary demonstrates an understanding of the System Agency's goals and objectives for this Solicitation.			
1.1	Respondent provides a clear understanding of the Project Overview, Mission Objective, and Contract Term; and a quality approach for ensuring services are provided at least at the level established for DPS' approved minimum goals and outcomes (RFP, Article II)	5%		
	Subtotal	5%		
2	The Respondent's Project Work Plan demonstrates a quality approach to the processes and methodologies for providing all components of the Scope of Work described in Exhibit C, Contract Requirements, Exhibit E, Key Performance Requirements, and Exhibit F Deliverables.			
2.1	Respondent's Project Work Plan includes a quality narrative overview describing a clear understanding of the proposed services, processes, and methodologies for meeting the requirements listed in Exhibit C, Section 2, Management Requirements . This is inclusive of the following requirements: <ul style="list-style-type: none"> > Formal Communication (Exhibit C, Section 2.1) > Performance Measures and Associated Remedies (Exhibit C, Section 2.2) > Contract Retention Requirements (Exhibit C, Section 2.3) > Contract Monitoring Requirements and Questionnaire (Exhibit C, Section 2.4) Respondent included a clear timeframe in the timeline with associated milestones for providing all Contract Requirements listed above	5%		
2.2	Respondent's Project Work Plan includes a quality narrative overview describing a clear understanding of the proposed services, processes, and methodologies for meeting the requirements listed in Exhibit C, 3.2, Equipment, Accessibility and Operations, Exhibit C, 3.3, Training Requirements, Section 3.3.1, Training Plan, and Exhibit C, 3.4, Key Personnel and Organizational Requirements. Respondent included a clear timeframe in the timeline with associated milestones for providing all Contract Requirements listed above	5%		
2.3	Respondent's Project Work Plan includes a quality narrative overview describing a clear understanding of the proposed services, processes, and methodologies for meeting the requirements listed in Exhibit C, Section 3.5, Transition Phase Requirements . This is inclusive of the following requirements: <ul style="list-style-type: none"> > Transition Phase Project Management (Exhibit C, Section 3.5.1) > Transition Phase - Project Management Office Organization (Exhibit C, Section 3.5.2) > Transition Phase Work Plan (Exhibit C, Section 3.5.3) > Facility and Business Structure Transition Plan (Exhibit C, Section 3.5.4) Respondent included a clear timeframe in the timeline with associated milestones for providing all Contract Requirements listed above	5%		
2.4	Respondent's Project Work Plan includes a quality narrative overview describing a clear understanding of the proposed services, processes, and methodologies for meeting the requirements listed in Exhibit C, Section 3.6 Risk Management and Issue Resolution Plan and Exhibit C, Section 3.7, Readiness Assessment Process. Respondent included a clear timeframe in the timeline with associated milestones for providing all Contract Requirements listed above	5%		
2.5	Respondent's Project Work Plan includes a quality narrative overview describing a clear understanding of the proposed services, processes, and methodologies for meeting the requirements listed in Exhibit C, Section 3.8, Operational Phase Requirements . The narrative includes a clear understanding of Exhibit C, Section 3.8.1, Business Operations Plan Respondent included a clear timeframe in the timeline with associated milestones for providing all Contract Requirements listed above	5%		

2.6	<p>Respondent's Project Work Plan includes a quality narrative overview describing a clear understanding of the proposed services, processes, and methodologies for meeting the requirements listed in <u>Exhibit C, Section 3.9, Facility Acquisition and Equipment Requirements</u>. This is inclusive of the following requirements:</p> <ul style="list-style-type: none"> > Leverage of Current Investment (<u>Exhibit C, Section 3.9.1</u>) > Configuration Management (<u>Exhibit C, Section 3.9.2</u>) > Facility Acquisition, Management and Operations (<u>Exhibit C, Section 3.9.3</u>) <p>Respondent included a clear timeframe in the timeline with associated milestones for providing all Contract Requirements listed above</p>	5%		
2.7	<p>Respondent's Project Work Plan includes a quality narrative overview describing a clear understanding of the proposed services, processes, and methodologies for meeting the requirements listed in <u>Exhibit C, Section 3.10, Security Management and Exhibit C, Section 3.11, IT Disaster Recovery and Business Continuity</u>.</p> <p>Respondent included a clear timeframe in the timeline with associated milestones for providing all Contract Requirements listed above</p>	5%		
2.8	<p>Respondent's Project Work Plan includes a quality narrative overview describing a clear understanding of the proposed services, processes, and methodologies for meeting the requirements listed in <u>Exhibit C, Section 3.12, Quality Assurance Program Requirements</u>. This is inclusive of the following requirements:</p> <ul style="list-style-type: none"> > Quality Management Plan (<u>Exhibit C, Section 3.12.1</u>) > Quality Assurance Areas (<u>Exhibit C, Section 3.12.2</u>) > Performance Measurement Plans (<u>Exhibit C, Section 3.12.3</u>) > Assessment Plans (<u>Exhibit C, Section 3.12.4</u>) > Corrective Action and Continuous Improvement Plans (<u>Exhibit C, Section 3.12.5</u>) > Reporting Requirements (<u>Exhibit C, Section 3.12.6</u>) > Data Access Requirements (<u>Exhibit C, Section 3.12.7</u>) > Repository Requirements (<u>Exhibit C, Section 3.12.8</u>) > Single Point of Contact Requirements (<u>Exhibit C, Section 3.12.9</u>) > Respondent Practices Requirements (<u>Exhibit C, Section 3.12.10</u>) <p>Respondent included a clear timeframe in the timeline with associated milestones for providing all Contract Requirements listed above</p>	5%		
2.9	<p>Respondent's Project Work Plan includes a quality narrative overview describing a clear understanding of the proposed services, processes, and methodologies for meeting the requirements listed in <u>Exhibit C, Section 3.13, Communication and Coordination Requirements</u>.</p> <p>Respondent included a clear timeframe in the timeline with associated milestones for providing all Contract Requirements listed above</p>	5%		
2.10	<p>Respondent's Project Work Plan includes a quality narrative overview describing a clear understanding of the proposed services, processes, and methodologies for meeting the requirements listed in <u>Exhibit C, Section 3.14, Turnover Requirements</u>. This is inclusive of the following requirements:</p> <ul style="list-style-type: none"> > Turnover Phases (<u>Exhibit C, Section 3.14.1</u>) > Turnover Plan (<u>Exhibit C, Section 3.14.2</u>) > Facilities and Business Structure Turnover Plan (<u>Exhibit C, Section 3.14.3</u>) > Turnover Results (<u>Exhibit C, Section 3.14.4</u>) > Post-Turnover Support (<u>Exhibit C, Section 3.14.5</u>) <p>Respondent included a clear timeframe in the timeline with associated milestones for providing all Contract Requirements listed above</p>	5%		
2.11	<p>Response demonstrates the respondent's ability to meet <u>Key Performance Requirements, Exhibit E, and Contract Deliverables, Exhibit F</u>.</p> <p>Respondent included a clear timeframe in the timeline with associated milestones for providing all Contract Requirements listed above</p>	5%		
Subtotal		55%		

3	The Respondent's Cost Proposal demonstrates a quality approach to ensuring the highest levels of quality, accuracy and efficiency.			
3.1	<p>Exhibit K, Cost Proposal, Appendix A-1, Transitional Pricing, clearly demonstrates a quality approach to ensure the highest levels of quality, accuracy and efficiently This includes the following Schedules:</p> <ul style="list-style-type: none"> > A-1 Schedule 1: FTEs by Key Milestones > A-1 Schedule 2: Salaries by Key Milestones > A-1 Schedule 3a: Summary Budget Information > A-1 Schedule 3b: Budget Detailed Information > A-1 Schedule 4: Budget Detailed by Key Milestones > A-1 Schedule 5a: Detail Capital Equipment Listing By Type and Month of Acquisition > A-1 Schedule 5b: Capital Equipment Expenses and Depreciation > A-1 Schedule 6: Subcontractor(s) Listing > A-1 Schedule 7: Consultant(s) Listing 	10%		
3.2	<p>Exhibit K, Cost Proposal, Appendix A-2, Operational Pricing, clearly demonstrates a quality approach to ensure the highest levels of quality, accuracy and efficiently This includes the following Schedules:</p> <ul style="list-style-type: none"> > A-2 Schedule 1: FTEs by Functional Area > A-2 Schedule 2: Salaries by Functional Area > A-2 Schedule 3a: Summary Budget Information > A-2 Schedule 3b: Budget Detailed Information > A-2 Schedule 4: Budget Detailed by Functional Area > A-2 Schedule 5a: Detail Capital Equipment Listing By Type and Month of Acquisition > A-2 Schedule 5b: Capital Equipment Expenses and Depreciation > A-2 Schedule 6: Subcontractor(s) Listing > A-2 Schedule 7: Consultant(s) Listing > A-2 Schedule 8: Detailed Analysis of Proposed Indirect Rate(s) > A-2 Schedule 9: Employee Benefits/Fringe Benefits/Bonuses Analysis > A-2 Schedule 10: Proposed Fixed Administrative Service Fee Analysis > A-2 Schedule 11: Projected State and Local Taxes 	10%		
3.3	<p>Exhibit K, Cost Proposal, Appendix A-3, Summary Pricing, clearly demonstrates a quality approach to ensure the highest levels of quality, accuracy and efficiently This includes the following Schedules:</p> <ul style="list-style-type: none"> > A3 Summary Sheet 1: Fixed Administrative Fees for Transition > A3 Summary Sheet 2: Fixed Administrative Fees for Operations > A3 Summary Sheet 3: Variable Administrative Fees > A3 Summary Sheet 4: Catalog Pricing for Operations 	10%		
3.4	<p>Respondent provided a quality Accounting Policy Manual and Disclosure Statement that demonstrates their ability to efficiently handle all related contract costs</p> <ul style="list-style-type: none"> > RFP, Section 7 1 2: Accounting Policy Manual and Disclosure Statement 	10%		
Subtotal		40%		
TOTAL (%)		100%		

Exhibit J:

**HUB Subcontracting Plan, HUB Subcontracting Plan and
Checklist, Sample HUB Vendor Detail
Health and Human Services Commission (HHSC)**



HUB Subcontracting Plan (HSP) Quick Checklist

While this HSP Quick Checklist is being provided to merely assist you in readily identifying the sections of the HSP form that you will need to complete, it is very important that you adhere to the instructions in the HSP form and instructions provided by the contracting agency.

1. **If you will be awarding all of the subcontracting work you have to offer under the contract to only Texas certified HUB vendors, complete:**
 - Section 1 - Respondent and Requisition Information
 - Section 2 a. – Yes, I will be subcontracting portions of the contract
 - Section 2 b. – List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors.
 - Section 2 c. – Yes
 - Section 4 – Affirmation
 - GFE Method A (Attachment A) – Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2b.

2. **If any of your subcontracting opportunities will be performed using HUB protégés, complete:**
 - Section 1 - Respondent and Requisition Information
 - Section 2 a. – Yes, I will be subcontracting portions of the contract
 - Section 2 b. – List all the portions of work you will subcontract, and indicated the percentage of the contract you expect to award to HUB protégés (Skip Section 2c and 2d)
 - Section 4 – Affirmation
 - HSP GFE Method B (Attachment B) - Complete Section B-1, Section B-2, and B-4 only for each HUB Protégé

3. **If any of your subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors, and the aggregated percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you **do not** have a continuous contract* in place for more than five (5) years meets or exceeds the HUB Goal the contracting Agency identified in the "Agency Special Instructions/Additional Requirements", complete :**
 - Section 1 - Respondent and Requisition Information
 - Section 2 a. – Yes, I will be subcontracting portions of the contract
 - Section 2 b. – List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
 - Section 2 c. – No
 - Section 2 d. – Yes
 - Section 4 – Affirmation
 - GFE Method A (Attachment A) – Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2b.

4. **If you are subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors or only to Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you **do not** have a continuous contract * in place for more than five (5) years **does not meet or exceed** the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:**
 - Section 1 - Respondent and Requisition Information
 - Section 2 a. – Yes, I will be subcontracting portions of the contract
 - Section 2 b. – List all the portions of work you will subcontract, and indicated the percentage of the contract you expect to award to Texas certified HUB vendors and Non HUB vendors.



HUB Subcontracting Plan (HSP) Quick Checklist

- Section 2 c. – No
 - Section 2 d. – No
 - Section 4 – Affirmation
 - HSP GFE Method B (Attachment B) – Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2b.
5. **If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources (i.e., employees, supplies, materials and/or equipment, including transportation and delivery, complete:**
- Section 1 – Respondent and Requisition Information
 - Section 2 a. – No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources
 - Section 3 – Self Performing Justification
 - Section 4 – Affirmation

****Continuous Contract:*** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides contractor with goods or services, to include under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.



HUB Subcontracting Plan (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.284 are:

- 11.2 percent for heavy construction other than building contracts,
- 21.1 percent for all building construction, including general contractors and operative builders' contracts,
- 32.9 percent for all special trade construction contracts,
- 23.7 percent for professional services contracts,
- 26.0 percent for all other services contracts, and
- 21.1 percent for commodities contracts.

- - Agency Special Instructions/Additional Requirements - -

*In accordance with 34 TAC §20.285(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only the aggregate percentage of the contracts expected to be subcontracted to HUBs with which the respondent **does not** have a **continuous contract*** in place for **more than five (5) years** shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.*

The HUB Goal for this solicitation is 26.0% - All Other Services.

- > Respondents shall submit a completed HUB Subcontracting Plan (HSP) to be considered responsive. Failure to submit a completed HSP shall result in the bid, proposal, or other expression of interest to be considered non-responsive.
- > Respondents using Method Option 4 must complete the HSP Good Faith Effort - Method B (Attachment B) for EACH subcontracting opportunity identified in Section 2 of the HSP.
- > Please note: (Section B-3: Notification of Subcontracting Opportunity) of Attachment B requires respondent to provide notice to three (3) or more Texas certified HUBs AND two (2) or more Texas trade organizations and development centers for EACH subcontracting opportunity identified in Section 2.
- > These notification must be done at least seven (7) working days prior to submitting your bid response to the contracting agency to allow time for the potential subcontractor to respond. ***Seven (7) working days shall be defined as business days of HHSC, not including weekends or HHSC observed holidays. The first working days shall be the day following the day that the notice was sent, and the 7th day is the day that the response is due.
- > Provide along with all documentation (i.e., certified letter, fax, e-mail) and a copy of the CMBL/HUB Vendor Detail page. This is to ensure that the Texas certified HUB that is listed is an Active Bidder.

See SAMPLE CMBL/HUB Vendor Detail in the HUB Exhibit.

SECTION 1: RESPONDENT AND REQUISITION INFORMATION

a. Respondent (Company) Name: _____ State of Texas VID #: _____
 Point of Contact: _____ Phone #: _____
 E-mail Address: _____ Fax #: _____

b. Is your company a State of Texas certified HUB? - Yes - No

c. Requisition #: _____ Bid Open Date: _____

(mm/dd/yyyy)

Enter your company's name here: _____ Requisition #: _____

SECTION 2: RESPONDENT'S SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, **including contracted staffing, goods and services will be subcontracted**. Note: In accordance with 34 TAC §20.282, a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- **Yes**, I will be subcontracting portions of the contract. (If **Yes**, complete Item b of this SECTION and continue to Item c of this SECTION.)
- **No**, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods and services. (If **No**, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you do not have a continuous contract* in place for more than five (5) years	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years	Percentage of the contract expected to be subcontracted to non-HUBs.
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <https://www.comptroller.texas.gov/purchasing/vendor/hub/forms.php>.)

c. Check the appropriate box (Yes or No) that indicates whether you will be using **only** Texas certified HUBs to perform **all** of the subcontracting opportunities you listed in SECTION 2, Item b.

- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)
- **No** (If **No**, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract **with Texas certified HUBs** with which you **do not** have a **continuous contract*** in place with for **more than five (5) years**, **meets or exceeds** the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."

- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)
- **No** (If **No**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed.)

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: _____ Requisition #: _____

SECTION 2: RESPONDENT'S SUBCONTRACTING INTENTIONS (CONTINUATION SHEET)

This page can be used as a continuation sheet to the HSP Form's page 2, Section 2, Item b. Continue listing the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you <u>do not</u> have a <u>continuous contract*</u> in place for <u>more than five (5) years</u> .	Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract*</u> in place for <u>more than five (5) years</u> .	Percentage of the contract expected to be subcontracted to non-HUBs.
16		%	%	%
17		%	%	%
18		%	%	%
19		%	%	%
20		%	%	%
21		%	%	%
22		%	%	%
23		%	%	%
24		%	%	%
25		%	%	%
26		%	%	%
27		%	%	%
28		%	%	%
29		%	%	%
30		%	%	%
31		%	%	%
32		%	%	%
33		%	%	%
34		%	%	%
35		%	%	%
36		%	%	%
37		%	%	%
38		%	%	%
39		%	%	%
40		%	%	%
41		%	%	%
42		%	%	%
43		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: _____ Requisition #: _____

SECTION 3: SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.) If you responded "No" to SECTION 2, Item a, in the space provided below **explain how** your company will perform the entire contract with its own employees, supplies, materials and/or equipment.

SECTION 4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/ProgressAssessmentReportForm.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature	Printed Name	Title	Date <small>(mm/dd/yyyy)</small>
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Reminder:

- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b.

HSP Good Faith Effort - Method B (Attachment B)

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Enter your company's name here: _____	Requisition #: _____
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IMPORTANT: If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: _____ Description: _____

SECTION B-2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If **Yes**, continue to SECTION B-4.)
- No / Not Applicable (If **No** or **Not Applicable**, continue to SECTION B-3 and SECTION B-4.)

SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/HUBSubcontractingOpportunityNotificationForm.pdf>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.

- a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.
- b. List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID <small>(Do not enter Social Security Numbers.)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No

- c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2)** or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <https://www.comptroller.texas.gov/purchasing/vendor/hub/resources.php>.

- d. List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

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Enter your company's name here: _____ Requisition #: _____

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b**, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: _____ Description: _____

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/passcblsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.



HUB Subcontracting Opportunity Notification Form

In accordance with Texas Gov't Code, Chapter 2161, each state agency that considers entering into a contract with an expected value of \$100,000 or more shall, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the contract. The state agency I have identified below in **Section B** has determined that subcontracting opportunities are probable under the requisition to which my company will be responding.

34 Texas Administrative Code, §20.285 requires all respondents (prime contractors) bidding on the contract to provide notice of each of their subcontracting opportunities to at least three (3) Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs at least seven (7) working days to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, at least seven (7) working days prior to submitting its bid response to the contracting agency, the respondent must provide notice of each of its subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code §20.282(19)(C).

We respectfully request that vendors interested in bidding on the subcontracting opportunity scope of work identified in **Section C, Item 2**, reply no later than the date and time identified in **Section C, Item 1**. Submit your response to the point-of-contact referenced in **Section A**.

SECTION A: PRIME CONTRACTOR'S INFORMATION	
Company Name: _____	State of Texas VID #: _____
Point-of-Contact: _____	Phone #: _____
E-mail Address: _____	Fax #: _____

SECTION B: CONTRACTING STATE AGENCY AND REQUISITION INFORMATION	
Agency Name: _____	
Point-of-Contact: _____	Phone #: _____
Requisition #: _____	Bid Open Date: _____ <small>(mm/dd/yyyy)</small>

SECTION C: SUBCONTRACTING OPPORTUNITY RESPONSE DUE DATE, DESCRIPTION, REQUIREMENTS AND RELATED INFORMATION

1. Potential Subcontractor's Bid Response Due Date:

If you would like for our company to consider your company's bid for the subcontracting opportunity identified below in Item 2, we must receive your bid response no later than _____ on _____ .
Central Time Date (mm/dd/yyyy)

In accordance with 34 TAC §20.285, each notice of subcontracting opportunity shall be provided to at least three (3) Texas certified HUBs, and allow the HUBs at least seven (7) working days to respond to the notice prior to submitting our bid response to the contracting agency. In addition, at least seven (7) working days prior to us submitting our bid response to the contracting agency, we must provide notice of each of our subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code, §20.282(19)(C).

(A working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days)

2. Subcontracting Opportunity Scope of Work:

3. Required Qualifications: - Not Applicable

4. Bonding/Insurance Requirements: - Not Applicable

5. Location to review plans/specifications: - Not Applicable

1 Historically Underutilized Business Participation

It is the policy of the Health and Human Services' (HHS) HUB Program Office to include the HUB Subcontracting Plan (HSP), when subcontracting opportunities are probable and a contract has an expected value of \$100,000 or more over and the HSP is applicable for the life of the contract, which will also be applicable to any subsequent amendments and renewals after award of the contract as related to the original HSP.

In addition to, and in accordance with, [Texas Administrative Code Title 34, Part 1, Chapter 20, Subchapter D, Rule §20.285](#), when the contractor is selected and decides to subcontract any part of the contract after the award, as a provision of the contract, the contractor must comply with the HSP provisions relating to developing and submitting a revised HSP before any modifications or performance in the awarded contract involving subcontracting can be authorized by the state agency.

HHSC has determined that subcontracting opportunities are probable for this RFP. As a result, the respondent must submit an HSP with its proposal. The HSP is required whether a respondent intends to subcontract or not.

In accordance with Texas Government Code [Chapter 2161, Subchapter F, §2161.252\(b\)](#) a proposal that does not contain a HUB Subcontracting Plan (HSP) is non-responsive; and in accordance with [Texas Administrative Code §20.285\(b\)\(3\)](#) Responses that do not include a completed HUB subcontracting plan in accordance with this subsection shall be rejected without further evaluation. In addition, **if HHSC determines that the HSP was not developed in good faith, it will reject the proposal for failing to comply with material RFP specifications.**

1.1 Introduction

The sole point of contact for HUB inquires:

Texas Health and Human Services Commission
Cheryl Bradley, HUB Coordinator
Phone: (512) 406-2529
E-mail: cheryl.bradley@hhsc.state.tx.us

HHSC is committed to promoting full and equal business opportunities for businesses in state contracting in accordance with the goals specified in the State of Texas Disparity Study. HHSC encourages the use of Historically Underutilized Businesses (HUBs) through race, ethnic and gender-neutral means. HHSC has adopted administrative rules relating to HUBs and a Policy on the Utilization of HUBs which is located on HHSC's website.

Pursuant to Texas Government Code [§2161.181](#) and [§2161.182](#) and HHSC's HUB policy and rules, HHSC is required to make a good faith effort to increase HUB participation in its contracts. HHSC may accomplish the goal of increased HUB participation by contracting directly with HUBs or indirectly through subcontracting opportunities.

1.2 Administrative Rules

HHSC has adopted the Texas Comptroller of Public Accounts (CPA) HUB rules as its own. The CPA rules are located in [Texas Administrative Code Title 34, Part 1, Chapter 20, Subchapter D, Division 1](#). If there are any discrepancies between CPA administrative rules and this RFP, the rules shall take priority.

1.3 Statewide Annual HUB Utilization Goal

The CPA has established **statewide annual HUB utilization goals** for different categories of contracts in Texas Administrative Code [Title 34, Part 1, Chapter 20, Subchapter D, §20.284](#) of the HUB rules. In order to meet or exceed the **statewide annual HUB utilization goal**, HHSC encourages outreach to certified HUBs. Contractors shall make a good faith effort to include certified HUBs in the procurement process.

This procurement is classified as an **Other Services Contract** procurement under the CPA rule and therefore has a **statewide annual HUB utilization goal** of **26%** per fiscal year.

1.4 Required HUB Subcontracting Plan

Submit two (2) electronic copies of the HSP marked “Original” and signed by an authorized representative on a portable media, such as a USB flash drive, compatible with Microsoft Office 2016. The HSP must be separate from RFP submission and labeled: HSP and include all supporting documentation in accordance with Exhibit J, HUB Subcontracting Checklist, Plan and Sample CMBL HUB Vendor Detail (HUB Subcontracting Plan (HSP) Requirements).”

In the HSP, a Respondent must indicate whether it is a Texas certified HUB. Being a certified HUB does not exempt a Respondent from completing the HSP requirement.

HHSC shall review the documentation submitted by the Respondent to determine if a good faith effort has been made in accordance with solicitation and HSP requirements. During the good faith effort evaluation, HHSC may, at its discretion, allow revisions necessary to clarify and enhance information submitted in the original HSP.

If HHSC determines that the Respondent’s HSP was not developed in good faith, the HSP will be considered non-responsive and will be rejected as a material failure to comply with advertised specifications. The reasons for rejection shall be recorded in the procurement file.

1.5 CPA Centralized Master Bidders List HUB Directory

Respondents may search for HUB subcontractors in the CPA’s Centralized Master Bidders List (CMBL) HUB Directory, which is located on the CPA’s website at <https://mycpa.cpa.state.tx.us/tpasscmbsearch/tpasscmbsearch.do>. For this procurement, HHSC has identified the following class and item codes for potential subcontracting opportunities:

1.5.1 National Institute of Governmental Purchasing (NIGP) Class/Item Code(s):

- **Class 204 Item 88 Scanners, Document: Handheld, Desktop and High Volume**
- **Class 920 Item 22 Data Preparation and Processing Services, Including Bates Coding**
- **Class 920 Item 38 Optical Scanning Service**
- **Class 962 Item 69 Personnel Services, Temporary**

Respondents are not required to use, nor limited to using, the class and item codes identified above, and may identify other areas for subcontracting.

HHSC does not endorse, recommend nor attest to the capabilities of any company or individual listed on the CPA's CMBL HUB Directory. The list of certified HUBs is subject to change, so Respondents are encouraged to refer to the CMBL HUB Directory often to find the most current listing of HUBs.

1.6 HUB Subcontracting Procedures – If a Respondent Intends to Subcontract

An HSP must demonstrate that the Respondent made a good faith effort to comply with HHSC's HUB policies and procedures. The following subparts outline the items that HHSC will review in determining whether an HSP meets the good faith effort standard. A Respondent that intends to subcontract must complete the HSP to document its good faith efforts.

1.6.1 Identify Subcontracting Areas and Divide Them into Reasonable Lots

A Respondent should first identify each area of the contract work it intends to subcontract. Then, to maximize HUB participation, it should divide the contract work into reasonable lots or portions, to the extent consistent with prudent industry practices.

1.6.2 Notify Potential HUB Subcontractors

The HSP must demonstrate that the Respondent made a good faith effort to subcontract with HUBs. The Respondent's good faith efforts shall be shown through utilization of all methods in conformance with the development and submission of the HSP and by complying with the following steps:

Divide the contract work into reasonable lots or portions to the extent consistent with prudent industry practices. The Respondent must determine which portions of work, including goods and services, will be subcontracted.

Use the appropriate method(s) to demonstrate good faith effort. The Respondent can use either method(s) 1, 2, 3, 4 or 5:

1.6.2.1 Method 1: Respondent Intends to Subcontract with only HUBs:

The Respondent must identify in the HSP the HUBs that will be utilized and submit written documentation that confirms 100% of all available subcontracting opportunities will be performed by one or more HUBs; **or**,

1.6.2.2 Method 2: Respondent Intends to Subcontract with HUB Protégé(s):

The Respondent must identify in the HSP the HUB Protégé(s) that will be utilized and should:

- include a fully executed copy of the Mentor Protégé Agreement, which must be registered with the CPA prior to submission to HHSC, and
- identify areas of the HSP that will be performed by the Protégé.

HHSC will accept a Mentor Protégé Agreement that has been entered into by a Respondent (Mentor) and a certified HUB (Protégé) in accordance with Texas Government Code [§2161.065](#). When a Respondent proposes to subcontract with a Protégé(s), it does not need to provide notice to three (3) HUB vendors for that subcontracted area.

Participation in the Mentor Protégé Program, along with the submission of a Protégé as a subcontractor in an HSP, constitutes a good faith effort for the particular area subcontracted to the protégé; **or**,

1.6.2.3 Method 3: Respondent Intends to Subcontract with HUBs and Non-HUBs (Meet or Exceed the Goal):

The Respondent must identify in the HSP and submit written documentation that one or more HUB subcontractors will be utilized and that the aggregate expected percentage of subcontracts with HUBs will meet or exceed the goal specified in this solicitation. When utilizing this method, only HUB subcontractors that have existing contracts with the Respondent for five years or less may be used to comply with the good faith effort requirements.

When the aggregate expected percentage of subcontracts with HUBs meets or exceeds the goal specified in this solicitation, Respondents may also use non-HUB subcontractors; **or**,

1.6.2.4 Method 4: Respondent Intends to Subcontract with HUBs and Non-HUBs (Does Not Meet or Exceed the Goal):

The Respondent must identify in the HSP and submit documentation regarding both of the following requirements:

- Written notification to trade organizations or development centers that serve members of groups (e.g., Black Americans, Hispanic Americans, American Women, Asian Pacific Americans, Native Americans, and Veterans as defined by 38 U.S.C. Section 101[2]) to assist in identifying potential HUBs by disseminating subcontracting opportunities to their membership/participants of the subcontracting opportunities the Respondent intends to subcontract.

Respondents must give trade organizations and/or development centers at least seven (7) working days prior to submission of the Respondent's response for dissemination of the subcontracting opportunities to their members. The date the notification is sent is day "zero" and does not count in the required seven (7) working days. A list of trade organizations and/or development centers is located on CPA's website under the [Small, Minority and Women Business Trade Organizations and Development Centers](#).

- Written notification to at least three (3) HUB businesses of the subcontracting opportunities that the Respondent intends to subcontract. The written notification must be sent to potential HUB subcontractors prior to submitting proposals and must include:
 - a description of the scope of work to be subcontracted;
 - information regarding the location to review project plans or specifications;
 - information about bonding and insurance requirements;
 - required qualifications and other contract requirements; and
 - a description of how the subcontractor can contact the Respondent.

- Respondents must give potential HUB subcontractors a reasonable amount of time to respond to the notice, at least seven (7) working days prior to submission of the Respondent's response to respond to the notification. The date the notification is sent is day "zero" and does not count in the required seven (7) working days.

- Respondents must also use the CMBL, the HUB Directory, and Internet resources when searching for HUB subcontractors. Respondents may rely on the services of contractor groups, local, state and federal business assistance offices, and other organizations that provide assistance in identifying qualified applicants for the HUB program.

Written Justification of the Selection Process

HHSC will make a determination if a good faith effort was made by the Respondent in the development of the required HSP. One or more of the methods identified in the previous sections may be applicable to the Respondent's good faith efforts in developing and submission of the HSP. HHSC may require the Respondent to submit additional documentation explaining how the Respondent made a good faith effort in accordance with the solicitation.

A Respondent must provide written justification of its selection process if it chooses a non-HUB subcontractor. The justification should demonstrate that the Respondent negotiated in good faith with qualified HUB bidders and did not reject qualified HUBs who were the best value responsive bidders.

1.6.2.5 Method 5: Respondent Does Not Intend to Subcontract

When the Respondent plans to complete all contract requirements with its own equipment, supplies, materials and/or employees, it is still required to complete an HSP.

The Respondent must complete the "Self-Performance Justification" portion of the HSP, and attest that it does not intend to subcontract for any goods or services, including the class and

item codes identified in Subsection 1.5.1. In addition, the Respondent must identify the sections of the proposal that describe how it will complete the Scope of Work using its own resources or provide a statement explaining how it will complete the Scope of Work using its own resources. The Respondent must agree to comply with the following if requested by HHSC:

- provide evidence of sufficient Respondent staffing to meet the RFP requirements;
- provide monthly payroll records showing the Respondent staff fully dedicated to the contract;
- allow HHSC to conduct an on-site review of company headquarters or work site where services are to be performed and,
- provide documentation proving employment of qualified personnel holding the necessary licenses and certificates required to perform the Scope of Work.

1.7 Post-award HSP Requirements

The HSP shall be reviewed and evaluated prior to contract award and, if accepted, the HSP will become a provision of the contract with the successful Respondent(s).

After contract award, HHSC will coordinate a post-award meeting with the successful Respondent to discuss HSP reporting requirements. The contractor must maintain business records documenting compliance with the HSP and must submit monthly subcontract reports to HHSC by completing the HUB HSP Prime Contractor Progress Assessment Report.

This monthly report is required as a condition for payment to report to the agency the identity and the amount paid to all subcontractors. Note: the PAR does not have to be returned with respondent's proposal.

As a condition of award, the Contractor is required to send notification to all selected subcontractors as identified in the accepted/approved HSP. In addition, a copy of the notification must be provided to the agency's Contract Manager and/or HUB Program Office within ten (10) days of the contract award.

During the term of the contract, if the parties in the contract amend the contract to include a change to the scope of work or add additional funding, HHSC will evaluate to determine the probability of additional subcontracting opportunities. When applicable, the Contractor must submit an HSP change request for HHSC review. The requirements for an HSP change request will be covered in the post-award meeting.

When making a change to an HSP, the Contractor will obtain prior written approval from HHSC before making any changes to the HSP. Proposed changes must comply with the HUB Program good faith effort requirements relating to the development and submission of a HSP.

If the Contractor decides to subcontract any part of the contract after the award, it must follow the good faith effort procedures outlined in Section 1.6 of this Exhibit (e.g., divide work into reasonable lots, notify at least three (3) vendors per subcontracted area, provide written justification of the selection process, and/or participate in the Mentor Protégé Program).



For this reason, HHSC encourages Respondents to identify, as part of their HSP, multiple subcontractors who are able to perform the work in each area the Respondent plans to subcontract. Selecting additional subcontractors may help the selected contractor make changes to its original HSP, when needed, and will allow HHSC to approve any necessary changes expeditiously.

Failure to meet the HSP and post-award requirements will constitute a breach of contract and will be subject to remedial actions. HHSC may also report noncompliance to the CPA in accordance with the provisions of the Vendor Performance and Debarment Program.

**Exhibit J-1:
Sample CMBL HUB Vendor Detail**

Sample CMBL - HUB Vendor Detail

Note: The CMBL/HUB Vendor Detail page must be attached with all of the required documentation for the submittal of the HSP Plan.

CMBL/HUB Vendor Detail	
Vendor ID / Vendor Number	
Vendor Name	
Vendor Address	
county	
Contact	
Phone/Fax	 , 
Email Address	
Website	
Business Description	Vendor of medical merchandise, non-narcotic pharmaceutical drugs as well as medical equipment servicing Emergency Medical Services (EMS), Fire Departments, Law Enforcement agencies, Educational facilities, and Hospitals.
Business Category	Medical Services (09)
Small Business	Y
Service Disabled Veteran	No
CMBL Status	Active Bidder
CMBL Expires	25-MAY-2019
HUB Status	Active Bidder (A-Approved; Active Texas certified HUB)
HUB Expires	05-JUL-2022
HUB Eligibility	HI (Hispanic American)
HUB Gender	F
	Commodity items shown above are available for district(s) 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25



TEXAS
Health and Human
Services

Exhibit L: Insurance Requirements

**Document Processing Services
Health and Human Services Commission (HHSC)**

Exhibit L

Insurance Requirements

Insurance Requirements

A. General Insurance Requirements.

1. Contractor shall carry insurance in the types and amounts indicated in this exhibit for the duration of the Contract. The insurance shall be evidenced by delivery to System Agency of certifications of insurance executed by the insurer or its authorized agent stating coverages, limits, expiration dates and compliance with all applicable required provisions. Upon request, System Agency, and/or its agents, shall be entitled to receive without expense, copies of the policies and all endorsements.
2. Contractor shall update all expired policies prior to submission for monthly payment. Failure to update policies shall be reason for withholding of payment until renewal is provided to System Agency.
3. Contractor shall provide and maintain all insurance coverage with the minimum amounts described throughout the life of the Contract.
4. Failure to maintain insurance coverage, as required, is grounds for suspension of work for cause.
5. Failure of System Agency to demand such certificates or other evidence of Contractor's full compliance with these insurance requirements or failure of System Agency to identify a deficiency in compliance from the evidence provided shall not be construed as a waiver of Contractor's obligation to maintain such insurance.
6. The insurance and insurance limits required herein shall not be deemed as limitation on Contractor's liability under the indemnities granted to System Agency in the Contract.
7. The insurance coverage and limits established below shall not be interpreted as any representation or warranty that the insurance coverage and limits necessarily will be adequate to protect Contractor.
8. Coverage shall be written on an occurrence basis by companies authorized and admitted to do business in the State of Texas and rated A or better by A.M. Best Company or similar rating company or otherwise acceptable to System Agency.

Exhibit L
Insurance Requirements

B. Policies must include the following clauses, as applicable:

1. This insurance shall not be canceled, materially changes, or non-renewed except after thirty (30) days written notice has been given to System Agency.
2. It is agreed that Contractor's insurance shall be deemed primary with respect to any insurance or self-insurance carried by System Agency for liability arising out of operations under the Contract with System Agency. The Texas Health and Human Services Commission, its officials, directors, employees, representatives, and volunteers are added as additional insured as respects operations and activities of, or on behalf of the named insured performed under Contract with System Agency. The additional insured status must cover completed operations as well. This is not applicable to workers' compensation policies.
3. A waiver of subrogation in favor of the Texas Health and Human Services Commission shall be provided in all policies.
4. With limiting any of the other obligations or liabilities of Contractor, Contractor, shall require each Subcontractor performing work under the Contract, at Subcontractor's own expense, to maintain during the term of the Contract, the same stipulated minimum insurance including the required provisions and additional policy conditions as shown above.
5. As an alternative, Contractor may include its Subcontractors as additional insured on its own coverage as prescribed under these requirements. Contractor's certificate of insurance shall note in such event that Subcontractors are included as additional insured and that Contractor agrees to provide workers' compensation for Subcontractors and their employees. Contractor shall obtain and monitor the certificates of insurance from each Subcontractor in order to assure compliance with the insurance requirements. Contractor must retain the certificates of insurance for the duration of the Contract plus five (5) years and shall have the responsibility of enforcing these insurance requirements among its Subcontractors. Owner shall be entitled, upon request and without expense, to receive copies of these certificates.

C. Specific Insurance Coverage Required.

1. **Workers' Compensation.** Insurance with limits as required by the Texas Workers' Compensation Act, with the policy endorsed to provide a waiver of subrogation in favor of the Texas Health and Human Services Commission, employer's liability insurance of not less than:

\$1,000,000 each accident;
\$1,000,000 disease each employee; and
\$1,000,000 disease policy limit.

Workers' compensation insurance coverage must be provided for all workers at all tier

Exhibit L Insurance Requirements

levels and meet the statutory requirements of the Texas Labor Code.

2. **Commercial General Liability Insurance.** Including premises, operations, independent contractor's liability, products and completed operations and contractual liability, covering, but not limited to, the liability assumed under the indemnification provisions of this Contract, fully insuring Contractor's liability for bodily injury (including death) and property damage with a minimum limit of:

\$1,000,000 per occurrence;
\$2,000,000 general aggregate;
\$5,000 Medical Expense each person;
\$1,000,000 Personal Injury and Advertising Liability;
\$2,000,000 Products and completed operations aggregate;
\$50,000 Damage to Premises Rented to You;
and Coverage shall be on an "occurrence"
basis.

The policy shall include endorsement CG2503 Amendment of Aggregate Limits of Insurance (per Project) or its equivalent.

The term "You" as referenced in this subsection, means the Contractor.

3. **Comprehensive Automobile Liability Insurance,** covering owned, hired, and non-owned vehicles, with a minimum combined single limit for bodily injury (including death) and property damage of \$1,000,000 per accident. No aggregate shall be permitted for this type of coverage.
4. **Umbrella Liability Insurance.** Contractor shall obtain, pay for and maintain umbrella liability insurance during the Contract term, insuring Contractor for an amount of not less than amount \$1,000,000 that provides coverage at least as broad as and applies in excess and follows form of the primary liability coverages required hereinabove.

The policy shall provide "drop down" coverage where underlying primary insurance coverage limits are insufficient or exhausted.

5. **Cyber/Privacy Liability Insurance Policy.** Contractor shall provide Cyber/Privacy Liability Insurance to cover risk of loss to electronic data. The policy must include coverage for electronic vandalism to electronic data, including coverage for a third party's willful electronic alteration of data, introduction of viruses which impact electronic data, unauthorized use of electronic data, or denial of service to web site or email destinations.

Cyber Liability Insurance \$,1000,000 Claim/\$1,000,000 Aggregate.

6. **Professional Liability Insurance.** Contractor shall obtain, pay for and maintain professional liability errors and omissions insurance during the Contract term, insuring



Exhibit L
Insurance Requirements

Contractor for an amount of not less than \$1,000,000.



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Exhibit N: Vendor Information and Disclosures

**Document Processing Services
Health and Human Services Commission (HHSC)**

RFP No. HHS0007333

Texas Health and Human Services Commission Vendor Information Form (VIF)

Instructions: This form must be completed and submitted with **each** new contract, amendment, renewal, and/or extension.
(Please type or print information.)

SECTION 1: Contractor's General Information

Legal Contractor's Name:			
Legal Doing Business As (DBA) Name:			
Physical Address:			
Remit To (Payment) Address:			
Enter one of the following:	<input type="checkbox"/> Texas Identification Number (TIN): <input type="checkbox"/> Federal Employer Identification Number (FEIN): <input type="checkbox"/> Social Security Number (SSN):		
Select the Legal Status:	<input type="checkbox"/> For-profit Entity	<input type="checkbox"/> Non-profit Entity	
Select the Business Structure:	<input type="checkbox"/> Corporation <input type="checkbox"/> Joint Venture <input type="checkbox"/> Partnership* <input type="checkbox"/> Limited (Liability) Company <input type="checkbox"/> Limited (Liability) Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Governmental Entity (must specify): <input type="checkbox"/> Other (must specify):		
	* If Partnership, must provide SSN or TIN for minimum of two partners		
	Partner Name:	TIN or SSN:	
	Partner Name:	TIN or SSN:	
If applicable, enter appropriate information:	State of Incorporation:	Texas Charter Number:	Name of Parent Entity:

SECTION 2: Contractor's Contact Information

Person Who Will Sign the Contract	Point of Contact for Contract
Name:	Name:
Title:	Title:
Mailing Address:	Mailing Address:
Telephone:	Telephone:
Fax:	Fax:
E-mail:	E-mail:

SECTION 3: Contractor's Authorized Signature (or HHSC Contract Manager)

Printed Name	Signature	Date	Phone Number

SECTION 4: PCS Contract Administration Office Use Only

Contractor to Receive Payment: <input type="checkbox"/> No <input type="checkbox"/> Yes
Contract Number:



TEXAS
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Exhibit O: Online Bid Room

**Document Processing Services
Health and Human Services Commission (HHSC)**



Exhibit O Online Bid Room Information

Responses for this Request for HHS0007333 Document Processing Services may be submitted electronically using the HHS Online Bid Room or any other method identified in the solicitation. *Use of the HHS Online Bid Room is optional and is subject to all terms and conditions, affirmations, and other requirements of the solicitation as any other method of submission.*

Read and review the solicitation package and all associated documents carefully before completing and submitting a response in the form and manner described in the solicitation package. ***Exhibits requiring signatures must be signed and included with the response by the solicitation response deadline.***

Questions regarding the solicitation must be addressed to the Point of Contact in the solicitation package. The Point of Contact is identified in the solicitation package.

Submit the solicitation response in the form and manner described in the solicitation package on or before the response due date and time.

IMPORTANT: The solicitation package will identify the specific form and method of delivery. Failure to adhere to the requirements in the solicitation package may result in disqualification.

Access to the HHS Online Bid Room is a two-step process.

Step 1: Register for the Enterprise Portal using the [Enterprise Portal Link](#). It can take up to five business days to receive your user name and password. If you do not receive this information within five days, email pcsbids@hhsc.state.tx.us.

Step 2: Using the Enterprise Portal login credentials you will receive via email, you can request the necessary HHS Online Bid Room user name and password to enter the HHS Online Bid Room to submit your response to the solicitation electronically.

See our resources page for a tutorial, guidebook, and other resources to help you use the [HHS Online Bid Room](#).

IMPORTANT: Allow enough time for the registration process to submit your response by the response due date. **Late solicitation responses are not accepted.**

The optional use of the HHS Online Bid Room and any resulting technical difficulties which may prevent a successful, responsive electronic submission of a solicitation response shall not be sufficient basis for a protest of a contract award.



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**Exhibit P: HHSC KOFAX ES-ECM
Mail Channel Flow**

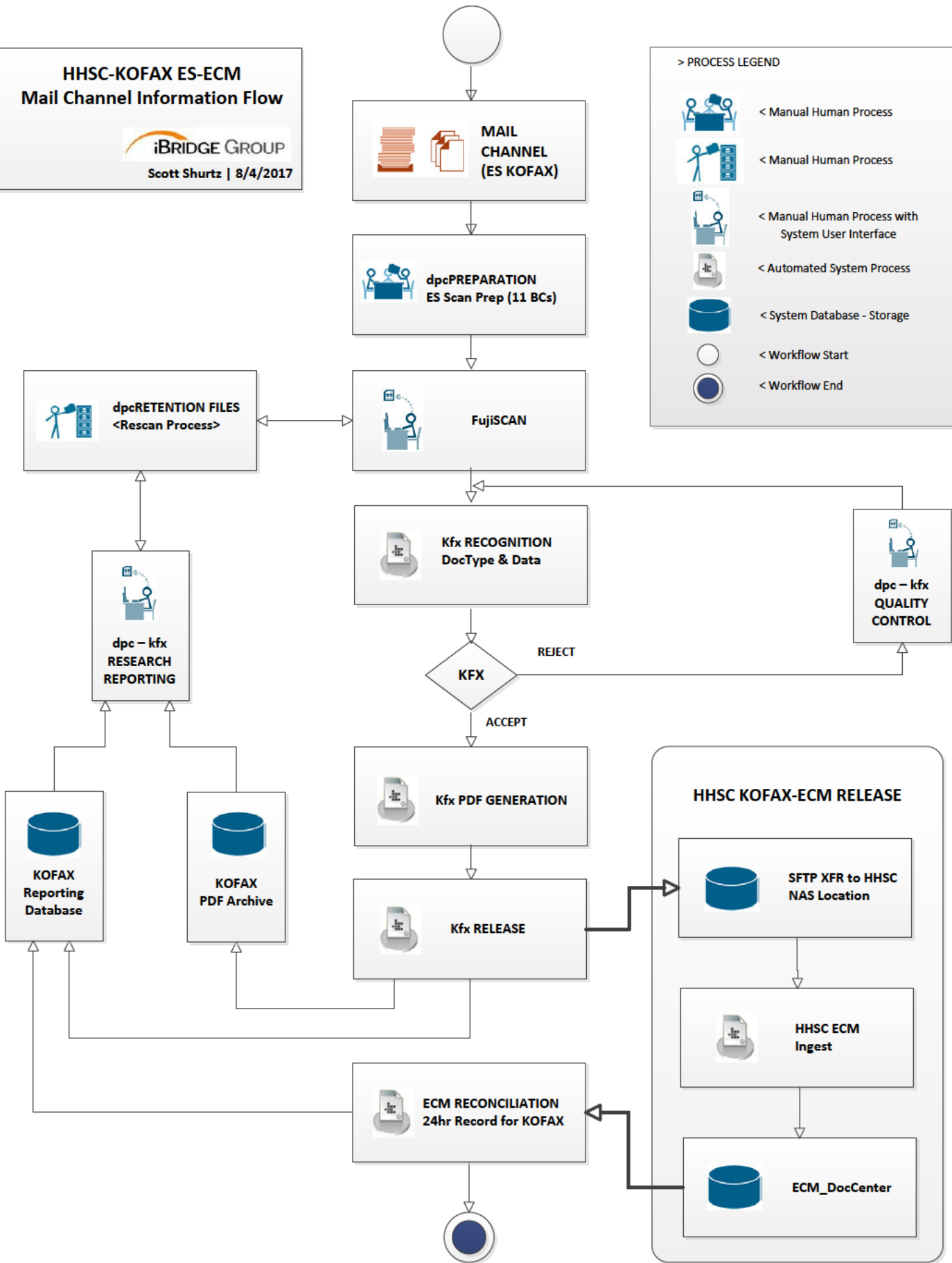
**Document Processing Services
Health and Human Services Commission (HHSC)**

**HHSC-KOFAX ES-ECM
Mail Channel Information Flow**

iBRIDGE GROUP
Scott Shurtz | 8/4/2017

> PROCESS LEGEND

-  < Manual Human Process
-  < Manual Human Process
-  < Manual Human Process with System User Interface
-  < Automated System Process
-  < System Database - Storage
-  < Workflow Start
-  < Workflow End





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Exhibit Q: Kofax Mail Channel

**Document Processing Services
Health and Human Services Commission (HHSC)**



**HHSC Kofax Mail Channel
Disaster Recovery Scan Site**
Location: Athens, TX

Last Updated: 08/19/2016



KOFAX PROCESSING ROLES LEGEND

A : KOFAX SCAN	H : KOFAX TRANSFORMATION SERVICES
B : KOFAX RECOGNITION SERVER	I : KOFAX MAIL REPORTING
C : KOFAX BARCODE RECOGNITION	J : KOFAX QC / BATCH MANAGER
D : KOFAX EB AUTOINDEXER	K : KOFAX VALIDATION
E : KOFAX ES AUTOINDEXER	L : KOFAX KTM VALIDATION
F : KOFAX PDF GENERATOR	M : REMOTE SYNCHRONIZATION AGENT
G : KOFAX EXPORT	N : KOFAX CAPTURE LICENSING SERVICE

**WDC KOFAX FAX CHANNEL
PRODDIR KCNS Central site**

POOLED SYSTEM LICENSING
PUSHED KOFAX CONFIG
PULLED SYSTEM USAGE DATA

IEDATHAW002

**DPC Kofax Scan Ops,
Kofax QC & Reporting**
TXACCESS\G-Kofax Users

Kofax Roles: A, I-K

Workstations/Scanners: IEPMFUJ1791,
IEPMFUJ1792, IEPMFUJ1793, IEPMFUJ1794,
IEPMFUJ1795, IEPMFUJ1796, IEPMFUJ1797,
IEPMFUJ1799.

**SSL REMOTE DESKTOP SERVICES
EB KTM Validation Clerks**
TXACCESS\G-Kofax_C_Indexers

Kofax Roles: L

No RDS
Role at
Athens

DR KOFAX/SQL MAIL CHANNEL CORE

- IEDATHAW002.txaccess.net
- Dell 2950 : 8 core @2.8GHZ : RAM: 16GB
- Local Disks: C: 50GB E: 75GB K: 836GB
- OS: Windows 2008 R2 SP1
- IEE - 165.184.66.132

Kofax Roles: A-N

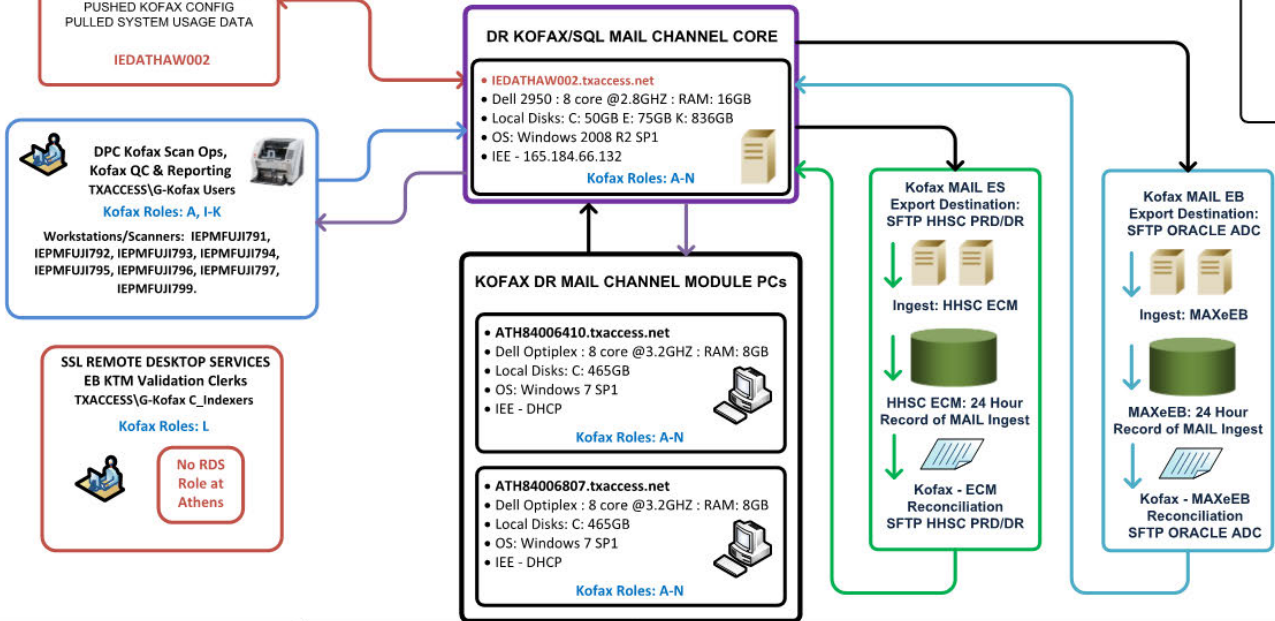
KOFAX DR MAIL CHANNEL MODULE PCs

- ATH84006410.txaccess.net
- Dell Optiplex : 8 core @3.2GHZ : RAM: 8GB
- Local Disks: C: 465GB
- OS: Windows 7 SP1
- IEE - DHCP

Kofax Roles: A-N

- ATH84006807.txaccess.net
- Dell Optiplex : 8 core @3.2GHZ : RAM: 8GB
- Local Disks: C: 465GB
- OS: Windows 7 SP1
- IEE - DHCP

Kofax Roles: A-N





TEXAS
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**Exhibit S: Mail
Volumes by
Transaction Type**

**Document Processing Services
Health and Human Services Commission (HHSC)**

2019 Transactions

PO Box	149023	149028	149024	N/a	149026	149027	149026	149025	149029	149021	Total Images
Images	Enrollment Broker Forms/CHIP Other- Enrollment (Advanced)	Enrollment Broker Forms/CHIP Returned Mail	ES Application	ES AutoRoute	ES Image Only	ES Missing Information	ES Other Changes	ES Re-Determination	ES Returned Mail	ES WHP	
June-19	9,224	9,730	12,478	205	99,530	25,967	2,637	59,814	69,893	2,282	291,760
July-19	13,551	13,498	14,343	231	122,264	28,535	2,997	59,845	97,814	2,608	355,686
August-19	12,321	13,969	14,147	230	112,026	27,357	3,170	59,611	99,406	2,748	344,985
September-19	11,495	12,697	12,968	151	92,603	24,388	3,265	54,519	90,015	2,460	304,561
October-19	10,990	11,704	12,878	166	113,790	23,591	3,991	52,954	100,565	2,360	332,989
November-19	8,167	9,139	10,700	160	90,964	20,433	2,998	50,009	89,358	2,145	284,073
December-19	9,534	10,014	11,740	147	89,316	24,759	2,989	57,734	86,159	2,323	294,715
January-20	31,553	44,632	335,873	2,510	1,608,742	230,808	20,823	997,085	903,910	12,916	4,188,852
February-20	27,672	40,769	339,019	2,213	1,512,060	222,623	19,956	841,114	779,505	12,234	3,797,165
March-20	40,610	46,997	381,696	2,761	1,370,157	235,919	18,994	967,684	964,576	13,361	4,042,755
April-20	23,467	60,275	536,838	3,974	489,188	280,000	11,207	380,455	745,281	5,792	2,536,477
May-20	35,725	61,913	401,441	1,594	333,546	208,951	9,427	105,313	665,138	3,229	1,826,277
Sub Total	234,309	335,337	2,084,121	14,342	6,034,186	1,353,331	102,454	3,686,137	4,691,620	64,458	18,600,295

*Contract Start Date 2/1/15

2019 Image Only

PO Box	149023	149028	149024	N/a	149026	149027	149026	149025	149029	149021	Total Images
Images	Enrollment Broker Forms/CHIP Other- Enrollment (Advanced)	Enrollment Broker Forms/CHIP Returned Mail	ES Application	ES AutoRoute	ES Image Only	ES Missing Information	ES Other Changes	ES Re-Determination	ES Returned Mail	ES WHP	
June-19	27,147	34,269	311,151	2,338	1,369,536	209,538	15,454	951,298	637,351	11,287	3,569,369
July-19	39,726	47,380	360,048	3,701	1,608,019	223,935	16,437	951,224	874,807	13,009	4,138,286
August-19	36,980	50,349	352,568	1,941	1,607,705	212,671	17,200	938,564	916,490	13,603	4,148,071
September-19	34,750	46,080	324,862	2,102	1,389,892	194,659	17,746	866,170	885,340	11,950	3,773,551
October-19	32,986	42,663	335,652	1,477	1,732,919	195,235	21,641	840,405	1,014,833	11,722	4,229,553
November-19	24,497	33,623	275,395	1,854	1,393,956	169,834	17,518	791,337	901,010	10,300	3,619,324
December-19	28,911	36,501	304,876	1,759	1,390,039	208,354	17,133	934,280	859,162	11,509	3,792,524
January-20	31,553	44,632	335,873	2,510	1,608,742	230,808	20,823	997,085	903,910	12,916	4,188,852
February-20	27,672	40,769	339,019	2,213	1,512,060	222,623	19,956	841,114	779,505	12,234	3,797,165
March-20	40,610	46,997	381,696	2,761	1,370,157	235,919	18,994	967,684	964,576	13,361	4,042,755
April-20	23,467	60,275	536,838	3,974	489,188	280,000	11,207	380,455	745,281	5,792	2,536,477
May-20	35,725	61,913	401,441	1,594	333,546	208,951	9,427	105,313	665,138	3,229	1,826,277
Sub Total	384,024	545,471	4,259,419	28,224	15,805,759	2,592,527	203,536	9,564,929	10,147,403	130,912	43,662,204

*Contract Start Date 2/1/15



TEXAS
Health and Human
Services

Exhibit T: Historical Monthly Operational Status Reports

**Document Processing Services
Health and Human Services Commission (HHSC)**



Monthly Operational Status Report – June 2019

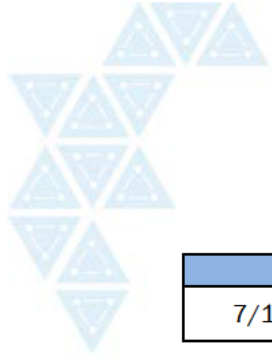
(Version 0.1)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 7/11/2019

Issued To:

Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
7/11/2019	0.1	Initial Report	



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DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **June 2019**. Operational deliverables have been completed and submitted to HHSC on time.

1.0 DPC Production Summary



For June 2019, the DPC received and processed **291,760** transactions for both ES and EB programs.

Program	Week Ending June 8		Week Ending June 15		Week Ending June 22		Week Ending June 29		Total	
	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	58,509	3,928	67,800	3,670	80,453	5,341	66,044	6,015	272,806	18,954
Total Transactions	62,437		71,470		85,794		72,059		291,760	

(Table 1.0 - June 2019 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for June 2019

		Week Ending June 8		Week Ending June 15		Week Ending June 22		Week Ending June 29		Monthly Total	
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	1,991	5,862	1,608	4,731	2,595	7,671	3,030	8,883	9,224	27,147
EB	EB Forms	1,937	6,694	2,062	7,187	2,746	9,772	2,985	10,616	9,730	34,269
EB	EB MCL	-	-	-	-	-	-	-	-	-	-
EB Trans/Images Subtotal		3,928	12,556	3,670	11,918	5,341	17,443	6,015	19,499	18,954	61,416
Percent of Subtotal by Week		20.72%	20.44%	19.36%	19.41%	28.18%	28.40%	31.73%	31.75%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	2,888	71,765	3,277	78,589	3,123	78,496	3,190	82,301	12,478	311,151
ES	ES AutoRoute	48	508	45	390	53	982	59	458	205	2,338
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	22,509	304,013	26,739	379,915	27,348	370,824	22,934	314,784	99,530	1,369,536
ES	ES Missing Information	4,838	44,448	4,586	38,865	8,794	64,783	7,749	61,442	25,967	209,538
ES	ES Other-Changes	518	3,058	718	4,240	726	4,169	675	3,987	2,637	15,454
ES	ES Re-Determination	10,287	167,339	16,621	267,219	19,009	298,621	13,897	218,119	59,814	951,298
ES	ES Returned Mail	17,123	147,070	14,990	142,458	20,737	197,696	17,043	150,127	69,893	637,351
ES	ES WHP	298	1,619	824	3,802	663	3,278	497	2,588	2,282	11,287
ES Trans/Images Subtotal		58,509	739,820	67,800	915,478	80,453	1,018,849	66,044	833,806	272,806	3,507,953
Percent of Subtotal by Week		21.45%	21.09%	24.85%	26.10%	29.49%	29.04%	24.21%	23.77%	100.00%	100.00%
Total All Job Types		62,437	752,376	71,470	927,396	85,794	1,036,292	72,059	853,305	291,760	3,569,369
Percent of Total by Week		21.40%	21.08%	24.50%	25.98%	29.41%	29.03%	24.70%	23.91%	100.00%	100.00%

(Table 2.0 June 2019 – Total Transactions)

Trends by Mail Type

- Overall, the DPC has seen 11.21% decrease in total transaction from June 2018 to June 2019.

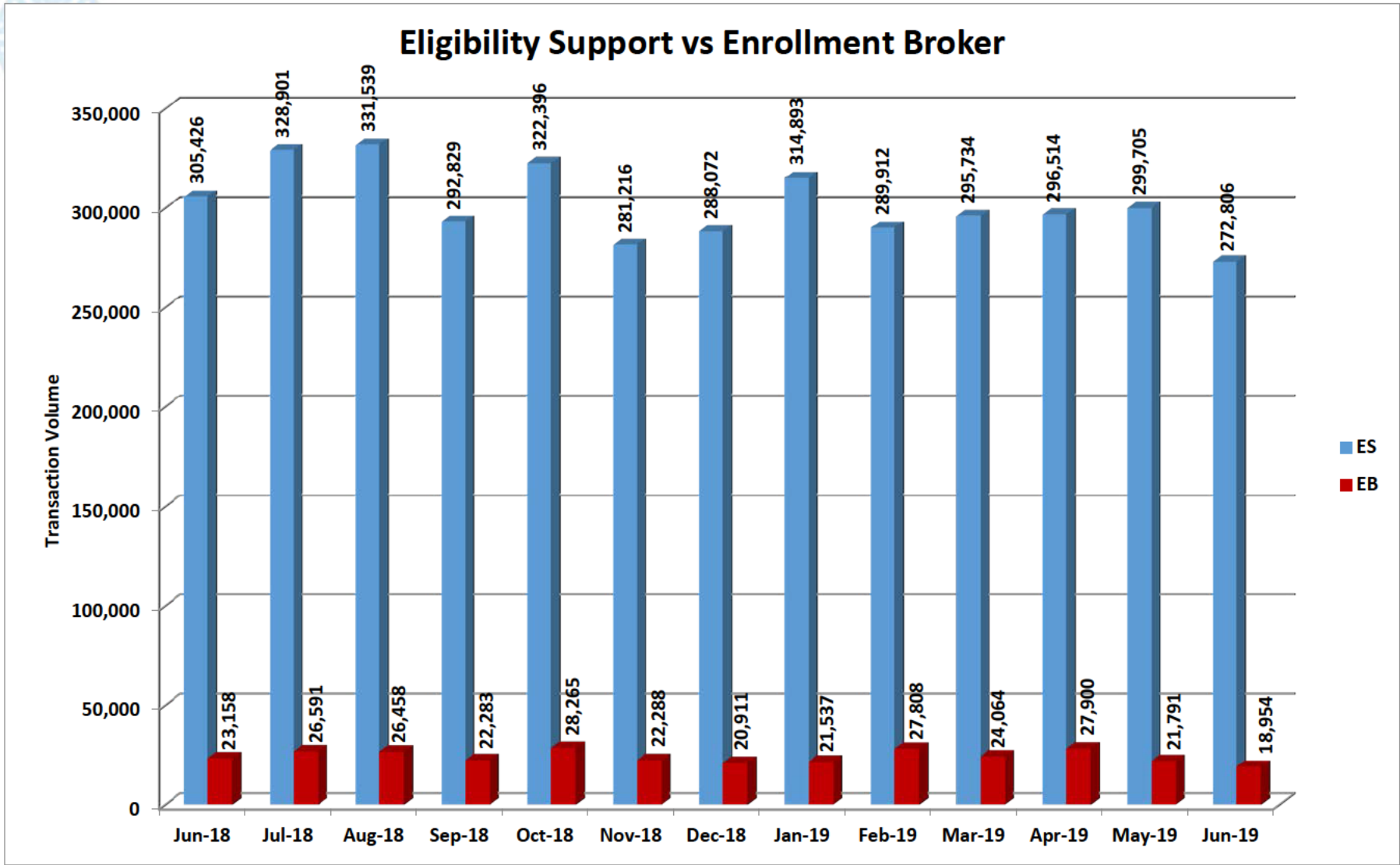


- June 2019 average daily transaction volume decreased by 0.17% from May 2019. Average daily transaction volume is an important measure of month-over-month volume.

ES & EB	July 2018	August 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	March 2019	April 2019	May 2019	June 2019
Transaction Total	355,492	357,997	315,112	350,661	303,504	308,983	336,430	317,720	319,798	324,414	321,496	291,760
Operational Days	21	23	19	22	19	19	21	19	21	22	22	20
Average Daily Transaction	16,928	15,565	16,585	15,939	15,974	16,262	16,020	16,722	15,228	14,746	14,613	14,588

(Table 3.0 – 2019 - 2018 Average Daily Transaction Volume in given month only)

Note: *Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"*



2.0 Key Performance Requirements (KPR)



Mail Processing Timeliness KPR:

	Week Ending June 8	Week Ending June 15	Week Ending June 22	Week Ending June 29	Monthly Total	KPR Compliant?
Image Only Transactions	22,509	26,739	27,348	22,934	99,530	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	
Non-Image Only Transactions	22,805	29,741	37,709	32,082	122,337	Yes
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	
Non-Image Only % within 2 Days of receipt	-	-	-	-	-	
Returned Mail Transactions	17,123	14,990	20,737	17,043	69,893	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	

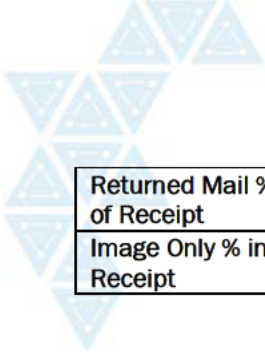
(Table 4.0 June 2019 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.

Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	July 2018	Aug 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



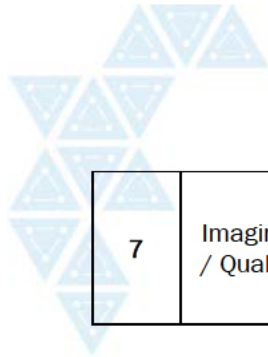
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2018 Mail processing timeliness)

Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed by followed by HHSC QA department. In the month of June, the QA sample for April 2019 was reviewed and reported. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	100%	Yes



7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.9%	Yes
---	-------------------------------------	---------------------------	----------------------	--	---	-------	-----

(Table 6.0 - April 2019 Quality Management Summary)

- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?

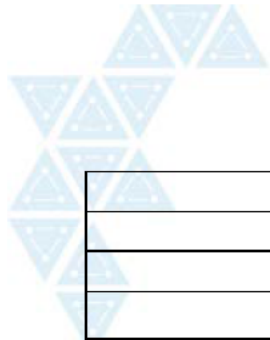
Historical data on Quality Assurance (QA) KPR:

KPR	April 2018	May 2018	June 2018	July 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	April 2019
5	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	99.9%	100%	100%
7	99.7%	99.8%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%	99.4%	99.6%	99.8%	99.8%	99.9%

(Table 7.0 - Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in June 2019.

Document Type	Documents Sent to HHSC - June 2019
Image Only	67
Managed Care Form	89



Others	118
Application	29
Redetermination	11
Missing Information	44
Changes	1
Returned to Client	4
Returned Mail	1
Misrouted Mail	65
Total	426

(Table 8.0 – June 2019 State Submission Log Summary)

3.0 Deliverable VARs & SAR Responses

Deliverable VARs

1. I06062019-525 - DP 137-D Monthly Financial Statements ES - May 2019 VAR
2. I06102019-526 - May 2019 HUB Report VAR
3. I06112019-527 - DP 069-D Old id - DP107 - Monthly Operational Status Report - May 2019 VAR
4. I06182019-528 - DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_April_2019 VAR
5. I06192019-529 - KPR 17 - KPR Report May 2019 VAR
6. I06252019-530 - KPR 14 - DPC Confidentiality Incident Report_06252019 from Office Code 0519 VAR

SAR Responses/VAR-SAR Follow-ups

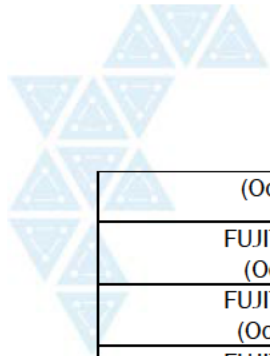
1. I05292019B-207 - Random Mail Sample May 2019 SAR
2. I05222019-524 - Current DSS inventory and status on ordering the new DSS VAR Response 3
3. I06042019C-208 - Request to Update Official Correspondence and Distribution List
4. I06102019B-210 - Vendor Error Report - May 2019
5. I11202018C-184 - SAR IAPI Revised Final Monitoring Report Response 4
6. I05172019-523 - Meeting request re audit settlement negotiations VAR - Response 4
7. I05172019-523 - Meeting request re audit settlement negotiations VAR - Response 6



4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to March 2019	April 2019	May 2019	June 2019	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	7	1	-	-	8
FUJITSU # 11 (Oct 2013)	4	-	-	-	4
FUJITSU# 12 (Oct 2013)	10	-	-	-	10
FUJITSU# 13 (Oct 2013)	11	-	-	-	11
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11
FUJITSU # 16 (Oct 2013)	4	-	-	-	4
FUJITSU # 17	6	-	-	-	6



(Oct 2013)					
FUJITSU # 18 (Oct 2013)	7	-	-	-	7
FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8
FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	6	1	-	-	7
FUJITSU # 26 (Oct 2013)	12	-	1	-	13
FUJITSU # 27 (Oct 2013)	13	-	-	-	13
FUJITSU # 28 (Oct 2013)	4	-	-	-	4
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	-	7
FUJITSU # 31 (Oct 2013)	8	-	-	-	8
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	8	-	-	-	8
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	214	2	1	-	217

(Table 9.0 – Outages and Incidents History)



5.0 DPC Staffing Summary

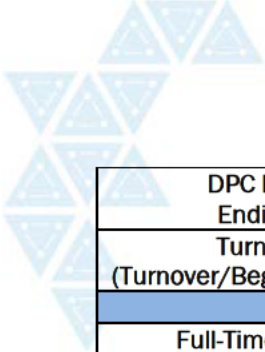
The table below summarizes DPC and PMO staff by end of month.

Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	20
Scan Technician	12
Data Entry Clerk/State Submissions	2
Admin. Assistant/HR Assistant	2
Mailroom Technician/Lead	3
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	51
End of month FTE (Last Week)	42.18

(Table 10.0 – June 2019 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations, PMO Manager and HR Assistant.

	June 2018	July 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019
DPC Headcount Beginning Month	61	60	60	54	59	56	54	53	57	55	54	52	52
Turnover	1	0	6	2	3	2	1	1	2	1	2	0	1
New Hire	0	0	0	7	0	0	0	5	0	0	0	0	0



DPC Headcount Ending Month	60	60	54	59	56	54	53	57	55	54	52	52	51
Turnover Rate (Turnover/Beginning Headcount)	1.6%	0.0%	10.0%	3.7%	5.1%	3.7%	1.9%	1.9%	3.5%	1.9%	3.7%	0.0%	1.9%
Full-Time Equivalents (Last week of month)	45.48	47.87	42.52	46.63	47.94	50.77	37.78	49.38	49.01	44.26	40.83	43.62	42.18
Average Full-Time Equivalents	46.17	46.37	44.10	44.88	45.29	45.30	42.30	45.55	50.68	45.99	42.84	44.74	42.94

As of June 30, 2019, the DPC headcount was 51 people, which is 0.01% less than May 2019.

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*

6.0 Training Summary

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training.

The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.



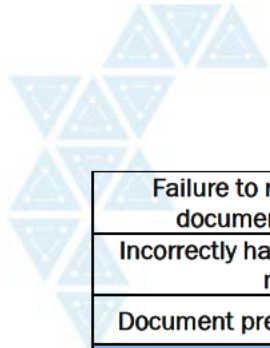
(Table 12.0 – June 2019 Training History)

Training	Week Ending June 8	Week Ending June 15	Week Ending June 22	Week Ending June 29	Monthly Total
Remedial: Form 1095 A/B/C	35	4	-	-	39
Remedial: DP Live Mail	-	-	-	1	1
Total	35	4	0	1	40

7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	June 2018	July 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019
EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-
ES Multi-client	11	18	16	12	14	12	20	11	10	16	13	19	10
Images Incorrectly Scanned (include TRS-SAVERR Imaging)	9	7	4	2	5	8	11	5	6	1	1	5	10
ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-



Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	-	-	-	-	-	2	-	-	-	-	1	-	-
Document prepped incorrectly	15	16	10	7	16	12	9	8	11	19	18	20	17
Total	35	41	30	21	35	34	40	24	27	36	33	44	37

(Table 13.0 -2018-2019 Vendor Errors)

8.0 Issues and Risks

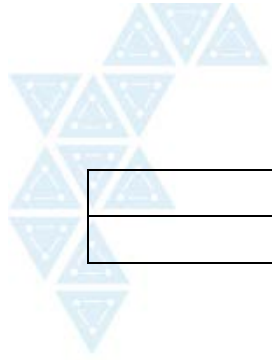
No Issues or Risks to report.

9.0 System/Process Initiatives

No initiatives to report.

10.0 Appendix A

Activities	Count for Month of June 2019
Contaminated Mail	6
Original Returned to client	144
EBT Cards	3
Monthly Payments Handled	217



Total Voter Registration Cards Sent to BI	8 Boxes
Total BRM Envelopes Sent to BI	

(Table 14.0 - June 2019 Miscellaneous Monthly Activities)

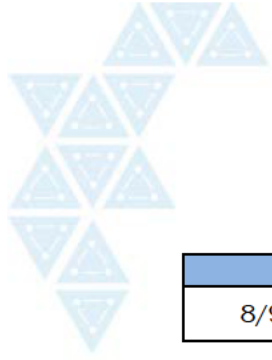


Monthly Operational Status Report – July 2019 (Version 0.1)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 8/12/2019

Issued To:
Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
8/9/2019	0.1	Initial Report	



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DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **July 2019**. Operational deliverables have been completed and submitted to HHSC on time.

1.0 DPC Production Summary



For July 2019, the DPC received and processed **355,686** transactions for both ES and EB programs.

Program	Week Ending July 6		Week Ending July 13		Week Ending July 20		Week Ending July 27		July 29 thru July 31		Total	
	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	61,518	5,962	68,772	6,072	79,288	5,775	76,022	5,466	43,037	3,774	328,637	27,049
Total Transactions	67,480		74,844		85,063		81,488		46,811		355,686	

(Table 1.0 – July 2019 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for July 2019													
Program	Batch Class	Week Ending July 6		Week Ending July 13		Week Ending July 20		Week Ending July 27		July 29 thru July 31		Monthly Total	
		Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	2,732	8,107	2,951	8,501	3,157	9,221	2,950	8,749	1,761	5,148	13,551	39,726
EB	EB Forms	3,230	11,450	3,121	10,801	2,618	9,131	2,516	8,881	2,013	7,117	13,498	47,380
EB	EB MCL	-	-	-	-	-	-	-	-	-	-	-	-
EB Trans/Images Subtotal		5,962	19,557	6,072	19,302	5,775	18,352	5,466	17,630	3,774	12,265	27,049	87,106
Percent of Subtotal by Week		22.04%	22.45%	22.45%	22.16%	21.35%	21.07%	20.21%	20.24%	13.95%	14.08%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	2,825	68,769	3,087	77,611	3,089	74,845	3,348	82,938	1,994	55,885	14,343	360,048
ES	ES AutoRoute	52	1,072	23	370	50	342	82	729	24	1,188	231	3,701
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	24,348	327,923	24,966	289,089	31,190	420,544	26,327	358,366	15,433	212,097	122,264	1,608,019
ES	ES Missing Information	5,678	46,085	4,926	41,389	5,929	40,955	7,591	60,862	4,411	34,644	28,535	223,935
ES	ES Other-Changes	672	3,821	796	4,252	623	3,419	501	2,495	405	2,450	2,997	16,437
ES	ES Re-Determination	9,418	151,570	11,287	185,114	15,079	239,972	15,660	248,419	8,401	126,149	59,845	951,224
ES	ES Returned Mail	18,246	151,171	23,380	203,940	22,360	209,990	21,765	203,720	12,063	105,986	97,814	874,807
ES	ES WHP	279	1,590	307	1,612	968	4,569	748	3,723	306	1,515	2,608	13,009
ES Trans/Images Subtotal		61,518	752,001	68,772	803,377	79,288	994,636	76,022	961,252	43,037	539,914	328,637	4,051,180
Percent of Subtotal by Week		18.72%	18.56%	20.93%	19.83%	24.13%	24.55%	23.13%	23.73%	13.10%	13.33%	100.00%	100.00%
Total All Job Types		67,480	771,558	74,844	822,679	85,063	1,012,988	81,488	978,882	46,811	552,179	355,686	4,138,286
Percent of Total by Week		18.97%	18.64%	21.04%	19.88%	23.92%	24.48%	22.91%	23.65%	13.16%	13.34%	100.00%	100.00%

(Table 2.0 July 2019 – Total Transactions)

Trends by Mail Type

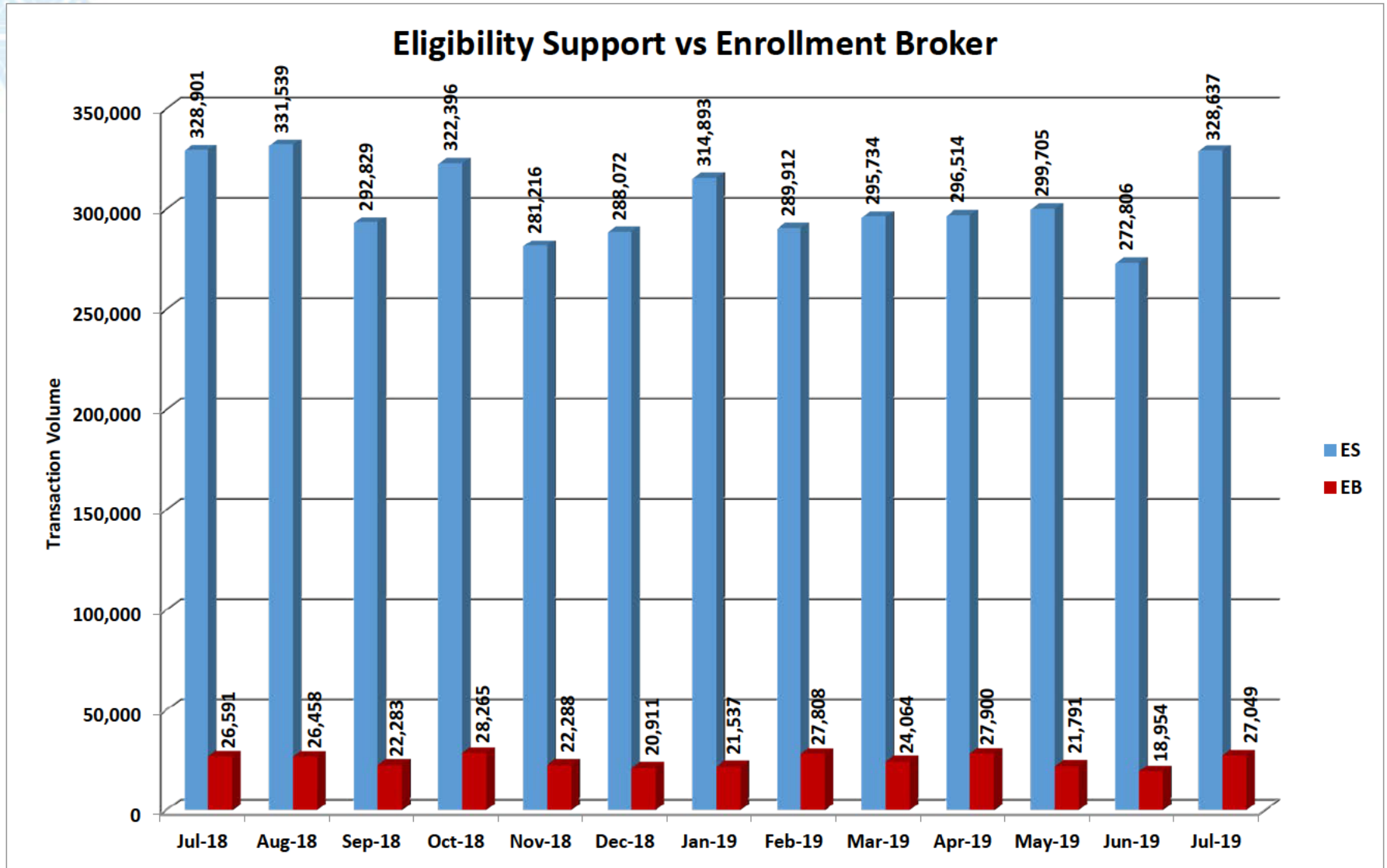


- Overall, the DPC has seen 0.05% increase in total transaction from July 2018 to July 2019.
- July 2019 average daily transaction volume increased by 10.82% from June 2019. Average daily transaction volume is an important measure of month-over-month volume.

ES & EB	August 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	March 2019	April 2019	May 2019	June 2019	July 2019
Transaction Total	357,997	315,112	350,661	303,504	308,983	336,430	317,720	319,798	324,414	321,496	291,760	355,686
Operational Days	23	19	22	19	19	21	19	21	22	22	20	22
Average Daily Transaction	15,565	16,585	15,939	15,974	16,262	16,020	16,722	15,228	14,746	14,613	14,588	16,167

(Table 3.0 - 2019 - 2018 Average Daily Transaction Volume in given month only)

Note: Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"



2.0 Key Performance Requirements (KPR)



Mail Processing Timeliness KPR:

	Week Ending July 6	Week Ending July 13	Week Ending July 20	Week Ending July 27	July 29 thru July 31	Monthly Total	KPR Compliant?
Image Only Transactions	24,348	24,966	31,190	26,327	15,433	122,264	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only Transactions	24,886	26,498	31,513	33,396	19,315	135,608	Yes
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only % within 2 Days of receipt	-	-	-	-	-	-	
Returned Mail Transactions	18,246	23,380	22,360	21,765	12,063	97,814	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	100%	

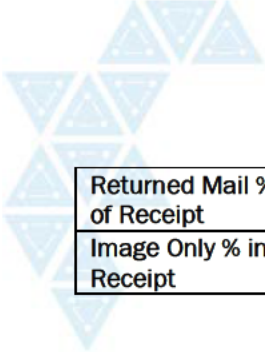
(Table 4.0 July 2019 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.

Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	Aug 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



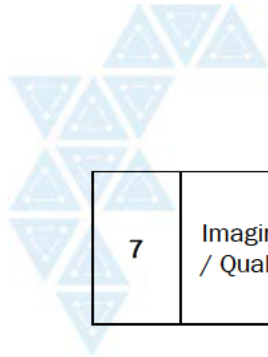
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2018 Mail processing timeliness)

Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed by followed by HHSC QA department. In the month of July, the QA sample for May 2019 was reviewed and reported. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	100%	Yes



7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.7%	Yes
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(Table 6.0 - May 2019 Quality Management Summary)

- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?

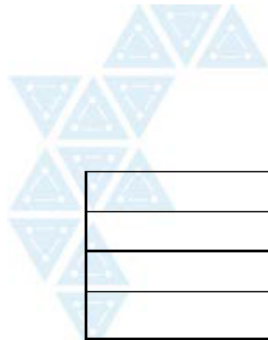
Historical data on Quality Assurance (QA) KPR:

KPR	May 2018	June 2018	July 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	April 2019	May 2019
5	100%	100%	100%	100%	100%	100%	100%	100%	100%	99.9%	100%	100%	100%
7	99.8%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%	99.4%	99.6%	99.8%	99.8%	99.9%	99.7%

(Table 7.0 - Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in July 2019.

Document Type	Documents Sent to HHSC - July 2019
Image Only	45
Managed Care Form	114



Others	42
Application	97
Redetermination	28
Missing Information	44
Changes	3
Returned to Client	14
Returned Mail	4
Misrouted Mail	51
Total	442

(Table 8.0 – July 2019 State Submission Log Summary)

3.0 Deliverable VARs & SAR Responses

Deliverable VARs

1. I07082019-531-DP 034 D Quarterly Updated Organization Chart - Submitted in June 2019 - VAR
2. I07082019-532-June 2019 HUB Report VAR
3. I07092019-533-DP 137-D Monthly Financial Statements ES - June 2019 VAR
4. I07112019-534-DP 069-D Old id - DP107 - Monthly Operational Status Report - June 2019 VAR
5. I07122019-535-DP 023-D - Quarterly Training Completion and Status Report_April to June 2019
6. I07182019-536-KPR 17 - KPR Report June 2019 VAR
7. I07192019-537-DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_May_2019 VAR
8. I07302019-538-(DP 067-D) KPR 2 – Six-Month evaluation of Business Operation Plan January thru June 2019 VAR

SAR Responses/VAR-SAR Follow-ups

1. I07012019B-211-Random Mail Sampling Report SAR- June 2019
2. I07032019B-212-Frew Related Document Retention and Communications Obligations SAR
3. I07122019B-213-Vendor Error Report - June 2019
4. I11202018C-184-SAR IAPI Revised Final Monitoring Report Response 6
5. I07122019C-214-Request to Update Official Correspondence and Distribution List

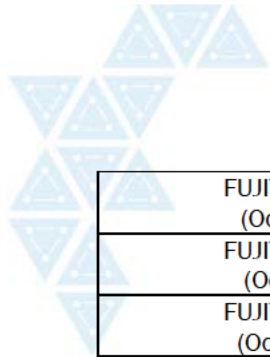


6. I07152019C-215-SAR Discontinue Hardcopy DP 137-D and DP 138-D Monthly Financial Statements

4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to April 2019	May 2019	June 2019	July 2019	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	8	-	-	-	8
FUJITSU # 11 (Oct 2013)	4	-	-	-	4
FUJITSU# 12 (Oct 2013)	10	-	-	-	10
FUJITSU# 13 (Oct 2013)	11	-	-	-	11
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11
FUJITSU # 16 (Oct 2013)	4	-	-	-	4



FUJITSU # 17 (Oct 2013)	6	-	-	-	6
FUJITSU # 18 (Oct 2013)	7	-	-	-	7
FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8
FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	7	-	-	-	7
FUJITSU # 26 (Oct 2013)	12	1	-	-	13
FUJITSU # 27 (Oct 2013)	13	-	-	-	13
FUJITSU # 28 (Oct 2013)	4	-	-	-	4
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	1	8
FUJITSU # 31 (Oct 2013)	8	-	-	-	8
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	8	-	-	-	8
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	216	1	-	1	218

(Table 9.0 – Outages and Incidents History)



5.0 DPC Staffing Summary

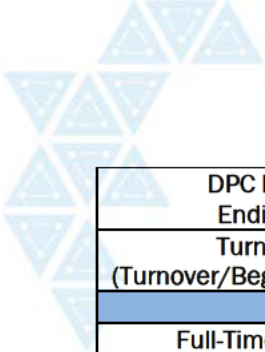
The table below summarizes DPC and PMO staff by end of month.

Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	19
Scan Technician	12
Data Entry Clerk/State Submissions	2
Admin. Assistant/HR Assistant	2
Mailroom Technician/Lead	3
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	50
End of month FTE (Last Week)	45.19

(Table 10.0 – July 2019 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations, PMO Manager and HR Assistant.

	July 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019
DPC Headcount Beginning Month	60	60	54	59	56	54	53	57	55	54	52	52	51
Turnover	0	6	2	3	2	1	1	2	1	2	0	1	1
New Hire	0	0	7	0	0	0	5	0	0	0	0	0	0



DPC Headcount Ending Month	60	54	59	56	54	53	57	55	54	52	52	51	50
Turnover Rate (Turnover/Beginning Headcount)	0.0%	10.0%	3.7%	5.1%	3.7%	1.9%	1.9%	3.5%	1.9%	3.7%	0.0%	1.9%	1.9%
Full-Time Equivalents (Last week of month)	45.48	47.87	42.52	46.63	47.94	50.77	37.78	49.38	49.01	44.26	40.83	43.62	45.19
Average Full-Time Equivalents	46.17	46.37	44.10	44.88	45.29	45.30	42.30	45.55	50.68	45.99	42.84	44.74	42.99

As of July 31, 2019, the DPC headcount was 50 people, which is 1.9% less than June 2019.

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*

6.0 Training Summary

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training.

The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.



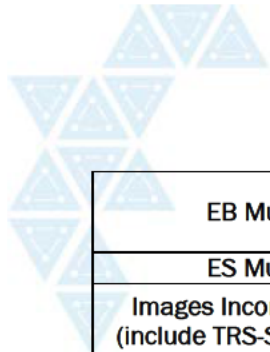
(Table 12.0 – July 2019 Training History)

Training	Week Ending July 6	Week Ending July 13	Week Ending July 20	Week Ending July 27	July 29 thru July 31	Monthly Total
Remedial: Form 1095 A/B/C	2	-	-	-	-	2
Scan Training with Assessment	-	2	-	-	-	2
Remedial: Splitting 1010/1200 Process	-	2	-	-	-	2
Refresher Training for DP	-	1	-	-	-	1
Refresher: EB/EB Advanced Process	-	-	34	-	-	34
Total	2	5	34	-	-	41

7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	July 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019



EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-
ES Multi-client	18	16	12	14	12	20	11	10	16	13	19	10	17
Images Incorrectly Scanned (include TRS-SAVERR Imaging)	7	4	2	5	8	11	5	6	1	1	5	10	8
ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-
Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	-	-	-	-	2	-	-	-	-	1	-	-	-
Document prepped incorrectly	16	10	7	16	12	9	8	11	19	18	20	17	11
Total	41	30	21	35	34	40	24	27	36	33	44	37	36

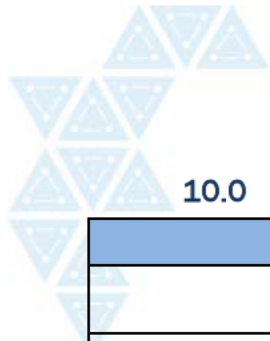
(Table 13.0 - 2018-2019 Vendor Errors)

8.0 Issues and Risks

No Issues or Risks to report.

9.0 System/Process Initiatives

No initiatives to report.



10.0 Appendix A

Activities	Count for Month of July 2019
Contaminated Mail	9
Original Returned to client	163
EBT Cards	8
Monthly Payments Handled	291
Total Voter Registration Cards Sent to BI	9 Boxes
Total BRM Envelopes Sent to BI	

(Table 14.0 – July 2019 Miscellaneous Monthly Activities)



Monthly Operational Status Report – August 2019

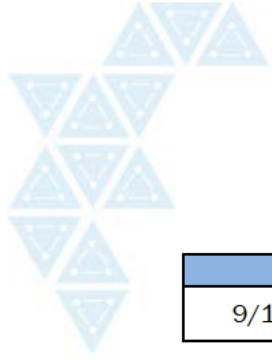
(Version 0.1)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 9/16/2019

Issued To:

Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
9/12/2019	0.1	Initial Report	



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DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **August 2019**. Operational deliverables have been completed and submitted to HHSC on time.

1.0 DPC Production Summary



For August 2019, the DPC received and processed **344,985** transactions for both ES and EB programs.

Program	August 1 thru August 2		Week Ending August 10		Week Ending August 17		Week Ending August 24		Week Ending August 31		Total	
	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	26,792	2,165	66,977	6,349	78,965	6,109	79,035	6,103	66,926	5,564	318,695	26,290
Total Transactions	28,957		73,326		85,074		85,138		72,490		344,985	

(Table 1.0 – August 2019 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for August 2019													
Program	Batch Class	August 1 thru August 2		Week Ending August 10		Week Ending August 17		Week Ending August 24		Week Ending August 31		Monthly Total	
		Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	795	2,452	3,173	9,508	3,014	9,035	2,968	8,639	2,371	7,346	12,321	36,980
EB	EB Forms	1,370	4,928	3,176	11,395	3,095	11,165	3,135	11,300	3,193	11,561	13,969	50,349
EB	EB MCL	-	-	-	-	-	-	-	-	-	-	-	-
EB Trans/Images Subtotal		2,165	7,380	6,349	20,903	6,109	20,200	6,103	19,939	5,564	18,907	26,290	87,329
Percent of Subtotal by Week		8.24%	8.45%	24.15%	23.94%	23.24%	23.13%	23.21%	22.83%	21.16%	21.65%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	1,319	32,392	3,165	80,466	3,183	78,100	3,326	80,418	3,154	81,192	14,147	352,568
ES	ES AutoRoute	19	142	61	473	51	333	25	373	74	620	230	1,941
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	10,438	140,314	25,659	369,222	27,820	399,193	25,165	357,208	22,944	341,768	112,026	1,607,705
ES	ES Missing Information	2,537	20,405	5,880	47,962	5,719	42,465	7,024	52,676	6,197	49,163	27,357	212,671
ES	ES Other-Changes	191	1,038	729	3,717	741	4,309	761	4,293	748	3,843	3,170	17,200
ES	ES Re-Determination	4,403	69,020	9,036	146,303	16,343	258,607	17,146	272,247	12,683	192,387	59,611	938,564
ES	ES Returned Mail	7,750	69,103	22,075	186,448	24,122	231,326	24,840	241,065	20,619	188,548	99,406	916,490
ES	ES WHP	135	677	372	1,902	986	4,860	748	3,579	507	2,585	2,748	13,603
ES Trans/Images Subtotal		26,792	333,091	66,977	836,493	78,965	1,019,193	79,035	1,011,859	66,926	860,106	318,695	4,060,742
Percent of Subtotal by Week		8.41%	8.20%	21.02%	20.60%	24.78%	25.10%	24.80%	24.92%	21.00%	21.18%	100.00%	100.00%
Total All Job Types		28,957	340,471	73,326	857,396	85,074	1,039,393	85,138	1,031,798	72,490	879,013	344,985	4,148,071
Percent of Total by Week		8.39%	8.21%	21.25%	20.67%	24.66%	25.06%	24.68%	24.87%	21.01%	21.19%	100.00%	100.00%

(Table 2.0 August 2019 – Total Transactions)

Trends by Mail Type

- Overall, the DPC has seen 3.63% decrease in total transaction from August 2018 to August 2019.

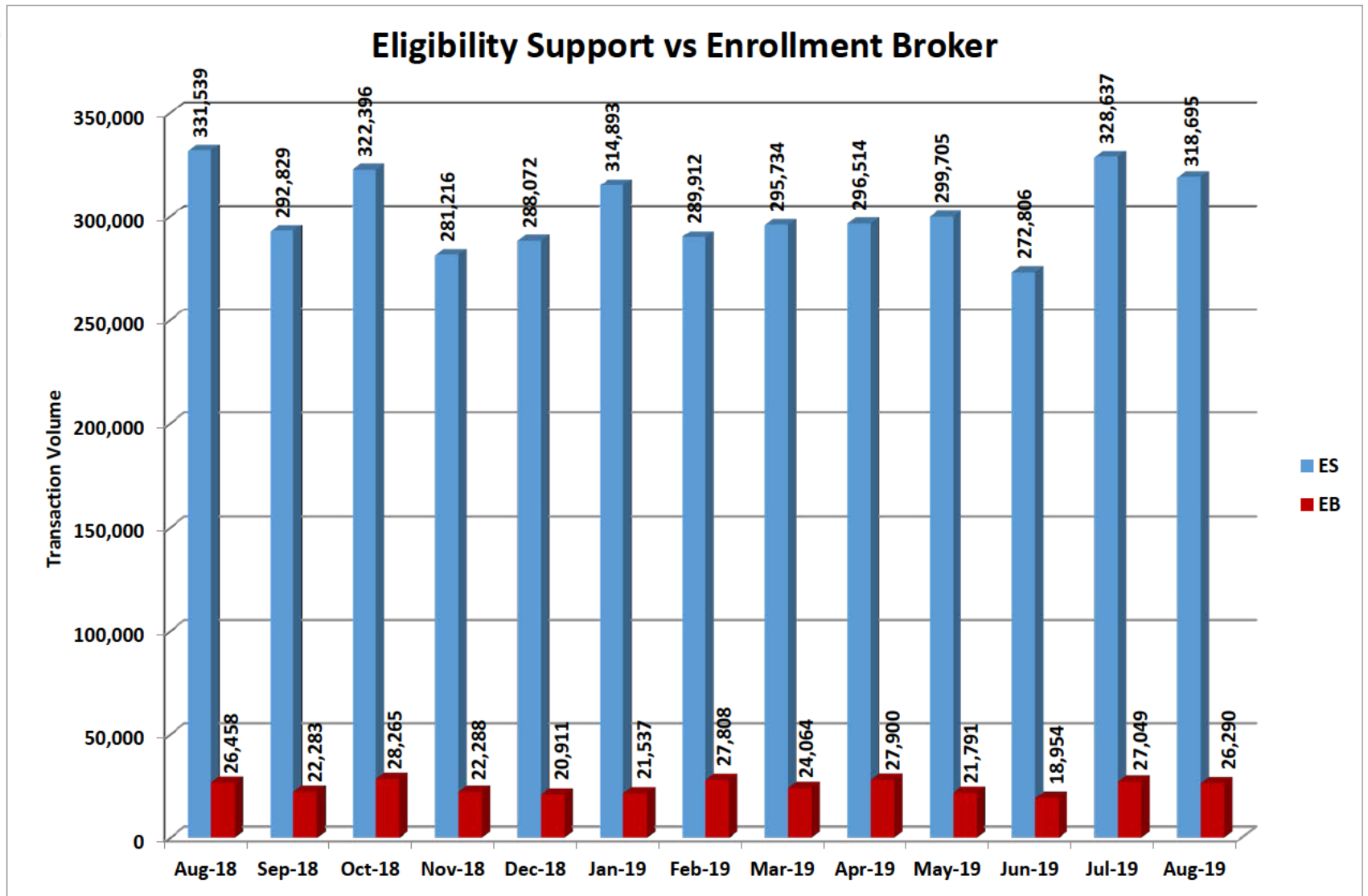


- August 2019 average daily transaction volume decreased by 3.00% from July 2019. Average daily transaction volume is an important measure of month-over-month volume.

ES & EB	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019
Transaction Total	315,112	350,661	303,504	308,983	336,430	317,720	319,798	324,414	321,496	291,760	355,686	344,985
Operational Days	19	22	19	19	21	19	21	22	22	20	22	22
Average Daily Transaction	16,585	15,939	15,974	16,262	16,020	16,722	15,228	14,746	14,613	14,588	16,167	15,681

(Table 3.0 – 2019 - 2018 Average Daily Transaction Volume in given month only)

Note: Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"



2.0 Key Performance Requirements (KPR)

Mail Processing Timeliness KPR:



	August 1 thru August 2	Week Ending August 10	Week Ending August 17	Week Ending August 24	Week Ending August 31	Monthly Total	KPR Compliant?
Image Only Transactions	10,438	25,659	27,820	25,165	22,944	112,026	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only Transactions	10,769	25,592	33,132	35,133	28,927	133,553	Yes
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only % within 2 Days of receipt	-	-	-	-	-	-	
Returned Mail Transactions	7,750	22,075	24,122	24,840	20,619	99,406	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	100%	

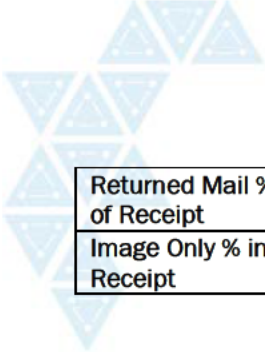
(Table 4.0 August 2019 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.

Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	August 2019
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



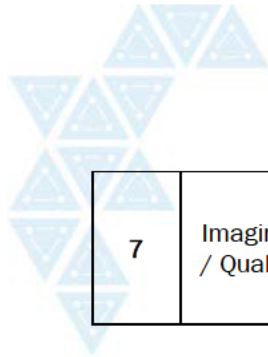
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2018 Mail processing timeliness)

Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed by followed by HHSC QA department. In the month of July, the QA sample for June 2019 was reviewed and reported. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	100%	Yes



7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.8%	Yes
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(Table 6.0 - June 2019 Quality Management Summary)

- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?

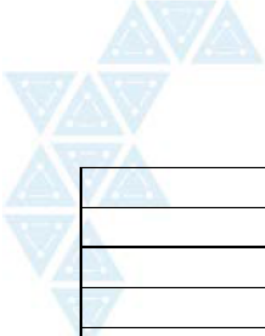
Historical data on Quality Assurance (QA) KPR:

KPR	June 2018	July 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	April 2019	May 2019	June 2019
5	100%	100%	100%	100%	100%	100%	100%	100%	99.9%	100%	100%	100%	100%
7	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%	99.4%	99.6%	99.8%	99.8%	99.9%	99.7%	99.8%

(Table 7.0 - Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in August 2019.

Document Type	Documents Sent to HHSC - August 2019
Image Only	67
Managed Care Form	115



Others	35
Returned for Postage	3
Application	37
Redetermination	13
Missing Information	51
Changes	4
Returned to Client	7
Returned Mail	7
Misrouted Mail	61
Total	400

(Table 8.0 – August 2019 State Submission Log Summary)

3.0 Deliverable VARs & SAR Responses

Deliverable VARs

1. I08062019-539 - July 2019 HUB Report VAR
2. I08072019-540 - DP 137-D Monthly Financial Statements ES - July 2019 VAR
3. I08122019-541 - DP 069-D Old id - DP107 - Monthly Operational Status Report - July 2019 VAR
4. I08202019-542 - DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_June_2019 VAR
5. I08202019-543 - KPR 17 - KPR Report July 2019 VAR

SAR Responses/VAR-SAR Follow-ups

1. I07192019C-216 - Request for copy of Fidelity Bond SAR
2. I08012019B-217 - Random Mail Sampling Report SAR- July 2019
3. I07302019-538 - (DP 067-D) KPR 2 – Six-Month evaluation of Business Operation Plan January thru June 2019 VAR-Response 1
4. I08072019C-218 - Request to Update Official Correspondence and Distribution List
5. I08082019B-219 - Vendor Error Report SAR- July 2019
6. I08122019B-220 - Batch Manager Viewers Deletion of Batch IAPI SAR
7. I07192019C-216 - Request for copy of Fidelity Bond SAR Response 2

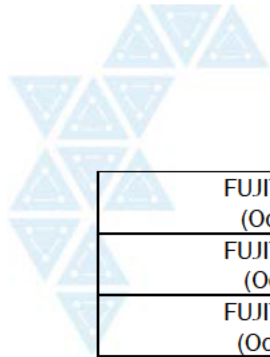


8. I08122019-541 - DP 069-D Old id - DP107 - Monthly Operational Status Report - July 2019
Response 1

4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to May 2019	June 2019	July 2019	August 2019	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	8	-	-	-	8
FUJITSU # 11 (Oct 2013)	4	-	-	-	4
FUJITSU# 12 (Oct 2013)	10	-	-	-	10
FUJITSU# 13 (Oct 2013)	11	-	-	-	11
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11
FUJITSU # 16 (Oct 2013)	4	-	-	-	4



FUJITSU # 17 (Oct 2013)	6	-	-	-	6
FUJITSU # 18 (Oct 2013)	7	-	-	-	7
FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8
FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	7	-	-	-	7
FUJITSU # 26 (Oct 2013)	13	-	-	1	14
FUJITSU # 27 (Oct 2013)	13	-	-	-	13
FUJITSU # 28 (Oct 2013)	4	-	-	-	4
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	-	7
FUJITSU # 31 (Oct 2013)	8	-	1	-	9
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	8	-	-	-	8
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	217	-	1	1	219

(Table 9.0 – Outages and Incidents History)



5.0 DPC Staffing Summary

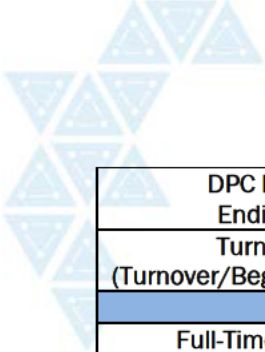
The table below summarizes DPC and PMO staff by end of month.

Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	18
Scan Technician	12
Data Entry Clerk/State Submissions	2
Admin. Assistant/HR Assistant	1
Mailroom Technician/Lead	3
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	48
End of month FTE (Last Week)	40.43

(Table 10.0 – August 2019 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations, PMO Manager and HR Assistant.

	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019
DPC Headcount Beginning Month	60	54	59	56	54	53	57	55	54	52	52	51	50
Turnover	6	2	3	2	1	1	2	1	2	0	1	1	2
New Hire	0	7	0	0	0	5	0	0	0	0	0	0	0



DPC Headcount Ending Month	54	59	56	54	53	57	55	54	52	52	51	50	48
Turnover Rate (Turnover/Beginning Headcount)	10.0%	3.7%	5.1%	3.7%	1.9%	1.9%	3.5%	1.9%	3.7%	0.0%	1.9%	1.9%	4.0%
Full-Time Equivalents (Last week of month)	47.87	42.52	46.63	47.94	50.77	37.78	49.38	49.01	44.26	40.83	43.62	45.19	40.43
Average Full-Time Equivalents	46.37	44.10	44.88	45.29	45.30	42.30	45.55	50.68	45.99	42.84	44.74	42.99	41.45

As of August 31, 2019, the DPC headcount was 48 people, which is 4.0% less than July 2019.

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*

6.0 Training Summary

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training.

The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.



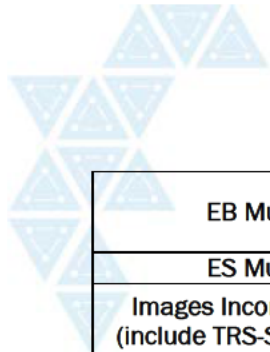
(Table 12.0 – August 2019 Training History)

Training	August 1 thru August 2	Week Ending August 10	Week Ending August 17	Week Ending August 24	Week Ending August 31	Monthly Total
August 2019 Vendor Error Review with Prep Staff	-	16	-	-	-	16
August 2019 Vendor Error Review with Scan Staff	-	12	-	-	-	12
Coaching on DP Issues	-	-	-	16	-	16
Coaching on SO Issues	-	-	-	-	12	12
Total	-	28	-	16	12	56

7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019



EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-
ES Multi-client	16	12	14	12	20	11	10	16	13	19	10	17	17
Images Incorrectly Scanned (include TRS-SAVERR Imaging)	4	2	5	8	11	5	6	1	1	5	10	8	7
ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-
Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	-	-	-	2	-	-	-	-	1	-	-	-	-
Document prepped incorrectly	10	7	16	12	9	8	11	19	18	20	17	11	16
Total	30	21	35	34	40	24	27	36	33	44	37	36	40

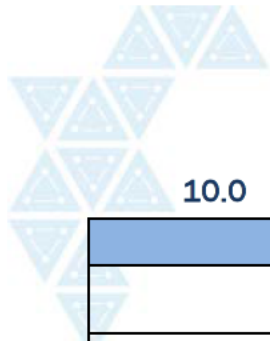
(Table 13.0 - 2018-2019 Vendor Errors)

8.0 Issues and Risks

No Issues or Risks to report.

9.0 System/Process Initiatives

No initiatives to report.



10.0 Appendix A

Activities	Count for Month of August 2019
Contaminated Mail	8
Original Returned to client	130
EBT Cards	11
Monthly Payments Handled	292
Total Voter Registration Cards Sent to BI	11 Boxes
Total BRM Envelopes Sent to BI	

(Table 14.0 – August 2019 Miscellaneous Monthly Activities)

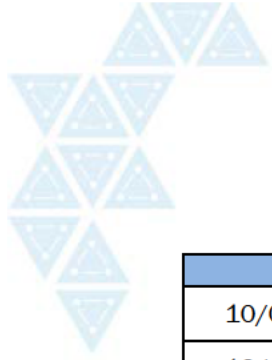


Monthly Operational Status Report – September 2019 (Version 0.1)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 10/09/2019

Issued To:
Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
10/09/2019	0.1	Initial Report	
10/15/2019	0.2	Revision per HHSC Response	

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DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **September 2019**. Operational deliverables have been completed and submitted to HHSC on time.

1.0 DPC Production Summary



For September 2019, the DPC received and processed **304,561** transactions for both ES and EB programs.

Program	Week Ending September 7		Week Ending September 14		Week Ending September 21		Week Ending September 28		September 30		Total	
	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	51,174	5,599	67,507	6,326	84,492	5,631	67,333	4,489	9,863	2,147	280,369	24,192
Total Transactions	56,773		73,833		90,123		71,822		12,010		304,561	

(Table 1.0 – September 2019 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for September 2019

		Week Ending September 7		Week Ending September 14		Week Ending September 21		Week Ending September 28		September 30		Monthly Total	
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	2,613	8,103	3,026	9,008	2,907	8,544	2,040	6,335	909	2,760	11,495	34,750
EB	EB Forms	2,986	10,922	3,300	12,012	2,724	9,779	2,449	8,845	1,238	4,522	12,697	46,080
EB	EB MCL	-	-	-	-	-	-	-	-	-	-	-	-
EB Trans/Images Subtotal		5,599	19,025	6,326	21,020	5,631	18,323	4,489	15,180	2,147	7,282	24,192	80,830
Percent of Subtotal by Week		23.14%	23.54%	26.15%	26.01%	23.28%	22.67%	18.56%	18.78%	8.87%	9.01%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	2,819	73,734	2,842	67,244	3,112	77,713	2,805	70,266	1,390	35,905	12,968	324,862
ES	ES AutoRoute	37	297	41	457	33	880	35	410	5	58	151	2,102
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	18,081	266,938	25,783	386,083	26,376	392,696	22,131	341,098	232	3,077	92,603	1,389,892
ES	ES Missing Information	4,492	36,082	4,403	35,649	6,798	52,009	6,094	49,671	2,601	21,248	24,388	194,659
ES	ES Other-Changes	628	3,675	655	3,607	785	4,369	842	4,320	355	1,775	3,265	17,746
ES	ES Re-Determination	8,382	137,746	11,908	192,532	17,809	278,727	11,793	183,826	4,627	73,339	54,519	866,170
ES	ES Returned Mail	16,429	144,738	21,125	202,956	28,747	306,543	23,208	223,289	506	7,814	90,015	885,340
ES	ES WHP	306	1,608	750	3,436	832	3,973	425	2,192	147	741	2,460	11,950
ES Trans/Images Subtotal		51,174	664,818	67,507	891,964	84,492	1,116,910	67,333	875,072	9,863	143,957	280,369	3,692,721
Percent of Subtotal by Week		18.25%	18.00%	24.08%	24.15%	30.14%	30.25%	24.02%	23.70%	3.52%	3.90%	100.00%	100.00%
Total All Job Types		56,773	683,843	73,833	912,984	90,123	1,135,233	71,822	890,252	12,010	151,239	304,561	3,773,551
Percent of Total by Week		18.64%	18.12%	24.24%	24.19%	29.59%	30.08%	23.58%	23.59%	3.94%	4.01%	100.00%	100.00%

(Table 2.0 September 2019 – Total Transactions)

Trends by Mail Type

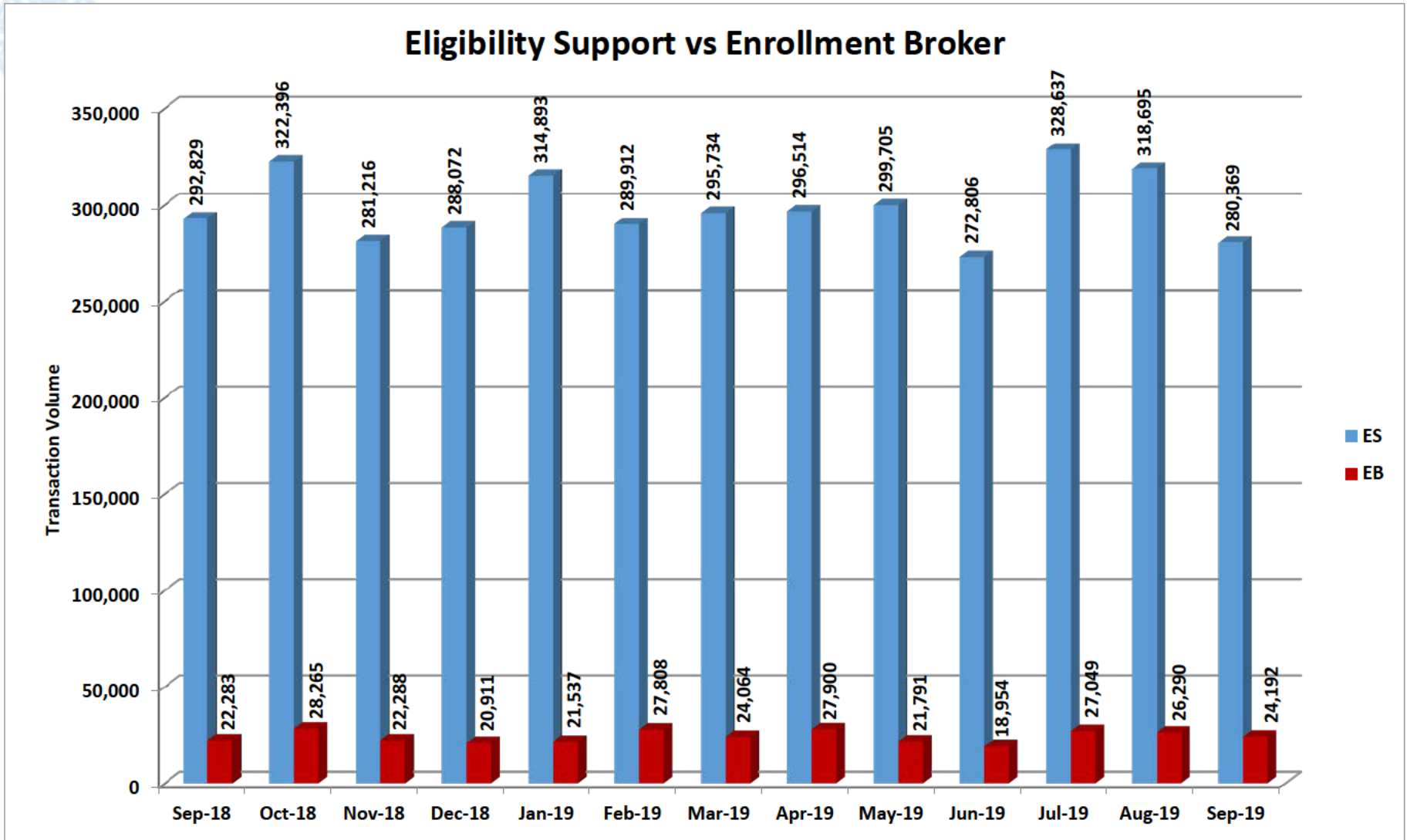


- Overall, the DPC has seen 3.35% decrease in total transaction from September 2018 to September 2019.
- September 2019 average daily transaction volume decreased by 2.89% from August 2019. Average daily transaction volume is an important measure of month-over-month volume.

ES & EB	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019
Transaction Total	350,661	303,504	308,983	336,430	317,720	319,798	324,414	321,496	291,760	355,686	344,985	304,561
Operational Days	22	19	19	21	19	21	22	22	20	22	22	20
Average Daily Transaction	15,939	15,974	16,262	16,020	16,722	15,228	14,746	14,613	14,588	16,167	15,681	15,228

(Table 3.0 – 2019 - 2018 Average Daily Transaction Volume in given month only)

Note: Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"



2.0 Key Performance Requirements (KPR)



Mail Processing Timeliness KPR:

	Week Ending September 7	Week Ending September 14	Week Ending September 21	Week Ending September 28	September 30	Monthly Total	KPR Compliant?
Image Only Transactions	18,081	25,783	26,376	22,131	232	92,603	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only Transactions	22,263	26,925	35,000	26,483	11,272	121,943	Yes
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only % within 2 Days of receipt	-	-	-	-	-	-	
Returned Mail Transactions	16,429	21,125	28,747	23,208	506	90,015	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	100%	

(Table 4.0 September 2019 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.

Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	August 2019	Sept 2019
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

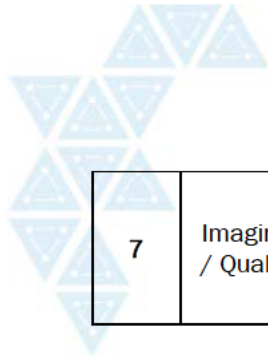
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2018 Mail processing timeliness)

Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed by followed by HHSC QA department. In the month of September, the QA sample for July 2019 was reviewed and reported. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	100%	Yes



7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.7%	Yes
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(Table 6.0 - July 2019 Quality Management Summary)

- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?

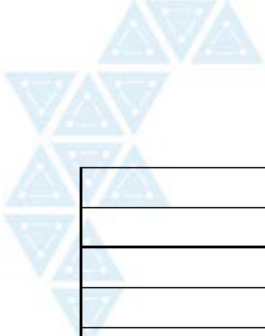
Historical data on Quality Assurance (QA) KPR:

KPR	July 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	April 2019	May 2019	June 2019	July 2019
5	100%	100%	100%	100%	100%	100%	100%	99.9%	100%	100%	100%	100%	100%
7	99.7%	99.7%	99.7%	99.7%	99.7%	99.4%	99.6%	99.8%	99.8%	99.9%	99.7%	99.8%	99.7%

(Table 7.0 - Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in September 2019.

Document Type	Documents Sent to HHSC - September 2019
Image Only	33
Managed Care Form	77



Others	26
Returned for Postage	6
Application	26
Redetermination	8
Missing Information	41
Changes	1
Returned to Client	4
Returned Mail	3
Misrouted Mail	42
Total	267

(Table 8.0 – September 2019 State Submission Log Summary)

3.0 Deliverable VARs & SAR Responses

Deliverable VARs

1. I09042019-544-August 2019 HUB Report VAR
2. I09052019-545-KPR 14 - DPC Confidentiality Incident Report_09052019 from Office Code 8172 VAR
3. I09102019-546-DP 137-D Monthly Financial Statements ES - August 2019 VAR
4. I09162019-547-DP 069-D Old id - DP107 - Monthly Operational Status Report - August 2019 VAR
5. I09192019-548-KPR 17 - KPR Report August 2019 VAR
6. I09192019-549-DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_July_2019 VAR

SAR Responses/VAR-SAR Follow-ups

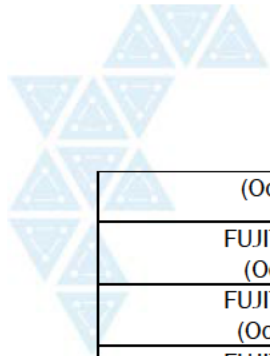
1. I09032019D-221-Positive Payment Disparity Adjusted Vendor Fees SAR
2. I09042019B-222-Random Mail Sampling Report SAR August 2019
3. I09092019B-224-Vendor Error Report - August 2019
4. I09092019B-225-Document Preparation Simplification Pilot SAR
5. I07192019C-216-Request for copy of Fidelity Bond SAR Response 4



4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to June 2019	July 2019	August 2019	September 2019	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	8	-	-	-	8
FUJITSU # 11 (Oct 2013)	4	-	-	-	4
FUJITSU# 12 (Oct 2013)	10	-	-	-	10
FUJITSU# 13 (Oct 2013)	11	-	-	-	11
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11
FUJITSU # 16 (Oct 2013)	4	-	-	-	4
FUJITSU # 17	6	-	-	-	6



(Oct 2013)					
FUJITSU # 18 (Oct 2013)	7	-	-	-	7
FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8
FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	7	-	-	-	7
FUJITSU # 26 (Oct 2013)	13	-	1	-	14
FUJITSU # 27 (Oct 2013)	13	-	-	1	14
FUJITSU # 28 (Oct 2013)	4	-	-	-	4
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	-	7
FUJITSU # 31 (Oct 2013)	8	1	-	-	9
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	8	-	-	-	8
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	217	1	1	1	220

(Table 9.0 – Outages and Incidents History)



5.0 DPC Staffing Summary

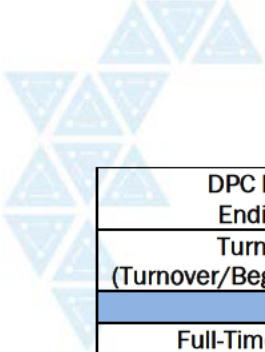
The table below summarizes DPC and PMO staff by end of month.

Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	18
Scan Technician	11
Data Entry Clerk/State Submissions	2
Admin. Assistant	1
Mailroom Technician/Lead	3
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	47
End of month FTE (Last Week)	39.07

(Table 10.0 – September 2019 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations and PMO Manager.

	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019
DPC Headcount Beginning Month	54	59	56	54	53	57	55	54	52	52	51	50	48
Turnover	2	3	2	1	1	2	1	2	0	1	1	2	1
New Hire	7	0	0	0	5	0	0	0	0	0	0	0	0



DPC Headcount Ending Month	59	56	54	53	57	55	54	52	52	51	50	48	47
Turnover Rate (Turnover/Beginning Headcount)	3.7%	5.1%	3.7%	1.9%	1.9%	3.5%	1.9%	3.7%	0.0%	1.9%	1.9%	4.0%	2.0%
Full-Time Equivalents (Last week of month)	42.52	46.63	47.94	50.77	37.78	49.38	49.01	44.26	40.83	43.62	45.19	40.43	39.07
Average Full-Time Equivalents	44.10	44.88	45.29	45.30	42.30	45.55	50.68	45.99	42.84	44.74	42.99	41.45	40.37

As of September 30, 2019, the DPC headcount was 47 people, which is 2.0% less than August 2019.

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*

6.0 Training Summary

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training.

The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.



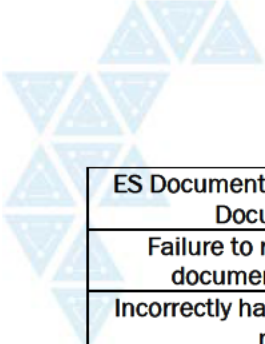
(Table 12.0 – September 2019 Training History)

Training	Week Ending September 7	Week Ending September 14	Week Ending September 21	Week Ending September 28	September 30	Monthly Total
IRS-FTI Refresher	-	31	9	-	-	40
Total	-	31	9	-	-	40

7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019
EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-
ES Multi-client	12	14	12	20	11	10	16	13	19	10	17	17	10
Images Incorrectly Scanned (include TRS-SAVERR Imaging)	2	5	8	11	5	6	1	1	5	10	8	7	84*



ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-
Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	-	-	2	-	-	-	-	1	-	-	-	-	-
Document prepped incorrectly	7	16	12	9	8	11	19	18	20	17	11	16	7
Total	21	35	34	40	24	27	36	33	44	37	36	40	101

(Table 13.0 -2018-2019 Vendor Errors)

**On September 20, 2019 a scan operator selected a wrong receipt for 81 transactions. All scan staff were promptly coached on the matter to always check the receipt date on scan panel before saving the batch. The mouse for the scan machine involved in this instance was replaced.*

8.0 Issues and Risks

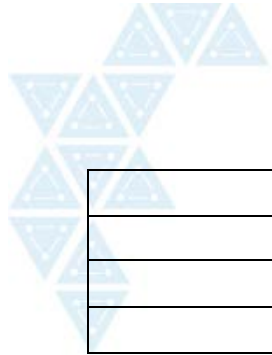
No Issues or Risks to report.

9.0 System/Process Initiatives

No initiatives to report.

10.0 Appendix A

Activities	Count for Month of September 2019
Contaminated Mail	10
Original Returned to client	133



EBT Cards	9
Monthly Payments Handled	258
Total Voter Registration Cards Sent to BI	11 Boxes
Total BRM Envelopes Sent to BI	

(Table 14.0 – September 2019 Miscellaneous Monthly Activities)



Monthly Operational Status Report – October 2019

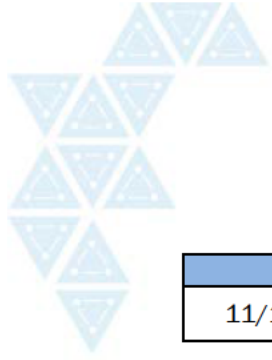
(Version 0.1)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 11/13/2019

Issued To:

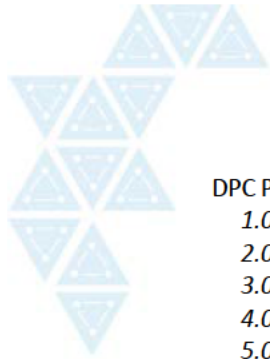
Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
11/13/2019	0.1	Initial Report	

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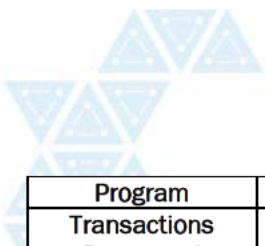
DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **October 2019**. Operational deliverables have been completed and submitted to HHSC on time.

1.0 DPC Production Summary

For October 2019, the DPC received and processed **332,989** transactions for both ES and EB programs.

	October 1 thru October 4	Week Ending October 12	Week Ending October 19	Week Ending October 26	October 28 thru October 31	Total
--	-----------------------------	---------------------------	---------------------------	---------------------------	-------------------------------	-------



Program	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	52,857	2,280	66,089	5,169	66,701	5,527	71,873	5,391	52,775	4,327	310,295	22,694
Total Transactions	55,137		71,258		72,228		77,264		57,102		332,989	

(Table 1.0 – October 2019 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for October 2019

		October 1 thru October 4		Week Ending October 12		Week Ending October 19		Week Ending October 26		October 28 thru October 31		Monthly Total	
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	1,082	3,242	2,490	7,377	2,677	8,071	2,659	7,892	2,082	6,404	10,990	32,986
EB	EB Forms	1,198	4,390	2,679	9,749	2,850	10,418	2,732	9,878	2,245	8,248	11,704	42,683
EB	EB MCL	-	-	-	-	-	-	-	-	-	-	-	-
EB Trans/Images Subtotal		2,280	7,632	5,169	17,126	5,527	18,489	5,391	17,770	4,327	14,652	22,694	75,669
Percent of Subtotal by Week		10.05%	10.09%	22.78%	22.63%	24.35%	24.43%	23.76%	23.48%	19.07%	19.36%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	1,554	48,127	2,823	73,090	2,728	67,106	3,306	86,147	2,467	61,182	12,878	335,652
ES	ES AutoRoute	27	160	41	353	22	255	42	420	34	289	166	1,477
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	23,054	357,227	25,518	384,486	24,122	360,965	23,671	368,791	17,425	261,450	113,790	1,732,919
ES	ES Missing Information	2,597	24,764	4,855	40,842	4,884	36,796	6,112	49,700	5,143	43,133	23,591	195,235
ES	ES Other-Changes	710	3,801	1,049	5,293	806	4,287	843	4,982	583	3,278	3,991	21,641
ES	ES Re-Determination	4,403	71,696	7,782	127,262	13,337	211,614	15,488	246,609	11,944	183,224	52,954	840,405
ES	ES Returned Mail	20,351	194,683	23,788	236,979	20,125	216,057	21,634	219,192	14,667	147,922	100,565	1,014,833
ES	ES WHP	161	873	233	1,281	677	3,235	777	3,823	512	2,510	2,360	11,722
ES Trans/Images Subtotal		52,857	701,331	66,089	869,586	66,701	900,315	71,873	979,664	52,775	702,988	310,295	4,153,884
Percent of Subtotal by Week		17.03%	16.88%	21.30%	20.93%	21.50%	21.67%	23.16%	23.58%	17.01%	16.92%	100.00%	100.00%
Total All Job Types		55,137	708,963	71,258	886,712	72,228	918,804	77,264	997,434	57,102	717,640	332,989	4,229,553
Percent of Total by Week		16.56%	16.76%	21.40%	20.96%	21.69%	21.72%	23.20%	23.58%	17.15%	16.97%	100.00%	100.00%

(Table 2.0 October 2019 – Total Transactions)

Trends by Mail Type

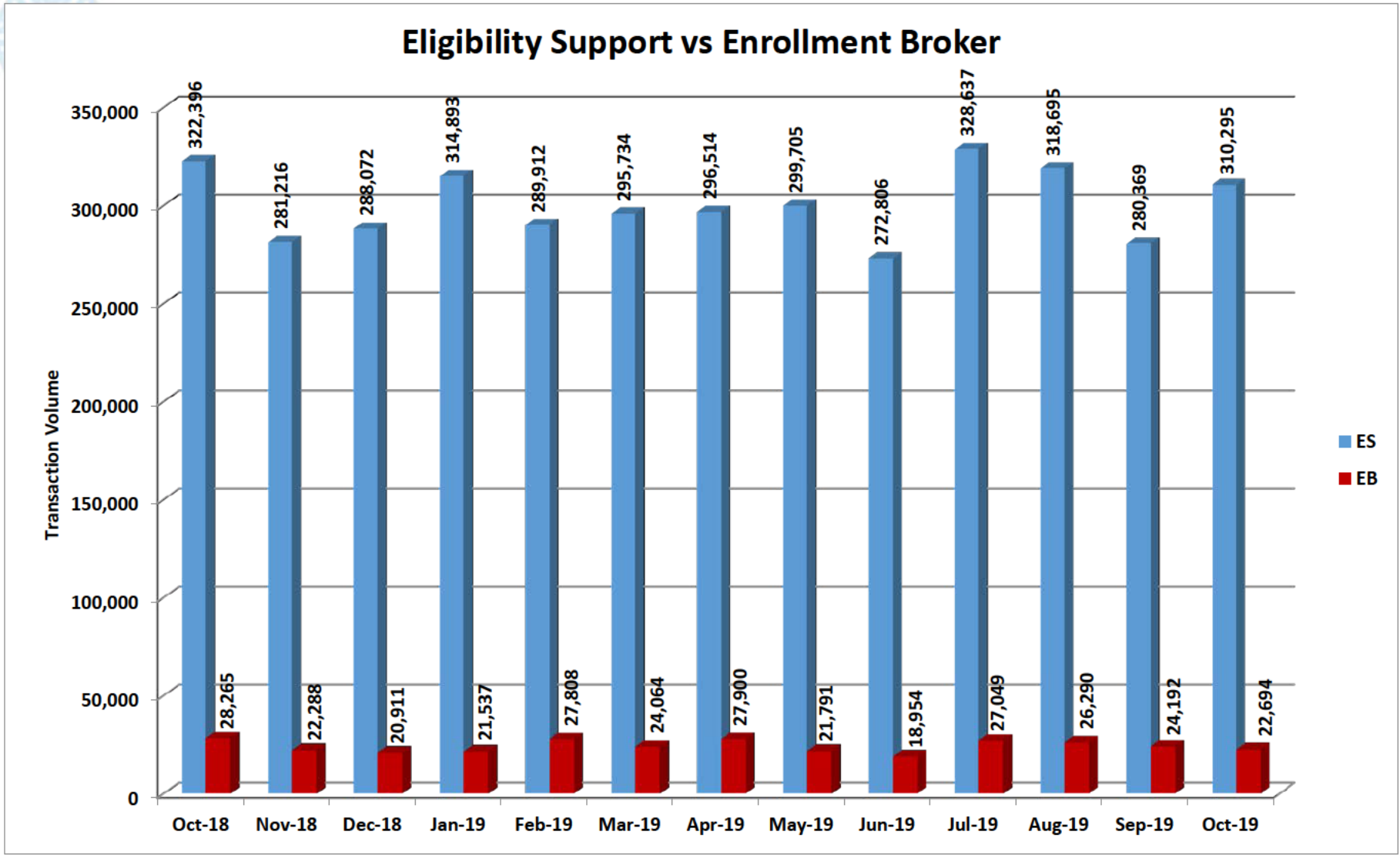


- Overall, the DPC has seen 5.04% decrease in total transaction from October 2018 to October 2019.
- October 2019 average daily transaction volume decreased by 0.60% from September 2019. Average daily transaction volume is an important measure of month-over-month volume.

ES & EB	Nov 2018	Dec 2018	Jan 2019	Feb 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019
Transaction Total	303,504	308,983	336,430	317,720	319,798	324,414	321,496	291,760	355,686	344,985	304,561	332,989
Operational Days	19	19	21	19	21	22	22	20	22	22	20	22
Average Daily Transaction	15,974	16,262	16,020	16,722	15,228	14,746	14,613	14,588	16,167	15,681	15,228	15,136

(Table 3.0 – 2019 - 2018 Average Daily Transaction Volume in given month only)

Note: *Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"*



2.0 Key Performance Requirements (KPR)



Mail Processing Timeliness KPR:

	October 1 thru October 4	Week Ending October 12	Week Ending October 19	Week Ending October 26	October 28 thru October 31	Monthly Total	KPR Compliant?
Image Only Transactions	23,054	25,518	24,122	23,671	17,425	113,790	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only Transactions	11,732	21,952	27,981	31,959	25,010	118,364	Yes
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only % within 2 Days of receipt	-	-	-	-	-	-	
Returned Mail Transactions	20,351	23,788	20,125	21,634	14,667	100,565	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	100%	

(Table 4.0 October 2019 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.

Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	August 2019	Sept 2019	Oct 2019
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

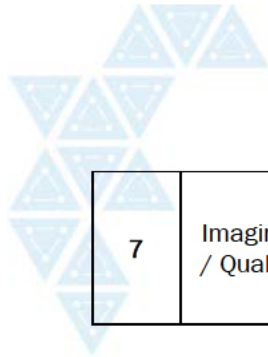
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2018 Mail processing timeliness)

Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed by followed by HHSC QA department. In the month of October, the QA sample for August 2019 was reviewed and reported. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	100%	Yes



7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.7%	Yes
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(Table 6.0 - August 2019 Quality Management Summary)

- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?

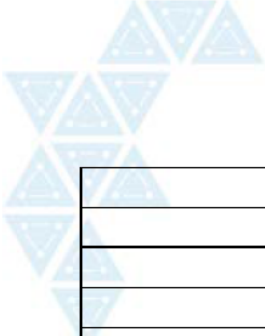
Historical data on Quality Assurance (QA) KPR:

KPR	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	April 2019	May 2019	June 2019	July 2019	Aug 2019
5	100%	100%	100%	100%	100%	100%	99.9%	100%	100%	100%	100%	100%	100%
7	99.7%	99.7%	99.7%	99.7%	99.4%	99.6%	99.8%	99.8%	99.9%	99.7%	99.8%	99.7%	99.7%

(Table 7.0 - Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in October 2019.

Document Type	Documents Sent to HHSC - October 2019
Image Only	24
Managed Care Form	87



Others	41
Returned for Postage	2
Application	45
Redetermination	11
Missing Information	38
Returned to Client	1
Misrouted Mail	64
Total	313

(Table 8.0 – October 2019 State Submission Log Summary)

3.0 Deliverable VARs & SAR Responses

Deliverable VARs

1. I10032019-550-September 2019 HUB Report VAR
2. I10032019-551-DP 023-D - Quarterly Training Completion and Status Report - July to September 2019
3. I10032019-552-DP 034 D Quarterly Updated Organization Chart - Submitted in September 2019 - VAR
4. I10092019-553-DP 137-D Monthly Financial Statements ES - September 2019 VAR
5. I10092019-554-DP 069-D Old id - DP107 - Monthly Operational Status Report - September 2019 VAR
6. I10172019-555-DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_August_2019 VAR
7. I10172019-556-KPR 17 - KPR Report September 2019 VAR
8. I11012019-557-Free Security System upgrade offered by Sonitrol VAR
9. I11062019-558-Requesting approval for replacement of the combustion fan assembly in RTU 700-12 VAR
10. I11072019-559-October 2019 HUB Report VAR

SAR Responses/VAR-SAR Follow-ups

1. I09302019B-226-Random Mail Sampling Report - September 2019
2. I09092019B-225-Document Preparation Simplification Pilot SAR – Response 2
3. I10112019B-227-Vendor Error Report - September 2019
4. I10102019-555-Men bathroom electric door issue VAR Response 1

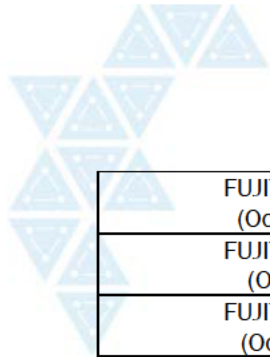


5. I10092019-554-DP 069-D Old id - DP107 - Monthly Operational Status Report - September 2019 VAR Response 1
6. I10032019-551-DP 023-D - Quarterly Training Completion and Status Report July to September 2019 - Response 1
7. I09092019B-225-Document Preparation Simplification Pilot SAR – Response 4
8. I10162019B-228-Frew Quarterly Reminder - October 2019 SAR
9. I07192019C-216-Request for copy of Fidelity Bond SAR Response 8

4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to July 2019	August 2019	September 2019	October 2019	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	8	-	-	-	8
FUJITSU # 11 (Oct 2013)	4	-	-	-	4
FUJITSU# 12 (Oct 2013)	10	-	-	-	10
FUJITSU# 13 (Oct 2013)	11	-	-	-	11
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11
FUJITSU # 16 (Oct 2013)	4	-	-	-	4
FUJITSU # 17 (Oct 2013)	6	-	-	-	6
FUJITSU # 18 (Oct 2013)	7	-	-	-	7

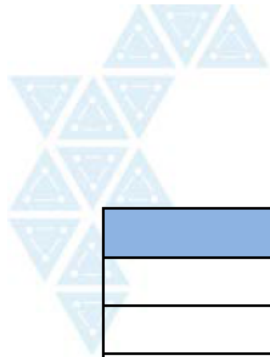


FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8
FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	7	-	-	-	7
FUJITSU # 26 (Oct 2013)	13	1	-	-	14
FUJITSU # 27 (Oct 2013)	13	-	1	-	14
FUJITSU # 28 (Oct 2013)	4	-	-	-	4
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	-	7
FUJITSU # 31 (Oct 2013)	9	-	-	-	9
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	8	-	-	-	8
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	218	1	1	-	220

(Table 9.0 – Outages and Incidents History)

5.0 DPC Staffing Summary

The table below summarizes DPC and PMO staff by end of month.

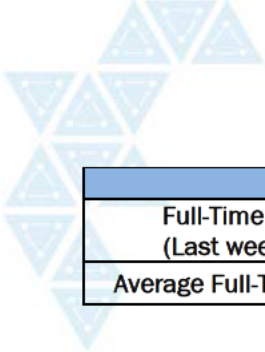


Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	18
Scan Technician	11
Data Entry Clerk/State Submissions	2
Admin. Assistant	1
Mailroom Technician/Lead	3
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	47
End of month FTE (Last Week)	38.23

(Table 10.0 – October 2019 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations and PMO Manager.

	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019
DPC Headcount Beginning Month	59	56	54	53	57	55	54	52	52	51	50	48	47
Turnover	3	2	1	1	2	1	2	0	1	1	2	1	0
New Hire	0	0	0	5	0	0	0	0	0	0	0	0	0
DPC Headcount Ending Month	56	54	53	57	55	54	52	52	51	50	48	47	47
Turnover Rate (Turnover/Beginning Headcount)	5.1%	3.7%	1.9%	1.9%	3.5%	1.9%	3.7%	0.0%	1.9%	1.9%	4.0%	2.0%	0.0%



Full-Time Equivalents (Last week of month)	46.63	47.94	50.77	37.78	49.38	49.01	44.26	40.83	43.62	45.19	40.43	39.07	38.23
Average Full-Time Equivalents	44.88	45.29	45.30	42.30	45.55	50.68	45.99	42.84	44.74	42.99	41.45	40.37	38.88

As of October 31, 2019, the DPC headcount was 47 people, which is similar to September 2019.

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*

6.0 Training Summary

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training. The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.



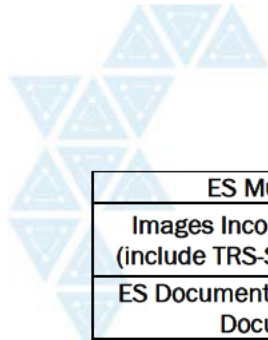
(Table 12.0 – October 2019 Training History)

Training	October 1 thru October 4	Week Ending October 12	Week Ending October 19	Week Ending October 26	October 28 thru October 31	Monthly Total
Coaching on DP Issues	-	18	-	-	-	18
Coaching on SO Issues	-	11	-	-	-	11
October 2019 Vendor Error Review with Scan Staff	-	11	-	-	-	11
Total	-	40	-	-	-	40

7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019
EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-



ES Multi-client	14	12	20	11	10	16	13	19	10	17	17	10	14
Images Incorrectly Scanned (include TRS-SAVERR Imaging)	5	8	11	5	6	1	1	5	10	8	7	84*	8
ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-
Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	-	2	-	-	-	-	1	-	-	-	-	-	1
Document prepped incorrectly	16	12	9	8	11	19	18	20	17	11	16	7	12
Total	35	34	40	24	27	36	33	44	37	36	40	101	35

(Table 13.0 -2018-2019 Vendor Errors)

*See VAR# I10092019-554 - DP 069-D Old id - DP107 - Monthly Operational Status Report - September 2019 -Response 3 for details.

8.0 Issues and Risks

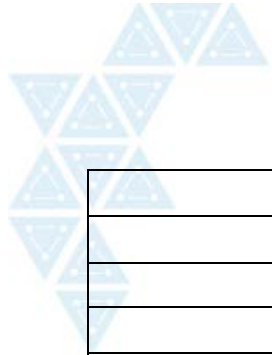
No Issues or Risks to report.

9.0 System/Process Initiatives

No initiatives to report.

10.0 Appendix A

Activities	Count for Month of October 2019
Contaminated Mail	10



Original Returned to client	144
EBT Cards	6
Monthly Payments Handled	252
Total Voter Registration Cards Sent to BI	9 Boxes
Total BRM Envelopes Sent to BI	

(Table 14.0 - October 2019 Miscellaneous Monthly Activities)



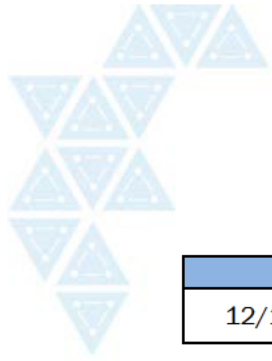
Monthly Operational Status Report – November 2019 (Version 0.1)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 12/12/2019

Issued To:

Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
12/11/2019	0.1	Initial Report	



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DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **November 2019**. Operational deliverables have been completed and submitted to HHSC on time.



1.0 DPC Production Summary

For November 2019, the DPC received and processed **284,073** transactions for both ES and EB programs.

Program	November 1		Week Ending November 9		Week Ending November 16		Week Ending November 23		Week Ending November 30		Total	
	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	11,302	653	61,082	4,362	69,105	4,564	80,641	4,770	44,637	2,957	266,767	17,306
Total Transactions	11,955		65,444		73,669		85,411		47,594		284,073	

(Table 1.0 – November 2019 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for November 2019													
		November 1		Week Ending November 9		Week Ending November 16		Week Ending November 23		Week Ending November 30		Monthly Total	
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	276	841	2,000	6,043	2,130	6,444	2,343	7,088	1,418	4,081	8,167	24,497
EB	EB Forms	377	1,366	2,362	8,694	2,434	9,054	2,427	8,921	1,539	5,588	9,139	33,623
EB	EB MCL	-	-	-	-	-	-	-	-	-	-	-	-
EB Trans/Images Subtotal		653	2,207	4,362	14,737	4,564	15,498	4,770	16,009	2,957	9,669	17,306	58,120
Percent of Subtotal by Week		3.77%	3.80%	25.21%	25.36%	26.37%	26.67%	27.56%	27.54%	17.09%	16.64%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	448	10,456	2,764	71,014	2,670	68,613	2,944	72,212	1,874	53,100	10,700	275,395
ES	ES AutoRoute	11	480	36	335	40	455	38	269	35	315	160	1,854
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	4,810	75,536	23,907	358,056	19,646	299,760	26,769	412,995	15,832	247,609	90,964	1,393,956
ES	ES Missing Information	879	7,405	4,648	40,190	4,085	34,774	6,878	54,860	3,943	32,605	20,433	169,834
ES	ES Other-Changes	80	478	904	5,364	595	3,316	784	4,534	635	3,826	2,998	17,518
ES	ES Re-Determination	1,821	27,911	9,071	147,072	13,142	210,416	17,237	271,340	8,738	134,598	50,009	791,337
ES	ES Returned Mail	3,184	31,619	19,419	189,582	28,190	276,793	25,258	264,692	13,307	138,324	89,358	901,010
ES	ES WHP	69	404	333	1,636	737	3,423	733	3,452	273	1,385	2,145	10,300
ES Trans/Images Subtotal		11,302	154,289	61,082	813,249	69,105	897,550	80,641	1,084,354	44,637	611,762	266,767	3,561,204
Percent of Subtotal by Week		4.24%	4.33%	22.90%	22.84%	25.90%	25.20%	30.23%	30.45%	16.73%	17.18%	100.00%	100.00%
Total All Job Types		11,955	156,496	65,444	827,986	73,669	913,048	85,411	1,100,363	47,594	621,431	284,073	3,619,324
Percent of Total by Week		4.21%	4.32%	23.04%	22.88%	25.93%	25.23%	30.07%	30.40%	16.75%	17.17%	100.00%	100.00%

(Table 2.0 November 2019 – Total Transactions)

Trends by Mail Type

- Overall, the DPC has seen 6.40% decrease in total transaction from November 2018 to November 2019.

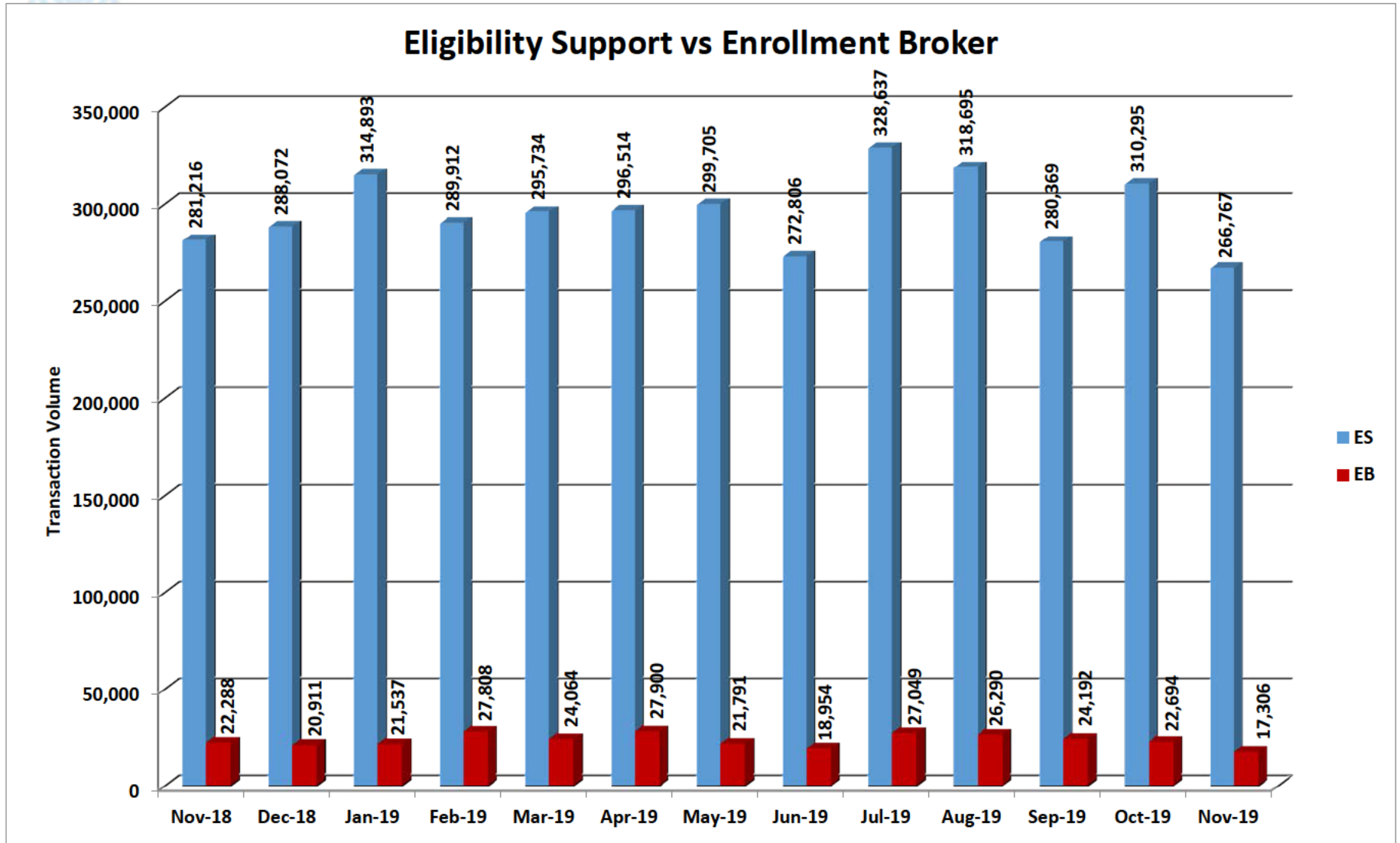


- November 2019 average daily transaction volume increased by 4.27% from October 2019. Average daily transaction volume is an important measure of month-over-month volume.

ES & EB	Dec 2018	Jan 2019	Feb 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019
Transaction Total	308,983	336,430	317,720	319,798	324,414	321,496	291,760	355,686	344,985	304,561	332,989	284,073
Operational Days	19	21	19	21	22	22	20	22	22	20	22	18
Average Daily Transaction	16,262	16,020	16,722	15,228	14,746	14,613	14,588	16,167	15,681	15,228	15,136	15,782

(Table 3.0 – 2019 - 2018 Average Daily Transaction Volume in given month only)

Note: *Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"*



2.0 Key Performance Requirements (KPR)



Mail Processing Timeliness KPR:

	November 1	Week Ending November 9	Week Ending November 16	Week Ending November 23	Week Ending November 30	Monthly Total	KPR Compliant?
Image Only Transactions	4,810	23,907	19,646	26,769	15,832	90,964	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only Transactions	3,961	22,118	25,833	33,384	18,455	103,751	Yes
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only % within 2 Days of receipt	-	-	-	-	-	-	
Returned Mail Transactions	3,184	19,419	28,190	25,258	13,307	89,358	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	100%	

(Table 4.0 November 2019 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.

Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	August 2019	Sept 2019	Oct 2019	Nov 2019
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

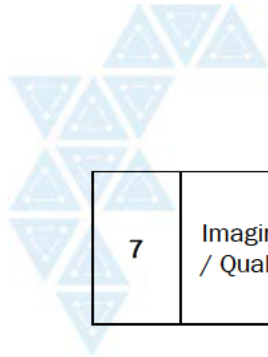
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2018 Mail processing timeliness)

Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed by followed by HHSC QA department. In the month of November, the QA sample for September 2019 was reviewed and reported. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	100%	Yes



7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.5%	Yes
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(Table 6.0 - September 2019 Quality Management Summary)

- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?

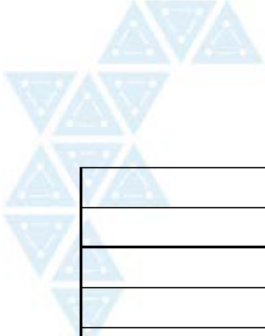
Historical data on Quality Assurance (QA) KPR:

KPR	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	April 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019
5	100%	100%	100%	100%	100%	99.9%	100%	100%	100%	100%	100%	100%	100%
7	99.7%	99.7%	99.7%	99.4%	99.6%	99.8%	99.8%	99.9%	99.7%	99.8%	99.7%	99.7%	99.5%

(Table 7.0 - Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in November 2019.

Document Type	Documents Sent to HHSC – November 2019
Image Only	103
Managed Care Form	66



Others	26
Returned for Postage	1
Application	46
Redetermination	14
Missing Information	41
Returned to Client	1
Returned Mail	3
Misrouted Mail	46
Total	347

(Table 8.0 – November 2019 State Submission Log Summary)

3.0 Deliverable VARs & SAR Responses

Deliverable VARs

1. I11012019-557 - Free Security System upgrade offered by Sonitrol VAR
2. I11062019-558 - Requesting approval for replacement of the combustion fan assembly in RTU 700-12 VAR
3. I11072019-559 - October 2019 HUB Report VAR
4. I11132019-560 - DP 137-D Monthly Financial Statements ES - October 2019 VAR
5. I11132019-561 - DP 069-D Old id - DP107 - Monthly Operational Status Report - October 2019 VAR
6. I11132019-562 - DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_September_2019 VAR
7. I11182019-563 - KPR 17 - KPR Report October 2019 VAR
8. I11192019-564 - DP 109-D- KPR 20 Annual Operations Turnover Plan 2019
9. I11202019-565 - DP 120-D- KPR 21 Annual Facilities and Business Structure Turnover plan 2019
10. I11222019-566 - 2019 Allowable Cost Report Deliverable - 09.01.2018 to 08.31.2019 VAR
11. I11222019-567 - DP 139 D Annual Financial Statement 009.01.2018 to 08.31.2019 VAR
12. I11222019-568 - DP 140 Income Statement 09.01.2018 to 08.31.2019 VAR

SAR Responses/VAR-SAR Follow-ups

1. I09302019B-226 - Random Mail Sampling Report - September 2019
2. I09092019B-225 - Document Preparation Simplification Pilot SAR – Response 2
3. I10112019B-227 – Vendor Error Report - September 2019

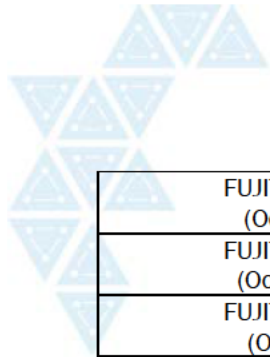


4. I10102019-555 - Men bathroom electric door issue VAR Response 1
5. I10092019-554 - DP 069-D Old id - DP107 - Monthly Operational Status Report - September 2019 VAR Response 1
6. I10032019-551 - DP 023-D - Quarterly Training Completion and Status Report July to September 2019 Response 1
7. I09092019B-225 - Document Preparation Simplification Pilot SAR – Response 4
8. I10162019B-228 - Frew Quarterly Reminder - October 2019 SAR
9. I07192019C-216 - Request for copy of Fidelity Bond SAR Response 8

4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to August 2019	September 2019	October 2019	November 2019	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	8	-	-	-	8
FUJITSU # 11 (Oct 2013)	4	-	-	-	4
FUJITSU# 12 (Oct 2013)	10	-	-	-	10
FUJITSU# 13 (Oct 2013)	11	-	-	-	11
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11
FUJITSU # 16 (Oct 2013)	4	-	-	-	4
FUJITSU # 17 (Oct 2013)	6	-	-	-	6



FUJITSU # 18 (Oct 2013)	7	-	-	-	7
FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8
FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	7	-	-	-	7
FUJITSU # 26 (Oct 2013)	14	-	-	-	14
FUJITSU # 27 (Oct 2013)	13	1	-	-	14
FUJITSU # 28 (Oct 2013)	4	-	-	1	5
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	-	7
FUJITSU # 31 (Oct 2013)	9	-	-	-	9
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	8	-	-	-	8
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	219	1	-	1	221

(Table 9.0 – Outages and Incidents History)



5.0 DPC Staffing Summary

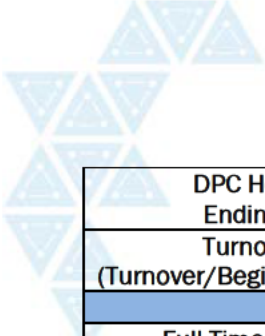
The table below summarizes DPC and PMO staff by end of month.

Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	18
Scan Technician	11
Data Entry Clerk/State Submissions	2
Admin. Assistant	1
Mailroom Technician/Lead	3
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	47
End of month FTE (Last Week)	38.53

(Table 10.0 – November 2019 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations and PMO Manager.

	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019
DPC Headcount Beginning Month	56	54	53	57	55	54	52	52	51	50	48	47	47
Turnover	2	1	1	2	1	2	0	1	1	2	1	0	0
New Hire	0	0	5	0	0	0	0	0	0	0	0	0	0



DPC Headcount Ending Month	54	53	57	55	54	52	52	51	50	48	47	47	47
Turnover Rate (Turnover/Beginning Headcount)	3.7%	1.9%	1.9%	3.5%	1.9%	3.7%	0.0%	1.9%	1.9%	4.0%	2.0%	0.0%	0.0%
Full-Time Equivalents (Last week of month)	47.94	50.77	37.78	49.38	49.01	44.26	40.83	43.62	45.19	40.43	39.07	38.23	38.53
Average Full-Time Equivalents	45.29	45.30	42.30	45.55	50.68	45.99	42.84	44.74	42.99	41.45	40.37	38.88	39.20

As of November 30, 2019, the DPC headcount was 47 people, which is similar to October 2019.

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*

6.0 Training Summary

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training.

The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.



(Table 12.0 – November 2019 Training History)

Training	November 1	Week Ending November 9	Week Ending November 16	Week Ending November 23	Week Ending November 30	Monthly Total
Remedial: IEVS Envelope in mail	-	-	-	-	47	47
Coaching on DP Issues	-	16	-	-	-	16
Coaching on SO Issues	-	-	-	12	-	12
November 2019 Vendor Error Review with Scan Staff	-	-	-	12	-	12
Total	-	16	-	24	47	87

7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019
EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-
ES Multi-client	12	20	11	10	16	13	19	10	17	17	10	14	32

Images Incorrectly Scanned (include TRS-SAVERR Imaging)	8	11	5	6	1	1	5	10	8	7	84	8	120*
ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-
Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	2	-	-	-	-	1	-	-	-	-	-	1	-
Document prepped incorrectly	12	9	8	11	19	18	20	17	11	16	7	12	3
Total	34	40	24	27	36	33	44	37	36	40	101	35	155

(Table 13.0 - 2018-2019 Vendor Errors)

**On November 18, 2019 a scan operator selected a wrong receipt for 120 transactions. All scan staff were promptly coached on the matter to always check the receipt date on scan panel before saving the batch.*

8.0 Issues and Risks

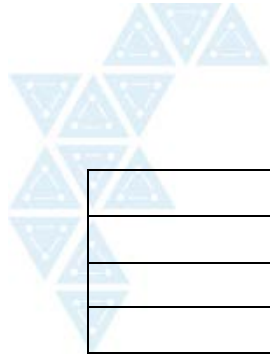
No Issues or Risks to report.

9.0 System/Process Initiatives

No initiatives to report.

10.0 Appendix A

Activities	Count for Month of November 2019
Contaminated Mail	6



Original Returned to client	102
EBT Cards	6
Monthly Payments Handled	182
Total Voter Registration Cards Sent to BI	11 Boxes
Total BRM Envelopes Sent to BI	

(Table 14.0 - November 2019 Miscellaneous Monthly Activities)



Monthly Operational Status Report – December 2019 (Version 0.2)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 01/15/2020

Issued To:

Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
01/13/2020	0.1	Initial Report	
01/15/2020	0.2	Updated per SAR Response	



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DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **December 2019**. Operational deliverables have been completed and submitted to HHSC on time.



1.0 DPC Production Summary

For December 2019, the DPC received and processed **294,715** transactions for both ES and EB programs.

Program	Week Ending December 7		Week Ending December 14		Week Ending December 21		Week Ending December 28		December 30 thru December 31		Total	
	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	65,872	5,029	65,310	4,327	72,962	4,811	49,804	3,114	21,219	2,267	275,167	19,548
Total Transactions	70,901		69,637		77,773		52,918		23,486		294,715	

(Table 1.0 – December 2019 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for December 2019

		Week Ending December 7		Week Ending December 14		Week Ending December 21		Week Ending December 28		December 30 thru December 31		Monthly Total	
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	2,344	7,039	2,128	6,410	2,523	7,712	1,442	4,358	1,097	3,392	9,534	28,911
EB	EB Forms	2,685	9,829	2,199	7,955	2,288	8,233	1,672	6,184	1,170	4,300	10,014	36,501
EB	EB MCL	-	-	-	-	-	-	-	-	-	-	-	-
EB Trans/Images Subtotal		5,029	16,868	4,327	14,365	4,811	15,945	3,114	10,542	2,267	7,692	19,548	65,412
Percent of Subtotal by Week		25.73%	25.79%	22.14%	21.96%	24.61%	24.38%	15.93%	16.12%	11.60%	11.76%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	3,458	86,327	2,736	71,218	2,785	69,994	1,966	58,322	795	19,015	11,740	304,876
ES	ES AutoRoute	31	268	44	448	48	483	24	560	-	-	147	1,759
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	20,580	324,090	27,493	415,021	24,492	379,384	14,891	239,739	1,860	31,805	89,316	1,390,039
ES	ES Missing Information	5,743	49,332	4,243	33,205	6,666	54,283	5,543	49,495	2,564	22,039	24,759	208,354
ES	ES Other-Changes	843	4,665	679	3,940	561	3,374	738	4,272	168	882	2,989	17,133
ES	ES Re-Determination	12,830	213,453	12,232	201,230	16,823	268,421	11,182	177,640	4,667	73,536	57,734	934,280
ES	ES Returned Mail	21,965	211,686	17,066	161,689	20,928	217,015	15,153	159,375	11,047	109,397	86,159	859,162
ES	ES WHP	422	2,146	817	3,876	659	3,165	307	1,690	118	632	2,323	11,509
ES Trans/Images Subtotal		65,872	891,967	65,310	890,627	72,962	996,119	49,804	691,093	21,219	257,306	275,167	3,727,112
Percent of Subtotal by Week		23.94%	23.93%	23.73%	23.90%	26.52%	26.73%	18.10%	18.54%	7.71%	6.90%	100.00%	100.00%
Total All Job Types		70,901	908,835	69,637	904,992	77,773	1,012,064	52,918	701,635	23,486	264,998	294,715	3,792,524
Percent of Total by Week		24.06%	23.96%	23.63%	23.86%	26.39%	26.69%	17.96%	18.50%	7.97%	6.99%	100.00%	100.00%

(Table 2.0 December 2019 – Total Transactions)

Trends by Mail Type

- Overall, the DPC has seen 4.62% decrease in total transaction from December 2018 to December 2019.



- December 2019 average daily transaction volume decreased by 11.08% from November 2019. Average daily transaction volume is an important measure of month-over-month volume.

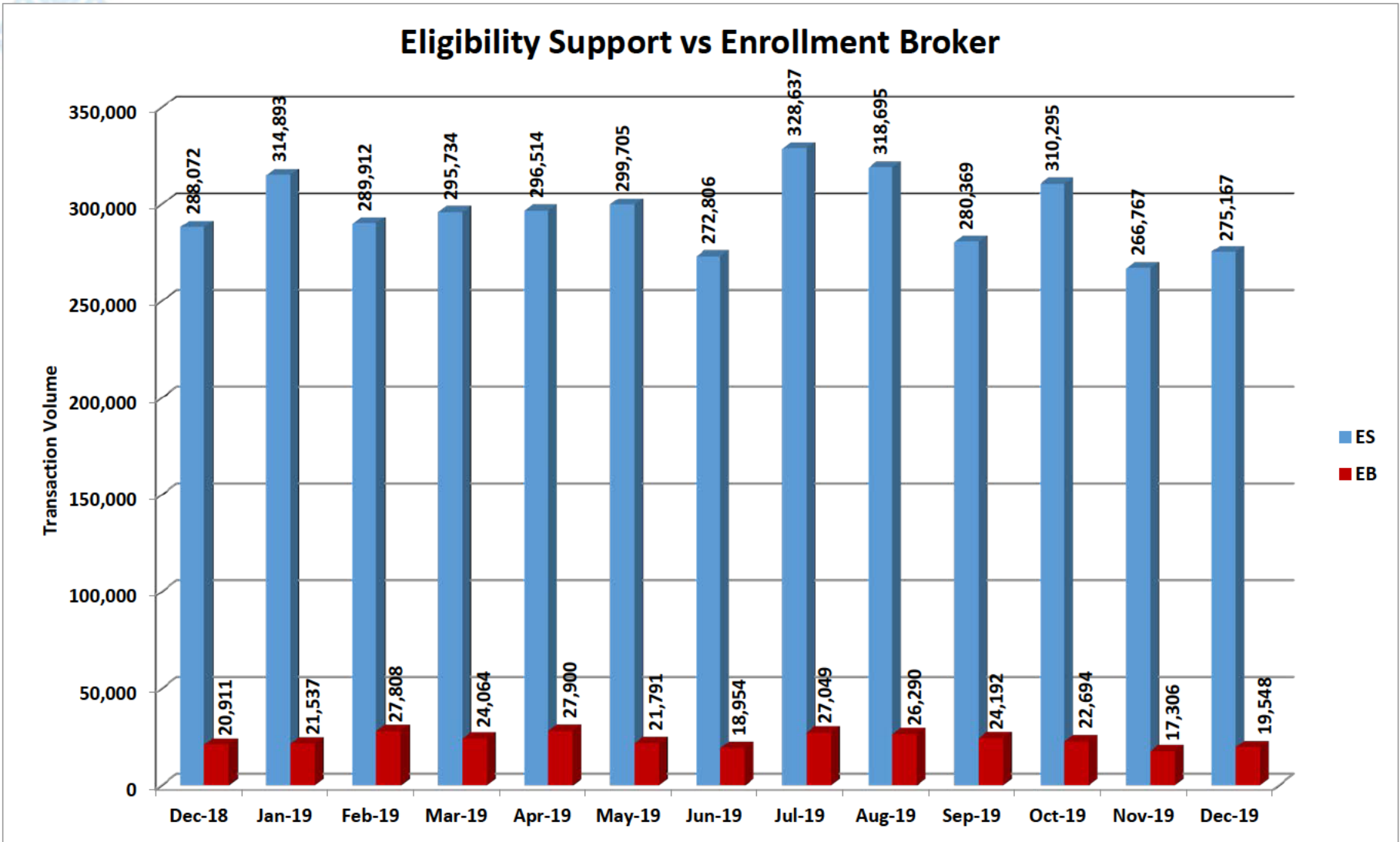
ES & EB	Jan 2019	Feb 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019
Transaction Total	336,430	317,720	319,798	324,414	321,496	291,760	355,686	344,985	304,561	332,989	284,073	294,715
Operational Days	21	19	21	22	22	20	22	22	20	22	18	21
Average Daily Transaction	16,020	16,722	15,228	14,746	14,613	14,588	16,167	15,681	15,228	15,136	15,782	14,034

(Table 3.0 – 2019 - 2018 Average Daily Transaction Volume in given month only)

Note: *Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"*



Eligibility Support vs Enrollment Broker



2.0 Key Performance Requirements (KPR)



Mail Processing Timeliness KPR:

	Week Ending December 7	Week Ending December 14	Week Ending December 21	Week Ending December 28	December 30 thru December 31	Monthly Total	KPR Compliant?
Image Only Transactions	20,580	27,493	24,492	14,891	1,860	89,316	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only Transactions	28,356	25,078	32,353	22,874	10,579	119,240	Yes
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only % within 2 Days of receipt	-	-	-	-	-	-	
Returned Mail Transactions	21,965	17,066	20,928	15,153	11,047	86,159	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	100%	

(Table 4.0 December 2019 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.

Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	August 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

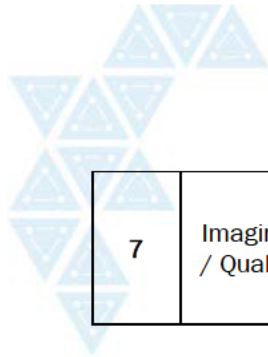
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2018 Mail processing timeliness)

Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed by followed by HHSC QA department. In the month of December, the QA sample for October 2019 was reviewed and reported. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	100%	Yes



7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.7%	Yes
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(Table 6.0 - October 2019 Quality Management Summary)

- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?

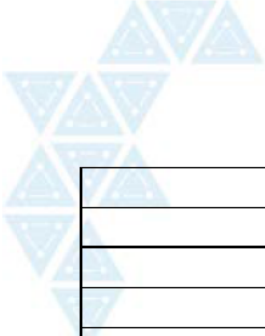
Historical data on Quality Assurance (QA) KPR:

KPR	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	April 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019
5	100%	100%	100%	100%	99.9%	100%	100%	100%	100%	100%	100%	100%	100%
7	99.7%	99.7%	99.4%	99.6%	99.8%	99.8%	99.9%	99.7%	99.8%	99.7%	99.7%	99.5%	99.7%

(Table 7.0 - Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in December 2019.

Document Type	Documents Sent to HHSC – December 2019
Image Only	50
Managed Care Form	99



Misrouted Mail	78
Others	18
Application	31
Redetermination	17
Missing Information	73
Returned Mail	13
Returned to Client	3
Changes	1
Total	383

(Table 8.0 – December 2019 State Submission Log Summary)

3.0 Deliverable VARs & SAR Responses

Deliverable VARs

1. I12062019-569-November 2019 HUB Report VAR
2. I12102019-570-DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_October_2019 VAR
3. I12102019-571-DP 069-D Old id - DP107 - Monthly Operational Status Report - November 2019 VAR
4. I12132019-572-DP 137-D Monthly Financial Statements ES - November 2019 VAR
5. I12132019-573-DP 088 (Old DP 127) Annual Quality Management Plan VAR
6. I12162019-574-KPR 17 - KPR Report November 2019 VAR
7. I12192019-575-Requesting approval for RTU 12 Disconnect Replacement VAR

SAR Responses/VAR-SAR Follow-ups

1. I07192019C-216-Request for copy of Fidelity Bond SAR Response 12
2. I11262019B-232-HHSC Federal Tax Information Process Update SAR
3. I11182019C-231-Request for Maximum Costs for Upcoming Operational Year Response 2-Corrected
4. I12022019B-233-Random Mail Sampling Report SAR - November 2019
5. I12052019B-234-Vendor Error Report - November 2019 SAR
6. I11192019-564-DP 109-D- KPR 20 Annual Operations Turnover Plan 2019 – Response 1
7. I07192019C-216-Request for copy of Fidelity Bond SAR Response 14
8. I11202019-565-DP 120-D- KPR 21 Annual Facilities and Business Structure Turnover plan 2019 - Response 1

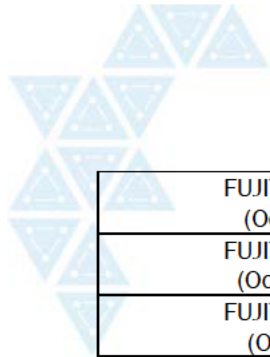


9. I07192019C-216-Request for copy of Fidelity Bond SAR - Response 16

4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to September 2019	October 2019	November 2019	December 2019	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	8	-	-	-	8
FUJITSU # 11 (Oct 2013)	4	-	-	-	4
FUJITSU# 12 (Oct 2013)	10	-	-	-	10
FUJITSU# 13 (Oct 2013)	11	-	-	-	11
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11
FUJITSU # 16 (Oct 2013)	4	-	-	-	4
FUJITSU # 17 (Oct 2013)	6	-	-	-	6



FUJITSU # 18 (Oct 2013)	7	-	-	-	7
FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8
FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	7	-	-	-	7
FUJITSU # 26 (Oct 2013)	14	-	-	-	14
FUJITSU # 27 (Oct 2013)	14	-	-	-	14
FUJITSU # 28 (Oct 2013)	4	-	1	-	5
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	-	7
FUJITSU # 31 (Oct 2013)	9	-	-	-	9
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	8	-	-	-	8
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	220	-	1	-	221

(Table 9.0 – Outages and Incidents History)



5.0 DPC Staffing Summary

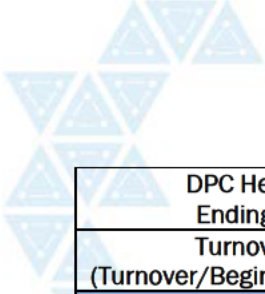
The table below summarizes DPC and PMO staff by end of month.

Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	23
Scan Technician	10
Data Entry Clerk/State Submissions	2
Admin. Assistant	1
Mailroom Technician/Lead	3
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	51
End of month FTE (Last Week)	38.45

(Table 10.0 – December 2019 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations and PMO Manager.

	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019
DPC Headcount Beginning Month	54	53	57	55	54	52	52	51	50	48	47	47	47
Turnover	1	1	2	1	2	0	1	1	2	1	0	0	1
New Hire	0	5	0	0	0	0	0	0	0	0	0	0	5



DPC Headcount Ending Month	53	57	55	54	52	52	51	50	48	47	47	47	51
Turnover Rate (Turnover/Beginning Headcount)	1.9%	1.9%	3.5%	1.9%	3.7%	0.0%	1.9%	1.9%	4.0%	2.0%	0.0%	0.0%	2.1%
Full-Time Equivalents (Last week of month)	50.77	37.78	49.38	49.01	44.26	40.83	43.62	45.19	40.43	39.07	38.23	38.53	38.45
Average Full-Time Equivalents	45.30	42.30	45.55	50.68	45.99	42.84	44.74	42.99	41.45	40.37	38.88	39.20	42.97

As of December 31, 2019, the DPC headcount was 51 people, which is 8.5% greater to November 2019.

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*

6.0 Training Summary

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training. The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.



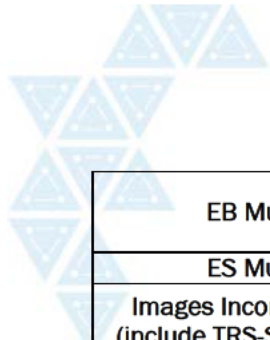
(Table 12.0 – December 2019 Training History)

Training	Week Ending December 7	Week Ending December 14	Week Ending December 21	Week Ending December 28	December 30 thru December 31	Monthly Total
November 2019 Vendor Error Review with Prep Staff	10	-	-	-	-	10
PMT	5	-	-	-	-	5
DP Live Mail	5	-	-	-	-	5
On the Job Training	10	25	-	-	-	35
Coaching on DP Issues	-	-	12	-	12	24
Coaching on SO Issues	-	-	12	-	-	12
Total	30	25	24	-	12	91

7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019



EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-
ES Multi-client	20	11	10	16	13	19	10	17	17	10	14	32	36
Images Incorrectly Scanned (include TRS-SAVERR Imaging)	11	5	6	1	1	5	10	8	7	84	8	120*	73*
ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-
Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	-	-	-	-	1	-	-	-	-	-	1	-	-
Document prepped incorrectly	9	8	11	19	18	20	17	11	16	7	12	3	3
Total	40	24	27	36	33	44	37	36	40	101	35	155	112

(Table 13.0 - 2018-2019 Vendor Errors)

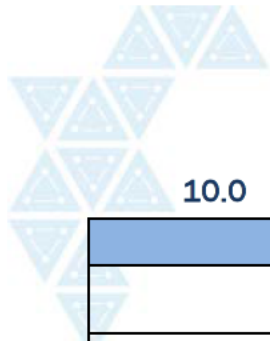
**On December 4, 2019 a scan operator selected a wrong receipt date for 11 transactions. On December 19, 2019 a scan operator selected a wrong receipt date for 62 transactions. All scan staff were promptly coached on the matter to always check the receipt date on scan panel before saving the batch.*

8.0 Issues and Risks

No Issues or Risks to report.

9.0 System/Process Initiatives

No initiatives to report.



10.0 Appendix A

Activities	Count for Month of December 2019
Contaminated Mail	8
Original Returned to client	120
EBT Cards	8
Monthly Payments Handled	222
Total Voter Registration Cards Sent to BI	9 Boxes
Total BRM Envelopes Sent to BI	

(Table 14.0 – December 2019 Miscellaneous Monthly Activities)



Monthly Operational Status Report – January 2020

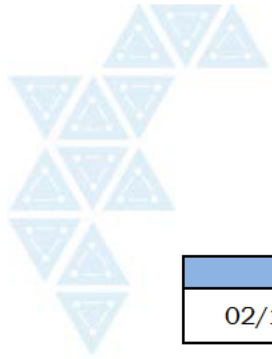
(Version 0.1)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 02/12/2020

Issued To:

Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
02/12/2020	0.1	Initial Report	



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DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **January 2020**. Operational deliverables have been completed and submitted to HHSC on time.

1.0 DPC Production Summary

For January 2020, the DPC received and processed **328,338** transactions for both ES and EB programs.

Program	January 1 thru January 3		Week Ending January 11		Week Ending January 18		Week Ending January 25		January 27 thru January 31		Total	
	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	17,657	2,340	66,387	4,796	78,753	3,345	70,090	5,589	72,757	6,624	305,644	22,694
Total Transactions	19,997		71,183		82,098		75,679		79,381		328,338	

(Table 1.0 - January 2020 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for January 2020

		January 1 thru January 3		Week Ending January 11		Week ending January 18		Week Ending January 25		January 27 thru January 31		Monthly Total	
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	955	2,949	2,259	6,919	1,844	5,562	2,398	7,218	2,947	8,905	10,403	31,553
EB	EB Forms	1,385	5,089	2,537	9,280	1,501	5,448	3,191	11,502	3,677	13,313	12,291	44,632
EB	EB MCL	-	-	-	-	-	-	-	-	-	-	-	-
EB Trans/Images Subtotal		2,340	8,038	4,796	16,199	3,345	11,010	5,589	18,720	6,624	22,218	22,694	76,185
Percent of Subtotal by Week		10.31%	10.55%	21.13%	21.26%	14.74%	14.45%	24.63%	24.57%	29.19%	29.16%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	974	23,973	2,366	61,848	4,105	85,994	3,280	73,909	3,623	90,149	14,348	335,873
ES	ES AutoRoute	8	59	42	758	44	391	36	383	53	919	183	2,510
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	3,020	47,014	24,087	359,514	29,282	446,785	22,074	350,181	26,840	405,248	105,303	1,608,742
ES	ES Missing Information	2,098	18,843	4,662	42,006	4,568	40,891	8,026	62,477	7,639	66,591	26,993	230,808
ES	ES Other-Changes	343	1,824	816	4,155	1,039	5,428	777	4,261	852	5,155	3,827	20,823
ES	ES Re-Determination	4,182	70,924	11,897	203,210	17,124	277,547	14,618	229,996	13,714	215,408	61,535	997,085
ES	ES Returned Mail	6,920	70,291	22,216	213,890	21,675	215,875	20,460	209,767	19,526	194,087	90,797	903,910
ES	ES WHP	112	577	301	1,606	916	4,238	819	3,906	510	2,589	2,658	12,916
ES Trans/Images Subtotal		17,657	233,505	66,387	886,987	78,753	1,077,149	70,090	934,880	72,757	980,146	305,644	4,112,667
Percent of Subtotal by Week		5.78%	5.68%	21.72%	21.57%	25.77%	26.19%	22.93%	22.73%	23.80%	23.83%	100.00%	100.00%
Total All Job Types		19,997	241,543	71,183	903,186	82,098	1,088,159	75,679	953,600	79,381	1,002,364	328,338	4,188,852
Percent of Total by Week		6.09%	5.77%	21.68%	21.56%	25.00%	25.98%	23.05%	22.77%	24.18%	23.93%	100.00%	100.00%

(Table 2.0 January 2020 – Total Transactions)

Trends by Mail Type

- Overall, the DPC has seen 2.41% decrease in total transaction from January 2019 to January 2020.

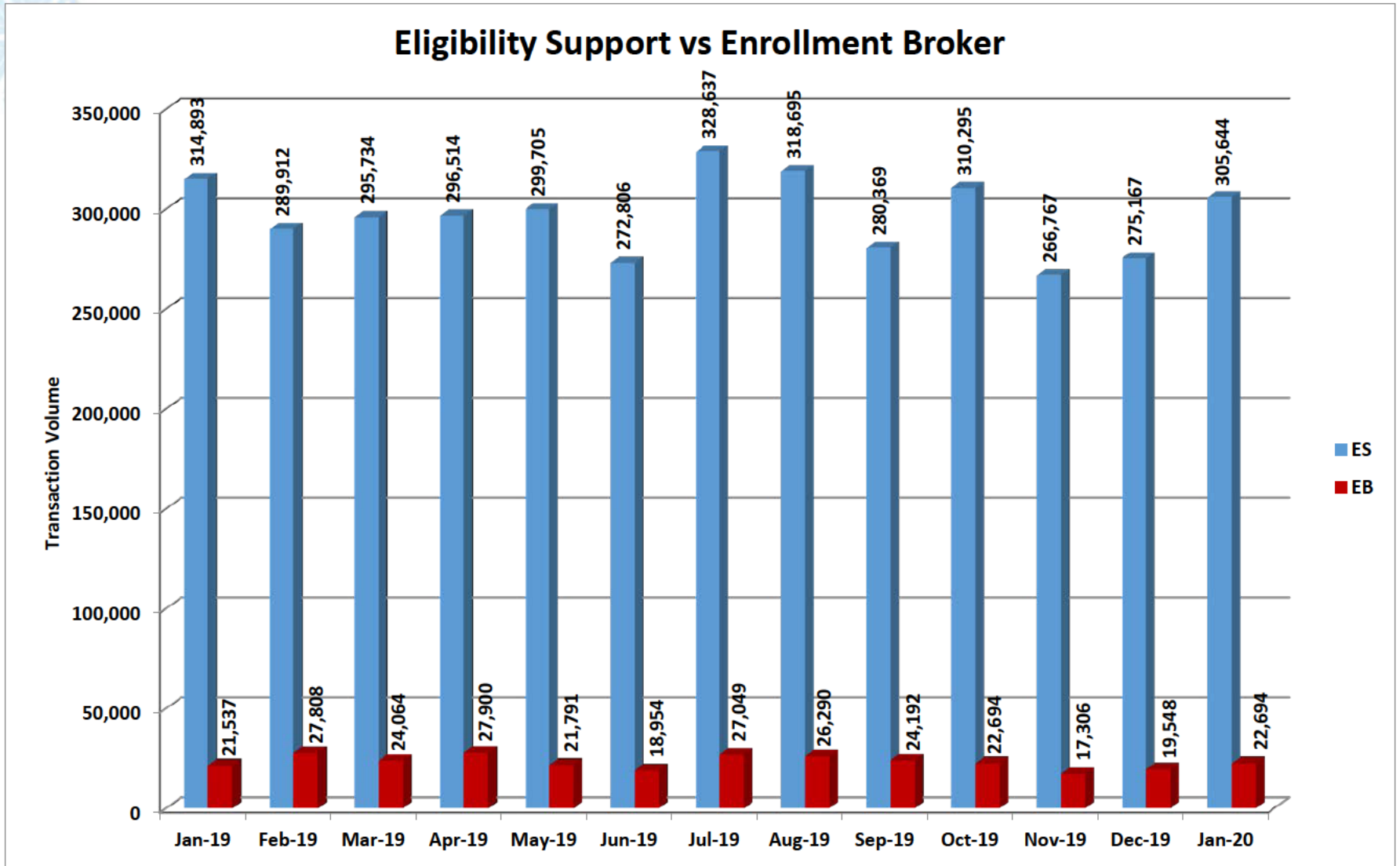


- January 2020 average daily transaction volume increased by 11.41% from December 2019. Average daily transaction volume is an important measure of month-over-month volume.

ES & EB	Feb 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	January 2020
Transaction Total	317,720	319,798	324,414	321,496	291,760	355,686	344,985	304,561	332,989	284,073	294,715	328,338
Operational Days	19	21	22	22	20	22	22	20	22	18	21	21
Average Daily Transaction	16,722	15,228	14,746	14,613	14,588	16,167	15,681	15,228	15,136	15,782	14,034	15,635

(Table 3.0 – 2019 - 2020 Average Daily Transaction Volume in given month only)

Note: Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"



2.0 Key Performance Requirements (KPR)



Mail Processing Timeliness KPR:

	January 1 thru January 3	Week ending January 11	Week Ending January 18	Week Ending January 25	January 27 thru January 31	Monthly Total	KPR Compliant?
Image Only Transactions	3,020	24,087	29,282	22,074	26,840	105,303	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only Transactions	10,057	24,880	31,141	33,145	33,015	132,238	Yes
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only % within 2 Days of receipt	-	-	-	-	-	-	
Returned Mail Transactions	6,920	22,216	21,675	20,460	19,526	90,797	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	100%	

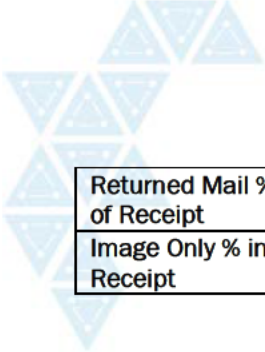
(Table 4.0 January 2020 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.

Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	August 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



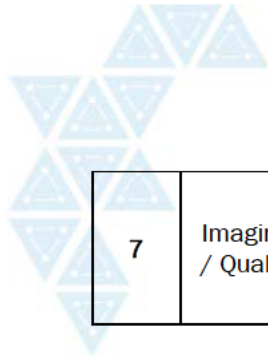
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2020 Mail processing timeliness)

Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed by followed by HHSC QA department. In the month of January 2020, the QA sample for November 2019 was reviewed and reported. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	100%	Yes



7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.8%	Yes
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(Table 6.0 - November 2019 Quality Management Summary)

- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?

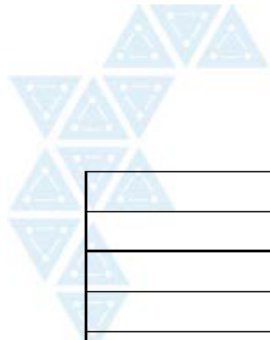
Historical data on Quality Assurance (QA) KPR:

KPR	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	April 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019
5	100%	100%	100%	99.9%	100%	100%	100%	100%	100%	100%	100%	100%	100%
7	99.7%	99.4%	99.6%	99.8%	99.8%	99.9%	99.7%	99.8%	99.7%	99.7%	99.5%	99.7%	99.8%

(Table 7.0 - Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in January 2020.

Document Type	Documents Sent to HHSC - January 2020
Image Only	147
Managed Care Form	122



Misrouted Mail	65
Others	56
Application	46
Redetermination	16
Missing Information	48
Returned Mail	21
Returned to Client	6
Changes	1
Total	528

(Table 8.0 – January 2020 State Submission Log Summary)

3.0 Deliverable VARs & SAR Responses

Deliverable VARs

1. I01022020-576 - (DP 083-D) KPR9 Annual BCDR Plan Jan 2020 VAR
2. I01062020-577 - DP 034 D Quarterly Updated Organization Chart - Submitted in January 2020 - VAR
3. I01072020-578 - December 2019 HUB Report VAR -
4. I01092020-579 - DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_November_2019 VAR
5. I01092020-580 - Request for back-up UPS for DPC at Kramer VAR
6. I01102020-581 - DP 137-D Monthly Financial Statements ES - December 2019 VAR
7. I01132020-582 - DP 069-D Old id - DP107 - Monthly Operational Status Report - December 2019 VAR
8. I01132020-583 - DP 023-D - Quarterly Training Completion and Status Report_October to December 2019
9. I01152020-584 - KPR 17 - KPR Report December 2019 VAR
10. I01172020-584 - Submission of DR Exercise Functional Test Plan 2020 VAR
11. I01212020-585 - DP 012-D - Annual Update to Document processing procedure and business process (DP096)
12. I01222020-586 - (DP 067-D)KPR 2 – Six-Month evaluation of Business Operation Plan July - December 2019 VAR

SAR Responses/VAR-SAR Follow-ups

1. I12132019-573 - DP 088 (Old DP 127) Annual Quality Management Plan VAR – Response 1

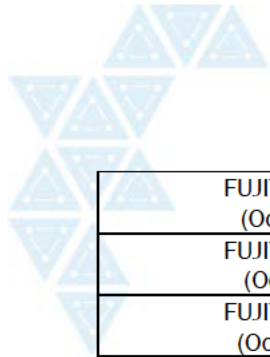


2. I01022020B-236 - Random Mail Sampling Report SAR - December 2019
3. I12232019B-235 - Processing with Incorrect Agency Received Dates SAR- Response 2
4. I01072020B-237 - Vendor Error Report December 2019 SAR
5. I01072020B-238 - Frew Quarterly Reminder January 2020 SAR
6. I11182019C-231 - Request for Maximum Costs for Upcoming Operational Year Response 5
7. I01132020-582 - DP 069-D Old id - DP107 - Monthly Operational Status Report - December 2019 VAR - Response 1
8. I01022020-576 - (DP 083-D) KPR9 Annual BCDR Plan Jan 2020 VAR - Response 1
9. I01292020B-239 - Personal Computer Site Refresh SAR
10. I01092020-580 - Request for back-up UPS for DPC at Kramer VAR - Response 1

4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to October 2019	November 2019	December 2019	January 2020	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	8	-	-	2	10
FUJITSU # 11 (Oct 2013)	4	-	-	-	4
FUJITSU# 12 (Oct 2013)	10	-	-	1	11
FUJITSU# 13 (Oct 2013)	11	-	-	-	11
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11
FUJITSU # 16 (Oct 2013)	4	-	-	-	4



FUJITSU # 17 (Oct 2013)	6	-	-	-	6
FUJITSU # 18 (Oct 2013)	7	-	-	1	8
FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8
FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	7	-	-	-	7
FUJITSU # 26 (Oct 2013)	14	-	-	-	14
FUJITSU # 27 (Oct 2013)	14	-	-	-	14
FUJITSU # 28 (Oct 2013)	4	1	-	-	5
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	-	7
FUJITSU # 31 (Oct 2013)	9	-	-	-	9
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	8	-	-	1	9
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	220	1	-	5	226

(Table 9.0 – Outages and Incidents History)



5.0 DPC Staffing Summary

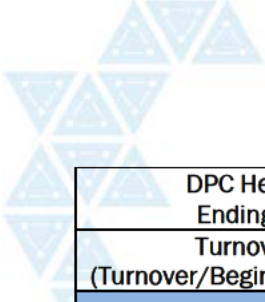
The table below summarizes DPC and PMO staff by end of month.

Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	23
Scan Technician	10
Data Entry Clerk/State Submissions	2
Admin. Assistant	1
Mailroom Technician/Lead	3
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	51
End of month FTE (Last Week)	44.86

(Table 10.0 – January 2020 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations and PMO Manager.

	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020
DPC Headcount Beginning Month	53	57	55	54	52	52	51	50	48	47	47	47	51
Turnover	1	2	1	2	0	1	1	2	1	0	0	1	0
New Hire	5	0	0	0	0	0	0	0	0	0	0	5	0



DPC Headcount Ending Month	57	55	54	52	52	51	50	48	47	47	47	51	51
Turnover Rate (Turnover/Beginning Headcount)	1.9%	3.5%	1.9%	3.7%	0.0%	1.9%	1.9%	4.0%	2.0%	0.0%	0.0%	2.1%	0.0%
Full-Time Equivalents (Last week of month)	37.78	49.38	49.01	44.26	40.83	43.62	45.19	40.43	39.07	38.23	38.53	38.45	44.86
Average Full-Time Equivalents	42.30	45.55	50.68	45.99	42.84	44.74	42.99	41.45	40.37	38.88	39.20	42.97	43.78

As of January 31, 2020, the DPC headcount was 51 people, which is similar to December 2019.

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*

6.0 Training Summary

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training.

The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.



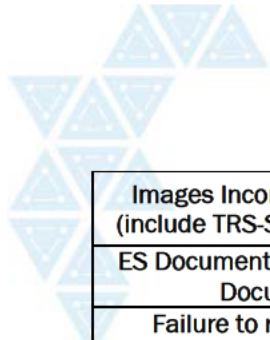
(Table 12.0 – January 2020 Training History)

Training	January 1 thru January 3	Week ending January 11	Week Ending January 18	Week Ending January 25	January 27 thru January 31	Monthly Total
Yearly Refresher for Security	33	-	5	8	-	46
Yearly Refresher for Civil Rights	33	-	6	10	-	49
Yearly Refresher for Fraud, Waste & Abuse	31	-	7	8	-	46
Yearly Refresher for HIPAA	-	36	13	1	-	50
Remedial: FTI in Return Mail	-	-	42	2	1	45
Yearly Fresher for Security, HIPPA and Fraud	-	-	-	3	-	3
DP Live Mail Refresher Training	-	-	2	6	4	12
Total	97	36	75	38	5	251

7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020
EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-
ES Multi-client	11	10	16	13	19	10	17	17	10	14	32	36	30



Images Incorrectly Scanned (include TRS-SAVERR Imaging)	5	6	1	1	5	10	8	7	84	8	120	73	-
ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-
Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	-	-	-	1	-	-	-	-	-	1	-	-	-
Document prepped incorrectly	8	11	19	18	20	17	11	16	7	12	3	3	4
Total	24	27	36	33	44	37	36	40	101	35	155	112	34

(Table 13.0 - 2019-2020 Vendor Errors)

8.0 Issues and Risks

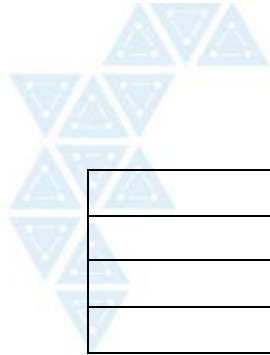
No Issues or Risks to report.

9.0 System/Process Initiatives

No initiatives to report.

10.0 Appendix A

Activities	Count for Month of January 2020
Contaminated Mail	4
Original Returned to client	143



EBT Cards	16
Monthly Payments Handled	283
Total Voter Registration Cards Sent to BI	10 Boxes
Total BRM Envelopes Sent to BI	

(Table 14.0 - January 2020 Miscellaneous Monthly Activities)



Monthly Operational Status Report – February 2020

(Version 0.2)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 03/16/2020

Issued To:

Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
03/12/2020	0.1	Initial Report	
3/16/2020	0.2	Per SAR Response 1	



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DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **February 2020**. Operational deliverables have been completed and submitted to HHSC on time.

1.0 DPC Production Summary

For February 2020, the DPC received and processed **295,992** transactions for both ES and EB programs.

Program	Week Ending February 8		Week Ending February 15		Week Ending February 22		Week Ending February 29		Total	
	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	60,260	4,777	71,269	4,737	71,358	5,173	72,899	5,519	275,786	20,206
Total Transactions	65,037		76,006		76,531		78,418		295,992	

(Table 1.0 – February 2020 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for February 2020

		Week Ending February 8		Week Ending February 15		Week Ending February 22		Week Ending February 29		Monthly Total	
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	2,042	6,242	1,907	5,920	2,497	7,711	2,551	7,799	8,997	27,672
EB	EB Forms	2,734	9,929	2,830	10,392	2,676	9,718	2,968	10,730	11,208	40,769
EB	EB MCL	1	5	-	-	-	-	-	-	1	5
EB Trans/Images Subtotal		4,777	16,176	4,737	16,312	5,173	17,429	5,519	18,529	20,206	68,446
Percent of Subtotal by Week		23.64%	23.63%	23.44%	23.83%	25.60%	25.46%	27.31%	27.07%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	3,569	89,472	3,403	82,502	3,122	73,789	3,569	93,256	13,663	339,019
ES	ES AutoRoute	42	623	39	698	35	338	53	554	169	2,213
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	24,804	376,940	27,437	413,566	20,180	319,300	25,425	402,254	97,846	1,512,060
ES	ES Missing Information	5,757	51,022	4,924	42,220	8,325	68,212	7,081	61,169	26,087	222,623
ES	ES Other-Changes	962	6,059	858	5,387	682	3,896	768	4,614	3,270	19,956
ES	ES Re-Determination	8,917	146,022	11,776	189,745	17,242	269,435	14,848	235,912	52,783	841,114
ES	ES Returned Mail	15,818	147,937	21,897	204,913	21,126	220,157	20,650	206,498	79,491	779,505
ES	ES WHP	391	2,057	935	4,426	646	3,199	505	2,552	2,477	12,234
ES Trans/Images Subtotal		60,260	820,132	71,269	943,457	71,358	958,326	72,899	1,006,809	275,786	3,728,724
Percent of Subtotal by Week		21.85%	21.99%	25.84%	25.30%	25.87%	25.70%	26.43%	27.00%	100.00%	100.00%
Total All Job Types		65,037	836,308	76,006	959,769	76,531	975,755	78,418	1,025,338	295,992	3,797,170
Percent of Total by Week		21.97%	22.02%	25.68%	25.28%	25.86%	25.70%	26.49%	27.00%	100.00%	100.00%

(Table 2.0 February 2020 – Total Transactions)

Trends by Mail Type

- Overall, the DPC has seen 6.84% decrease in total transaction from February 2019 to February 2020.

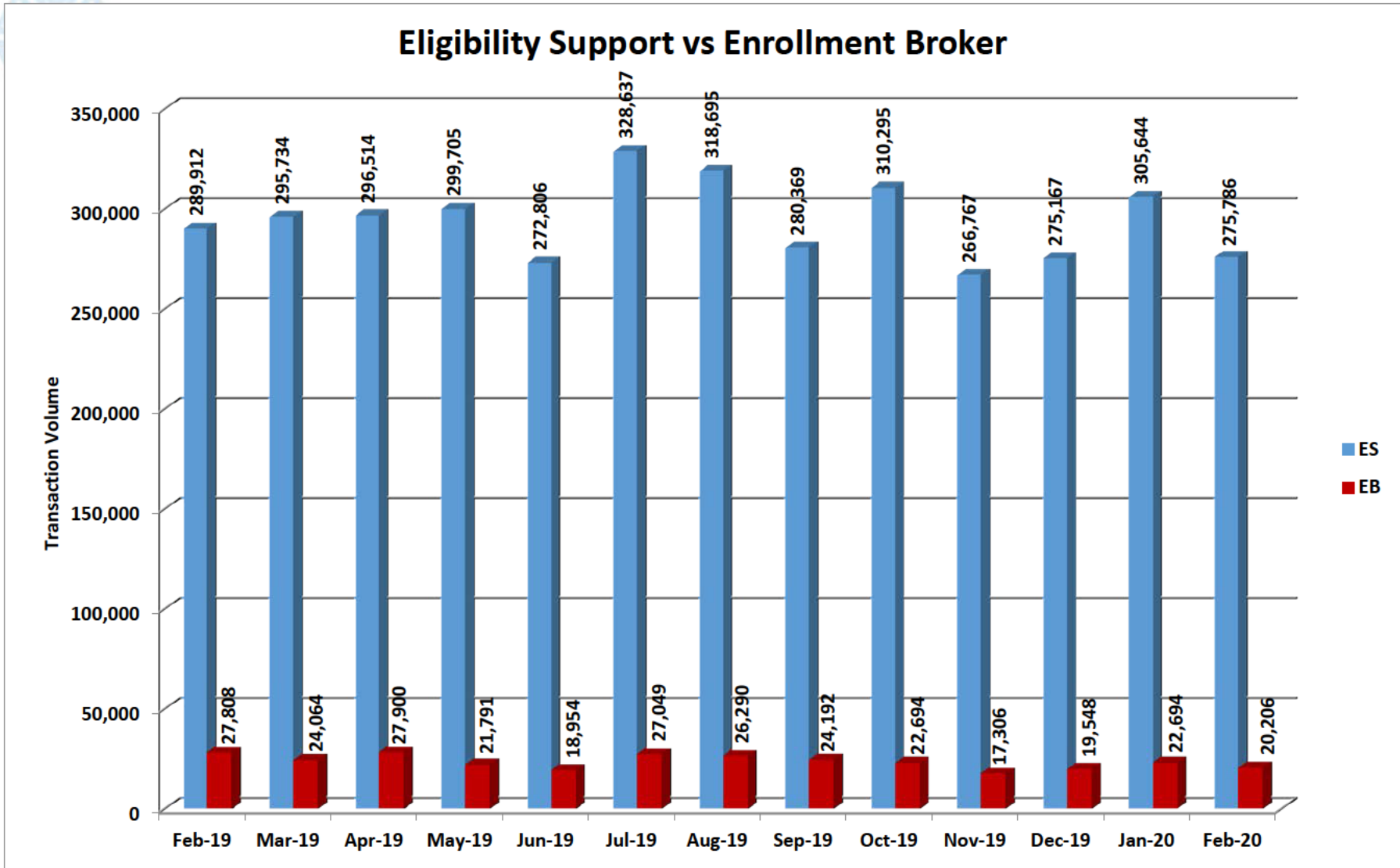


- February 2020 average daily transaction volume decreased by 0.38% from January 2019. Average daily transaction volume is an important measure of month-over-month volume.

ES & EB	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	January 2020	February 2020
Transaction Total	319,798	324,414	321,496	291,760	355,686	344,985	304,561	332,989	284,073	294,715	328,338	295,922
Operational Days	21	22	22	20	22	22	20	22	18	21	21	19
Average Daily Transaction	15,228	14,746	14,613	14,588	16,167	15,681	15,228	15,136	15,782	14,034	15,635	15,575

(Table 3.0 – 2019 - 2020 Average Daily Transaction Volume in given month only)

Note: Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"



2.0 Key Performance Requirements (KPR)



Mail Processing Timeliness KPR:

	Week Ending February 8	Week Ending February 15	Week Ending February 22	Week Ending February 29	Monthly Total	KPR Compliant?
Image Only Transactions	24,804	27,437	20,180	25,425	97,846	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	
Non-Image Only Transactions	24,415	26,672	35,225	32,343	118,655	Yes
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	
Non-Image Only % within 2 Days of receipt	-	-	-	-	-	
Returned Mail Transactions	15,818	21,897	21,126	20,650	79,491	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	

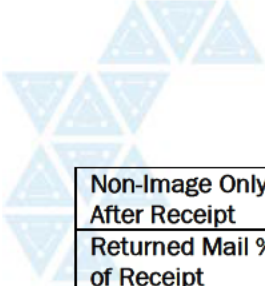
(Table 4.0 February 2020 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.

Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	August 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



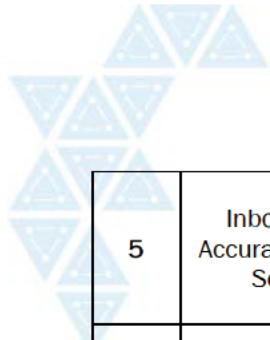
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2020 Mail processing timeliness)

Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed by followed by HHSC QA department. In the month of February 2020, the QA sample for December 2019 was reviewed and reported. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
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5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	100%	Yes
7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.7%	Yes

(Table 6.0 - December 2019 Quality Management Summary)

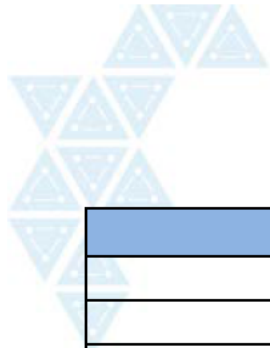
- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?

Historical data on Quality Assurance (QA) KPR:

KPR	Dec 2018	Jan 2019	Feb 2019	Mar 2019	April 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019
5	100%	100%	99.9%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
7	99.4%	99.6%	99.8%	99.8%	99.9%	99.7%	99.8%	99.7%	99.7%	99.5%	99.7%	99.8%	99.7%

(Table 7.0 – Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in February 2020.



Document Type	Documents Sent to HHSC – February 2020
Image Only	63
Managed Care Form	91
Misrouted Mail	50
Others	62
Application	30
Redetermination	17
Missing Information	64
Returned Mail	17
Changes	4
Total	398

(Table 8.0 – February 2020 State Submission Log Summary)

3.0 Deliverable VARs & SAR Responses

Deliverable VARs

1. I02042020-587-Fire Drill Report - February 4 2020 VAR
2. I02072020-588-January 2020 HUB Report VAR
3. I02102020-589-DP 137-D Monthly Financial Statements ES - January 2020 VAR
4. I02122020-590-DP 069-D Old id - DP107 - Monthly Operational Status Report - January 2020 VAR
5. I02142020-591-DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_December_2019 VAR
6. I02192020-592-KPR 17 - KPR Report January 2020 VAR

SAR Responses/VAR-SAR Follow-ups

1. I01222020-586-(DP 067-D)KPR 2 – Six-Month evaluation of Business Operation Plan July - December 2019 VAR - Response 1
2. I01172020-584-Submission of DR Exercise Functional Test Plan 2020 VAR - Response 1
3. I01022020-576-(DP 083-D) KPR9 Annual BCDR Plan Jan 2020 VAR - Response 3
4. I01312020B-240-Random Mail Sampling Report SAR - January 2020
5. I01212020-585-DP 012-D - Annual Update to Document processing procedure and business process (DP096) - Response 1

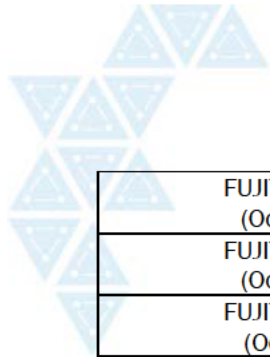


- 6. I01092020-580-Request for back-up UPS for DPC at Kramer VAR - Response 4
- 7. I02072020B-241- Vendor Error Report January 2020 SAR
- 8. I01022020-576-(DP 083-D) KPR9 Annual BCDR Plan Jan 2020 VAR - Response 5
- 9. I01172020-584-Submission of DR Exercise Functional Test Plan 2020 VAR - Response 3
- 10. I01092020-580-Request for back-up UPS for DPC at Kramer VAR - Response 6
- 11. I02102020-589-DP 137-D Monthly Financial Statements ES - January 2020 VAR - Response 1

4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to November 2019	December 2019	January 2020	February 2020	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	8	-	2	-	10
FUJITSU # 11 (Oct 2013)	4	-	-	1	5
FUJITSU# 12 (Oct 2013)	10	-	1	-	11
FUJITSU# 13 (Oct 2013)	11	-	-	-	11
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11



FUJITSU # 16 (Oct 2013)	4	-	-	-	4
FUJITSU # 17 (Oct 2013)	6	-	-	-	6
FUJITSU # 18 (Oct 2013)	7	-	1	-	8
FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8
FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	7	-	-	-	7
FUJITSU # 26 (Oct 2013)	14	-	-	-	14
FUJITSU # 27 (Oct 2013)	14	-	-	-	14
FUJITSU # 28 (Oct 2013)	5	-	-	-	5
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	-	7
FUJITSU # 31 (Oct 2013)	9	-	-	-	9
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	8	-	1	-	9
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	221	-	5	1	227

(Table 9.0 – Outages and Incidents History)



5.0 DPC Staffing Summary

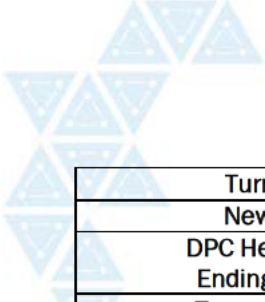
The table below summarizes DPC and PMO staff by end of month.

Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	20
Scan Technician	12
Data Entry Clerk/State Submissions	2
Admin. Assistant	1
Mailroom Technician/Lead	3
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	50
End of month FTE (Last Week)	45.21

(Table 10.0 – February 2020 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations and PMO Manager.

	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020
DPC Headcount Beginning Month	57	55	54	52	52	51	50	48	47	47	47	51	51



Turnover	2	1	2	0	1	1	2	1	0	0	1	0	1
New Hire	0	0	0	0	0	0	0	0	0	0	5	0	0
DPC Headcount Ending Month	55	54	52	52	51	50	48	47	47	47	51	51	50
Turnover Rate (Turnover/Beginning Headcount)	3.5%	1.9%	3.7%	0.0%	1.9%	1.9%	4.0%	2.0%	0.0%	0.0%	2.1%	0.0%	1.9%
Full-Time Equivalents (Last week of month)	49.38	49.01	44.26	40.83	43.62	45.19	40.43	39.07	38.23	38.53	38.45	44.86	45.21
Average Full-Time Equivalents	45.55	50.68	45.99	42.84	44.74	42.99	41.45	40.37	38.88	39.20	42.97	43.78	43.30

As of February 29, 2020, the DPC headcount was 50 people, which is 1.9% less than January 2020.

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*

6.0 Training Summary

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training. The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.



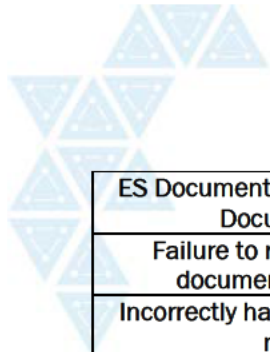
(Table 12.0 – February 2020 Training History)

Training	Week Ending February 8	Week Ending February 15	Week Ending February 22	Week Ending February 29	Monthly Total
DP Live Mail Refresher Training	2	-	-	-	2
Yearly Refresher for Security, Fraud, Waste & Abuse, Civil Rights	-	1	-	-	1
One on One Review with Scan Production	11	-	-	-	11
One on One Review with Prep Production	-	5	-	13	18
Multi-client Vendor Error Review with Prep Production	-	14	-	-	14
Multi-client Vendor Error Review with Scan Production	-	12	-	-	12
Total	13	32	-	13	58

7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020
EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-
ES Multi-client	10	16	13	19	10	17	17	10	14	32	36	30	33
Images Incorrectly Scanned (include TRS-SAVERR Imaging)	6	1	1	5	10	8	7	84	8	120	73	-	-



ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-
Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	-	-	1	-	-	-	-	-	1	-	-	-	-
Document prepped incorrectly	11	19	18	20	17	11	16	7	12	3	3	4	4
Total	27	36	33	44	37	36	40	101	35	155	112	34	37

(Table 13.0 - 2019-2020 Vendor Errors)

8.0 Issues and Risks

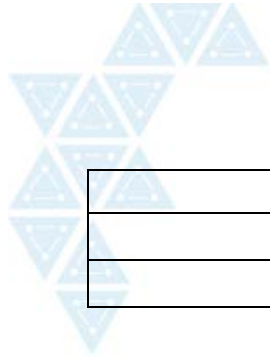
No Issues or Risks to report.

9.0 System/Process Initiatives

No initiatives to report.

10.0 Appendix A

Activities	Count for Month of February 2020
Contaminated Mail	5
Original Returned to client	112
EBT Cards	5



Monthly Payments Handled	206
Total Voter Registration Cards Sent to BI	9 Boxes
Total BRM Envelopes Sent to BI	

(Table 14.0 – February 2020 Miscellaneous Monthly Activities)



Monthly Operational Status Report – March 2020

(Version 0.2)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 04/14/2020

Issued To:

Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
04/09/2020	0.1	Initial Report	Jennifer Turner
04/14/2020	0.2	Update as per review comments	Krishma Dave



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DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **March 2020**. Operational deliverables have been completed and submitted to HHSC on time.

1.0 DPC Production Summary

For March 2020, the DPC received and processed **317,606** transactions for both ES and EB programs.

Program	Week Ending March 7		Week Ending March 14		Week Ending March 21		Week Ending March 28		March 30 thru March 31		Total	
	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	66,974	5,584	67,543	5,379	67,232	5,781	63,073	6,638	26,647	2,755	291,469	26,137
Total Transactions	72,558		72,922		73,013		69,711		29,402		317,606	

(Table 1.0 – March 2020 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for March 2020													
Program	Batch Class	Week Ending March 7		Week Ending March 14		Week Ending March 21		Week Ending March 28		March 30 thru March 31		Monthly Total	
		Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	2,726	8,134	2,421	7,429	3,283	10,200	3,609	11,034	1,242	3,813	13,281	40,610
EB	EB Forms	2,858	10,271	2,958	10,883	2,498	9,238	3,029	11,066	1,513	5,539	12,856	46,997
EB	EB MCL	-	-	-	-	-	-	-	-	-	-	-	-
EB Trans/Images Subtotal		5,584	18,405	5,379	18,312	5,781	19,438	6,638	22,100	2,755	9,352	26,137	87,607
Percent of Subtotal by Week		21.36%	21.01%	20.58%	20.90%	22.12%	22.19%	25.40%	25.23%	10.54%	10.67%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	3,210	83,550	3,261	78,919	3,170	77,462	3,660	97,458	1,826	44,307	15,127	381,696
ES	ES AutoRoute	23	457	69	869	40	428	64	484	30	523	226	2,761
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	22,873	367,048	24,235	374,450	21,361	357,777	12,280	203,805	4,022	67,077	84,771	1,370,157
ES	ES Missing Information	5,404	45,721	5,025	43,614	6,090	53,538	7,490	61,548	3,691	31,498	27,700	235,919
ES	ES Other-Changes	994	6,404	756	4,655	522	2,966	630	3,575	264	1,394	3,166	18,994
ES	ES Re-Determination	9,658	160,488	10,321	170,596	14,850	240,495	17,409	277,775	7,746	118,330	59,984	967,684
ES	ES Returned Mail	24,416	232,656	22,966	217,574	20,527	209,728	21,062	215,650	8,894	88,968	97,865	964,576
ES	ES WHP	396	2,101	910	4,413	672	3,365	478	2,572	174	910	2,630	13,361
ES Trans/Images Subtotal		66,974	898,425	67,543	895,090	67,232	945,759	63,073	862,867	26,647	353,007	291,469	3,955,148
Percent of Subtotal by Week		22.98%	22.72%	23.17%	22.63%	23.07%	23.91%	21.64%	21.82%	9.14%	8.93%	100.00%	100.00%
Total All Job Types		72,558	916,830	72,922	913,402	73,013	965,197	69,711	884,967	29,402	362,359	317,606	4,042,755
Percent of Total by Week		22.85%	22.68%	22.96%	22.59%	22.99%	23.87%	21.95%	21.89%	9.26%	8.96%	100.00%	100.00%

(Table 2.0 March 2020 – Total Transactions)

Trends by Mail Type

- Overall, the DPC has seen 0.69% decrease in total transaction from March 2019 to March 2020.

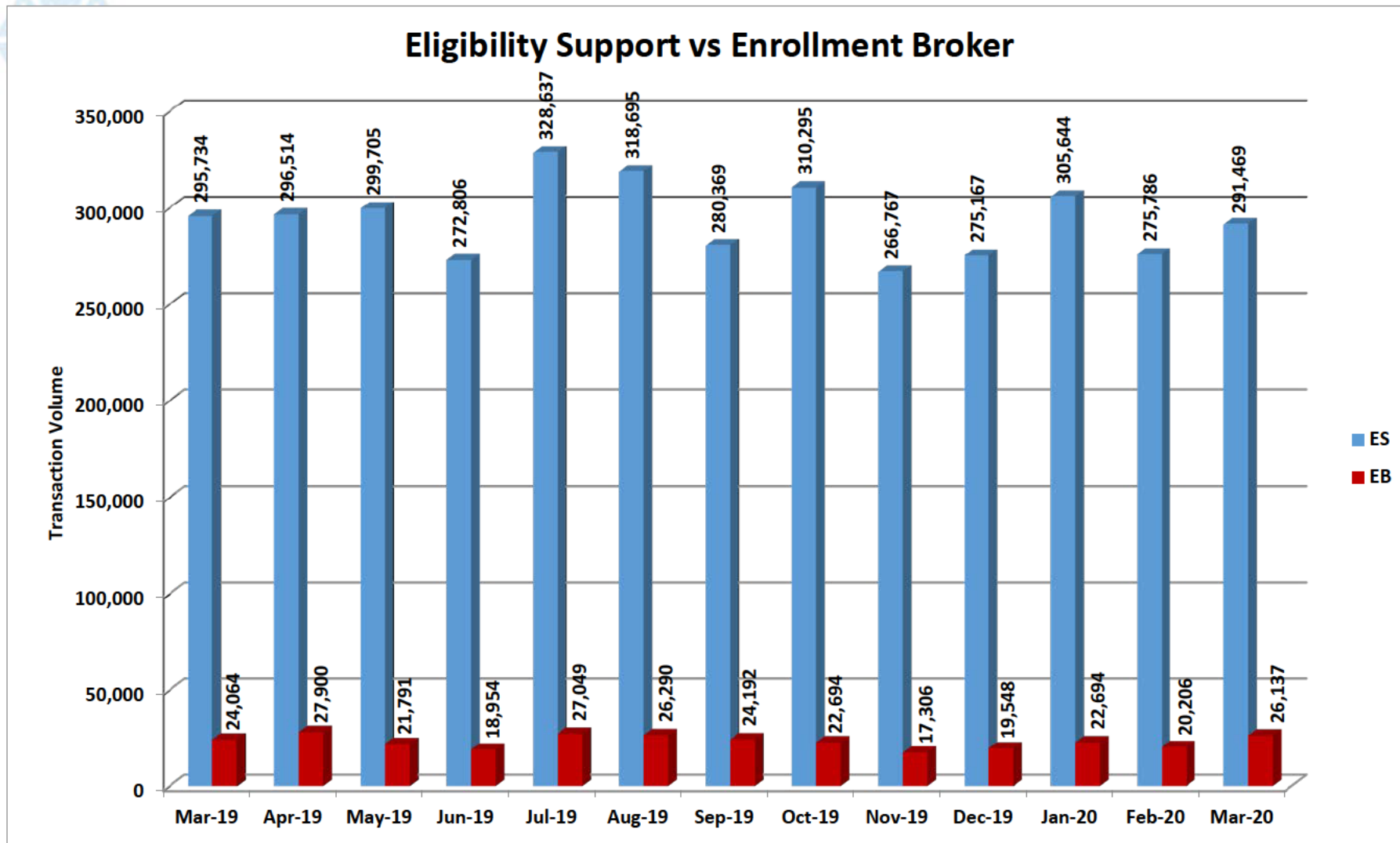


- March 2020 average daily transaction volume decreased by 7.31% from February 2020. Average daily transaction volume is an important measure of month-over-month volume.

ES & EB	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	January 2020	February 2020	March 2020
Transaction Total	324,414	321,496	291,760	355,686	344,985	304,561	332,989	284,073	294,715	328,338	295,922	317,606
Operational Days	22	22	20	22	22	20	22	18	21	21	19	22
Average Daily Transaction	14,746	14,613	14,588	16,167	15,681	15,228	15,136	15,782	14,034	15,635	15,575	14,437

(Table 3.0 – 2019 - 2020 Average Daily Transaction Volume in given month only)

Note: *Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"*



2.0 Key Performance Requirements (KPR)

Mail Processing Timeliness KPR:

	Week Ending March 7	Week Ending March 14	Week Ending March 21	Week Ending March 28	March 30 thru March 31	Monthly Total	KPR Compliant?
Image Only Transactions	22,873	24,235	21,361	12,280	4,022	84,771	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only Transactions	25,269	25,721	31,125	36,369	16,486	134,970	Yes
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only % within 2 Days of receipt	-	-	-	-	-	-	
Returned Mail Transactions	24,416	22,966	20,527	21,062	8,894	97,865	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	100%	

(Table 4.0 March 2020 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.

Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	Apr 2019	May 2019	June 2019	July 2019	August 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

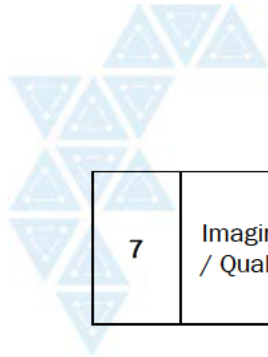
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2020 Mail processing timeliness)

Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed by followed by HHSC QA department. In the month of March 2020, the QA sample for January 2020 was reviewed and reported. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	100%	Yes



7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.7%	Yes
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(Table 6.0 – January 2020 Quality Management Summary)

- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?

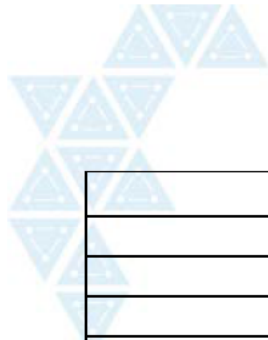
Historical data on Quality Assurance (QA) KPR:

KPR	Jan 2019	Feb 2019	Mar 2019	April 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020
5	100%	99.9%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
7	99.6%	99.8%	99.8%	99.9%	99.7%	99.8%	99.7%	99.7%	99.5%	99.7%	99.8%	99.7%	99.7%

(Table 7.0 – Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in March 2020.

Document Type	Documents Sent to HHSC – March 2020
Image Only	64
Managed Care Form	93



Returned for Postage	1
Misrouted Mail	45
Others	40
Application	80
Redetermination	31
Missing Information	51
Returned Mail	37
Returned to Client	4
Changes	1
Total	447

(Table 8.0 – March 2020 State Submission Log Summary)

3.0 Deliverable VARs & SAR Responses

Deliverable VARs

1. I03032020-593-February 2020 HUB Report VAR
2. I03092020-594-DP 137-D Monthly Financial Statements ES - February 2020 VAR
3. I03122020-595-DP 069-D Old id - DP107 - Monthly Operational Status Report - February 2020 VAR
4. I03122020-596-DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_January_2020 VAR -
5. I03182020-597-KPR 17 - KPR Report February 2020 VAR

SAR Responses/VAR-SAR Follow-ups

1. I02272020B-243-Random Mail Sampling Report SAR February 2020
2. I02272020C-242-DPC Returned Mail SAR
3. I01172020-584-Submission of DR Exercise Functional Test Plan 2020 VAR- Response 5
4. I01212020-585-DP 012-D - Annual Update to Document processing procedure and business process (DP096) - Response 3
5. I03062020C-244- Vendor Error Report - February 2020
6. I01022020-576-(DP 083-D) KPR9 Annual BCDR Plan Jan 2020 VAR - Response 7
7. I03102020B-245-Return of Unused Mailers to CSG Systems Inc. IAPI SAR
8. I03122020-595-DP 069-D Old id - DP107 - Monthly Operational Status Report - February 2020 VAR - Response 1
9. I01172020-584-Submission of DR Exercise Functional Test Plan 2020 VAR- Response 8

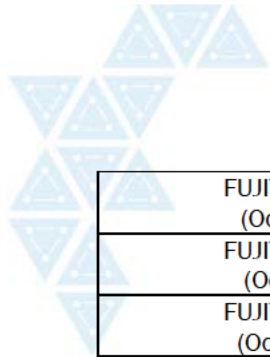


- 10. I03122020-596-DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_January_2019 VAR-Response 1
- 11. I01172020-584-Submission of DR Exercise Functional Test Plan 2020 VAR- Response 10
- 12. I03172020C-246-HHSC DPC - COVID-19 Business Continuity Measures SAR - Response 2
- 13. I03172020C-246-HHSC DPC - COVID-19 Business Continuity Measures SAR - Response 4
- 14. I03172020C-246-HHSC DPC - COVID-19 Business Continuity Measures SAR - Response 6
- 15. I02272020C-242-DPC Returned Mail SAR - Response 3
- 16. I03172020C-246-HHSC DPC - COVID-19 Business Continuity Measures SAR - Response 9
- 17. I11012019-557-Free Security System upgrade offered by Sonitrol VAR Response 4
- 18. I11012019-557-Free Security System upgrade offered by Sonitrol VAR Response 6

4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to December 2019	January 2020	February 2020	March 2020	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	8	2	-	-	10
FUJITSU # 11 (Oct 2013)	4	-	1	-	5
FUJITSU# 12 (Oct 2013)	10	1	-	-	11
FUJITSU# 13 (Oct 2013)	11	-	-	-	11
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11
FUJITSU # 16 (Oct 2013)	4	-	-	-	4



FUJITSU # 17 (Oct 2013)	6	-	-	-	6
FUJITSU # 18 (Oct 2013)	7	1	-	-	8
FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8
FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	7	-	-	-	7
FUJITSU # 26 (Oct 2013)	14	-	-	-	14
FUJITSU # 27 (Oct 2013)	14	-	-	-	14
FUJITSU # 28 (Oct 2013)	5	-	-	-	5
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	-	7
FUJITSU # 31 (Oct 2013)	9	-	-	-	9
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	8	1	-	-	9
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	221	5	1	0	227

(Table 9.0 – Outages and Incidents History)



5.0 DPC Staffing Summary

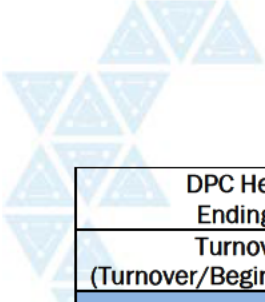
The table below summarizes DPC and PMO staff by end of month.

Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	20
Scan Technician	12
Data Entry Clerk/State Submissions	2
Admin. Assistant	1
Mailroom Technician/Lead	2
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	49
End of month FTE (Last Week)	42.64

(Table 10.0 – March 2020 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations and PMO Manager.

	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020
DPC Headcount Beginning Month	55	54	52	52	51	50	48	47	47	47	51	51	50
Turnover	1	2	0	1	1	2	1	0	0	1	0	1	1
New Hire	0	0	0	0	0	0	0	0	0	5	0	0	0



DPC Headcount Ending Month	54	52	52	51	50	48	47	47	47	51	51	50	49
Turnover Rate (Turnover/Beginning Headcount)	1.9%	3.7%	0.0%	1.9%	1.9%	4.0%	2.0%	0.0%	0.0%	2.1%	0.0%	1.9%	2.0%
Full-Time Equivalents (Last week of month)	49.01	44.26	40.83	43.62	45.19	40.43	39.07	38.23	38.53	38.45	44.86	44.86	42.64
Average Full-Time Equivalents	50.68	45.99	42.84	44.74	42.99	41.45	40.37	38.88	39.20	42.97	43.78	43.78	43.77

As of March 31, 2020, the DPC headcount was 49 people, which is 2.0% less than February 2020.

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*

6.0 Training Summary

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training.

The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.



(Table 12.0 – March 2020 Training History)

Training	Week Ending March 7	Week Ending March 14	Week Ending March 21	Week Ending March 28	March 30 thru March 31	Monthly Total
One on One Review with Prep Production	18	-	-	-	-	18
IRS-FTI Yearly Refresher	27	11	-	-	-	38
Vendor Error Review with Prep/Scan Production	-	15	-	-	-	15
HIPAA	-	-	1	-	-	1
One on One Review with Scan Production	-	-	13	-	-	13
Total	45	26	14	0	0	85

7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	*Mar 2020
EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-

ES Multi-client	16	13	19	10	17	17	10	14	32	36	30	33	-
Images Incorrectly Scanned (include TRS-SAVERR Imaging)	1	1	5	10	8	7	84	8	120	73	-	-	-
ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-
Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	-	1	-	-	-	-	-	1	-	-	-	-	-
Document prepped incorrectly	19	18	20	17	11	16	7	12	3	3	4	4	-
Total	36	33	44	37	36	40	101	35	155	112	34	37	-

(Table 13.0 – 2019-2020 Vendor Errors)

****Per SAR # I04012020B-252, no Vendor Errors were reported for the month of March 2020.**

8.0 Issues and Risks

No Issues or Risks to report.

9.0 System/Process Initiatives

- Please refer to correspondence I02272020C-242 DPC Returned Mail SAR. On March 4, 2020, at HHSC's direction, picked up approximately 554 trays of envelopes addressed to P O Box 85102 from the Bluebonnet Post Office located at 1822 W Braker Ln, Austin, TX 78758. completed the counting of the envelopes on March 13, 2020. The total envelopes picked were 160,325. Below is the breakout :

159,640 - BRM
 320 - Handwritten envelopes
 355 - Mis-routed mail

The handwritten envelopes were provided to HHSC Oversight housed at DPC. Mis-routed mail pieces were taken back to the post office on March 18, 2020. On March 17, 2020, Image AP completed the onsite shredding of 159,640 BRM envelopes.



United States Postal Service (USPS) misroutes P O Box 85102 mail destined for the Bluebonnet USPS station to one of the HHSC DPC P O Boxes housed at the Austin General Mail Facility (Austin GMF). P O Box 85102 mail misdirected to these boxes is retained by to follow the processes indicated in the above SAR #.

- Please refer correspondence “103172020C-246 HHSC DPC - COVID-19 Business Continuity Measures SAR Response 12” for details around Shift 1 and Shift 2 strategy. To mitigate the risk of COVID-19 impact to maintain business continuity for the Austin DPC, split its production team into two. Effective March 30, 2020, is handling production in two shifts, **Shift 1:** 7 AM to 1 PM and **Shift 2:** 2 PM to 8 PM.

10.0 Appendix A

Activities	Count for Month of March 2020
Contaminated Mail	10
Original Returned to client	130
EBT Cards	8
Monthly Payments Handled	286

(Table 14.0 – March 2020 Miscellaneous Monthly Activities)



Monthly Operational Status Report – April 2020 (Version 0.2)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 05/27/2020

Issued To:
Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
05/06/2020	0.1	Initial Report	
05/18/2020	0.2	Updated per review comments	



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DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **April 2020**. Operational deliverables have been completed and submitted to HHSC on time.

1.0 DPC Production Summary

For April 2020, the DPC received and processed **216,605** transactions for both ES and EB programs.

Program	April 1 thru April 3		Week Ending April 11		Week Ending April 18		Week Ending April 25		April 27 thru April 30		Total	
	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	29,101	2,397	43,910	5,973	44,552	5,785	44,771	6,079	30,037	4,000	192,371	24,234
Total Transactions	31,498		49,883		50,337		50,850		34,037		216,605	

(Table 1.0 – April 2020 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for April 2020													
		April 1 thru April 3		Week Ending April 11		Week Ending April 18		Week Ending April 25		April 27 thru April 30		Monthly Total	
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	1,159	3,568	2,109	6,582	1,680	5,204	1,611	4,864	1,090	3,249	7,649	23,467
EB	EB Forms	1,238	4,439	3,864	14,209	4,105	15,043	4,468	16,145	2,910	10,439	16,585	60,275
EB	EB MCL	-	-	-	-	-	-	-	-	-	-	-	-
EB Trans/Images Subtotal		2,397	8,007	5,973	20,791	5,785	20,247	6,079	21,009	4,000	13,688	24,234	83,742
Percent of Subtotal by Week		9.89%	9.56%	24.65%	24.83%	23.87%	24.18%	25.08%	25.09%	16.51%	16.35%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	2,580	64,466	4,326	105,437	5,014	126,030	5,000	123,541	4,697	117,364	21,617	536,838
ES	ES AutoRoute	29	190	49	524	101	1,616	55	881	81	763	315	3,974
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	3,882	70,519	7,130	115,603	7,717	142,724	5,896	101,100	3,512	59,242	28,137	489,188
ES	ES Missing Information	4,318	36,947	6,770	56,943	7,781	66,500	8,737	70,003	5,895	49,607	33,501	280,000
ES	ES Other-Changes	394	1,787	536	2,603	634	3,119	491	2,485	294	1,213	2,349	11,207
ES	ES Re-Determination	6,820	108,678	7,472	122,951	4,109	72,864	2,267	37,156	2,894	38,806	23,562	380,455
ES	ES Returned Mail	10,899	101,882	17,357	159,692	18,990	174,200	22,062	197,288	12,479	112,219	81,787	745,281
ES	ES WHP	179	960	270	1,367	206	1,095	263	1,458	185	912	1,103	5,792
ES Trans/Images Subtotal		29,101	385,429	43,910	565,120	44,552	588,148	44,771	533,912	30,037	380,126	192,371	2,452,735
Percent of Subtotal by Week		15.13%	15.71%	22.83%	23.04%	23.16%	23.98%	23.27%	21.77%	15.61%	15.50%	100.00%	100.00%
Total All Job Types		31,498	393,436	49,883	585,911	50,337	608,395	50,850	554,921	34,037	393,814	216,605	2,536,477
Percent of Total by Week		14.54%	15.51%	23.03%	23.10%	23.24%	23.99%	23.48%	21.88%	15.71%	15.53%	100.00%	100.00%

(Table 2.0 April 2020 –Total Transactions)

Trends by Mail Type

- Overall, the DPC has seen 33.23% decrease in total transaction from April 2019 to April 2020.

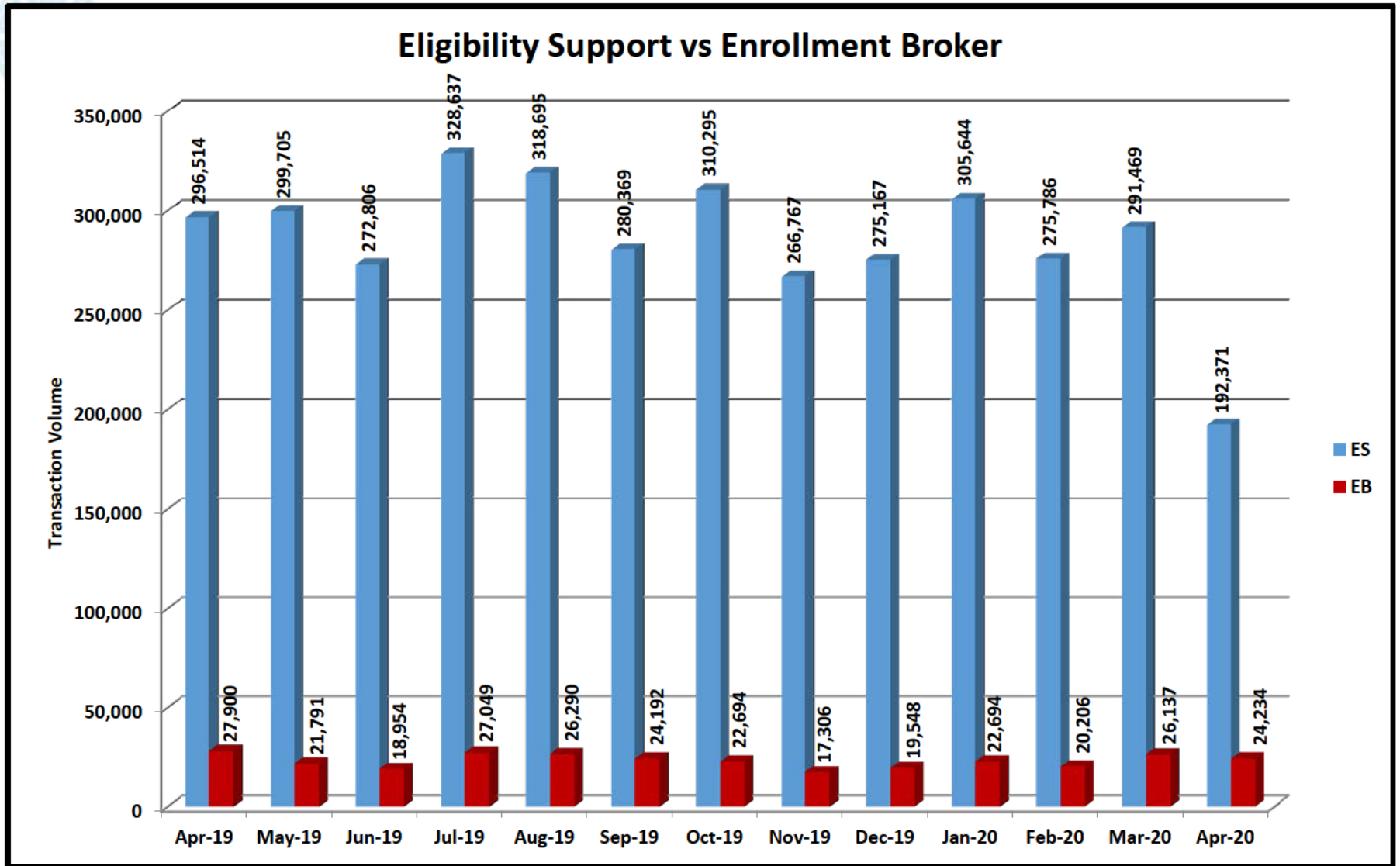


- April 2020 average daily transaction volume decreased by 28.55% from March 2020. The majority of decline can be attributed to ES Redetermination volume. Average daily transaction volume is an important measure of month-over-month volume.

ES & EB	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	January 2020	February 2020	March 2020	April 2020
Transaction Total	321,496	291,760	355,686	344,985	304,561	332,989	284,073	294,715	328,338	295,922	317,606	216,605
Operational Days	22	20	22	22	20	22	18	21	21	19	22	21
Average Daily Transaction	14,613	14,588	16,167	15,681	15,228	15,136	15,782	14,034	15,635	15,575	14,437	10,315

(Table 3.0 – 2019 - 2020 Average Daily Transaction Volume in given month only)

Note: Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"



2.0 Key Performance Requirements (KPR)



Mail Processing Timeliness KPR:

	April 1 thru April 3	Week Ending April 11	Week Ending April 18	Week Ending April 25	April 27 thru April 30	Monthly Total	KPR Compliant?
Image Only Transactions	3,882	7,130	7,717	5,896	3,512	28,137	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only Transactions	16,717	25,396	23,630	22,892	18,046	106,681	Yes
Non-Image Only % in 0 Days	99.99%	99.99%	99.996%	99.95%	100%	99.98%	
Non-Image Only % within 2 Days of receipt	.01%	0.007%	0.004%	0.05%	-	0.02%	
Returned Mail Transactions	10,899	17,357	18,990	22,062	12,479	81,787	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	100%	

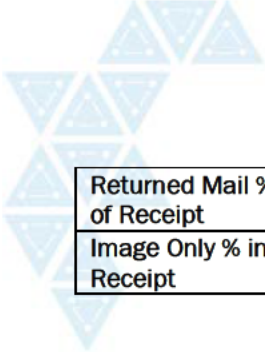
(Table 4.0 April 2020 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.

Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	May 2019	June 2019	July 2019	August 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



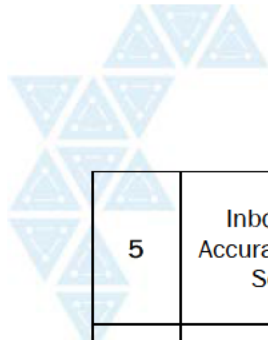
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2020 Mail processing timeliness)

Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed followed by HHSC QA department. In the month of April 2020, the QA sample for February 2020 was reviewed and reported. Due to COVID-19 pandemic strategies, HHSC QA reviews and resulting validations are paused effective with the February 2020 sample. HHSC QA reviews and resulting validations for February 2020 onwards will resume at a date to be determined by HHSC. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
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5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	100%	Yes
7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.7%	Yes

(Table 6.0 – February 2020 Quality Management Summary)

- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?

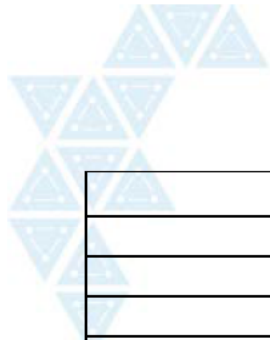
Historical data on Quality Assurance (QA) KPR:

KPR	Feb 2019	Mar 2019	April 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020
5	99.9%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
7	99.8%	99.8%	99.9%	99.7%	99.8%	99.7%	99.7%	99.5%	99.7%	99.8%	99.7%	99.7%	99.7%

(Table 7.0 – Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in April 2020.

Document Type	Documents Sent to HHSC – April 2020
Image Only	40



Managed Care Form	84
Misrouted Mail	53
Others	36
Application	21
Redetermination	11
Missing Information	86
Returned Mail	6
Returned to Client	4
Changes	2
Total	343

(Table 8.0 – April 2020 State Submission Log Summary)

3.0 Deliverable VARs & SAR Responses

Deliverable VARs

- 1.I04022020-598 - DP 034 D Quarterly Updated Organization Chart - Submitted in April 2020 - VAR
- 2.I04032020-599 - DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_February_2020 VAR
- 3.I04082020-600 - March 2020 HUB Report VAR
- 4.I04092020-601 - DP 069-D Old id - DP107 - Monthly Operational Status Report - February 2020 VAR
- 5.I04132020-602 - DP 137-D Monthly Financial Statements ES - March 2020 VAR
- 6.I04132020-603 - DP 023-D - Quarterly Training Completion and Status Report_January to March 2020
- 7.I04132020-604 - Invoice for processing of documents received at P O Box 85102
- 8.I04202020-605 - KPR 17 - KPR Report March 2020

VARsAR Responses/VAR-SAR Follow-ups

- 1.I01022020-576 - (DP 083-D) KPR9 Annual BCDR Plan Jan 2020 VAR - Response 9
- 2.I03312020B-251 - HHSC Quality Assurance Activities during COVID-19 SAR
- 3.I03172020C-246 - HHSC DPC - COVID-19 Business Continuity Measures SAR - Response 11
- 4.I04012020B-252 - Vendor Error Report- March 2020 SAR
- 5.I04012020B-253 - Random Mail Sampling Report - March 2020
- 6.I04012020D-254 - COVID-19 Related Costs Tracking Request - SAR
- 7.I03302020B-250 - COVID-19 Extensions SAR -I-API - Response 1

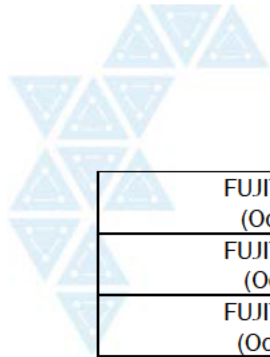


8.I03302020B-250 - COVID-19 Extensions SAR -I-API – Response 3
 9.I04092020-601 - DP 069-D Old id - DP107 - Monthly Operational Status Report - March 2020 VAR - Response 1

4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to January 2020	February 2020	March 2020	April 2020	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	10	-	-	-	10
FUJITSU # 11 (Oct 2013)	4	1	-	-	5
FUJITSU# 12 (Oct 2013)	11	-	-	-	11
FUJITSU# 13 (Oct 2013)	11	-	-	1	12
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11
FUJITSU # 16 (Oct 2013)	4	-	-	-	4



FUJITSU # 17 (Oct 2013)	6	-	-	-	6
FUJITSU # 18 (Oct 2013)	8	-	-	-	8
FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8
FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	7	-	-	-	7
FUJITSU # 26 (Oct 2013)	14	-	-	-	14
FUJITSU # 27 (Oct 2013)	14	-	-	-	14
FUJITSU # 28 (Oct 2013)	5	-	-	-	5
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	-	7
FUJITSU # 31 (Oct 2013)	9	-	-	-	9
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	9	-	-	-	9
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	226	1	0	1	228

(Table 9.0 – Outages and Incidents History)



5.0 DPC Staffing Summary

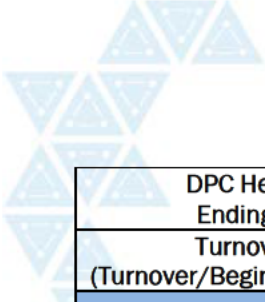
The table below summarizes DPC and PMO staff by end of month.

Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	10
Scan Technician	12
Data Entry Clerk/State Submissions	2
Admin. Assistant	1
Mailroom Technician/Lead	3
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	40
End of month FTE (Last Week)	28.88

(Table 10.0 – April 2020 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations and PMO Manager.

	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020
DPC Headcount Beginning Month	55	53	53	52	51	49	48	48	48	52	52	51	50
Turnover	2	0	1	1	2	1	0	0	1	0	1	1	10
New Hire	0	0	0	0	0	0	0	0	5	0	0	0	0



DPC Headcount Ending Month	53	53	52	51	49	48	48	48	52	52	51	50	40
Turnover Rate (Turnover/Beginning Headcount)	3.7%	0.0%	1.9%	1.9%	4.0%	2.0%	0.0%	0.0%	2.1%	0.0%	1.9%	2.0%	20.4%
Full-Time Equivalents (Last week of month)	44.26	40.83	43.62	45.19	40.43	39.07	38.23	38.53	38.45	44.86	44.86	42.64	28.88
Average Full-Time Equivalents	45.99	42.84	44.74	42.99	41.45	40.37	38.88	39.20	42.97	43.78	43.78	43.77	32.40

As of April 30, 2020, the DPC headcount was 39 people, which is 20.4% less than March 2020.

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*

6.0 Training Summary

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training.

The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.



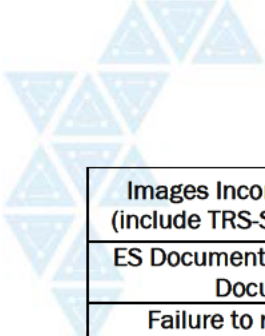
(Table 12.0 – April 2020 Training History)

Training	April 1 thru April 3	Week Ending April 11	Week Ending April 18	Week Ending April 25	April 27 thru April 30	Monthly Total
Prep Review of Best Practices	6	3	-	-	-	9
Scan Review on Best Practices	-	8	-	-	-	8
One on One Prep Coaching	-	-	3	-	-	3
One on One Scan Coaching	-	-	8	-	-	8
Total	6	11	11	-	-	28

7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	*Mar 2020	Apr 2020
EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-
ES Multi-client	13	19	10	17	17	10	14	32	36	30	33	-	36



Images Incorrectly Scanned (include TRS-SAVERR Imaging)	1	5	10	8	7	84	8	120	73	-	-	-	-
ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-
Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	1	-	-	-	-	-	1	-	-	-	-	-	-
Document prepped incorrectly	18	20	17	11	16	7	12	3	3	4	4	-	3
Total	33	44	37	36	40	101	35	155	112	34	37	-	39

(Table 13.0 - 2019-2020 Vendor Errors)

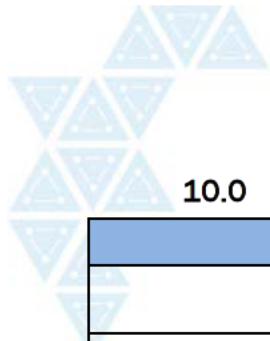
**Per SAR # I04012020B-252, no Vendor Errors were reported for the month of March 2020.*

8.0 Issues and Risks

No Issues or Risks to report.

9.0 System/Process Initiatives

- Please refer correspondence “I03172020C-246 HHSC DPC - COVID-19 Business Continuity Measures SAR Response 12” for details around Shift 1 and Shift 2 strategy. To mitigate the risk of COVID-19 impact to maintain business continuity for the Austin DPC, split its production team into two. Effective March 30, 2020, is handling production in two shifts, **Shift 1:** 7 AM to 1 PM and **Shift 2:** 2 PM to 8 PM.



10.0 Appendix A

Activities	Count for Month of April 2020
Contaminated Mail	19
Original Returned to client	174
EBT Cards	10
Monthly Payments Handled	192

(Table 14.0 – April 2020 Miscellaneous Monthly Activities)

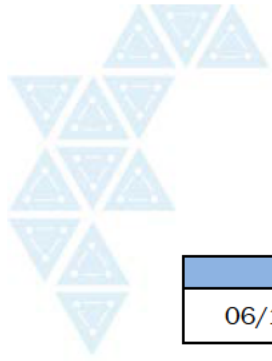


Monthly Operational Status Report – May 2020 (Version 0.1)

Operational Phase Deliverable
HHSC DPC Contract

Date Issued: 06/12/2020

Issued To:
Texas Health and Human Services
Access and Eligibility Services
Document Processing Center



Revision History

Date	Version	Description	Author
06/11/2020	0.1	Initial Report	



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DPC Performance Summary

The DPC Operation continued to work towards meeting its key performance requirements (KPRs), including those associated with document processing accuracy and timeliness as well as image quality for month of **May 2020**. Operational deliverables have been completed and submitted to HHSC on time.

1.0 DPC Production Summary

For May 2020, the DPC received and processed **170,655** transactions for both ES and EB programs.

Program	May 1, 2020		Week Ending May 9		Week Ending May 16		Week Ending May 23		Week Ending May 31		Total	
	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB	ES	EB
Transactions Processed	7,041	812	34,934	6,801	33,586	6,985	37,053	7,108	30,258	6,077	142,872	27,783
Total Transactions	7,853		41,735		40,571		44,161		36,335		170,655	

(Table 1.0 – May 2020 Transaction Volume - All Programs)



Austin DPC Scan Transaction Summary Report for May 2020

		May 1, 2020		Week Ending May 9		Week Ending May 16		Week Ending May 23		Week Ending May 31		Monthly Total	
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
EB	EB Advanced Forms	275	1,111	3,323	10,761	3,475	11,790	2,507	8,121	1,243	3,942	10,823	35,725
EB	EB Forms	537	1,946	3,478	12,613	3,510	12,827	4,601	17,168	4,834	17,359	16,960	61,913
EB	EB MCL	-	-	-	-	-	-	-	-	-	-	-	-
EB Trans/Images Subtotal		812	3,057	6,801	23,374	6,985	24,617	7,108	25,289	6,077	21,301	27,783	97,638
Percent of Subtotal by Week		2.92%	3.13%	24.48%	23.94%	25.14%	25.21%	25.58%	25.90%	21.87%	21.82%	100.00%	100.00%
Program	Batch Class	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images	Trans	Images
ES	ES Application	1,066	27,487	4,052	97,743	4,102	99,001	3,887	98,972	3,219	78,238	16,326	401,441
ES	ES AutoRoute	2	32	56	508	83	716	23	203	14	135	178	1,594
ES	ES DSNAP	-	-	-	-	-	-	-	-	-	-	-	-
ES	ES Image Only	875	20,540	5,256	67,020	5,778	94,875	6,471	95,501	3,573	55,610	21,953	333,546
ES	ES Missing Information	1,185	11,300	6,263	52,205	6,306	54,429	6,074	52,640	4,572	38,377	24,400	208,951
ES	ES Other-Changes	80	350	409	2,213	510	2,566	480	2,456	368	1,842	1,847	9,427
ES	ES Re-Determination	469	7,748	1,747	29,365	1,110	19,657	1,131	19,492	2,030	29,051	6,487	105,313
ES	ES Returned Mail	3,336	29,583	16,979	158,628	15,569	148,912	18,851	174,892	16,364	153,123	71,099	665,138
ES	ES WHP	28	145	172	939	128	701	136	818	118	626	582	3,229
ES Trans/Images Subtotal		7,041	97,185	34,934	408,621	33,586	420,857	37,053	444,974	30,258	357,002	142,872	1,728,639
Percent of Subtotal by Week		4.93%	5.62%	24.45%	23.64%	23.51%	24.35%	25.93%	25.74%	21.18%	20.65%	100.00%	100.00%
Total All Job Types		7,853	100,242	41,735	431,995	40,571	445,474	44,161	470,263	36,335	378,303	170,655	1,826,277
Percent of Total by Week		4.60%	5.49%	24.46%	23.65%	23.77%	24.39%	25.88%	25.75%	21.29%	20.71%	100.00%	100.00%

(Table 2.0 May 2020 –Total Transactions)



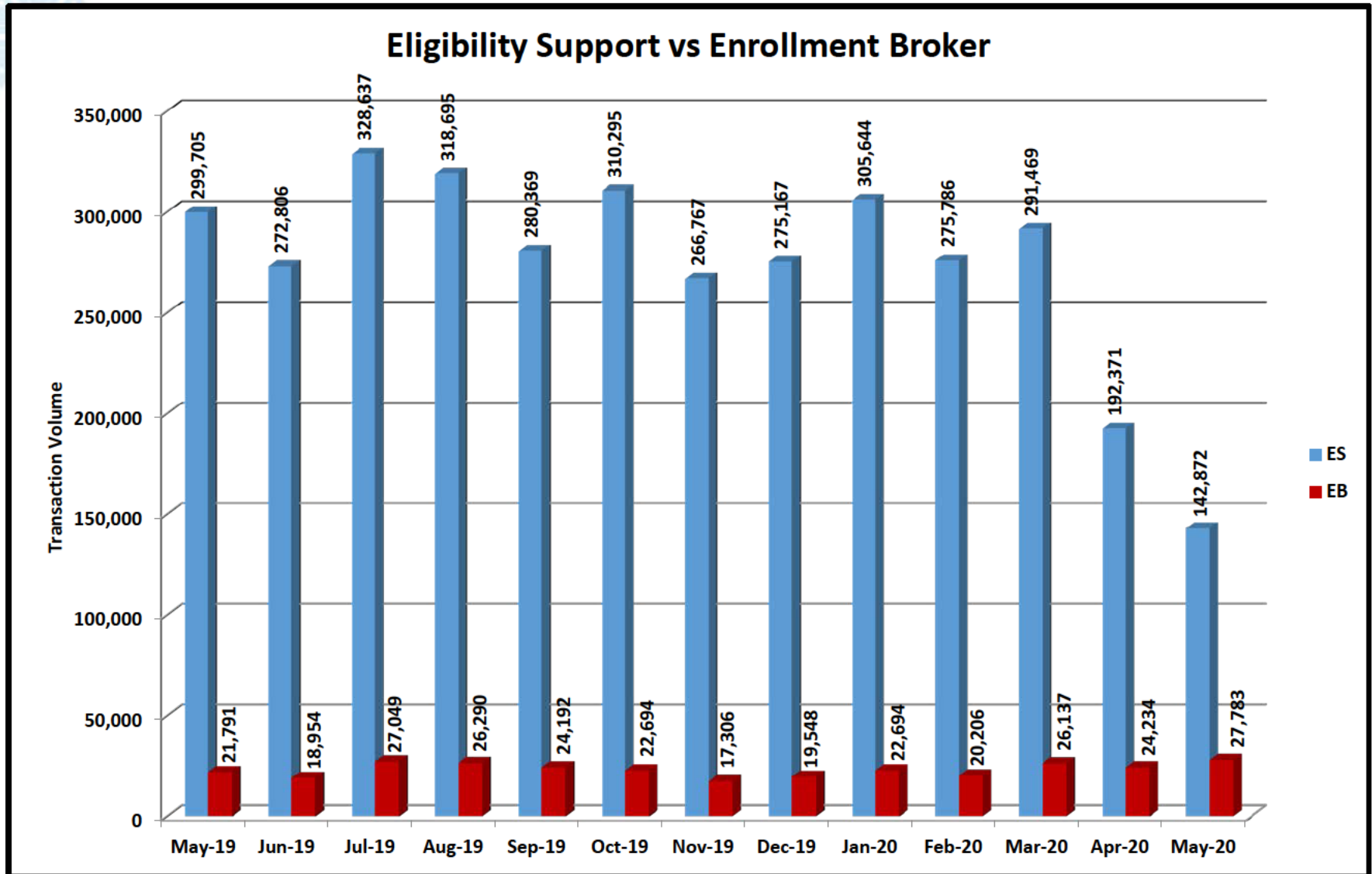
Trends by Mail Type

- Overall, the DPC has seen 46.92% decrease in total transaction from May 2019 to May 2020.
- May 2020 average daily transaction volume decreased by 17.28% from April 2020. The majority of decline can be attributed to ES Redetermination volume. Average daily transaction volume is an important measure of month-over-month volume.

ES & EB	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020
Transaction Total	291,760	355,686	344,985	304,561	332,989	284,073	294,715	328,338	295,922	317,606	216,605	170,655
Operational Days	20	22	22	20	22	18	21	21	19	22	21	20
Average Daily Transaction	14,588	16,167	15,681	15,228	15,136	15,782	14,034	15,635	15,575	14,437	10,315	8,533

(Table 3.0 – 2019 - 2020 Average Daily Transaction Volume in given month only)

Note: Operational Days equals "Total number of calendar days in a month/week when the Document Processing Center was working including Saturday and Sunday"



2.0 Key Performance Requirements (KPR)



Mail Processing Timeliness KPR:

	May 1, 2020	Week Ending May 9	Week Ending May 16	Week Ending May 23	Week Ending May 31	Monthly Total	KPR Compliant?
Image Only Transactions	875	5,256	5,778	6,471	3,573	21,953	Yes
Image Only % in 2 Days	100%	100%	100%	100%	100%	100%	
Non-Image Only Transactions	3,642	19,500	19,224	18,839	16,398	77,603	Yes
Non-Image Only % in 0 Days	100%	100%	99.99%	100%	100%	99.997%	
Non-Image Only % within 2 Days of receipt	-	-	0.01%	-	-	0.003%	
Returned Mail Transactions	3,336	16,979	15,569	18,851	16,364	71,099	Yes
Returned Mail % within 2 Days of receipt	100%	100%	100%	100%	100%	100%	

(Table 4.0 May 2020 – percentage processing as per KPR)

KPR Definitions:

- Image Only – Process 100% of Image Only mail within two business days of receipt by CONTRACTOR.
- Non-Image Only (Exception ES and EB Returned mail) – process 99% of Non-Image Only mail with the exception of returned mail and Image Only on the day of receipt by CONTRACTOR. Process 100% of all Non-Image Only mail with the exception of returned mail and Image Only no later than the next business day after day of receipt by CONTRACTOR.
- Returned Mail (ES and EB) – process 100% of returned mail within two business days of receipt by CONTRACTOR.



Historical data on Mail Processing Timeliness KPR:

Inbound Mail Processing Timeliness	June 2019	July 2019	August 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020
Non-Image Only % in 0 Days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	99.98%	99.997%
Non-Image Only % One Day After Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	0.02%	0.003%
Returned Mail % within 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Image Only % in 2 Days of Receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Table 5.0 – 2019-2020 Mail processing timeliness)



Quality Assurance (QA) KPR:

The QA audit lags by two months as the sample is collected at end of the review month and then reviewed by followed by HHSC QA department. In the month of May 2020, the QA sample for March 2020 was reviewed and reported. Due to COVID-19 pandemic strategies, HHSC QA reviews and resulting validations are paused effective with the February 2020 sample. HHSC QA reviews and resulting validations for February 2020 onwards will resume at a date to be determined by HHSC. The results below have been taken from HHSC PIMS.

KPR	Service / Component	SRI	Audit Criteria	Performance Measure	Quality Assurance Activity	Results	KPR Compliant?
5	Inbound Mail Accuracy / Quality Services	DPC Operations-Integrated	AC01 AC02 AC03	98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.9%	Yes
7	Imaging Accuracy / Quality Services	DPC Operations-Integrated	AC04 AC05 AC06	98% of imaging is processed accurately, as determined in accordance with HHSC-approved methodology & performance criteria.	Monthly retrospective audit by IAPI QA staff using DPC Operations-Integrated SRI.	99.9%	Yes

(Table 6.0 – March 2020 Quality Management Summary)

- AC01 Was the document set accurately sorted by program?
- AC02 Was the document set accurately sorted by document type?
- AC03 Were Applications for Assistance (Form 1010) properly identified as expedited applications & handled according to policies & procedures?
- AC04 Were all pages scanned?
- AC05 Were Federal Tax Information (FTI) document(s) removed prior to being sent to Application Support (AS)?
- AC06 Were all scanned images at least as legible as the hard copy?



Historical data on Quality Assurance (QA) KPR:

KPR	Mar 2019	April 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020
5	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	99.9%
7	99.8%	99.9%	99.7%	99.8%	99.7%	99.7%	99.5%	99.7%	99.8%	99.7%	99.7%	99.7%	99.9%

(Table 7.0 – Historical Quality Management Summary)

KPR 16 – Routing Un-Imaged or Un-Identifiable Mail to HHSC: The State Submission Log maintained by the DPC verified that all un-imaged or un-identifiable mail was routed to HHSC in a timely manner. Please refer to the table below listing the type of documents sent or received from the State for processing in May 2020.

Document Type	Documents Sent to HHSC – May 2020
Image Only	39
Managed Care Form	44
Misrouted Mail	60
Others	12
Unknown	2
Application	16
Redetermination	9
Missing Information	59
Returned Mail	4
Returned to Client	10
Changes	1
Total	256

(Table 8.0 – May 2020 State Submission Log Summary)



3.0 Deliverable VARs & SAR Responses

Deliverable VARs

- 1.I05082020-606 - April 2020 HUB Report VAR
- 2.I05112020-607 - DP 137-D Monthly Financial Statements ES - April 2020 VAR
- 3.I05132020-608 - DP_089-D_old_ID_DP_128__Quality_Assurance_Report_v0_1_March_2020 VAR
- 4.I05142020-609 - DP 069-D Old id - DP107 - Monthly Operational Status Report - April 2020 VAR
- 5.I05202020-610 - KPR 17 - KPR Report April 2020 VAR

VARs/SAR Responses/VAR-SAR Follow-ups

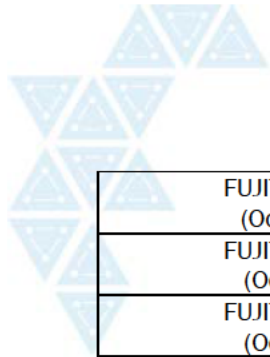
- 1.I01022020-576 - (DP 083-D) KPR9 Annual BCDR Plan Jan 2020 VAR - Response 10
- 2.I04202020-605 - KPR 17 - KPR Report March 2020 VAR - Response 1
- 3.I04292020B-255 - Random Mail Sampling Report April 2020 SAR
- 4.I05072020B-256 - Vendor Error Report – April 2020 SAR
- 5.I12232019B-235 - Processing with Incorrect Agency Received Dates SAR- Response 5
- 6.I05142020-609 - DP 069-D Old id - DP107 - Monthly Operational Status Report - April 2020 VAR Response 1
- 7.I03172020C-246 - HHSC DPC - COVID-19 Business Continuity Measures SAR - Response 14
- 8.I05202020-610 - KPR 17 - KPR Report April 2020 VAR - Response 1



4.0 Incidents and Outages

The table below lists the number of scanner outages reported. DPC completed its migration to single scanning platform (FUJITSU) in October 2013, thus below table lists only those older FUJITSUs that had outage in October 2013.

Scanner # (Production month-year)	Incident from Jan 2011 to February 2020	March 2020	April 2020	May 2020	Total
FUJITSU # 2 (Oct 2009)	11	-	-	-	11
Fujitsu #8 (May 2011)	23	Decommissioned due to end of life reached			23
FUJITSU # 10 (Oct 2013)	10	-	-	-	10
FUJITSU # 11 (Oct 2013)	5	-	-	-	5
FUJITSU# 12 (Oct 2013)	11	-	-	-	11
FUJITSU# 13 (Oct 2013)	11	-	1	-	12
FUJITSU # 14 (Oct 2013)	9	-	-	-	9
FUJITSU # 15 (Oct 2013)	11	-	-	-	11
FUJITSU # 16 (Oct 2013)	4	-	-	-	4
FUJITSU # 17 (Oct 2013)	6	-	-	-	6
FUJITSU # 18 (Oct 2013)	8	-	-	-	8
FUJITSU # 19 (Oct 2013)	7	-	-	-	7
FUJITSU # 20 (Oct 2013)	9	-	-	-	9
FUJITSU # 22 (Oct 2013)	8	-	-	-	8



FUJITSU # 23 (Oct 2013)	5	-	-	-	5
FUJITSU # 24 (Oct 2013)	8	-	-	-	8
FUJITSU # 25 (Oct 2013)	7	-	-	-	7
FUJITSU # 26 (Oct 2013)	14	-	-	-	14
FUJITSU # 27 (Oct 2013)	14	-	-	-	14
FUJITSU # 28 (Oct 2013)	5	-	-	-	5
FUJITSU # 29 (Oct 2013)	13	-	-	-	13
FUJITSU # 30 (Oct 2013)	7	-	-	-	7
FUJITSU # 31 (Oct 2013)	9	-	-	-	9
FUJITSU # 32 (Oct 2013)	2	-	-	-	2
FUJITSU # 33 (Oct 2013)	9	-	-	-	9
FUJITSU #110046 (ATHENS)	1	-	-	-	1
Total	227	0	1	0	228

(Table 9.0 – Outages and Incidents History)



5.0 DPC Staffing Summary

The table below summarizes DPC and PMO staff by end of month.

Position (DPC)	Staffing Level
DPC Production Manager	1
Supervisor/Sr. Supervisor	4
Quality Control Technician	3
Prep Technician	8
Scan Technician	12
Data Entry Clerk/State Submissions	2
Admin. Assistant	1
Mailroom Technician/Lead	3
Training Specialist	1
PMO Team (PM/QA/Reporting Coordinator)	3
Headcount Total	38
End of month FTE (Last Week)	27.71

(Table 10.0 – May 2020 DPC Headcount Staffing Levels)

Note: End of month FTE excludes Director of Operations and PMO Manager.



As of May 31, 2020, the DPC headcount was 38 people, which is 5% less than April 2020.

	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020
DPC Headcount Beginning Month	53	53	52	51	49	48	48	48	52	52	51	50	40
Turnover	0	1	1	2	1	0	0	1	0	1	1	10	2
New Hire	0	0	0	0	0	0	0	5	0	0	0	0	0
DPC Headcount Ending Month	53	52	51	49	48	48	48	52	52	51	50	40	38
Turnover Rate (Turnover/Beginning Headcount)	0.0%	1.9%	1.9%	4.0%	2.0%	0.0%	0.0%	2.1%	0.0%	1.9%	2.0%	20.4%	5.0%
Full-Time Equivalents (Last week of month)	40.83	43.62	45.19	40.43	39.07	38.23	38.53	38.45	44.86	44.86	42.64	28.88	27.71
Average Full-Time Equivalents	42.84	44.74	42.99	41.45	40.37	38.88	39.20	42.97	43.78	43.78	43.77	32.40	26.77

(Table 11.0 – Monthly DPC Headcount and Attrition)

Note: Above table list employees housed at DPC only (PMO and Production). Employee (temporary or permanent) would be counted under headcount when:

- 1. Employee is on any kind of paid or un-paid leave*
- 2. Employee has not resigned or released anytime during reporting month*



6.0 Training Summary

Training	May 1, 2020	Week Ending May 9	Week Ending May 16	Week Ending May 23	Week Ending May 31	Monthly Total
MCVE Review with Prep Staff	-	-	-	8	-	8
MCVE Review with Scan Staff	-	-	-	11	-	11
One on One Prep Coaching	-	-	2	-	2	4
One on One Scan Coaching	-	-	4	-	6	10
Total	-	-	6	19	8	33

The QA/Training department is responsible for DPC Document Processing training. The training includes the development and delivery of materials for new-hires, remediation and updates to processes training. The table below is a summary of the training conducted at the DPC. The count indicates number of staff that was trained.

(Table 12.0 – May 2020 Training History)



7.0 Corrective Action

Below provided summary of vendor errors reported in last twelve months.

Vendor Issue	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	*Mar 2020	Apr 2020	May 2020
EB Multi-client	-	-	-	-	-	-	-	-	-	-	-	-	-
ES Multi-client	19	10	17	17	10	14	32	36	30	33	-	36	20
Images Incorrectly Scanned (include TRS-SAVERR Imaging)	5	10	8	7	84	8	120	73	-	-	-	-	2
ES Documents scanned as EB Documents.	-	-	-	-	-	-	-	-	-	-	-	-	-
Failure to return original documents to client	-	-	-	-	-	-	-	-	-	-	-	-	-
Incorrectly handled misrouted mail	-	-	-	-	-	1	-	-	-	-	-	-	-
Document prepped incorrectly	20	17	11	16	7	12	3	3	4	4	-	3	4
Total	44	37	36	40	101	35	155	112	34	37	-	39	26

(Table 13.0 - 2019-2020 Vendor Errors)

**Per SAR # I04012020B-252, no Vendor Errors were reported for the month of March 2020.*

8.0 Issues and Risks

No Issues or Risks to report.

9.0 System/Process Initiatives



No new initiative to report.

10.0 Appendix A

Activities	Count for Month of May 2020
Contaminated Mail	6
Original Returned to client	88
EBT Cards	20
Monthly Payments Handled	141

(Table 14.0 – May 2020 Miscellaneous Monthly Activities)



TEXAS
Health and Human
Services

Exhibit : K Cost Forms

**Document Processing Services
Health and Human Services Commission (HHSC)**

Document Processing Services (DPS)
RFP Number HHS0007333 – Exhibit K: Cost Forms

Respondent Name: _____

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Attachment A: Cost Forms – Document Processing Services

Appendix A-1 Transitional Pricing

- A-1 Schedule 1: FTEs by Key Milestones
- A-1 Schedule 2: Salaries by Key Milestones
- A-1 Schedule 3a: Summary Budget Information
- A-1 Schedule 3b: Budget Detailed Information
- A-1 Schedule 4: Budget Detailed by Key Milestones
- A-1 Schedule 5a: Detail Capital Equipment Listing By Type and Month of Acquisition
- A-1 Schedule 5b: Capital Equipment Expenses and Depreciation
- A-1 Schedule 6: Subcontractor(s) Listing
- A-1 Schedule 7: Consultant(s) Listing

Appendix A-2 Operational Pricing

- A-2 Schedule 1: FTEs by Functional Area
- A-2 Schedule 2: Salaries by Functional Area
- A-2 Schedule 3a: Summary Budget Information
- A-2 Schedule 3b: Budget Detailed Information
- A-2 Schedule 4: Budget Detailed by Functional Area
- A-2 Schedule 5a: Detail Capital Equipment Listing By Type and Month of Acquisition
- A-2 Schedule 5b: Capital Equipment Expenses and Depreciation
- A-2 Schedule 6: Subcontractor(s) Listing
- A-2 Schedule 7: Consultant(s) Listing
- A-2 Schedule 8: Detailed Analysis of Proposed Indirect Rate(s)
- A-2 Schedule 9: Employee Benefits/Fringe Benefits/Bonuses Analysis
- A-2 Schedule 10: Proposed Fixed Administrative Service Fee Analysis
- A-2 Schedule 11: Projected State and Local Taxes

Appendix A-3 Summary Pricing

- A3 Summary Sheet 1: Fixed Administrative Fees for Transition
- A3 Summary Sheet 2: Fixed Administrative Fees for Operations
- A3 Summary Sheet 3: Variable Administrative Fees
- A3 Summary Sheet 4: Catalog Pricing for Operations

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-1: Transitional Pricing
A-1 Schedule 1: FTEs by Key Milestones

Document Processing Services	Month 1	Month 2	Month 3	Month 4	Month 5	Through last Month	Total
1. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
2. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
3. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
4. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
5. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
6. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
7. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
8. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
Total							

Expand Schedule As Needed

Notes:

Positions in each Key Milestone should be aggregated by position classification. List all position classifications that will be providing services for the specific Key Milestone. Please refer to the Key Milestones as defined elsewhere in this document. Include a written narrative and additional supporting schedules justifying the proposed FTEs including, but not limited to, the number of proposed FTEs, the start date, the transitional milestones to be performed, the number of weeks necessary to train staff for the respective duties, the number of weeks to perform readiness reviews with HHSC program staff, etc.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-1: Transitional Pricing
A-1 Schedule 2: Salaries by Key Milestones

Document Processing Services	Month 1	Month 2	Month 3	Month 4	Month 5	Last Trans. Month	Total
1. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
2. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
3. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
4. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
5. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
6. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
7. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
8. (Key Milestone)							
(position classification)							
(position classification)							
Sub-Total							
Total							

Expand Schedule As Needed

Notes:

Positions in each Key Milestone should be aggregated by position classification. List applicable salary information for all position classifications that will be providing services for the specific Key Milestone. Please refer to the Key Milestones as defined elsewhere in this document.

Respondent Name: _____

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Appendix A-1: Transitional Pricing
A-1 Schedule 3a: Summary Budget Information by Key Milestone
Document Processing Services

	Key Milestones	Transition Fees
1	Key Milestone # 1	
2	Key Milestone # 2	
3	Key Milestone # 3	
4	Key Milestone # 4	
5	Key Milestone # 5	
6	Key Milestone # 6	
7	Key Milestone # 7	
8	Key Milestone # 8	
9	Key Milestone # 9	
10	Key Milestone # 10	
11	Key Milestone # 11	
12	Key Milestone # 12	
	Total Transition Fees	

Expand Schedule As Needed

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-1: Transitional Pricing
A-1 Schedule 3b: Budget Detailed Information

Document Processing Services	Transition Total
Salaries	
Fringe Benefits	
Sub-total	
Non-pass-through Expenses:	
Consultants (List Each Separately)	
Sub-Contractors (List Each Separately)	
Travel	
Network Support (List Each Type of Support Separately)	
Admin Support (List Each Type of Support Separately)	
Additional Expenses	
Additional Expense - Include additional expenses as necessary	
Sub-total	
<i>Total Non-pass-through Expenses</i>	
Indirect rate	
Sub-total	
<i>Total Non-pass-through Expenses and Indirect rate</i>	
Administrative Service Fee	
Sub-total	
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>	
Pass-through Expenses:	
Capital expenditures (including lease payments)	
Postage / Delivery expenses	
Software License fees	
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)	
Printing expenses	
All Telecommunications Lines and Services	
Other	
<i>Total Pass-through Expenses</i>	
Total All Expenses	

Expand Schedule As Needed

Notes:

Expenses in each component should be aggregated by type. The expense types shown are examples only.

Respondent Name: _____

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Appendix A-1: Transitional Pricing
A-1 Schedule 4: Budget Detailed by Key Milestones

Document Processing Services

		Month- 1	Last Trans. Month	Total
A.	(Key Milestone)			
	Salaries			
	Fringe Benefits			
	Sub-total			
	Non-pass-through Expenses:			
	Consultants (List Each Separately)			
	Sub-Contractors (List Each Separately)			
	Travel			
	Network Support (List Each Type of Support Separately)			
	Admin Support (List Each Type of Support Separately)			
	Additional Expenses			
	Additional expense - Include additional expenses as necessary			
	Sub-total			
	<i>Total Non-pass-through Expenses</i>			
	Indirect rate			
	Sub-total			
	<i>Total Non-pass-through Expenses and Indirect rate</i>			
	Administrative Service Fee			
	Sub-total			
	<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
	Pass-through Expenses:			
	Capital expenditures (including lease payments)			
	Postage / Delivery expenses			
	Software License fees			
	Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
	Printing expenses			
	All Telecommunications Lines and Services			
	Other			
	<i>Total Pass-through Expenses</i>			
	Total All Expenses			

Expand Schedule As Needed

Notes:

Expenses in each Key Milestone should be aggregated by type. The expense types shown are examples only. A separate Transition Schedule 4 Form must be completed for each and in the order of the Key Milestones as defined.

Respondent Name: _____

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Appendix A-1: Transitional Pricing
 A-1 Schedule 5a: Detail Capital Equipment Listing
 By Type and Month of Acquisition

Document Processing Services	Month -1	Month -2	Month -3	Month -4	Month -5	...to last Month	Total
[Equipment Category]							
Desktop Computers							
Laptop Computers							
Network Printers							
Desktop Printers							
Portable Printers							
....							
<i>Subtotal</i>							
[Equipment Category #2]							
Desks							
Chairs							
Conference Tables							
File Cabinets							
Modular Furniture							
...							
<i>Subtotal</i>							
Total							

Expand Schedule As Needed

Notes:

Equipment types shown are examples only. Use appropriate categories and descriptions as necessary to include all capital items acquired (including COTS Software). Show capital equipment acquisitions in the month required.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-1: Transitional Pricing
A-1 Schedule 5b: Capital Equipment Expenses and Depreciation

Document Processing Services	Month -1	Month -2	Month -3	Month -4	Month -5	...to last Month	Total
Depreciation for Capitalized Furniture and Equipment							
Operating lease payments							
Rental payments							
Amortization of Lease Hold Improvements							
Inter-company charges for pro rata usage of mainframe systems							
Total							

Expand Schedule As Needed

Notes:

Capital expenses should be shown in the month charged. Amortization of leasehold improvements should be expensed over the expected life of the contract.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-1: Transitional Pricing
A-1 Schedule 6: Subcontractor(s) Listing
Document Processing Services

1	Subcontractor Name	
	Types of Services	
	Detailed explanation of need for sub-contractor and service(s) provided	
	Subcontractor travel budget	
	Expected deliverable(s) to be provided to prime contractor	
	Subcontractor Cost (amount included in proposal)	
2	Subcontractor Name	
	Types of Services	
	Detailed explanation of need for sub-contractor and service(s) provided	
	Subcontractor travel budget	
	Expected deliverable(s) to be provided to prime contractor	
	Subcontractor Cost (amount included in proposal)	
3	Subcontractor Name	
	Types of Services	
	Detailed explanation of need for sub-contractor and service(s) provided	
	Subcontractor travel budget	
	Expected deliverable(s) to be provided to prime contractor	
	Subcontractor Cost (amount included in proposal)	

Expand Schedule As Needed

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-1: Transitional Pricing
A-1 Schedule 7: Consultant(s) Listing
Document Processing Services

1	Consultant Name	
	Types of Services	
	Detailed explanation of need for sub-contractor and service(s) provided	
	Consultant travel budget	
	Expected deliverable(s) to be provided to prime contractor	
	Consultant Cost (amount included in proposal)	
2	Consultant Name	
	Types of Services	
	Detailed explanation of need for sub-contractor and service(s) provided	
	Consultant travel budget	
	Expected deliverable(s) to be provided to prime contractor	
	Consultant Cost (amount included in proposal)	
3	Consultant Name	
	Types of Services	
	Detailed explanation of need for sub-contractor and service(s) provided	
	Consultant travel budget	
	Expected deliverable(s) to be provided to prime contractor	
	Consultant Cost (amount included in proposal)	

Expand Schedule As Needed

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 1: FTE's by Functional Area

Document Processing Services	Month 1	Month 2	Month 3	Month 4	..... Include all other operational months	Totals for each operational contract year should be inserted accordingly
1. (functional area)						
(position classification)						
(position classification)						
Sub-Total						
2. (functional area)						
(position classification)						
(position classification)						
Sub-Total						
3. (functional area)						
(position classification)						
(position classification)						
Sub-Total						
4. (functional area)						
(position classification)						
(position classification)						
Sub-Total						
5. (functional area)						
(position classification)						
(position classification)						
Sub-Total						
6. (functional area)						
(position classification)						

Document Processing Services	Month 1	Month 2	Month 3	Month 4	..... Include all other operational months	Totals for each operational contract year should be inserted accordingly
(position classification)						
Sub-Total						
7. (functional area)						
(position classification)						
(position classification)						
Sub-Total						
Total						

Expand Schedule As Needed

Notes:

Positions in each business functional area (functional area) should be aggregated by position classification. List all position classifications that will be providing services for the specific functional area. Please refer to the functional areas as defined elsewhere in this document. Include a written narrative and additional supporting schedules justifying the proposed FTEs including, but not limited to, the number of proposed FTEs, the start date, the operational functions to be performed, the number of weeks necessary to train staff for the respective duties, the number of weeks to perform readiness reviews with HHSC program staff, etc.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 2: Salaries by Functional Area

Document Processing Services	Month 1	Month 2	Month 3	Month 4	Month 5	Months 6-12	Total
1. (functional area)							
(position classification)							
(position classification)							
Sub-Total							
2. (functional area)							
(position classification)							
(position classification)							
Sub-Total							
3. (functional area)							
(position classification)							
(position classification)							
Sub-Total							
4. (functional area)							
(position classification)							
(position classification)							
Sub-Total							
5. (functional area)							
(position classification)							
(position classification)							
Sub-Total							
6. (functional area)							
(position classification)							
(position classification)							
Sub-Total							
7. (functional area)							
(position classification)							
(position classification)							
Sub-Total							
Total							

Expand Schedule As Needed

Notes:

Positions in each functional area should be aggregated by position classification. The functional areas for each component might differ and only the appropriate functional areas should be shown. Please refer to the functional areas as defined elsewhere in this document.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 3a: Summary Budget Information

	Operational					Total
	YR 1	YR 2	YR 3	Optional YR 4	Optional YR 5	
Document Processing Services						
Total						

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 3b: Budget Detailed Information

Document Processing Services Totals	Operational Year 1	Operational Years 2 & 3 (submit yearly budgets in separate columns by year)	Optional Years 4 & 5 (submit yearly budgets in separate columns by year)	Total
Salaries				
Fringe Benefits				
Sub-total				
Non-pass-through Expenses:				
Consultants (List Each Separately)				
Sub-Contractors (List Each Separately)				
Travel				
Network Support (List Each Type of Support Separately)				
Admin Support (List Each Type of Support Separately)				
Additional Expenses				
Additional expense				
Sub-total				
<i>Total Non-pass-through Expenses</i>				
Indirect rate				
Sub-total				
<i>Total Non-pass-through Expenses and Indirect rate</i>				
Administrative Service Fee				
Sub-total				
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>				
Pass-through Expenses:				
Capital expenditures (including lease payments)				
Postage / Delivery expenses				

Document Processing Services Totals	Operational Year 1	Operational Years 2 & 3 (submit yearly budgets in separate columns by year)	Optional Years 4 & 5 (submit yearly budgets in separate columns by year)	Total
Software License fees				
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)				
Printing expenses				
All Telecommunications Lines and Services				
Other				
<i>Total Pass-through Expenses</i>				
Total All Expenses				

Expand Schedule As Needed

Notes:

Expenses in each component should be aggregated by type. The expense types shown are examples only.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 4: Budget Detailed by Functional Area

Document Processing Services	Month- 1	..... include all other operatio nal months	Totals for each operational contract year should be inserted accordingly
A. Program Management Office			
Salaries			
Fringe Benefits			
Sub-total			
Non-pass-through Expenses:			
Consultants (List Each Separately)			
Sub-Contractors (List Each Separately)			
Travel			
Network Support (List Each Type of Support Separately)			
Admin Support (List Each Type of Support Separately)			
Additional Expenses			
Additional expense - Include additional expenses as necessary			
Sub-total			
<i>Total Non-pass-through Expenses</i>			
Indirect rate			
Sub-total			
<i>Total Non-pass-through Expenses and Indirect rate</i>			
Administrative Service Fee			
Sub-total			
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
Pass-through Expenses:			
Capital expenditures (including lease payments)			
Postage / Delivery expenses			
Software License fees			
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
Printing expenses			
All Telecommunications Lines and Services			
Other			
<i>Total Pass-through Expenses</i>			

Document Processing Services	Month- 1	..... include all other operatio nal months	Totals for each operational contract year should be inserted accordingly
Total All Expenses			

Notes:

Expenses in each functional area should be aggregated by type. The expense types shown are examples only. Please refer to the functional areas as defined elsewhere in this document.

Respondent Name: _____

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Appendix A-2: Operational Pricing
A-2 Schedule 4: Budget Detailed by Functional Area

Document Processing Services	Month- 1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
B. General Operations			
Salaries			
Fringe Benefits			
Sub-total			
Non-pass-through Expenses:			
Consultants (List Each Separately)			
Sub-Contractors (List Each Separately)			
Travel			
Network Support (List Each Type of Support Separately)			
Admin Support (List Each Type of Support Separately)			
Additional Expenses			
Additional expense - Include additional expenses as necessary			
Sub-total			
<i>Total Non-pass-through Expenses</i>			
Indirect rate			
Sub-total			
<i>Total Non-pass-through Expenses and Indirect rate</i>			
Administrative Service Fee			
Sub-total			
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
Pass-through Expenses:			
Capital expenditures (including lease payments)			
Postage / Delivery expenses			
Software License fees			
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
Printing expenses			
All Telecommunications Lines and Services			
Other			

Document Processing Services	Month- 1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
<i>Total Pass-through Expenses</i>			
Total All Expenses			

Notes:

Expenses in each functional area should be aggregated by type. The expense types shown are examples only. Please refer to the functional areas as defined elsewhere in this document.

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Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 4: Budget Detailed by Functional Area

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
C. Document Processing:			
1. Pickup / Acceptance of Mail			
Salaries			
Fringe Benefits			
Sub-total			
Non-pass-through Expenses:			
Consultants (List Each Separately)			
Sub-Contractors (List Each Separately)			
Travel			
Network Support (List Each Type of Support Separately)			
Admin Support (List Each Type of Support Separately)			
Additional Expenses			
Additional expense - Include additional expenses as necessary			
Sub-total			
<i>Total Non-pass-through Expenses</i>			
Indirect rate			
Sub-total			
<i>Total Non-pass-through Expenses and Indirect rate</i>			
Administrative Service Fee			
Sub-total			
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
Pass-through Expenses:			
Capital expenditures (including lease payments)			
Postage / Delivery expenses			
Software License fees			
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
Printing expenses			
All Telecommunications Lines and Services			

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
Other			
<i>Total Pass-through Expenses</i>			
Total All Expenses			

Notes:

Expenses in each functional area should be aggregated by type. The expense types shown are examples only. Please refer to the functional areas as defined elsewhere in this document.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 4: Budget Detailed by Functional Area

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
Fringe Benefits			
Sub-total			
Non-pass-through Expenses:			
Consultants (List Each Separately)			
Sub-Contractors (List Each Separately)			
Travel			
Network Support (List Each Type of Support Separately)			
Admin Support (List Each Type of Support Separately)			
Additional Expenses			
Additional expense - Include additional expenses as necessary			
Sub-total			
<i>Total Non-pass-through Expenses</i>			
Indirect rate			
Sub-total			
<i>Total Non-pass-through Expenses and Indirect rate</i>			
Administrative Service Fee			
Sub-total			
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
Pass-through Expenses:			
Capital expenditures (including lease payments)			
Postage / Delivery expenses			
Software License fees			
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
Printing expenses			
All Telecommunications Lines and Services			
Other			
<i>Total Pass-through Expenses</i>			
Total All Expenses			

Notes:

Expenses in each functional area should be aggregated by type. The expense types shown are examples only. Please refer to the functional areas as defined elsewhere in this document.

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Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 4: Budget Detailed by Functional Area

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
E. Document Processing:			
3. Scanning / Imaging			
Salaries			
Fringe Benefits			
Sub-total			
Non-pass-through Expenses:			
Consultants (List Each Separately)			
Sub-Contractors (List Each Separately)			
Travel			
Network Support (List Each Type of Support Separately)			
Admin Support (List Each Type of Support Separately)			
Additional Expenses			
Additional expense - Include additional expenses as necessary			
Sub-total			
<i>Total Non-pass-through Expenses</i>			
Indirect rate			
Sub-total			
<i>Total Non-pass-through Expenses and Indirect rate</i>			
Administrative Service Fee			
Sub-total			
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
Pass-through Expenses:			
Capital expenditures (including lease payments)			
Postage / Delivery expenses			
Software License fees			
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
Printing expenses			
All Telecommunications Lines and Services			

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
Other			
<i>Total Pass-through Expenses</i>			
Total All Expenses			

Notes:

Expenses in each functional area should be aggregated by type. The expense types shown are examples only. Please refer to the functional areas as defined elsewhere in this document.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 4: Budget Detailed by Functional Area

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
F. Document Processing: 4. Rerouting of Misdirected Mail			
Salaries			
Fringe Benefits			
Sub-total			
Non-pass-through Expenses:			
Consultants (List Each Separately)			
Sub-Contractors (List Each Separately)			
Travel			
Network Support (List Each Type of Support Separately)			
Admin Support (List Each Type of Support Separately)			
Additional Expenses			
Additional expense - Include additional expenses as necessary			
Sub-total			
<i>Total Non-pass-through Expenses</i>			
Indirect rate			
Sub-total			
<i>Total Non-pass-through Expenses and Indirect rate</i>			
Administrative Service Fee			
Sub-total			
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
Pass-through Expenses:			
Capital expenditures (including lease payments)			
Postage / Delivery expenses			
Software License fees			
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
Printing expenses			
All Telecommunications Lines and Services			
Other			

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
<i>Total Pass-through Expenses</i>			
Total All Expenses			

Notes:

Expenses in each functional area should be aggregated by type. The expense types shown are examples only. Please refer to the functional areas as defined elsewhere in this document.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 4: Budget Detailed by Functional Area

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
G. Document Processing:			
5. Returning of Original			
Salaries			
Fringe Benefits			
Sub-total			
Non-pass-through Expenses:			
Consultants (List Each Separately)			
Sub-Contractors (List Each Separately)			
Travel			
Network Support (List Each Type of Support Separately)			
Admin Support (List Each Type of Support Separately)			
Additional Expenses			
Additional expense - Include additional expenses as necessary			
Sub-total			
<i>Total Non-pass-through Expenses</i>			
Indirect rate			
Sub-total			
<i>Total Non-pass-through Expenses and Indirect rate</i>			
Administrative Service Fee			
Sub-total			
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
Pass-through Expenses:			
Capital expenditures (including lease payments)			
Postage / Delivery expenses			
Software License fees			
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
Printing expenses			
All Telecommunications Lines and Services			

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
Other			
<i>Total Pass-through Expenses</i>			
Total All Expenses			

Notes:

Expenses in each functional area should be aggregated by type. The expense types shown are examples only. Please refer to the functional areas as defined elsewhere in this document.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 4: Budget Detailed by Functional Area

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
H. Facility Infrastructure (including Office Leases, Leasehold Improvements, Furniture and Equipment)			
Salaries			
Fringe Benefits			
Sub-total			
Non-pass-through Expenses:			
Consultants (List Each Separately)			
Sub-Contractors (List Each Separately)			
Travel			
Network Support (List Each Type of Support Separately)			
Admin Support (List Each Type of Support Separately)			
Additional Expenses			
Additional expense - Include additional expenses as necessary			
Sub-total			
<i>Total Non-pass-through Expenses</i>			
Indirect rate			
Sub-total			
<i>Total Non-pass-through Expenses and Indirect rate</i>			
Administrative Service Fee			
Sub-total			
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
Pass-through Expenses:			
Capital expenditures (including lease payments)			
Postage / Delivery expenses			
Software License fees			
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
Printing expenses			
All Telecommunications Lines and Services			

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
Other			
<i>Total Pass-through Expenses</i>			
Total All Expenses			

Notes:

Expenses in each functional area should be aggregated by type. The expense types shown are examples only. Please refer to the functional areas as defined elsewhere in this document.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 4: Budget Detailed by Functional Area

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
I. Technical Infrastructure (including IT Equipment and Software)			
Salaries			
Fringe Benefits			
Sub-total			
Non-pass-through Expenses:			
Consultants (List Each Separately)			
Sub-Contractors (List Each Separately)			
Travel			
Network Support (List Each Type of Support Separately)			
Admin Support (List Each Type of Support Separately)			
Additional Expenses			
Additional expense - Include additional expenses as necessary			
Sub-total			
<i>Total Non-pass-through Expenses</i>			
Indirect rate			
Sub-total			
<i>Total Non-pass-through Expenses and Indirect rate</i>			
Administrative Service Fee			
Sub-total			
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
Pass-through Expenses:			
Capital expenditures (including lease payments)			
Postage / Delivery expenses			
Software License fees			
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
Printing expenses			
All Telecommunications Lines and Services			

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
Other			
<i>Total Pass-through Expenses</i>			
Total All Expenses			

Notes:

Expenses in each functional area should be aggregated by type. The expense types shown are examples only. Please refer to the functional areas as defined elsewhere in this document.

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 4: Budget Detailed by Functional Area

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
J. Training			
Salaries			
Fringe Benefits			
Sub-total			
Non-pass-through Expenses:			
Consultants (List Each Separately)			
Sub-Contractors (List Each Separately)			
Travel			
Network Support (List Each Type of Support Separately)			
Admin Support (List Each Type of Support Separately)			
Additional Expenses			
Additional expense - Include additional expenses as necessary			
Sub-total			
<i>Total Non-pass-through Expenses</i>			
Indirect rate			
Sub-total			
<i>Total Non-pass-through Expenses and Indirect rate</i>			
Administrative Service Fee			
Sub-total			
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
Pass-through Expenses:			
Capital expenditures (including lease payments)			
Postage / Delivery expenses			
Software License fees			
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
Printing expenses			
All Telecommunications Lines and Services			
Other			
<i>Total Pass-through Expenses</i>			

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
Total All Expenses			

Notes:

Expenses in each functional area should be aggregated by type. The expense types shown are examples only. Please refer to the functional areas as defined elsewhere in this document.

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Appendix A-2: Operational Pricing
A-2 Schedule 4: Budget Detailed by Functional Area

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
K. Quality Monitoring			
Salaries			
Fringe Benefits			
Sub-total			
Non-pass-through Expenses:			
Consultants (List Each Separately)			
Sub-Contractors (List Each Separately)			
Travel			
Network Support (List Each Type of Support Separately)			
Admin Support (List Each Type of Support Separately)			
Additional Expenses			
Additional expense - Include additional expenses as necessary			
Sub-total			
<i>Total Non-pass-through Expenses</i>			
Indirect rate			
Sub-total			
<i>Total Non-pass-through Expenses and Indirect rate</i>			
Administrative Service Fee			
Sub-total			
<i>Total Non-pass-through Expenses, Indirect rate, and Administrative Service Fee</i>			
Pass-through Expenses:			
Capital expenditures (including lease payments)			
Postage / Delivery expenses			
Software License fees			
Office Rent (incl. leasehold improvements & all documented costs imposed by the lessor)			
Printing expenses			
All Telecommunications Lines and Services and Services			
Other			
<i>Total Pass-through Expenses</i>			

Document Processing Services	Month-1	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
Total All Expenses			

Notes:

Expenses in each functional area should be aggregated by type. The expense types shown are examples only. Please refer to the functional areas as defined elsewhere in this document.

Respondent Name: _____

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Appendix A-2: Operational Pricing
 A-2 Schedule 5a: Detail Capital Equipment Listing
 By Type and Month of Acquisition

Document Processing Services	Month -1	Month -2	Month -3	Month -4	Month -5	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
[Equipment Category]							
Desktop Computers							
Laptop Computers							
Network Printers							
Desktop Printers							
Portable Printers							
....							
<i>Subtotal</i>							
[Equipment Category #2]							
Desks							
Chairs							
Conference Tables							
File Cabinets							
Modular Furniture							
...							
<i>Subtotal</i>							
Total							

Expand Schedule As Needed

Notes:

Equipment types shown are examples only. Use appropriate categories and descriptions as necessary to include all capital items acquired (including COTS Software). Show capital equipment acquisitions in the month required.

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Appendix A-2: Operational Pricing
A-2 Schedule 5b: Capital Equipment Expenses and Depreciation

Document Processing Services	Month -1	Month -2	Month -3	Month -4	..... include all other operational months	Totals for each operational contract year should be inserted accordingly
Depreciation for Capitalized Furniture and Equipment						
Operating lease payments						
Rental payments						
Amortization of Lease Hold Improvements						
Inter-company charges for pro rata usage of mainframe systems						
Total						

Expand Schedule As Needed

Notes:

Capital expenses should be shown in the month charged. Amortization of leasehold improvements should be expensed over the expected life of the contract.

Respondent Name: _____

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Appendix A-2: Operational Pricing
A-2 Schedule 6: Subcontractor(s) Listing
Document Processing Services

1 Subcontractor Name	
Types of Services	
Detailed explanation of need for sub-contractor and service(s) provided	
Subcontractor travel budget	
Expected deliverable(s) to be provided to prime contractor	
Subcontractor Cost (amount included in proposal)	
2 Subcontractor Name	
Types of Services	
Detailed explanation of need for sub-contractor and service(s) provided	
Subcontractor travel budget	
Expected deliverable(s) to be provided to prime contractor	
Subcontractor Cost (amount included in proposal)	
3 Subcontractor Name	
Types of Services	
Detailed explanation of need for sub-contractor and service(s) provided	
Subcontractor travel budget	
Expected deliverable(s) to be provided to prime contractor	
Subcontractor Cost (amount included in	

proposal)	
-----------	--

Expand Schedule As Needed

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 7: Consultant(s) Listing

Document Processing Services

1	Consultant Name	
	Types of Services	
	Detailed explanation of need for sub-contractor and service(s) provided	
	Consultant travel budget	
	Expected deliverable(s) to be provided to prime contractor	
	Consultant Cost (amount included in proposal)	
2	Consultant Name	
	Types of Services	
	Detailed explanation of need for sub-contractor and service(s) provided	
	Consultant travel budget	
	Expected deliverable(s) to be provided to prime contractor	
	Consultant Cost (amount included in proposal)	
3	Consultant Name	
	Types of Services	
	Detailed explanation of need for sub-contractor and service(s) provided	
	Consultant travel budget	
	Expected deliverable(s) to be provided to prime contractor	
	Consultant Cost (amount included in proposal)	

Expand Schedule As Needed

Respondent Name: _____

Request for Proposal Submission Date: _____

Appendix A-2: Operational Pricing
A-2 Schedule 9: Employee Benefits/Fringe Benefits Analysis

Document Processing Services
Give a detailed analysis of Employee Benefits/Fringe Benefits for the proposed contract.

Notes:

Document any other type of expenses that are included in the employee benefits and fringe benefits that would not normally appear in the materials provided to each employee describing employee benefits (i.e. are staff turnover elements included in this calculation?, are non-productive staff time included in this calculation?, etc.).

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Appendix A-2: Operational Pricing
A-2 Schedule 10: Proposed Fixed Administrative Service Fee Analysis

Document Processing Services
Give a detailed analysis of the fixed proposed Administrative Service Fee to be used for the proposed contract and any amendment(s) executed to incorporate recurring new services and/or recurring new deliverables to the contract.

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Appendix A-2: Operational Pricing
A-2 Schedule 11: Projected State and Local Taxes
Document Processing Services

Projected State and Local Taxes, Including Texas Franchise Taxes to be paid in Texas during entire operational period
Indicate Projected State and Local Taxes, including Texas Franchise Taxes to be paid in Texas by the Prime Contractor and each proposed subcontractor
Give a detailed analysis of the projected State taxes, local municipal taxes, Texas franchise taxes and any other taxes to be paid during the entire operational period in Texas by the Prime contractor and each proposed subcontractor directly resulting from the contract resulting from this RFP.

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Appendix A-3: Pricing Summary
A3 Summary Sheet 1: Fixed Administrative Fees for Transition
Document Processing Services

Fixed administrative fees are to be bid for a base transition period.

Milestones	Fixed Fee (During Transition Months)
(Key Milestone #1)	\$
(Key Milestone #2)	\$
(Key Milestone #3)	\$
(Key Milestone #4)	\$
(Key Milestone #5)	\$
(Key Milestone #6)	\$
(Key Milestone #7)	\$
(Key Milestone #8)	\$

Note:

Please refer to the Key Milestones as defined elsewhere in this document.

Respondent Name: _____

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Appendix A-3: Pricing Summary
A3 Summary Sheet 2: Fixed Administrative Fees for Operations
Document Processing Services

Annual fixed administrative fees are to be bid for the first twelve months of the Operations period for each specific component. For all subsequent 12-month Operational Periods, the fixed administrative fee(s) will be determined by application of the fixed annual price inflator (if approved by HHSC to be applied, otherwise no inflator will be factored) bid by the Respondent.

Category of Service	Annual Fixed Fee	Annual Inflator
Year-1 Operations <i>(include only fees for months after attaining "System Ready" status, as determined by HHSC)</i>	\$	%
Year-2 Operations	\$	%
Year-3 Operations	\$	%
Optional Year-4 Operations	\$	%
Optional Year-5 Operations	\$	%

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Appendix A-3: Pricing Summary
A3 Summary Sheet 3: Variable Administrative Fees
Document Processing Services

Variable administrative fees are to be expressed as a specific price per each requested variable component for the first 36 months of the Operational period, as well as the 24 optional Operational periods. All variable fees should be expressed using 4 decimal places, *0.0000*.

Variable Fee Description	Operational YR 1 Monthly Variable Fee	Operational YR 2 Monthly Variable Fee	Operational YR 3 Monthly Variable Fee	Optional YR 4 Monthly Variable Fee	Optional YR 5 Monthly Variable Fee
Costs Per Inbound Documents Processed Correctly	\$	\$	\$	\$	\$

The Vendor must include assumptions utilized to calculate the variable fees included above with the overall pricing assumptions.

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Appendix A-3: Pricing Summary
A3 Summary Sheet 4: Catalog Pricing for Operations
Document Processing Services

The costs associated with additional activities to be performed by the Contractor will, in part, be based on explicit fixed prices bid for Contractor inputs. All-inclusive hourly labor rates are to be bid for the first year of the Contract for each of the activities. For all subsequent Contract periods, the all-inclusive hourly labor rate will be determined by application of the fixed annual price inflator (if approved by HHSC to be applied, otherwise no inflator will be factored) bid by the Contractor.

Activity	All-inclusive Hourly Labor Rate	Annual Inflator
Non-technical Operations (individually list service levels)	\$	%
Other Administrative Services (individually list service levels)	\$	%

Expand Schedule As Needed



TEXAS
Health and Human
Services

Exhibit M: Assumptions

**Document Processing Services
Health and Human Services Commission (HHSC)**

EXHIBIT M: ASSUMPTIONS FORM

NOTE TO RESPONDENTS: COMPLETION OF THIS EXHIBIT IS NOT REQUIRED IF THERE ARE NO ASSUMPTIONS. SEE HHS0007333 SECTION 3.6.6.

Solicitation Document	Solicitation Document Section Number	Solicitation Language regarding which Assumption is Made	Assumption

DPC Austin
Hardware and Supplies

Scan Area Inventory			
Item	Count	Serial# / Service Code	Comments
Large Scan Table	25	N/A	HHSC Asset
Small Scan Table	31	N/A	HHSC Asset
Scan Chairs	24	N/A	HHSC Asset
Scan Supply Rack	2	N/A	HHSC Asset
FUJITSU Scanner - 10	1	100194	HHSC Asset
FUJITSU Scanner - 11	1	100195	HHSC Asset
FUJITSU Scanner - 12	1	100192	HHSC Asset
FUJITSU Scanner - 13	1	100193	HHSC Asset
FUJITSU Scanner - 14	1	100237	HHSC Asset
FUJITSU Scanner - 15	1	100238	HHSC Asset
FUJITSU Scanner - 16	1	100209	HHSC Asset
FUJITSU Scanner - 17	1	100239	HHSC Asset
FUJITSU Scanner - 18	1	100236	HHSC Asset
FUJITSU Scanner - 19	1	100211	HHSC Asset
FUJITSU Scanner - 20	1	100241	HHSC Asset
FUJITSU Scanner - 21	1	100208	HHSC Asset
FUJITSU Scanner - 22	1	100229	HHSC Asset
FUJITSU Scanner - 23	1	100210	HHSC Asset
FUJITSU Scanner - 24	1	100230	HHSC Asset
FUJITSU Scanner - 25	1	100243	HHSC Asset
FUJITSU Scanner - 26	1	100248	HHSC Asset
FUJITSU Scanner - 27	1	001091	HHSC Asset (Serial # 100242 - decommissioned 7/26)
FUJITSU Scanner - 28	1	100231	HHSC Asset
FUJITSU Scanner - 29	1	100240	HHSC Asset
FUJITSU Scanner - 30	1	100254	HHSC Asset
FUJITSU Scanner - 31	1	100255	HHSC Asset
FUJITSU Scanner - 32	1	100228	HHSC Asset
FUJITSU Scanner - 33	1	100249	HHSC Asset
UPS	1	5S1606T26722	HHSC Asset
UPS	1	5S1606T26709	HHSC Asset
UPS	1	5S1606T26730	HHSC Asset
UPS	1	5S1606T26731	HHSC Asset
UPS	1	5S1606T26732	HHSC Asset
Jogger - 10	1	0985A	HHSC Asset
Jogger - 11	1	0984A	HHSC Asset
Jogger - 12	1	0982A	HHSC Asset
Jogger - 13	1	0986A	HHSC Asset
Jogger - 14	1	0988A	HHSC Asset
Jogger - 15	1	1079B	HHSC Asset

DPC Austin
Hardware and Supplies

Jogger - 16	1	0972A	HHSC Asset
Jogger - 17	1	0978A	HHSC Asset
Jogger - 18	1	0974A	HHSC Asset
Jogger - 19	1	UNKNOWN	HHSC Asset
Jogger - 20	1	0987A	HHSC Asset
Jogger - 21	1	0990A	HHSC Asset
Jogger - 22	1	0970A	HHSC Asset
Jogger - 23	1	0983A	HHSC Asset
Jogger - 24	1	0981A	HHSC Asset
Jogger - 25	1	0975A	HHSC Asset
Jogger - 26	1	0977A	HHSC Asset
Jogger - 27	1	0993A	HHSC Asset
Jogger - 28	1	UNKNOWN	HHSC Asset
Jogger - 29	1	UNKNOWN	HHSC Asset
Jogger - 30	1	0991A	HHSC Asset
Jogger - 31	1	0980A	HHSC Asset
Jogger - 32	1	0979A	HHSC Asset
Jogger - 33	1	0989A	HHSC Asset
Plastic Drawers	25	N/A	HHSC Asset
DSS Racks	25	N/A	HHSC Asset
PC - 10	1	91Q3KB2	Has monitor, mouse, & keyboard
PC - 11	1	91G5KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 12	1	91B5KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 13	1	91N4KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 14	1	91F4KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 15	1	91F3KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 16	1	91H4KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 17	1	91L4KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 18	1	91C4KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 19	1	91B3KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 20	1	91M5KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 21	1	91Q5KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 22	1	9196KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 23	1	91G3KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 24	1	91H5KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 25	1	91B6KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 26	1	91D5KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 27	1	9193KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 28	1	91P5KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 29	1	91M4KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 30	1	91H3KB2	HHSC Asset / Has monitor, mouse, & keyboard

DPC Austin
Hardware and Supplies

PC - 31	1	91P3KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 32	1	91B4KB2	HHSC Asset / Has monitor, mouse, & keyboard
PC - 33	1	9166KB2	HHSC Asset / Has monitor, mouse, & keyboard
Bissell Scanner Vacuums	3	N/A	HHSC Asset
Dayton Scanner Vacuums	2	N/A	HHSC Asset
Power Strips	13	N/A	HHSC Asset
Scan Care Kits	25 kits are received in beginning of the year. More consumables are ordered if needed	N/A	HHSC Asset. Includes rollers, cleaning sheets, etc.
Scanner Ink	Changes monthly	N/A	HHSC Asset. Inventory done monthly; monthly supply always on hand
Consumable (Pens/Tape/Rags etc)	Changes monthly	N/A	HHSC Asset. Inventory done monthly; monthly supply always on hand
<u>Prep Area Inventory</u>			
Item	Count	Serial# / Asset Code	Comments
Large Prep Table	53	NA	HHSC Asset
Small Prep Table	27	NA	HHSC Asset
Prep Chair	46	NA	HHSC Asset
Small DDS Rack	56	NA	HHSC Asset
Large DDS Rack	2	NA	HHSC Asset
Supervisor Desk	5	NA	HHSC Asset
Supervisor PC 1	1	91N3KB2	HHSC Asset / Has monitor, mouse, & keyboard
Supervisor PC 2	1	91D4KB2	HHSC Asset / Has monitor, mouse, & keyboard
Supervisor PC 3	1	91D3KB2	HHSC Asset / Has monitor, mouse, & keyboard
Supervisor PC 4	1	91P4KB2	HHSC Asset / Has monitor, mouse, & keyboard
Lead PC 1	1	91J3KB2	HHSC Asset / Has monitor, mouse, & keyboard
Supervisor Chair	5	NA	HHSC Asset / Has monitor, mouse, & keyboard
Copier 1	1	EX7432844	HHSC Asset
Copier 2	1	EX7432847	HHSC Asset
Copier 3	1	EX7434988	HHSC Asset
Contaminated Mail Table	2	NA	HHSC Asset
File Cabinet	5	NA	HHSC Asset
Plastic Drawers	53	NA	HHSC Asset
Consumable (Pens/Tape/Scissors/Staple r Remover etc)	Changes monthly	N/A	HHSC Asset. Inventory done monthly; monthly supply always on hand
<u>Offices/QC Area Inventory</u>			
QC PC 1	1	91G4KB2	HHSC Asset / Has monitor, mouse, & keyboard
QC PC 2	1	91L5KB2	HHSC Asset / Has monitor, mouse, & keyboard
QC PC 3	1	91D6KB2	HHSC Asset / Has monitor, mouse, & keyboard
QC PC 4	1	68TK1R1	HHSC Asset / Has monitor, mouse, & keyboard

DPC Austin
Hardware and Supplies

ADMIN PC 1	1	91C5KB2	HHSC Asset / Has monitor, mouse, & keyboard
MTL PC 1	1	91J4KB2	HHSC Asset / Has monitor, mouse, & keyboard
DA PC 1	1	91K3KB2	HHSC Asset / Has monitor, mouse, & keyboard
SO PC 1	1	91K5KB2	HHSC Asset / Has monitor, mouse, & keyboard
TRAINING PC 1	1	91N5KB2	HHSC Asset / Has monitor, mouse, & keyboard
QA PC 1	1	91Q4KB2	HHSC Asset / Has monitor, mouse, & keyboard
GUEST PC 1	1	9186KB2	HHSC Asset / Has monitor, mouse, & keyboard
Image API HR assistant PC	1	91M3KB2	HHSC Asset / Has monitor, mouse, & keyboard
DPC production Manager PC	1		HHSC Asset / Has monitor, mouse, & keyboard
PMO Manager PC	1	91J5KB2	HHSC Asset / Has monitor, mouse, & keyboard
Tables/Office Desk	21	NA	HHSC Asset
Chairs	30	NA	HHSC Asset
File Cabinet	19	NA	HHSC Asset
Phone	8	NA	HHSC Asset
Plastic Drawers	10	NA	HHSC Asset
Camera/DVR system	1		HR office - HHSC Asset
Consumable (Pens/Tape/Scissors/Staple r Remover etc)	Changes monthly	N/A	HHSC Asset. Inventory done monthly; monthly supply always on hand
<u>Mailroom Inventory</u>			
Van	1	NA	HHSC VAN (FORD)
Flat Bed Carts	3	NA	HHSC Asset
Grey Carts	6	NA	HHSC Asset
Omaton 1	1	ZE01051	HHSC Asset
Omaton 2	1	ZA01672	HHSC Asset
Omaton 3	1	ZA01673	HHSC Asset
Jogger	2	NA	HHSC Asset
Shop Vaccum	1	NA	HHSC Asset
File Cabinets	5	NA	HHSC Asset
Shred Bins	16	NA	HHSC Asset

DPC Austin
Hardware and Supplies

DSS	Changes every month	NA	Inventory done each month and Image API try to keep a month supply on hand. Amount may not always match the average listed below. - HHSC Asset (Average DSS SHEETSQUANTITY EB Advance- 15,000 EB Form- 20,000 Application-20,000 Expedited Application-10,000 Missing Information-40,000 Change-5,000 Redetermination-100,000 Expedited Redetermination-20,000 WHP/ES Application-5,000 Returned Mail-150,000 EB MCL-3,000)
Boxes to store scanned docs	Changes every month	NA	Inventory done each month and a month supply is always kept on hand. - HHSC Asset
2x4 to stack boxes	99	NA	HHSC Asset
Pallet Jacks	2	NA	HHSC Asset
Phone	1	NA	HHSC Asset
Consumable (Pens/Tape/Scissors/Staple r Remover etc)	Changes monthly	N/A	HHSC Asset. Inventory done monthly; monthly supply always on hand
<u>Lobby Inventory</u>			
Round Tables	3	NA	HHSC Asset
Chairs	12	NA	HHSC Asset
Reception Desk	1	NA	HHSC Asset
Phone	1	NA	HHSC Asset
Plastic Drawer	1	NA	HHSC Asset
<u>Training Room Inventory</u>			
Large White table	8	NA	HHSC Asset
Small Brown Table	1	NA	HHSC Asset
Chairs	13	NA	HHSC Asset
DSS Rack	8	NA	HHSC Asset
Phone	2	NA	HHSC Asset
Plastic Drawer	1	NA	HHSC Asset
Consumable (Pens/Tape/Scissors/Staple r Remover etc)	Changes monthly	N/A	HHSC Asset. Inventory done monthly; monthly supply always on hand
Projector Screen	1	NA	HHSC Asset
<u>Conference Room Inventory</u>			

DPC Austin
Hardware and Supplies

Large Table	1	NA	HHSC Asset
Small Brown Table	2	NA	HHSC Asset
Chairs	9	NA	HHSC Asset
Phone	2	NA	HHSC Asset
White Board	1	NA	HHSC Asset

Athens Hardware

Quantity	Item Name	Manufacturer	Model	Scanner Host Name	Ser #	Asset Tag #	Comment
1	Scanner with CPU, Monitor, Keyboard, Mouse, Jogger and UPS	Fujitsu	5900C	IEPMFUJI791	110046	22001633	
1	Scanner with CPU, Monitor, Keyboard, Mouse, Jogger and UPS	Fujitsu	5900C	IEPMFUJI792	1335	22001634	
1	Scanner with CPU, Monitor, Keyboard, Mouse, Jogger and UPS	Fujitsu	5900C	IEPMFUJI793	110043	22001632	
1	Scanner with CPU, Monitor, Keyboard, Mouse, Jogger and UPS	Fujitsu	5950C	IEPMFUJI794	110552	22001630	
1	Scanner with CPU, Monitor, Keyboard, Mouse, Jogger and UPS	Fujitsu	5950C	IEPMFUJI795	110553	22001631	
1	Scanner with CPU, Monitor, Keyboard, Mouse, Jogger and UPS	Fujitsu	5900C	IEPMFUJI796	241	22001635	
1	Scanner with CPU, Monitor, Keyboard, Mouse, Jogger and UPS	Fujitsu	5900C	IEPMFUJI797	245	22001636	
1	Scanner with CPU, Monitor, Keyboard, Mouse, Jogger and UPS	Fujitsu	5950C	IEPMFUJI799	344	22001637	
1	Tables 30" x 60"	Steel Case	TS4WIRE-7207			18020	
1	Tables 30" x 60"	Steel Case	TS4WIRE-7207			18021	
1	Tables 30" x 60"	Steel Case	TS4WIRE-7207			18024	
1	Tables 30" x 60"	Steel Case	TS4WIRE-7207			18025	
1	Tables 30" x 60"	Steel Case	TS4WIRE-7207			18029	

Athens Hardware

1	Tables 30" x 60"	Steel Case	TS4WIRE-7207			18030	
1	Tables 30" x 30"	Steel Case	TS4TSQ30			13602	
1	Tables 30" x 30"	Steel Case	TS4TSQ30			13509	
1	Tables 30" x 30"	Steel Case	TS4TSQ30			13609	
1	Tables 30" x 30"	Steel Case	TS4TSQ30			13585	
1	Tables 30" x 30"	Steel Case	TS4TSQ30			13571	Work table with out a chair
1	Chair Blue	Steel Case	TS30106			18003	
1	Chair Blue	Steel Case	TS30106			18169	
1	Chair Blue	Steel Case	TS30106			18160	
1	Chair Blue	Steel Case	TS30106			18161	
1	Chair Blue	Steel Case	TS30106			18154	
1	Chair Blue	Steel Case	TS30106			18014	
1	Chair Blue	Steel Case	TS30106			18155	
1	Chair Blue	Steel Case	TS30106			18084	
1	Chair Blue	Steel Case	TS30106			18151	
1	Chair Blue	Steel Case	TS30106			18159	
1	Lateral File Cabinet	Meridian					4 drawer
1	Omation Machine		ZA01671				

Athens Hardware

2	Bissell Commercial Little Hercules Canister Vacuum	Bissell					
2	4-Drawer Lateral File Cabinet; 52-5/8"H x 36"W x 18"D, Black	MBI					
1	Economical Wet/Dry Vacuum, Yellow/Black, 12 gal Tank	Shop-Vac					
1	633808920029 Black/Yellow Handheld Barcode Scanner Kit	Wasp					
1	Comfort Zone® CZHVP30 High Velocity Industrial Pedestal Fan 30" 1553 CFM	Confort Zone					
2	Extra Heavy Duty Shelving 48"W x 18"D x 60"H Gray 4 Shelves, 1500 lbs. Capacity Per Shelf, Gray	Global Industries					
1	Platform Truck 30 x 48 Wood Deck - 8 x 2 Pneumatic Wheels 1200 Lb. Cap.	Hamilton					
2	Plastic 2 Shelf Tray Service & Utility Cart 40x26, 5" Rubber Casters	Global Industries					
1	Mobile Box / File						
1	36x18x72 Metal Storage Cabines						
1	60x24x55 Wire Shelving						

Athens Hardware

1	36" x 7" Mobile Easel						
1	48"x24" Post Leg Table						

Athens Supplies

DSS SHEETS	QUANTITY
EB Advance	15,000
EB Form	20,000
Application	20,000
Expedited Application	10,000
Missing Information	40,000
Change	5,000
Redetermination	100,000
Expedited Redetermination	20,000
WHP/ES Application	5,000
Returned Mail	150,000
EB MCL	3,000
ITEM	QUANTITY
Pens (Blue) (60/Box)	2
Pens (Black) (60/Box)	2
Gloves (every day & for contaminated mail) (100/Box) (Large)	1
Scotch Tape (12/Pack)	40
Markers (Permanent) (12/Pack)	2
Scissors	30
Staple Removers	30
Letter openers (2/Pack)	15
Sortkwik (large) (2/Pack)	13
Black Binders (12/Pack)	1
White Binders (12/Pack)	1
Long tweezers (For pulling pieces of paper from copy machine parts)	1
Rags (3 lb Bag)	1
Alcohol (12/Cartron)	1
Magnets (2/Pack)	2
Flash Lights (3/Pack)	1

Athens Supplies

Rubber bands (820/Pack)	25
Folders (250/Box)	20
Aerasol Cans (12/Pack)	2
Vacuum	2
Packing Tape (6/Pack)	6
Boxes (12/Pack)	133
Sharpies, Blue (12/Pack)	1
Sharpies, Red (12/Pack)	1
Sharpies, Green (12/Pack)	1
Sharpies, Orange (12/Pack)	1
Sharpies, Purple (12/Pack)	1
Small storage trays'	2
Box cutters	6
Ziplock Bags	1
Contamination bags (big bags for disposal) (20 Bags/Roll)	2
Regular Copy Paper (10 Reams/Case)	15
Blue Copy Paper (500 Sheets/Ream)	10
Pink Copy Paper (500 Sheets/Ream)	10
Green Copy Paper (500 Sheets/Ream)	10
Orange Copy Paper (500 Sheets/Ream)	10
Purple Copy Paper (500 Sheets/Ream)	10
Disinfectant Wipes (75/Canister)	12
All Purpose Cleaner	3
Windex (use for copy machines)	3
Lysol	3
Staplers	4
Staples (5000/Box)	2
Clip Boards	4
White Out (10/Pack)	2
Sticky Notes - Large (12/Pack)	2
Expandables (to store QA tickets)	3
Stamps	33
Ink for stamps	5

Athens Supplies

Hole punchers	1
Rolling desks	25
Pencil boxes	25



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Vendor Pre-bid Conference

Document Processing Services (DPS)

RFP #HHS0007333

Vendor Pre-bid Conference Agenda



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- Procurement Activities
- Project Overview
- Questions
- Closing Commentary

Introductions

Speaker

Brad Westbrook, Procurement Project
Manager, HHSC Procurement and Contracting
Services (**PCS**)



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Procurement Roles

HHSC Procurement Team

- **PCS** - Responsible for procurement activity.
- **AES** Program – AES Staff responsible for project scope, requirements, performance, results, contract management and monitoring.



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Schedule of Events

Upcoming Events

Deadline for Submitting Questions

September 2, 2020

2:00 PM Central Standard Time



HHSC Posts Responses to Vendor Questions

September 9, 2020



Deadline for submission of Solicitation Responses

September 16, 2020

2:00 PM Central Standard Time



Anticipated Operations Start Date

April 1, 2021



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Solicitation Access

HHSC will post all official communication regarding this RFP on the following websites, including the notice of award:

- The Electronic State Business Daily (**ESBD**) is located at <http://www.txsmartbuy.com/esbddetails/view/HS0007333v2>.

HHSC reserves the right to cancel this RFP, or to make no award if it determines such action is in the best interest of the State. HHSC may, in its discretion, reject any and all proposals or portions thereof.



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HHSC Sole Point of Contact

- *All* communications relating to this RFP must be directed to the HHSC Sole Point of Contact.
- *All* communications between respondents and other HHSC staff members concerning this RFP are strictly prohibited.
- Failure to comply with these requirements may result in proposal disqualification.



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RFP Overview

AES Vision & Mission

The AES Mission: To Connect People, Services and Support

The AES Vision: Provide an integrated and streamlined approach to connect individuals to services and supports that; reduce institutionalization; allow individuals to remain in their communities; and promote economic and personal self-sufficiency.



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Document Process Services RFP Objective

The Health and Human Services Commission (**HHSC**) seeks qualified Respondents to provide Document Processing Services (**DPS**).

- The purpose of DPS is to provide document processing services for managing inbound documents. These documents are converted into electronic images and routed through HHSC eligibility automation systems which efficiently aid in allowing Texans' timely access to services.
- The goal of DPS is to connect people to services and support, as well as acquire services that will assist in its efforts to continue to modernize the eligibility system and improve Texans' timely access to health and human service programs in a manner that assures the highest levels of quality, accuracy and efficiency.



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Request for Proposal

HHSC's mission objectives for the RFP are to obtain program and operational optimization of eligibility determination for health and human services programs. The mission objectives are to:

- To continue to perform and improve document processing functions;
- Ensure all inbound correspondence is properly imaged within timeframes and correctly uploaded to appropriate systems;
- Leverage State investments in facilities, equipment, telephony infrastructure and automation capabilities by proposing a solution that uses and improves utilization of resources available to the State ; and
- Support HHSC's modernization efforts to continually improve business processes and take advantage of emerging technologies that promote efficiency and improved service delivery.



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Detailed Requirements

Contract Requirements outlines all of the Respondent requirements associated to the following:

- **Project Schedule:** A detailed project schedule of work to be performed and associated timelines shall result in a written report submitted by respondents with and at the time of their proposal.
- **Management Requirements:** Inclusive of the formal communication requirements, performance measures and associated remedies, contract retention requirements, and contract monitoring requirements and questionnaire.
- **Operational Requirements:** Inclusive of the equipment, accessibility and operations, training plan, key personnel and organizational requirements, transition phase requirements, facility and business structure transition plan, risk management and issue resolution plan.



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Detailed Requirements (Cont.)

- Financial Requirements: The objective of the Financial Approach is to describe the financial components that will enable HHSC and the State programs included in this RFP to achieve the Mission Objectives described in Section 2.1 of the RFP and to ensure that all services required of the Successful Respondent are provided as efficiently and effectively as possible to assist HHSC in its responsibility for the efficient and effective administration of State and Federal funds through the application of sound management practices.



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Contract Term

- The initial contract period will begin April 1, 2021, and continue through March 31, 2024.
- HHSC, at its sole option, may extend any contract awarded pursuant to this Solicitation with the option to extend for one (1) year for up to two (2) additional years, ending on March 31, 2026.
- The System Agency may terminate the Contract, in whole or in part, at any time when, in its sole discretion, the System Agency determines that termination is in the best interests of the State of Texas. The termination will be effective on the date specified in the System Agency's notice of termination.



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Performance Goals

HHSC will monitor the performance of the Contract awarded under this RFP. All services and Deliverables under the Contract must be provided at an acceptable quality level and in a manner consistent with acceptable standards, customs, and practices. The Successful Respondent must ensure services are provided at least at the level established for DPS' approved minimum goals and outcomes. The Successful Respondent must report on key performance requirements and deliverables in accordance to the quality and performance outlined within **Exhibit E, Key Performance Requirements (KPR)**, and **Exhibit F, Deliverables** outlined below:

- All services and Deliverables provided under any agreement must be provided in a manner consistent with the standards of quality and integrity as outlined in the agreement, the Solicitation, and the Successful Respondent's proposal.
- All services and Deliverables must meet or exceed the required level of performance specified in or under any agreement, and must meet or exceed HHSC's mission and objectives, as set forth in the Solicitation.
- The Successful Respondent must perform the services in a quality manner, in accordance with best practices and high professional standards used in well- managed operations performing services similar to the services described in the agreement.

HHSC's formal communication process will be utilized for the submission of all KPRs and Deliverable reports. HHSC provides comments and approval of each report provided in support of this agreement via the formal communication process see **Exhibit C, Contract Requirements, Section 2.1. Formal Communication Requirements.**



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Official Correspondence Process

Objective

The Successful Respondent must establish formal communication with HHSC for receipt and response to requests for information, high level estimates of costs, work products, ad hoc reports, deliverables, updates and other required correspondence related to performance of contract requirements.

HHSC will issue State Action Requests (**SARs**) to the Successful Respondent following established procedures and timelines. The Successful Respondent will issue Vendor Action Requests (**VARs**) to HHSC following established procedures and timelines, inclusive of the submission of the Contract Deliverables and KPRs.

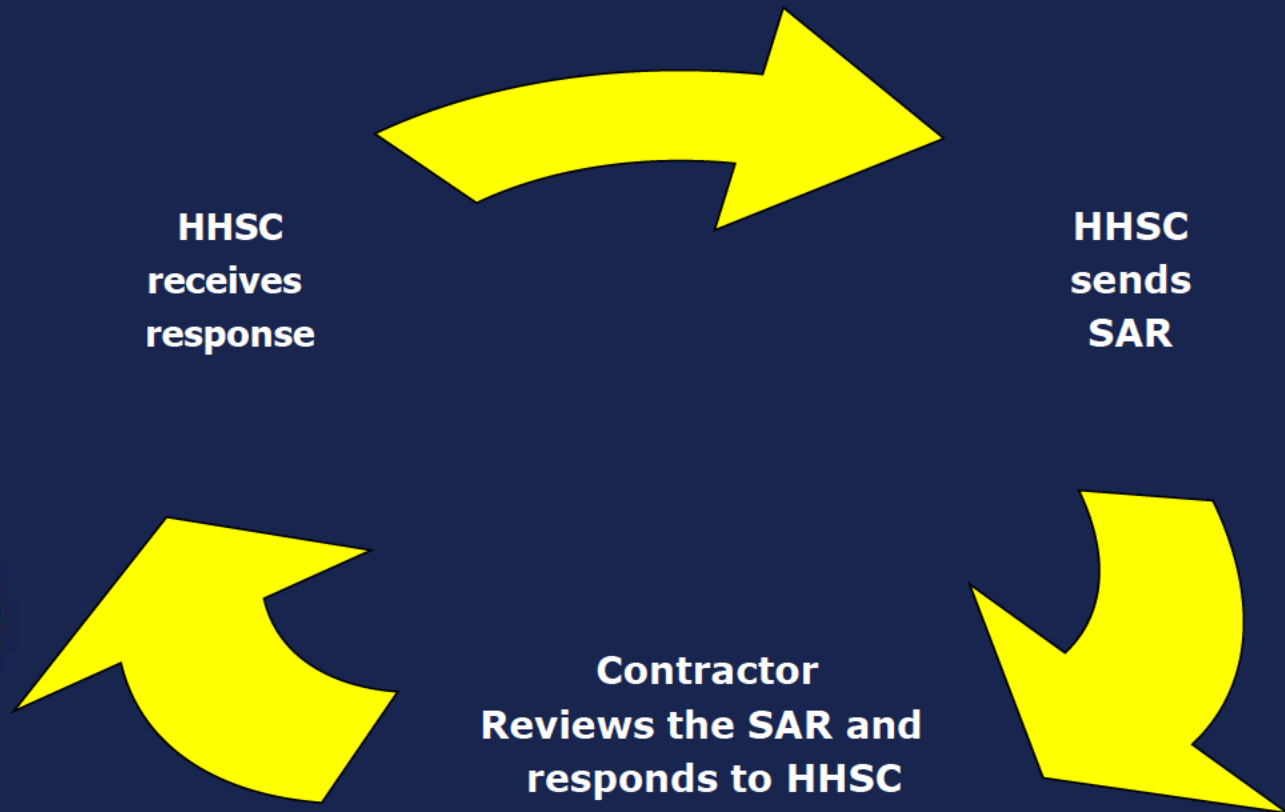
The Respondent's proposal should describe how the Respondent will establish and manage formal communication with HHSC.



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SAR Process

State Action Request (SAR) Process: Formal Communication from HHSC to Contractor



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What is the Purpose of the SAR?

- Formal communication mechanism between HHSC and the Contractor.
- Initiated when HHSC requests the Contractor to perform an activity, provide clarification, changes to processes/policy, etc.
- Types of SARs sent to the Contractor:
 - ✓ With a Response Due Date or
 - ✓ For Informational Only



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Examples of SAR (Non-Inclusive List)

- Requests for reports, ad-hoc, clarification, process or policy changes, information, copies of documents, etc.
- Requests for materials for review (case records, deliverables, etc.)
- Subpoenas, Open Records
- Changes to contractual requirements
- Notices of deficiencies, issues, findings, etc. with contractual requirements (non compliance)
- Legislative inquiries



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Why is a SAR Process Needed?

- It provides HHSC with a centralized point through which all directives to the Contractor are communicated, tracked and monitored.
- A response to a SAR is a Key Performance Requirement (KPR 1 and 2). Therefore, the Contractor is required to adequately respond to a SAR.
- If the Contractor is late on responding; or does not provide adequate information, HHSC may assess non-compliance remedies.



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Type of SARs

A standardized memorandum template is used:

- SAR
 - “Regular” SAR Process – minimum of 10 business day turnaround.
 - High Priority SAR – expedited request with a minimum of 3-5 business day turnaround.
- SAR Responses
 - Unacceptable SAR
 - Request for additional information
 - Approval to proceed
 - Acceptable with no further action required.

See Sample SAR Template, page 23




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Sample SAR Template



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	TEXAS Health and Human Services	Texas Health and Human Services Commission Dr. Courtney R. Phillips <i>Executive Commissioner</i>
To:		
From:		
Submission Date:		
Subject:		
Correspondence ID:		
Response Due Date:		
Originator of Memo:		
Phone Number:		
Email:		
cc:		
Background/Discussion:		
Action Required/Recommendation:		
Attachment:		
Response #1		
To:		
From:		
Submission Date:		
Response Due Date:		
Response:		
Action Required/Recommendation:		
Attachment:		
Response #2		

**For HHSC Assignment
Coordinator Internal-Routing
Only**

= Closed Date:

For Extensions Only

Extension #1: [enter date here]
Extension #2: [enter date here]

SAR Correspondence ID Number

A unique SAR Correspondence ID number is given to each SAR, which consists of the month, day, year, identifier for the originating area, and a three digit sequential number

Example: 07142009C001

- A response due date is normally 10 business days to the Contractor. If a short turnaround time is needed, the Coordinator can submit to the Contractor as a **High Priority SAR which**,
 - Must have justification from their management, and
 - Must be approved by the Contract Manager prior to sending to the Contractor.

The Contractor is required to submit a complete and accurate response by the due date given

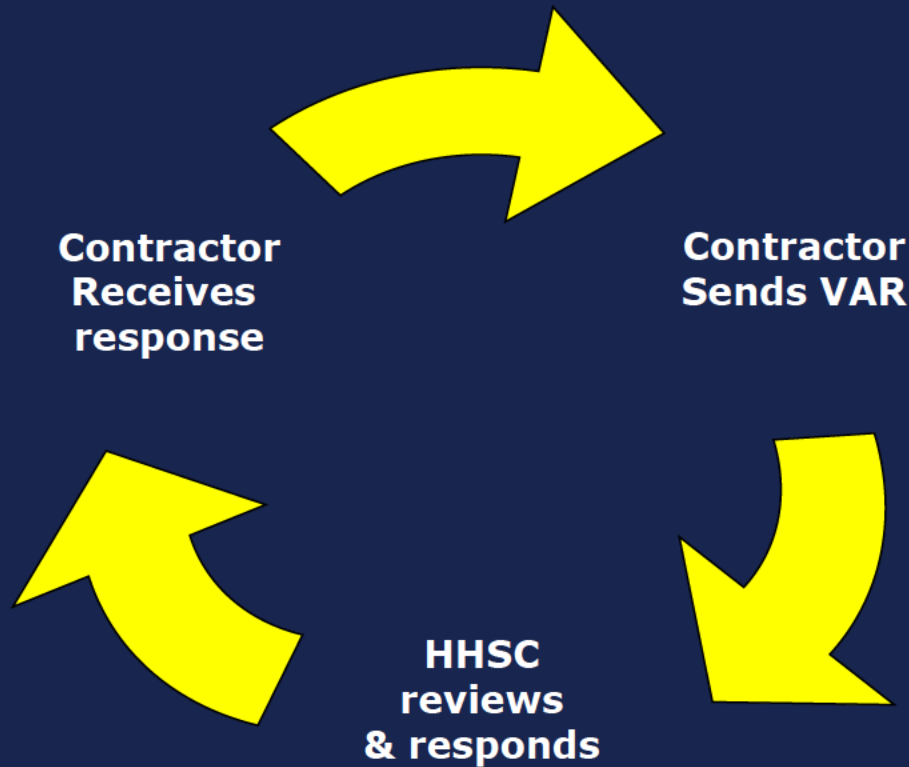
- The Contractor must submit the response no later than 5:00 PM the date its due to the intake box and distribution list.



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VAR Process

Vendor Action Request (VAR) Process: The Formal Communication Process from the Contractor to HHSC



What is the Purpose of the VAR?

1. Official communication mechanism between the Contactor and HHSC.
2. Initiated when the Contractor submits deliverables, key performance requirements, etc.



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Examples of VARs (Non-inclusive List)

- ✓ Informational notice to HHSC requiring no response
- ✓ Submission of Key Performance Requirements and Deliverables



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VAR Submission Process

The VAR must be sent to the e-mail intake box and the approved email d-list only.

- There will be a specific mailbox assigned to the Contractor.
- If the Contractor's attachment is too large to submit via e-mail, it must be hand delivered via CD or another approved method.
- The HHSC Coordinator officially assigns the VAR to HHSC area representatives and provides a date to accept or reject the information provided by the Contractor.



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VAR Submission Process (cont.)

Once HHSC area representatives have reviewed/approved the VAR, HHSC Coordinator submits the response back to the Contractor: 2 types of response

- **VAR-Response**- response to the Contractor's request that doesn't need further clarification, further direction from the Contractor (i.e., no further action required) and this response is considered closed.
- **VAR-SAR**- response to the Contractor requesting the Contractor provide additional information to HHSC.

The official HHSC Coordinator maintains an official tracking log of the process from the beginning to the end.



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What is a Deliverable?

Deliverables are documents, processes, reports, plans and other products that are created by the Contractor and delivered to HHSC in the course of performing its obligations under the contract.

- The deliverables reporting process should ensure that necessary and appropriate information and data is submitted timely, consistent and an accurate reflection of operations and performance.
- All deliverables will be submitted to HHSC via the VAR process.



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Deliverables Process

HHSC will review and respond to each deliverable as accepted, accepted with conditions, or rejected.

- Accepted Deliverables require no further action by the Contractor.
- Accepted with Conditions Deliverables require additional action by the Contractor.
- Rejected Deliverables are subject to Contractor non-compliance actions.



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Financial Approach

Financial Approach

The objective of the Financial Approach is to describe the financial components that will enable HHSC and the State programs included in this RFP to achieve the Mission Objectives described in Section 2.1 of the RFP and to ensure that all services required of the Successful Respondent are provided as efficiently and effectively as possible to assist HHSC in its responsibility for the efficient and effective administration of State and Federal funds through the application of sound management practices.

- Payment for the contractual services described in this RFP will be based on several pricing structures, depending on the specific service and/or deliverable required and whether the Successful Respondent correctly performed the required service and/or deliverable. The Successful Respondent will receive payments monthly as compensation for correctly and appropriately performing the services required in the contract resulting from this RFP.
- The methods by which the Successful Respondent will be paid for services under the Contract include Administrative Costs; Nonrecurring Maintenance, Modifications, and Additional Periodic Activities; Additional Recurring Activities; and Transition Costs.



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Pricing Overview

A Respondent must complete, **Exhibit K, Cost Forms**, Appendix A-1 contains Transitional Pricing Schedules, Exhibit K, Appendix A-2 contains Operational Pricing Schedules, and Exhibit K, Appendix A-3 contains the formal Price Summary Sheets.

The Respondent must structure its pricing quotation to allow HHSC a method to map the proposed costs for the cost proposal submitted back to the Respondent's Detailed Work Plan for the initial term of the Contract. For purposes of responding to this RFP, the Respondent should provide separate Transitional Costs through the proposed transition period. For the Operations period, the Respondent must provide the costs for the entire operations period, including operations for the two optional renewal periods. The pricing quotation(s) for each specific business functional area must agree with the Firm Fixed Prices proposed (Fixed and Variable Prices).

Some of the Respondent's cost proposal sheets must segregate the expenses that allow the application of indirect rate(s) and the allowable Administrative Service Fee from those that will only be allowed as Pass-Through Items (expenses). A complete listing of expenses that have been designated as Pass-Through Items are included in **Exhibit C, Contract Requirements, Section 4.3.6**, of this RFP.



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Questions and Answers

All questions must be submitted in writing to the HHSC Sole Point of Contact at:

Brad.Westbrook@hhsc.state.tx.us

Do not submit in PDF, do not password protect.

Reminder: All additional questions, requests for clarification, etc., are due in writing as required in the RFP.



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Closing Comments

- Respondents are responsible for meeting the RFP requirements, including any addenda.
- Respondents must check the ESBD Website frequently for any addendums that may have been added to this solicitation.
- All Addendums must be signed and submitted with the original response.
- Vendor questions and answers will be posted to the ESBD Website.



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Sole Point of Contact

Contact Information

HHSC Procurement Project Manager

Brad Westbrook

Brad.Westbrook@hhsc.state.tx.us



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Thank you!



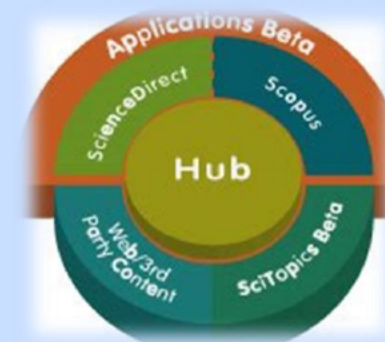
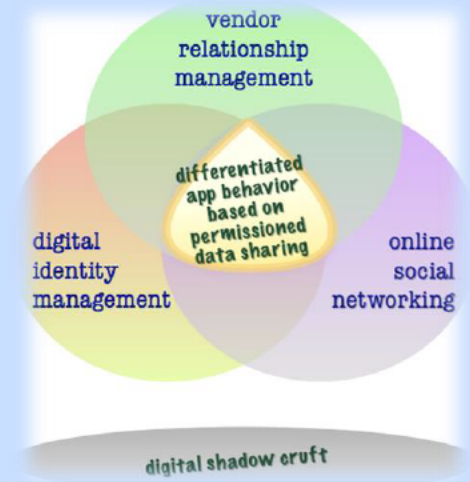
Historically Underutilized Business (HUB) Requirements



Requirements

- Responses that do not include a complete HSP shall be Rejected pursuant to Texas Gov't Code §2161.252(b).
- The goal for this solicitation is: 26.0 %
- Responding entities must choose an HSP method and provide proper, and complete documentation. A Notification to solicit HUBs is preferred to be in writing. Review attached HSP Checklist for assistance.
- To meet eligibility requirement for HUB certification you must be: For Profit, 51% owned by an Asian Pacific American, Black American, Hispanic American, American Women, Native American and/or Service Disabled Veteran who reside in Texas and actively participate in the control, operations and management of the company's affairs.
- CMBL:
When selecting HUB vendors from the CMBL, please verify if the vendors selected have the capabilities to perform the work required.

You must provide written notification to two or more minority or women trade organizations or development centers.



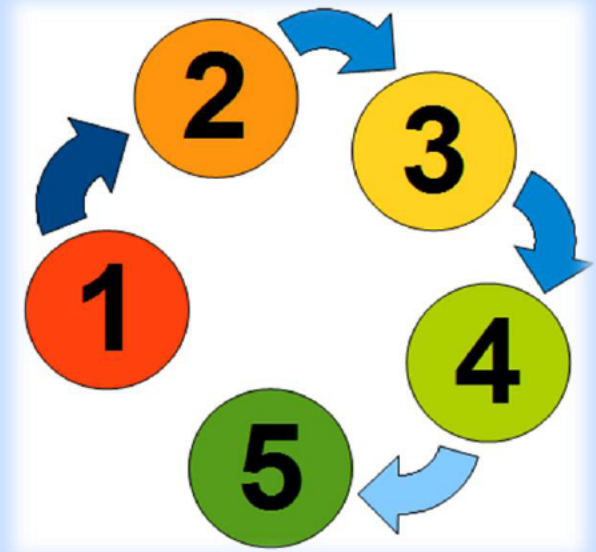
HUB SUBCONTRACTING PLAN (HSP) METHODS & REQUIREMENTS



	HSP Methods				
	Method I	Method II	Method III	Method IV	Method V
	HSP Submission Requires				
Respondent Information	●	●	●	●	●
List of Subcontractors + percentage	●	●	●	●	
Self Performing Justification					●
Good Faith Effort – Attachment A when using all certified HUB's for project, or meeting or Exceeding the HUB goals	●		●		
Good Faith Effort – Attachment B use when HUB total does not meet or exceed HUB goals		●		●	
HUB Subcontracting Opportunity Notification form (optional)	●	●	●	●	
Progress Assessment Report	●	●	●	●	●

HSP Method Options

- **Method I**
100 % of your subcontracting opportunities will be performed using only HUB vendors;
- **Method II**
Method utilizes HUB protégé (HUB only) for one or more of the subcontracting opportunities . Which is an approved M/P relationship by a state agency and posted on CPA's website.
- **Method III**
Method utilizes HUB's and Non-HUB's to perform the subcontracting work identified and the HUB goal identified in the solicitation is met or exceeded.
- **Method IV**
Method utilizes HUB's and Non-HUB's to perform the subcontracting work identified and the HUB goal identified in the solicitation is not met or exceeded.
- **Method V**
Respondent intends to self-perform all of the work utilizing their own resources, equipment, materials, supplies, transportation, delivery and employees.
- **All Methods**
Require respondent information, company name and requisition number, plus subcontracting intentions and affirmation signature.



HSP Method Options

All Methods

Require Respondent, Company and Requisition information, plus subcontracting intentions and affirmation signature. *(Note: Please be sure to thoroughly read page 3 section 4 of the HSP)*

HUB Subcontracting Plan (HSP)

In accordance with Texas Gov't Code §2161.222, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the solicitation (requisition).

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.222(b).

The HUB Program provides equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2008 State of Texas Diversity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §30.13 are:

- **11.2 percent for heavy construction other than building contracts;**
- **21.1 percent for all building construction, including general contractors and operative builders' contracts;**
- **32.0 percent for all special trade construction contracts;**
- **22.7 percent for professional services contracts;**
- **26.0 percent for all other services contracts; and**
- **21.1 percent for commodities contracts.**

- Agency Special Instructions/Additional Requirements -

In accordance with 34 TAC §30.14(c)(1)(D)(ii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities. In order for the respondent's subcontractors with Texas certified HUBs vendor exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. If a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only the aggregate percentage of the contract expected to be subcontracted to HUBs with which the respondent **does not** have a **continuous contract** in place for **more than 181 days** shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2008 Texas Diversity Study.

SECTION-1: RESPONDENT AND REQUISITION INFORMATION

a. Respondent (Company) Name: _____ State of Texas V.D.F. _____
 Point of Contact: _____ Phone #: _____
 E-mail Address: _____ Fax #: _____

b. Is your company a State of Texas certified HUB? Yes No

c. Requisition #: _____ SIC Code: _____

REV. 12/15

Enter your company's name here: _____ Requisition #: _____

SECTION-2: RESPONDENT'S SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including contracted staffing, goods, services, transportation and delivery will be subcontracted. Note: In accordance with 34 TAC §30.11, a "subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a government entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

Yes, I will be subcontracting portions of the contract. (If Yes, complete Item b of this SECTION 2 and continue to Item c of this SECTION 2.)

No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract in my own name, including employees, goods, services, transportation and delivery. (If No, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not Texas certified HUBs (i.e., Non-HUBs).

Item	Subcontracting opportunity description	HUB Percentage of the contract expected to be subcontracted to HUBs with which you <u>do not</u> have a continuous contract in place for more than 181 days	Non-HUB Percentage of the contract expected to be subcontracted to HUBs with which you <u>do</u> have a continuous contract in place for more than 181 days	Non-HUB Percentage of the contract expected to be subcontracted to non-HUBs
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentage of the contract expected to be subcontracted:		%	%	%

Note: If you have more than one subcontracting opportunity, a continuation sheet is available online at <http://www.texas.gov/procurement/rev/hub-hsp-4-subcontracting-intentions>

c. Check the appropriate box (Yes or No) that indicates whether you will be using **only** Texas certified HUBs to perform **all** of the subcontracting opportunities you intend to subcontract, if any:

Yes (If Yes, continue to SECTION 4 and complete an HSP Good Faith Effort - Method A (Attachment A) for each of the subcontracting opportunities you listed in SECTION 2, Item b.)

No (If No, continue to Item d, of this SECTION 2.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract **with Texas certified HUBs** with which you **do not** have a **continuous contract** in place will for more than five (5) years, **meets or exceeds** the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."

Yes (If Yes, continue to SECTION 4 and complete an HSP Good Faith Effort - Method A (Attachment A) for each of the subcontracting opportunities you listed in SECTION 2, Item b.)

No (If No, continue to SECTION 4 and complete an HSP Good Faith Effort - Method B (Attachment B) for each of the subcontracting opportunities you listed in SECTION 2, Item b.)

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or services, to include transportation and delivery under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run consecutively or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering into separate "new" contracts.

Enter your company's name here: _____ Requisition #: _____

SECTION-3: SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4. If you responded "Yes" to SECTION 2, Item a, in the space provided below explain how your company will perform the entire contract with its own employees, supplies, materials and/or equipment, to include transportation and delivery.)

SECTION-4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the solicitation:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractors) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section will also be provided to the contracting agency's point of contact for the contract no later than the 15th business day after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report - PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to all subcontractors (HUBs and Non-HUBs). (The PAR is available at: <http://www.texas.gov/procurement/prog/hub-forms/progressassessment.pdf>.)
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, so long as including statement from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

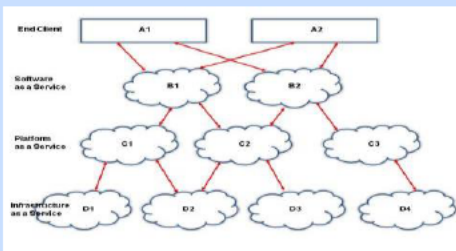
Signature _____
Printed Name _____
Title _____
Date _____

Reminder:

► If you responded "Yes" to SECTION 2, Items a or d, you must complete an HSP Good Faith Effort - Method A (Attachment A) for each of the subcontracting opportunities you listed in SECTION 2, Item b.

► If you responded "No" to SECTION 2, Items c and e, you must complete an HSP Good Faith Effort - Method B (Attachment B) for each of the subcontracting opportunities you listed in SECTION 2, Item b.

HUB SUBCONTRACTING PLAN – RESPONDENT PLANNING ON SUBCONTRACTING



1. Respondent Name/ Req. Number

2. Respondent's Subcontracting Intentions

3. Subcontracting Opportunities

This page is for subcontracting opportunities identified by the scope of work.

Place subcontracting opportunity description, percentage of the contract expected to be subcontracted to HUBs and Non-HUBs in correct column.

1

2

3

Enter your company's name here: _____ Requisition#: _____

SECTION 2: RESPONDENT'S SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including contracted staffing, goods, services, transportation and delivery will be subcontracted. Note: In accordance with 34 TAC §20.11, a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- Yes, I will be subcontracting portions of the contract. (If Yes, complete item b of this SECTION and continue to item c of this SECTION.)

- No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods, services, transportation and delivery. (If No, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you do not have a continuous contract in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs.
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <http://www.state.tx.us/documents/procurement/hub/hub-support@ny-plan>.)

c. Check the appropriate box (Yes or No) that indicates whether you will be using **only** Texas certified HUBs to perform **all** of the subcontracting opportunities you listed in SECTION 2, item b.

- Yes (If Yes, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)

- No (If No, continue to item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract with **Texas certified HUBs** with which you **do not** have a **continuous contract** in place with for more than five (5) years, **meets or exceeds** the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."

- Yes (If Yes, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)

- No (If No, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed.)

"Continuous Contract": Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or services, to include transportation and delivery under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

2

HSP ATTACHMENT B – IF USING METHOD II (required for each subcontracting opportunity listed)



1. Respondent Name/ Req. Number

2. Subcontracting Opportunity Description

3. Mentor Protégé Program (check yes)

Complete section B2: if the respondent is participating in a Mentor Protégé Program please complete section B1 and B2 for each subcontracting opportunity.

HSP Good Faith Effort - Method B (Attachment B) Rev. 09/15

1 Enter your company's name here: _____ Requisition#: _____

IMPORTANT: If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/pro/hub/hub-form.shtml#sub-contract-plan-attachment-b.pdf>

2 **SECTION B-1: SUBCONTRACTING OPPORTUNITY**
Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.
Item Number: _____ Description: _____

3 **SECTION B-2: MENTOR PROTÉGÉ PROGRAM**
If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.
Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.
 - Yes (If Yes, to continue to SECTION B-4)
 - No / Not Applicable (If Not Applicable, continue to SECTION B-3 and SECTION B-4)

SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY
When completing this section you **MUST** comply with items **a, b, c and d** thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/pro/hub/hub-subcontracting-plan>.
Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.
a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://my.cpa.state.tx.us/taess/cmb/search/index.asp>. HUB Status code "A" signifies that the company is a Texas certified HUB.
b. List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID Number	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No

c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to two (2) or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/proc/hub/mmb-links-1/>.
d. List two (2) trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No

Page 1 of 2
(Attachment B) 8

HSP ATTACHMENT B – IF USING METHOD IV (required for each subcontracting opportunity listed)



1. Respondent Name/ Req. Number

2. Subcontracting Opportunity Description

3. Subcontractor Written Notification

Complete form documenting contact information for each subcontracting opportunity listed.

List (3) three certified HUBs **and** (2) two Trade Organizations or Development Centers for each subcontracting opportunity listed.

Provide Supporting documentation (email, fax, etc.).

Contact potential bidders with a minimum of 7 Working days. The initial day of notification is Considered to be “day zero”.

HSP Good Faith Effort - Method B (Attachment B) Rev. 09/15

1 Enter your company's name here: _____

Requirement#: _____

IMPORTANT: If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.state.tx.us/procurement/pro/hub/hub-form.shtml#sub-contract-plan-attachment-b.pdf>

2 SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment

Item Number: _____ **Description:** _____

3 SECTION B-2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4)

- No / Not Applicable (If No or Not Applicable, continue to SECTION B-3 and SECTION E-4)

3 SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d** thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/pro/hub/hub-subcontracting-plan>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.

a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://my.cpa.state.tx.us/tass/cmb/search/index.asp>. HUB Status code "A" signifies that the company is a Texas certified HUB.

b. List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID Number	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No

c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to two (2) or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/pro/hub/mmb-links-1/>.

d. List two (2) trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No

 Page 1 of 2
 (Attachment B) 9

HSP ATTACHMENT B – IF USING METHOD II OR IV (required for each subcontracting opportunity listed)



1. Respondent Name/ Req. Number

2. Subcontractor Selection

3. Subcontractor Selection Name Identify:

Company Name

Texas Certified HUB (Y) or (N)

(note: VID # is required, for HUB and Non-HUB. **Do not** enter Social Security Numbers).

- Texas VID or Federal EIN #
- Number Percentage
- Dollar Amount

(please provide justification if Non-HUB subcontractor is not selected)

1

2

3

HSP Good Faith Effort - Method B (Attachment B) Cont.

Rev. 09/15

Enter your company's name here: _____ Requisition #: _____

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item 3, of the completed HSP form for which you are completing the attachment.

a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: _____ Description: _____

b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://texas.gov/state-to-us-to-see-if-a-business-is-a-hub>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB <input type="checkbox"/> - Yes <input type="checkbox"/> - No	Texas VID or federal EIN <small>(EIN only after Texas Vendor Identification Number is entered - check VID/EIN trace when all 4 are filled in)</small>	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is not a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary).

REMINDER: As specified in SECTION 4 of the completed HSP form, if you are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than 30 (thirty) working days after the contract is awarded.

Method V

Requires Respondents, Company, Requisition information, subcontracting intentions, page 3 “Self Performing Justification and affirmation signature.

1. Respondent Name/ Req. Number

2. Respondent’s Subcontracting Intentions

3. Self Performing Justification

4. Affirmation Signature

1

2

3

4

Form HSP-2014

Enter your company's name here: _____ Requisition #: _____

SECTION 2: RESPONDENT'S SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including contracted crafting, goods, services, transportation and delivery will be subcontracted. Note: in accordance with 24 TAC §21.11, a "subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to coordinate or supervise work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- Yes, I will be subcontracting portions of the contract. (If Yes, complete items b of this SECTION and continue to item c of this SECTION.)

- No, I will not be subcontracting any portion of the contract and I will be fulfilling the entire contract with my own resources, including employees, goods, services, transportation and delivery. (If No, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas-certified HUBs, and the percentage of the contract you expect to award to vendors that are not Texas-certified HUBs (i.e., Non-HUBs).

Item #	Subcontracting opportunity description	HUBs		Non-HUBs	
		Percentage of the contract expected to be subcontracted to HUBs with which you do not have a business contract in place for more than the 30 days.	Percentage of the contract expected to be subcontracted to HUBs with which you have a business contract in place for more than the 30 days.	Percentage of the contract expected to be subcontracted to non-HUBs.	Percentage of the contract expected to be subcontracted to non-HUBs.
1		%	%	%	%
2		%	%	%	%
3		%	%	%	%
4		%	%	%	%
5		%	%	%	%
6		%	%	%	%
7		%	%	%	%
8		%	%	%	%
9		%	%	%	%
10		%	%	%	%
11		%	%	%	%
12		%	%	%	%
13		%	%	%	%
14		%	%	%	%
15		%	%	%	%
16		%	%	%	%
17		%	%	%	%
18		%	%	%	%
19		%	%	%	%
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91		%	%	%	%
92		%	%	%	%
93		%	%	%	%
94		%	%	%	%
95		%	%	%	%
96		%	%	%	%
97		%	%	%	%
98		%	%	%	%
99		%	%	%	%
100		%	%	%	%
Aggregate percentage of the contract expected to be subcontracted		%	%	%	%

Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <http://www.texas.gov/procurement/contracting/subcontracting-intentions>.

c. Check the appropriate box (Yes or No) that indicates whether you will be using any Texas-certified HUBs to perform all of the subcontracting opportunities you listed in SECTION 2, item b.

- Yes (If Yes, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)

- No (If No, continue to item d of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract with Texas-certified HUBs with which you do not have a business contract is in place with the (5) years, meets or exceeds the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements":

- Yes (If Yes, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)

- No (If No, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed.)

***Continuing Contract:** Any existing written agreement (including any renewals that are awarded) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or services, to provide transportation and delivery under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered a continuing contract. Two or more contracts that run consecutively or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are awarded (two written) "two" contracts.

2

Form HSP-2014

Enter your company's name here: _____ Requisition #: _____

SECTION 3: SELF PERFORMING JUSTIFICATION (You responded "No" to SECTION 2, item a, you must complete the SECTION and continue to SECTION 4.)

If you responded "No" to SECTION 2, item a, in the space provided below explain how your company will perform the entire contract with its own employees, supplies, materials and/or equipment, to include transportation and delivery.

SECTION 4: AFFIRMATION

An authorized signatory below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded, any portion of the obligation:

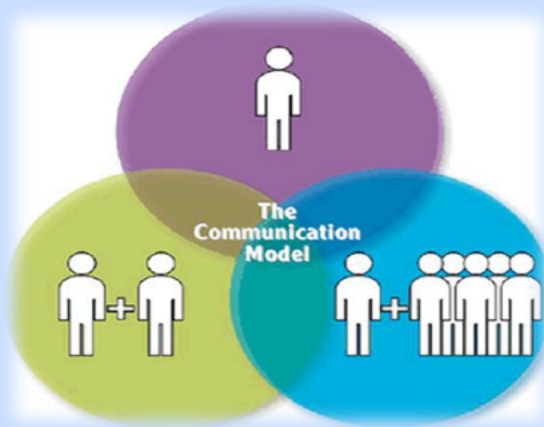
- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract; contract award number; the subcontracting opportunity they (the subcontractor) will perform; the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that this subcontracting opportunity represents. A copy of the notice required by the section must also be provided to the contracting agency's point of contact for the contract no later than the last 150 calendar days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report - PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <http://www.texas.gov/procurement/contracting/subcontracting-intentions>.)
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the formation of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subjected to any and all enforcement remedies available under this contract or otherwise available by law, up to and including termination from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature _____ Printed Name _____ Title _____ Date _____

Reminder:

- If you responded "Yes" to SECTION 2, items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, item b.
- If you responded "No" to SECTION 2, items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, item b.

3



● Communication

Changes to the HSP are not allowed by the Respondent, until after Contracts are awarded. The HUB Program Office must be notified immediately and in advance in order to receive approval of the HUB Subcontracting Plan.

The HUB Program Office will contact the awarded contractor requesting their participation in a **Post Award Meeting** once the contract has been awarded.

● Supporting Documentation for Method IV

Documentation is also a key to a successful HUB Subcontracting Plan. The Respondent must submit documentation to the HUB Program Office with their initial response to demonstrate that a Good Faith Effort was made in the process of developing and submitting an HSP.

Examples include :

1. Read Receipt from email
2. Fax Log
3. Certified Letter





Prime Contractor Progress Assessment Report

- Required Monthly with All Pay Request.
- List All Sub-contractors payments (HUBs and Non-HUBs).
- Required even if you are **Self-Performing** all the work.


Send notification to subcontractors within 10 days of the award and Email a copy to the HUB Program Office at HHSCHUB@hsc.state.tx.us



REPORT
DEFINITION



REPORT
ENDPOINT



HUB Subcontracting Plan (HSP) Prime Contractor Progress Assessment Report

This form must be completed and submitted to the contracting agency each month to document compliance with your HSP.

Contract/Requisition Number: _____ Date of Award: _____ Object Code: _____
(mmddyyyy) (Agency Use Only)

Contracting Agency/University Name: _____

Contractor (Company) Name: _____ State of Texas VID #: _____

Point of Contact: _____ Phone #: _____

Reporting (Monthly) Period: _____ Total Amount Paid this Reporting Period to Contractor: \$ _____

Report HUB and Non-HUB subcontractor information

Subcontractor's Name	Subcontractor's VID or HUB Certificate Number	Texas Certified HUB? (Yes or No)	Total Contract \$ Amount from HSP with Subcontractor	Total \$ Amount Paid This Reporting Period to Subcontractor	Total Contract \$ Amount Paid to Date to Subcontractor	Object Code (Agency Use Only)
			\$ - -	\$ - -	\$ - -	
			\$ - -	\$ - -	\$ - -	
			\$ - -	\$ - -	\$ - -	
			\$ - -	\$ - -	\$ - -	
			\$ - -	\$ - -	\$ - -	

HHS HUB Program Office

Main Phone – 512-406-2570
hhschub@hhsc.state.tx.us

HHS HUB Manager

Laura Cagle-Hinojosa – 512-406-2443
laura.cagle-hinojosa@hhsc.state.tx.us

HHS HUB Team Lead

Linda Rogers – 512-406-2569
linda.rogers02@hhsc.state.tx.us

HHS HUB Advisor

Keisha Gash – 512-406-2502
stella.roland@hhsc.state.tx.us

HUB Coordinator

Cheryl Bradley– 512-406-2529
cheryl.bradley@hhsc.state.tx.us

HUB Coordinator

Melissa Clark – 512-406-2541
melissa.clark@hhsc.state.tx.us

HUB Coordinator

Ann Tillman– 512-406-2476
ann.tillman@hhsc.state.tx.us

HUB Coordinator

Marcus Gomez– 512-406-2523
marcus.gomez@hhsc.state.tx.us

HUB Coordinator

Vacant

The link below will access general information and step by step instructions concerning the required steps to complete the form(s).
http://www.hhsc.state.tx.us/about_hhsc/Contracting/rfp_atth/HSPPKG.pdf

The link below will access the HHSC website for HUB organizations and subcontracting opportunities.
http://comptroller.texas.gov/procurement/prog/hub/searching_cmb.html

Health and Human Services Commission – **HHSC**
Department of State Health Services – **DSHS**
Department of Family Protective Services – **DFPS**



Vendor Name	Attendees	Email Address
MMC Group (HUB)	Daniel Budd	dbudd@mmcgrp.com
Alamo HR	Sandy Morales	sandy@alamohr.com
Pedigo Staffing Services, LLC	Debbie Pedigo	debbiep@pedigostaffing.com
Solai & Cameron Technologies	Hima Rao	hima@solcam.com
Case Management Services	Tom Perkins	thomas.perkins@serco-na.com
CGI	Kerry Cassetta	kerry.casseta@cgi.com
Iron Mountain	Paul Fisher	paul.fisher@ironmountain.com
Accenture	Christian Musk	christian.w.musk@accenture.com
Accenture	Manuel Benavides	manuel.e.benavides@accenture.com
Accenture	Alisa Hinton	alisa.hinton@accenture.com
OpenText Professional Services	Stacy Keene-Gross	skeenegr@opentext.com
KWR Acuity Strategies	Mike Maher	mike.maher@kwrstrategies.com
LOD Resource Group	Chelby Mueller	chelby.mueller@laborondemand247.com
CBM Archives Co, LLC	Darrell Whitely	darrell.whitely@cbmarchives.com
SuiteMate Staffing Solutions, Inc.	Qia McNack	tmcnack@suitematestaffingsolutions.com
Genius Road, LLC (HUB)	Kimberly Zanatta	kzanatta@geniusroad.com
Genius Road, LLC (HUB)	Dennis Zanatta	dzanatta@geniusroad.com
CGI	Craig Bokus	n/a
Pro13 Staffing Solutions, Inc.	Chris Cardenas	ccardenas@pro13.com
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Image API	Krishma Dve	krishma.dave@imageapi.com
Image API	Brian Walsh	brian.walsh@imageapi.com
Avenue Planners Corp (HUB)	Cassie Contreras	ccontreras@avenueplanners.com
Texcelvision	Shobhna Nihalani	shobhna@texcelvision.com
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Maximus	Carrie Thomas	carriethomas@maximus.com
Maximus	Joey Longley	n/a
V3Main Technologies	Venkat Maddikayala	venkat.maddikayala@v3main.com
V3Main Technologies	Mike Klepinger	mike.keplinger@v3main.com

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Ricoh USA, Inc.	John Gayaut	john.gayaut@ricoh-usa.com
Ricoh USA, Inc.	William (Bill) Finke	bill.finke@ricoh-usa.com
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InfoCap Networks	Rodney Jarrett	rodney.jarrett@infocapnet.com
ManpowerGroup	Martie Telepo	martie.telepo@manpowergroup.com
iBridge Group	Molly Rivera	molly.rivera@ibridgegroup.com
iBridge Group	Mark Borchardt	n/a
iBridge Group	Dusty Clitheroe	n/a
Precision Micrographics & Imaging, Inc.	Barry Gerstenberg	barry@precisionmicrographics.net
Canon Solutions America Inc.	Joseph Naddeo	jnaddeo@csa.canon.com
Canon Solutions America Inc.	Alex Bruk	n/a
Canon Solutions America Inc.	Joe Juliano	n/a
Solix, Inc.	Mark Ashnault	Mark.ashnault@solixinc.com
Solix, Inc.	Landon Swaim	Landon.swaim@solixinc.com
Solix, Inc.	Carolyn Skrzyniarz	Carolyn.skrzyniarz@solixinc.com

Identifying Solicitation number	Section number	Paragraph number	Page number	Text of passage being questioned	Question	HHSC/DSHS Response
HHS0007333	N/A	N/A	N/A	N/A	How can I get the vendor conference presentation and a list of those who attended w/their contact information? I don't see anything on ESBD.	Please see the attached list of attendees from the Pre Bidder's Conference. Additionally, a list of vendors can be found on the CMBL at: https://mycpa.cpa.state.tx.us/tpasscmbsearch/tpasscmbsearch.do
HHS0007333	N/A	N/A	N/A	N/A	Can you please assist us by providing the bidders list where we are planning to do sub-contracting with them?	Please see the attached list of attendees from the Pre Bidder's Conference. Additionally, a list of vendors can be found on the CMBL at: https://mycpa.cpa.state.tx.us/tpasscmbsearch/tpasscmbsearch.do
HHS0007333	N/A	N/A	N/A	N/A	Regarding the Document Processing Services RFP, No. HHS0007333, will a proposal or other submittal from a respondent that did not participate in the July 23 vendor conference be considered for the award of this procurement?	No. Please refer to Article III, Section 3.5.7
HHS0007333	N/A	N/A	N/A	N/A	Can you please provide a list of vendors that have shown interest in this bid?	Please see the attached list of attendees from the Pre Bidder's Conference. Additionally, a list of vendors can be found on the CMBL at: https://mycpa.cpa.state.tx.us/tpasscmbsearch/tpasscmbsearch.do
HHS0007333	N/A	N/A	N/A	N/A	Please advise if we may still submit a bid for this solicitation, or if we would be immediately disqualified for having not attended the conference.	No, you must have attended the Pre Bidder's Conference
HHS0007333	Article III, Section 3.1	1	12	Respondent Conference	Please release a list of attendees who attended the mandatory pre-bid conference on July 23.	Please see the attached list of attendees from the Pre Bidder's Conference. Additionally, a list of vendors can be found on the CMBL at: https://mycpa.cpa.state.tx.us/tpasscmbsearch/tpasscmbsearch.do
HHS0007333	Article III, 3.7.2	2	17	Solicitation Response Deadline: September 3, 2020	The response deadline date in this section conflicts with the proposal due date in the schedule. Which date is correct?	Article III, Section 3.7.2 is revised to reflect a SOLICITATION RESPONSE DEADLINE of August 14, 2020 2:00 CST
HHS0007333	Article III, 3.6.3	1	16	"Proposal should not exceed 150 pages in length"	Does the page length limit for the Technical Solution include supporting materials, such as sample Plans, reports or Manuals (e.g., Accounting Manual) which must be submitted with the proposal?	Please refer to Article III, Section 3.6.3. "The Narrative/Technical Proposal should not exceed 150 pages in length, not including appendices or attachments, and should be formatted as follows: 8 1/2" x 11" paper, 12 inch, Times New Roman font size, and single sided".

HHS0007333	4.1.2	1	19	<p>“Respondents shall ensure the costs proposed are within costs provided in this RFP, Section 2.4.3. Contract Amount”</p>	<p>Please clarify that the reference to Section 2.4.3 is correct.</p> <p>Please clarify this statement: The quality assurance review process is an on-going process as part of daily production operations that has no definitive completion date. Is this requirement in reference to completion of a specific quality assurance deliverable?</p>	<p>Please refer to Article III, Section 2.2.3 for Contract Amount</p>
HHS0007333	5.1.2	2	22	<p>“The Project Work Schedule shall identify when one-third and two-thirds of their Quality Assurance Review work will be completed.”</p>	<p>Please clarify this statement: The quality assurance review process is an on-going process as part of daily production operations that has no definitive completion date. Is this requirement in reference to completion of a specific quality assurance deliverable?</p>	<p>Yes. Please refer to Exhibit C, Contract Requirements, Section 3.12 Quality Assurance Program Requirements</p>
HHS0007333	Exhibit C, Section 3	3	5	<p>“An alternative imaging solution may be submitted in addition to or independent of a submission that utilizes the State provided imaging solution.”</p> <p>If an alternative to the Kofax imaging solution is proposed, are there specific technical requirements it must meet?</p>	<p>Please define “imaging solution.” Specifically, please clarify if “imaging solution” is meant to represent the scanning hardware, the imaging capture solution (e.g., Kofax) or both.</p>	<p>“The Successful Respondent is expected to utilize System Agency equipment while performing the services to conserve System Agency resources and minimize cost unless a Successful Respondent wishes to propose an alternative imaging solution that would involve the use of other equipment in lieu of System Agency equipment. System Agency may consider such an alternative if (i) it yields the best value, is in the best interest of the State, and (ii) the Respondent’s proposal of an alternative solution fully addresses all System Agency’s requirements”. Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.</p>
HHS0007333	Exhibit C, Section 3	5	5	<p>“...the Respondent must include a process for accepting System Agency paper documentation from System Agency offices and staff...”</p>	<p>Please clarify whether the documents referenced in this language will be received outside the mail channel and if these are documents un-related to eligibility determination.</p> <p>Will the Agency consider other image capture capabilities or solutions (e.g., software) that enhance the overall document processing solution for the Agency or will these offerings be considered out-of-scope for this procurement?</p>	<p>Yes. Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.</p>
HHS0007333	Exhibit C, Section 3.1	8	7	<p>“System Agency will provide the image capture solution, currently Kofax,...”</p>	<p>Please provide clarification on, or distinction between, what the Agency requires in the proposal versus the Training Plan, which is a deliverable during the contract.</p>	<p>Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.</p>
HHS0007333	Exhibit C, Section 3.3.1	2	9	<p>Training Plan</p>	<p>Please provide clarification on, or distinction between, what the Agency requires in the proposal versus the Training Plan, which is a deliverable during the contract.</p>	<p>Please refer to Exhibit F, Deliverables.</p>

HHS0007333	Exhibit C, Section 3.4	3	14	DP 041 "Obtain appropriate background checks for all personnel..."	Please describe what type or level of background check is required.	Please refer to Exhibit C, Contract Requirements Section 3.4.0, DP 041 and Section 3.13, DP 110-D, and Exhibit G, Data Use Agreement, and Exhibit G1, Security and Privacy Inquiry
HHS0007333	Exhibit C, Section 3.5.4	6	18	Facility and Business Structure Transition Plan	Please clarify whether a Facility and Business Structure Transition Plan is required as part of the proposal or only as a contract deliverable. If an alternate DR site is proposed, is the vendor required to use the Agency's existing image capture solution (Kofax)?	Please refer to RFP, Article IX, Submission Checklist.
HHS0007333	Exhibit C, Section 3.9.3	1	28	"The Respondent may propose an additional or alternate disaster recovery site within the continental United States."	If yes, can the vendor assume that the existing Kofax solution, licensing and infrastructure can be transferred to an alternate site?	Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.
HHS0007333	3.11	2	29	"The successful Respondent must reestablish the document processing center infrastructure and processing capabilities within 24 hours from the date and time of a disaster declaration..."	If no, what are the technical requirements that the Vendor must meet for an alternative image capture solution in a DR environment? Do the same KPRs for processing timeliness apply to operating the Disaster Recovery site? Specifically, must the vendor demonstrate the ability to meet same day processing requirements on the first day of operation at the DR site?	Yes
HHS0007333	Exhibit E, KPRs	n/a	5	KPR 5 – Inbound Mail Timeliness Performance Standard "Respondent must process 100% of all inbound documents (returned mail, non-image only, and image only) on the day of receipt..."	Please clarify the language in KPR 5 and KPR 6: The performance standard language appears to conflict with the other. KPR 5 <i>includes</i> Image Only and Returned Mail; KPR 6 <i>excludes</i> Image Only and Returned Mail, yet both require processing on same day of receipt.	Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.
HHS0007333	Exhibit E, KPR Requirements	n/a	7	KPR 7 -- Performance Standard	What is the distinction between KPR 7 and KPR 10?	DPS KPR 7 has a daily reporting period, DPS KPR 10 has a monthly reporting period.

HHS0007333	Section 3.9.3	Paragraph 1	Page 27	a. Text of passage being questioned: Facility Acquisition, Management and Operation The Facility and Business Structure Transition Plan must include processes and procedures to shift responsibility and control of facilities identified under the proposal that are operated by the incumbent Vendor to the Successful Respondent through a sub-lease arrangement with the ESS Vendor (for the DR site in Athens, Texas). The proposal must also provide a plan for transitioning facilities, including operational management, to System Agency or its designee at the end of this award.	What is the current lease term and will the winning bidder be able to renegotiate the lease price or will this be a pass through?	The current lease is set to run through the terms of the current contract. Lease information will be provided and coordinated with HHSC and the Successful Respondent. Please refer to Exhibit C, Contract Requirements, Section 4.3.6 Payment for Implementation and Modifications and Exhibit C, Contract Requirements, Section 3.9.1 Leverage of Current Investment.
HHS0007333	Exhibit C, Section 3.5.4	7	18	The Successful Respondent is to assume the existing DPC in Austin, Texas, under a sub-lease arrangement from the current Vendor, unless an alternative site is approved by System Agency.	Is the sub-lease arrangement from the current Vendor part of this RFP/contract or will that be negotiated outside of this agreement between Successful Respondent and current Vendor?	Lease information will be provided and coordinated with HHSC and the Successful Respondent. Please refer to Exhibit C, Contract Requirements, Section 3.9.1 Leverage of Current Investment.
HHS0007333	Exhibit P			Regarding the chart in Exhibit P.	What role does the DPS vendor have in supporting the Kofax software?	Please refer to Exhibit C, Contract Requirements.
HHS0007333	2.1	D	8 of 481	"Support System Agency's modernization efforts to continuously improve business processes and take advantage of emerging technologies that promote efficiency and improved service delivery."	In understanding section 2.1.D, would HHSC be interested in proposals for an approach that is more cost effective than what is presented in Exhibit T?	Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.
HHS0007333	Exhibit S	ALL	262 of 481	"Contract start Date 2/1/15."	Would HHSC be able to provide the historical volume information from 2015-2018?	System Agency will provide additional historical volume information to Successful Respondent.
HHS0007333	Exhibit S	ALL	262 of 481	ES Image Only Column	Can HHSC please clarify in detail what "ES Image Only" is? How are these generated?	The image "2019 Transactions" table in Exhibit S provides an example of image types to be generated as a result of Exhibit C, Section 3.0, Operational Requirements. Exhibit Q, Kofax Mail Channels, specifies the origin and outcome for each specified channel. Please see attached copies of the Digital Separator Sheets (DSS) in "DSS Cover Sheets June 2019" samples to provide this information.
HHS0007333	Exhibit T	Batch Class	269 of 481	Batch Class	Would HHSC be able to provide samples of the different batches so that an analysis can be performed before proposals are due?	A DSS = a type of batch
HHS0007333	Exhibit T	Document Type	274 of 481	Document Type	Would HHSC be able to provide samples of the different document types so that an analysis can be performed before proposals are due?	Please see attached copies of the Digital Separator Sheets (DSS) in "DSS Cover Sheets June 2019" samples to provide this information

HHS0007333	Section 3.6	Paragraph 3.6.2 Submission in Separate Parts	23	<p>3.6.2 Submission in Separate Parts Solicitation Responses must be submitted in separate parts:</p> <p>A. Vendor Information and Disclosures, B. Narrative Proposal, C. Attachments (Reference Article X. Exhibits and Forms) D. Cost Proposal, and E. HUB Subcontracting Plan ("HSP"). The entire Solicitation Response electronic copies–must then be submitted in one package to System Agency.</p>	<p>Does the Appendices section or 5.2 ,in Section 5.1, Narrative Proposal, be included in the Narrative Proposal section which is line item B of 3.6.2 Submission in Separate parts section and in line item C Attachments since resumes have to be presented?</p>	<p>Article V, Narrative/Technical Proposal to be included with Section 3.6.2 Submission in Separate Parts line item B Narrative Proposal. Section 3.6.2 Submission in Separate Parts line item C refer to Article X Exhibits and Forms.</p>
HHS0007333	Section 3.7	Paragraph 3.6.2 Submission in Separate Parts	26-27	<p>3.6.2 Submission in Separate Parts Solicitation Responses must be submitted in separate parts:</p> <p>A. Vendor Information and Disclosures, B. Narrative Proposal, C. Attachments (Reference Article X. Exhibits and Forms) D. Cost Proposal, and E. HUB Subcontracting Plan ("HSP"). The entire Solicitation Response electronic copies–must then be submitted in one package to System Agency.</p>	<p>Key Staffing Profile Respondent must provide an organizational structure for successful fulfillment of contract and performance requirements. The Respondent must identify the key personnel and allocate them 100% to this contract (i.e. not permitted to manage, oversee, or participate in other projects, contracts, etc.). Key Personnel is defined as all executive, director or management level positions assigned to this contract. Resumes and references for key personnel must be provided to System Agency for evaluation and approval as part of the Respondent’s proposal. Additionally, the Successful Respondent must provide for System Agency approval prior notice of any In section 6.1, Company Information, it requires the HUB information for this section. Would it be valid for a vendor to state this information is located in line item E. HUB Subcontracting Plan section and not include it in section 6.1?</p>	No
				<p>6.8 HUB SUBCONTRACTING PLAN Please refer to Exhibit J HUB Subcontracting Checklist, Plan and Exhibit J1 Sample CMBL HUB Vendor Detail for documentation associated with the HSP requirements and Sample CMBL information. Exhibits J includes:</p> <ol style="list-style-type: none"> 1. Hub Subcontracting Plan (HSP) Requirements 2. HSP Form and HSP Quick Checklist 		

HHS0007333	Section 3.7	Paragraph 3.7.2 Labeling	17	<p>3.7.2 Labeling Solicitation Responses shall be clearly labeled as follows: SOLICITATION NO: RFP HHS0007333 SOLICITATION NAME: Document Processing Services SOLICITATION RESPONSE DEADLINE: September 3, 2020 2:00PM CST PURCHASER: Brad Westbrook RESPONDENT: _____</p> <p>The System Agency will not be held responsible for any Solicitation Response that is mishandled prior to receipt by the System Agency. It is Respondent's responsibility to mark appropriately and deliver the Solicitation Response to the System Agency by the specified date and time. The System Agency will not be responsible for any technical issues that result in late delivery, inappropriately identified documents, or other submission error that may lead to disqualification</p>	<p>Is the deadline date August 14, 2020 or September 3, 2020 at 2:00 p.m.? In Section 3.1, Schedule of Events, it states the deadline date is August 14, 2020 at 2:00 p.m. But in Section 3.7.2, it states the Solicitation Response deadline is September 3, 2020.</p> <p>Deadline for Submission of RFP Responses NOTE: Responses must be RECEIVED by System Agency by the deadline. August 14, 2020 Same procedure as original written question submission. Deadline for submission of Solicitation Responses due to PCS by 2 pm Central Time.</p>	<p>Article III, Section 3.7.2 is revised to reflect a SOLICITATION RESPONSE DEADLINE of August 14, 2020 2:00 CST</p>
HHS0007333	Section 6.1	D	27	<p>3.Sample CMBL-HUB Vendor Detail List Submit two (2) electronic copies of the HSP marked "Original" and signed by an authorized representative on a portable media, such as a USB flash drive, compatible with Microsoft Office 2016. The HSP must be separate from RFP submission and labeled: HSP and include all supporting documentation in accordance with Exhibit J HUB Subcontracting Checklist, Plan and Exhibit J1 Sample CMBL HUB Vendor Detail</p> <p>KPR 5 The Successful Respondent must process 100% of all inbound documents (returned mail, non-image only, and image only) on the day of receipt by the Successful Respondent, or within the timeframe otherwise specified by HHSC. Any holdover mail will be included in the next day's 100% total.</p> <p>KPR 6 The Successful Respondent must process 100% of all inbound documents except for returned mail and image-only on the day of receipt by the Successful Respondent, or within the timeframe otherwise specified by HHSC. Any holdover mail will be included in the next day's 100% total.</p>	<p>Is it correct to state that the HUB Subcontracting Plan has to be mailed and cannot be submitted with Option 1 or Option 2 of the submittal process?</p>	<p>All response documents must be submitted in the same manner at the same time. Incomplete responses will be reviewed individually.</p>
HHS0007333	Exhibit E: Key Performance Requirements	KPR 5 & KPR 6	5 & 6	<p>KPR 5 The Successful Respondent must process 100% of all inbound documents (returned mail, non-image only, and image only) on the day of receipt by the Successful Respondent, or within the timeframe otherwise specified by HHSC. Any holdover mail will be included in the next day's 100% total.</p> <p>KPR 6 The Successful Respondent must process 100% of all inbound documents except for returned mail and image-only on the day of receipt by the Successful Respondent, or within the timeframe otherwise specified by HHSC. Any holdover mail will be included in the next day's 100% total.</p>	<p>Does KPR 5 and KPR 6 contradict each other? Is 6 the correct KPR?</p>	<p>KPR 5 performance standard states "all inbound documents (returned mail, non-image only, and image only)".</p> <p>KPR 6 performance standard states "all inbound documents except for returned mail and image-only".</p>

HHS0007333 Exhibit D: HHSC Uniform Terms and Conditions
6.2 Damage to System Agency Equipment of the Article VI. Property section

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6.2 DAMAGE TO GOVERNMENT PROPERTY

A. In the event of loss, destruction, or damage to any System Agency or State of Texas owned, leased, or occupied property or equipment by Contractor or Contractor's employees, agents, Subcontractors, and suppliers, Contractor shall be liable to System Agency and the State of Texas for the full cost of repair, reconstruction, or replacement of the lost, destroyed, or damaged property.

B. Contractor shall notify System Agency of the loss, destruction, or damage of equipment or property within one (1) business day. Contractor shall reimburse System Agency and the State of Texas for such property damage within 10 calendar days after Contractor's receipt of System Agency's notice of amount due.

If a scanner/copier/jogger breaks during normal processing, is the contractor responsible for repairing/replacing?

Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements and Exhibit C, Contract Requirements, Section 4.3.6 Payment for Implementation and Modifications.

Solicitation Number	Section Number	Paragraph Number	Page Number	Question	Text of Passage Being Questioned
HHS0007333				Considering the scope and complexity of this project, will HHS extend the RFP to September 25 to ensure adherence to forms and achieve most competitive rates?	The System Agency will be extending the deadline for submission of solicitation responses to September 30, 2020.
HHS0007333				What accuracy threshold would a corrective action potentially be issued?	DPS KPR 7, Inbound Mail - Accuracy/Quality Service states that "The Successful Respondent must ensure that 98% of inbound mail is processed accurately," in Exhibit E, Key Performance Requirements .
HHS0007333				What is the current accuracy rate of scanning and how is that calculated?	DPS KPR 7, Inbound Mail - Accuracy/Quality Service states that "The Successful Respondent must ensure that 98% of inbound mail is processed accurately, as determined in accordance with HHSC-approved methodology and performance criteria in the Quality Management Plan," in Exhibit E, Key Performance Requirements .
HHS0007333				The Mail transactions by type for 2019 lists 10 PO Boxes. Is 10 the current number of different PO boxes currently used for the Document Processing Services that the Successful Respondent will need to assume management of or will new PO Boxes need to be rented and forms updated?	The System Agency maintains ownership of the PO Boxes. The Successful Respondent will not need to rent new PO Boxes.
HHS0007333				Will the State be providing a truck to pick-up the mail or is that something the Successful Respondent would need to supply?	The System Agency will provide a van to the Successful Respondent. Please refer to Exhibit R, HHSC Equipment Inventory.
HHS0007333				Can HHSC provide document samples of each form by Transaction Type to be processed and identify how many index values are required per form?	The System Agency provides Addendum 4, copies of the Digital Separator Sheets (DSS) in "DSS Cover Sheets June 2019" samples to provide this information.
HHS0007333				Is the incumbent willing to sublease the Austin Facility to a Successful Respondent?	The Successful Respondent must utilize the existing DPC located in Austin, Texas, and is expected to arrange to sub lease the existing DPC space. Please refer to Exhibit C, Contract Requirements, Section 3.9.1 Leverage of Current Investment.
HHS0007333				There are two RFP Sections numbered 3.6.2. Is the second of these sections accurate as these section headers do not match the instructions in the rest of the RFP?	Both Section 3.6.2 Submission Options and Section 3.6.2 Submission in Separate Parts are accurate. Section 3.6.2 Submission in Separate Parts is hereby revised to 'Section 3.6.2.a'.
HHS0007333				Please confirm that we must submit only 3 files (Original Proposal, Cost Proposal, and HUB Sub Plan) and "Public Information" as applicable.	The Solicitation Response Package must include the Proposal and Respondent Information, Cost Proposal, and HUB Subcontracting Plan and CMBL HUB Vendor Detail List. Please refer to the RFP Article IX, Submission Checklist, for additional details.
HHS0007333	3.6.2	All	15-16	<p>Section 3.6.2, Options 1 and 2 Submit</p> <p>a. One file named "Original Proposal" that contains the Respondent's entire proposal in searchable PDF.</p> <p>b. In accordance with Section 8.1.5, one file named "Public Information Copy" that contains the Respondent's entire proposal in searchable PDF, if applicable</p> <p>c. One file named "Cost Proposal" that contains the Respondent's Cost Proposal in MS Word format; this is Exhibit K, Cost Forms.</p> <p>d. One file named "HUB Subcontracting Plan" that contains Respondent's HSP in accordance with Section 6.8, HUB Subcontracting Plan.</p> <p>Each copy of Respondent's Solicitation Response must include all required attachments, checklists, and other documents.</p> <p>The second Section 3.6.2 Solicitation Responses must be submitted in separate parts</p> <p>A. Vendor Information and Disclosures,</p> <p>B. Narrative Proposal,</p> <p>C. Attachments (Reference Article X, Exhibits and Forms)</p> <p>D. Cost Proposal, and</p> <p>E. HUB Subcontracting Plan ("HSP").</p> <p>The entire Solicitation Response electronic copies—must then be submitted in one package to System Agency.</p>	<p>Please provide the cost estimate for this sub-lease arrangement for the facilities that the Vendor will be responsible for, so that it can be included correctly in the Cost worksheet.</p> <p>The System Agency provides the monthly base rent for Kramer Lane Lease and WC Braker Monthly Receipt. Please see Addendum 4 for copies of lease agreement.</p>
HHS0007333	3.5.4 Facility and Business Structure Transition Plan	6	18	The Successful Respondent is to assume the existing DPC in Austin, Texas, under a sub-lease arrangement from the current Vendor, unless an alternative site is approved by System Agency. Currently, the Disaster Recovery (DR) site is in Athens, Texas.	Will HHSC consider moving the current DPC to another facility that is also an HHSC asset and under a sublease arrangement?
					"The Successful Respondent is to assume the existing DPC in Austin, Texas, under a sub-lease arrangement from the current Vendor, unless an alternative site is approved by System Agency." Please refer to Exhibit C, Contract Requirements, Section 3.5.4 Facility and Business Structure Transition Plan.

HHS0007333	3.9.1 Leverage of Current Investment	3	26	To ensure facility, leasehold improvements, furniture and fixtures, technology and equipment already acquired is utilized to the best value for System Agency, the Successful Respondent will obtain and be responsible for sustaining facility, leasehold improvements, furniture and fixtures, imaging equipment, other technology and software to support the proposal in the Austin facility under a sublease arrangement. The proposal must demonstrate consideration of the assets already in place and how these will be utilized to continue to support delivery of the services covered under this RFP to minimize startup costs, maintain continuity of services, and ensure an effective transition of operational responsibility. The proposal must describe the approach for refreshing equipment and acquisition of new equipment for any new sites proposed.	Please confirm that Key Personnel Resumes can be included in the Appendices and not count in the 150-page limit.	The System Agency confirms that the Key Staffing Profile, Section 5.2.1, is a part of the Appendices submission, under Section 5.2. Per Section 3.6.3, Page Limit and Supporting Documentation, The Narrative/Technical Proposal should not exceed 150 pages in length, not including appendices or attachments, and should be formatted as follows 8 1/2" x 11" paper, 12 inch, Times New Roman font size, and single-sided.
HHS0007333	5.4.1, 5.2.1	All	23	5.1.4 Key Staffing Profile 5.2.1 Key Staffing Profile	Please confirm that the System Agency is only reserving the right to request the corporate guarantee at a later date, and that a corporate guarantee is not required to be submitted with the proposals for wholly owned companies.	Please refer to the RFP Article VI, Required Respondent Information, Section 6.7, and Article IX, Submission Checklist
HHS0007333	6.7	1	26	6.7 CORPORATE GUARANTEE If the respondent is substantially or wholly owned by another corporate (or other) entity, SYSTEM AGENCY 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.	a) Please confirm that the two HSP copies on USB is not required for this proposal, and that a single emailed/upload version is required. b) Can the HSP file be in a searchable PDF (and not Microsoft Office), per RFP 3.6.2 requirements?	The System Agency confirms submission of the two HSP copies be submitted under Section 3.6.2, Submission Options. These must be in searchable PDF, compatible with Microsoft Office 2000.
HHS0007333	6.8	4	27	Submit two (2) electronic copies of the HSP marked "Original" and signed by an authorized representative on a portable media, such as a USB flash drive, compatible with Microsoft Office 2016.	Please confirm that an Insurance Certification is not required to be submitted with this proposal.	Please see Article IX for the required documents in the Submission Checklist
HHS0007333	9, 10	k, Exhibit L	47, 48	Article IX-Submission Checklist lists "k. Insurance," but Article X-Exhibits say Exhibit L-Insurance does not have to be filled out.	a) Please confirm that Exhibit G1 (Attachment 2) must be completed and submitted with the proposals. b) Please confirm that Exhibit G Attachment 1-Subcontractor Agreement is not required to be completed and submitted with the proposals.	Yes, both attachments are to be submitted with proposal. Please refer to the RFP Article X, Exhibits and Forms.
HHS0007333	10	Exhibit G	48	Exhibit G - Data Use Agreement Yes Exhibit G1- Security and Privacy Inquiry (SPI) Yes	Please confirm the current vendor facility contains sufficient storage onsite to retain paper documents for 30 days after the image has been verified and meets the requirements for record maintenance and retention; and the documents can be securely destroyed.	Yes, the current facility contains sufficient storage onsite to retain documents for 30 days.
HHS0007333	Exhibit C, 3. Operational Requirements	DP 007	6 of 70	9. Retain received inbound documents for 30 business days then destroy accordingly	The Project Schedule does not provide a date for the Contract Award. So that the Vendor can plan the schedule to meet Transition Phase requirements, please provide an anticipated Contract Execution Date.	The Anticipated Contract Start Date is April 1, 2021. Please refer to the RFP Article III, Section 3.1 Schedule of Events.
HHS0007333	Exhibit C, 3.5 Transition Phase Requirements	1	14-15 of 70	System Agency must ensure that the process of transition to a new Vendor from the incumbent Vendor upon contract award, results in a predictable and, seamless transition where services to Consumers continue to be delivered in a timely and accurate manner.	The Project Schedule does not provide a date for the Transition Phase period. So that the Vendor can plan the schedule to meet Transition Phase requirements, please provide an anticipated start date for the Transition Phase.	The Transition Phase Work Plan shall begin upon final approval from System Agency, per DP 044, Exhibit C, Contract Requirements.
HHS0007333	Exhibit C, 3.5 Transition Phase Requirements	4	15 of 70	The work activities and requirements outlined in this section are applicable to the Successful Respondent. For each contract component, "Transition Phase" is defined as those activities that the Successful Respondent must conduct between the effective date of the contract and the Successful Respondent's operational start date. This includes all of the project management activities required to successfully support eligibility support services, and other components as determined by System Agency.	Please confirm that this requirement will only be specific to Vendor owned/maintained systems.	This requirement is for HHSC owned systems as well. Please refer to Exhibit C, Contract Requirements, Section 3.11 IT Disaster Recovery and Business Continuity.
HHS0007333	Exhibit C, Section 3.11	3	29 of 70	Recovery Time Objective (RTO) - The Successful Respondent must reestablish the document processing center infrastructure and processing capabilities within 24 hours from the date and time of a disaster declaration and identify risk and risk mitigation options.	Would HHSC consider combining these two KPRs?	The System Agency will not consider combining currently defined KPRs.

HH50007333	Exhibit E Key Performance Requirements	DPS KPR 13	13 of 26	DPS 13 – Major Systems Outage states the following as the performance standard The Successful Respondent must notify HHSC of all major system outages via e-mail or telephone if e-mail is unavailable within five minutes after the Successful Respondent determines a major system outage has occurred. Submit an incident report to HHSC via the official correspondence process within 24 hours of reported system outage(s). The requirement to submit an incident report within 24 hours is also listed as its own separate KPR CONTRACTOR must submit an incident report to HHSC via the official correspondence process within 24 hours of reported system outage(s).	a) Will the Contractor be held responsible for major outages of systems not owned/maintained by the Contractor? b) Will determination on assessment for non-compliance for major system outages be dependent on level of severity/impact of the major system outage, or should the Contractor expect to be assessed for noncompliance every time a major system outage occurs?	An assessment of any system outage is performed to determine root cause and responsible party.
HH50007333	Exhibit E Key Performance Requirements	DPS KPR 13	13 of 26	DPS 13 – Major Systems Outage states the following for Measurement of Noncompliance states Each incident that is not reported within 24 hours and/or each major system outage event.	Will HHSC provide a measurement of non-compliance escalation table that will show how the severity for non-compliance will be assessed?	The level of severity does not influence the degree of assessment (damages). Damages are outlined in Exhibit E, Key Performance Requirements.
HH50007333	Exhibit E Key Performance Requirements	All KPRs, Non-Compliance Remedies	1-26	Under Exhibit E – Key Performance Requirements (KPRs), the following Non-Compliance Remedies are listed for each KPR HHSC may take the following actions in the event of non-compliance or a missed KPR •Suspending all or part of the Contract; •Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; •Recouping payments made to the Successful Respondent found to be in error; •Suspending, limiting, or placing conditions on the continued performance of the Project; •Imposing any other remedies authorized under the Contract; and •Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.	Please provide a copy of the AUP.	Please see Addendum 4 for HHS Information Security Acceptable Use Policy (AUP).
HH50007333	Exhibit G 3.01 (11)	2	215 (p 5 of Exhibit G)	Comply with the HHS Acceptable Use Policy (AUP)	Please explain the evaluation formula used to measure the scoring of each category. For instance, is the scoring based on a cost formula such as (Lowest Cost / Bidders Cost) x 10% Bidder Score? Or are these sections evaluated by a panel and scored on a qualitative basis such as assigning a ranking based on quality, accuracy, and efficiency?	Each section will be evaluated by a panel and scored on a qualitative basis such as assigning a ranking based on quality, accuracy, and efficiency.
HH50007333	Exhibit I	3.1 – 3.4	4	3.1-3.4 Explains that each section will be worth an evaluated weighting of 10%; and that the evaluation will be based on "The Respondent's Cost Proposal demonstrates a quality approach to ensuring the highest levels of quality, accuracy and efficiency.	Please explain the evaluation formula used to measure the scoring of Transition Pricing. If the scoring is based on a cost formula such as (Lowest Cost / Bidders Cost) x 10% Bidder Score, then this would give the incumbent bidder a large advantage. For instance Incumbent \$0 vs only \$100 Opposing Bidder would mean the scoring would yield 10% Incumbent; 0% Opposing Bidder. This advantage is meaningful as it would be 1/4th of all cost evaluation.	Each section will be evaluated by a panel and scored on a qualitative basis such as assigning a ranking based on quality, accuracy, and efficiency. Please refer to Exhibit I, Evaluation Score Tool.
HH50007333	Exhibit I	3.1	4	3.1 – Evaluation of Exhibit K, Cost Proposal, A.1, Transition Pricing. Weighting of 10%.	Please provide the Cost Forms in an Excel Format.	Please see Addendum 4 for Cost Forms in Excel Format.
HH50007333	Exhibit K	n/a	all	Cost Forms	Is the Kofax software currently and will be required to be up to date, with current patches and updates applied as of Turnover from the current vendor?	The System Agency maintains Kofax software upgrades. The Successful Respondent will be provided system specifications.
HH50007333	Exhibit R		all	Exhibit R HHSC Equipment Inventory The assets listed in Exhibit R do not include information on the purchase date (age) or version of the equipment listed.	So that vendors can understand the capabilities of the current systems to support improvements, please provide HHSC information on the technology licenses and maintenance agreements and the anticipated refresh or replacement schedule (for Kofax software, PCs, etc.).	The System Agency is responsible for system updates. The Successful Respondent will be provided system specifications. Please see attached copies of the service agreements.
HH50007333	Exhibit R		all	Exhibit R HHSC Equipment Inventory The assets listed in Exhibit R do not include software or associated maintenance agreements.		Please see Addendum 4 for copies of service agreements.
HH50007333	Exhibit C, Section 3	2	5	The Successful Respondent is expected to utilize System Agency equipment while performing the services to conserve System Agency resources and minimize cost unless the Successful Respondent wishes to propose an alternative imaging solution that would involve the use of other equipment in lieu of System Agency equipment	Please confirm that the term "equipment" refers only to equipment used to perform scanning services? Also, please confirm, under an alternative "imaging solution", the term "use of other equipment" refers only to the equipment used to perform scanning services?	Yes, "equipment" refers to equipment used to performing scanning services and "imaging solution" and "use of other equipment" refers to only the equipment used to perform scanning services. Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.
HH50007333	Exhibit C, Section 3	2	5	The Successful Respondent is expected to utilize System Agency equipment while performing the services to conserve System Agency resources and minimize cost unless the Successful Respondent wishes to propose an alternative imaging solution that would involve the use of other equipment in lieu of System Agency equipment	If a vendor proposes an imaging solution that utilizes software other than the Agencies Kofax software solution, will that software be procured as part of the DPS contract?	No. Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements

HH50007333	Exhibit P	Diagram	2	HHSC Kofax ES-ECM Mail Channel Flow	Can a vendor, as part of its solution, include assumptions and/or specific recommendations expanding the configuration and capability of the Agency's current Kofax software solution?	Respondent must identify on the Exhibit M Assumptions and Exceptions Form any business, economic, legal, programmatic, or practical assumptions that underlie the Respondent's response to the Solicitation. The System Agency reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into any Contract resulting from this RFP are deemed rejected by the System Agency. Please refer to RFP, Section 3.6.5 and 3.6.6
HH50007333	Exhibit C, Section 3	3	5	If the Successful Respondent chooses to submit an alternative imaging solution or location, the Successful Respondent is encouraged but is not required to submit a proposal utilizing the System Agency Equipment.	Please confirm that software, including any alternative solutions proposed that would be used as part of a vendor's solution, would be considered a pass-through cost in the retrospective cost settlement model and/or contract?	Items designated as Pass-Through Items include, but are not limited to the following A. Capital expenditures including lease and/or rental payments on capital equipment; B. Sales taxes on capital expenditures including lease and /or rental payments on capital equipment; C. All postage expenses and/or delivery expenses directly related to the operation of the contract resulting from this RFP; D. Software license fees and software maintenance fees; E. Equipment maintenance and service agreement fees; F. Office rent (all documented costs imposed by the lessor); G. All printing costs including but not limited to toner cartridges, separator sheets, client communications, client handouts, bulletins, and similar print materials; H. All consumable supplies; I. All purchases made at the behest of System Agency; J. All subcontract expenses, including but not limited to labor costs; and K. All telecommunication lines and services, including local lines, toll-free lines, electronic communications lines, fiber optic lines, cell phones, internet connections, etc. Please refer to Exhibit C, Contract Requirements, Section 4.3.6 Payment for Implementation and Modifications.
HH50007333					Is there a list of specific staffing positions that you need for this project?	No. Please refer to the RFP Article V, Section 5.2.1 Key Staffing Profile.
HH50007333	N/A	N/A	N/A	N/A	In order to facilitate this Vendor participation process, is there a current document that provides the current cost for rent, electricity, security, destruction, maintenance of the scanners, supplies and everything else required to complete the proposal? Or is this something vendors would need to estimate or figure out based on their experience?	Please see Addendum 4 for Lease and Service agreements. Respondent will determine additional costs.
HH50007333	ARTICLE VI. REQUIRED RESPONDENT INFORMATION	6.6.2 Financial Capacity and Annual Report	26 of 48	If Respondent is unable to provide the required reports specified above, Respondent may, at the discretion of the System Agency, provide the following a) The last two (2) years unaudited financial statements or a balance sheet statement of financial position; b) An un-audited financial statement of the most recent quarter of operation; and c) A full disclosure of any events, liabilities, or contingent liabilities that could affect Respondent's financial ability to perform this Contract.	In order to facilitate this Vendor participation process, it states in b) An un-audited financial statement of the most recent quarter of operations; Does this mean financial statements that has not been audited? Or is there a process we need to approval for?	If Respondent in unable to provide audited financial statements, they may choose to provide the last two (2) years unaudited financial statements or a balance sheet statement of financial position; and an un-audited financial statement of the most recent quarter of operation; and a full disclosure of any events, liabilities, or contingent liabilities that could affect the Respondent's financial ability to perform this Contract.
HH50007333	3.1	5	12	Deadline for Submission of RFP Responses	Would the Agency please extend the submission deadline so vendors can properly engage HUB vendors to meet the goal?	The System Agency extended the deadline for submission of solicitation responses to September 30, 2020.

HH50007333	3.6.2	All	15-16	<p>Section 3.6.2, Options 1 and 2 Submit</p> <p>a. One file named "Original Proposal" that contains the Respondent's entire proposal in searchable PDF.</p> <p>b. In accordance with Section 8.1.5, one file named "Public Information Copy" that contains the Respondent's entire proposal in searchable PDF, if applicable</p> <p>c. One file named "Cost Proposal" that contains the Respondent's Cost Proposal in MS Word format; this is Exhibit K Cost Forms.</p> <p>d. One file named "HUB Subcontracting Plan" that contains Respondent's HSP in accordance with Section 6.8, HUB Subcontracting Plan.</p> <p>Each copy of Respondent's Solicitation Response must include all required attachments, checklists, and other documents.</p> <p>The second Section 3.6.2 Solicitation Responses must be submitted in separate parts</p> <p>A. Vendor Information and Disclosures, B. Narrative Proposal, C. Attachments (Reference Article X. Exhibits and Forms) D. Cost Proposal, and E. HUB Subcontracting Plan ("HSP").</p> <p>The entire Solicitation Response electronic copies—must then be submitted in one package to System Agency.</p>	<p>Questions</p> <p>a) There are two RFP Sections numbered 3.6.2. Is the second of these sections accurate as these section headers do not match the instructions in the rest of the RFP?</p> <p>b) Please confirm that we must submit only 3 files (Original Proposal, Cost Proposal, and HUB Sub Plan) and "Public Information" as applicable.</p>	<p>Both Section 3.6.2 Submission Options and Section 3.6.2 Submission in Separate Parts are accurate. Section 3.6.2 Submission in Separate Parts is hereby revised to 'Section 3.6.2.a'.</p>
HH50007333	3.5.4 Facility and Business Structure Transition Plan	6	18	<p>The Successful Respondent is to assume the existing DPC in Austin, Texas, under a sub-lease arrangement from the current Vendor, unless an alternative site is approved by System Agency. Currently, the Disaster Recovery (DR) site is in Athens, Texas.</p>	<p>Please provide the cost estimate for this sub-lease arrangement for the facilities that the Vendor will be responsible for, so that it can be included correctly in the Cost worksheet.</p>	<p>Please see Addendum 4 for copies of lease agreement and reference the monthly base rent for Kramer Lane Lease and WC Braker Monthly Receipt.</p>
HH50007333	3.9.1 Leverage of Current Investment	3	26	<p>To ensure facility, leasehold improvements, furniture and fixtures, technology and equipment already acquired is utilized to the best value for System Agency, the Successful Respondent will obtain and be responsible for sustaining facility, leasehold improvements, furniture and fixtures, imaging equipment, other technology and software to support the proposal in the Austin facility under a sublease arrangement. The proposal must demonstrate consideration of the assets already in place and how these will be utilized to continue to support delivery of the services covered under this RFP to minimize startup costs, maintain continuity of services, and ensure an effective transition of operational responsibility. The proposal must describe the approach for refreshing equipment and acquisition of new equipment for any new sites proposed.</p>	<p>Will HHSC consider moving the current DPC to another facility that is also an HHSC asset and under a sublease arrangement?</p>	<p>Please refer to Exhibit C, Contract Requirements, Section 3.5.4 Facility and Business Structure Plan.</p>
HH50007333	5.4.1, 5.2.1	All	23	<p>5.1.4 Key Staffing Profile 5.2.1 Key Staffing Profile</p>	<p>Please confirm that Key Personnel Resumes can be included in the Appendices and not count in the 150-page limit.</p>	<p>Yes. Please refer to Exhibit C, Contract Requirements, Section 3.5.4 Facility and Business Structure Plan.</p>
HH50007333	6.7	1	26	<p>6.7 CORPORATE GUARANTEE If the respondent is substantially or wholly owned by another corporate (or other) entity, SYSTEM AGENCY 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.</p>	<p>Please confirm that the System Agency is only reserving the right to request the corporate guarantee at a later date, and that a corporate guarantee is not required to be submitted with the proposals for wholly owned companies.</p>	<p>Please refer to the RFP Article VI, Required Respondent Information, Section 6.7, and Article IX, Submission Checklist.</p>
HH50007333	6.8	4	27	<p>Submit two (2) electronic copies of the HSP marked "Original" and signed by an authorized representative on a portable media, such as a USB flash drive, compatible with Microsoft Office 2016.</p>	<p>a) Please confirm that the two HSP copies on USB is not required for this proposal, and that a single emailed/upload version is required. b) Can the HSP file be in a searchable PDF (and not Microsoft Office), per RFP 3.6.2 requirements?</p>	<p>Please refer to the RFP, Article III, Section 3.6.1 Solicitation Response Composition and Delivery for all requirements.</p>
HH50007333	9, 10	k, Exhibit L	47, 48	<p>Article IX-Submission Checklist lists "k. Insurance," but Article X-Exhibits say Exhibit L-Insurance does not have to be filled out.</p>	<p>Please confirm that an Insurance Certification is not required to be submitted with this proposal.</p>	<p>Please refer to the RFP Article VIII, Section 8.2 Insurance for requirements.</p>
HH50007333	10	Exhibit G	48	<p>Exhibit G - Data Use Agreement Yes Exhibit G1- Security and Privacy Inquiry (SPI) Yes</p>	<p>a) Please confirm that Exhibit G1 (Attachment 2) must be completed and submitted with the proposals. b) Please confirm that Exhibit G Attachment 1-Subcontractor Agreement is not required to be completed and submitted with the proposals.</p>	<p>Yes, both are to be submitted with proposal. Please refer to the RFP Article X, Exhibits and Forms.</p>
HH50007333	Exhibit C, 3. Operational Requirements	DP 007	6 of 70	<p>9. Retain received inbound documents for 30 business days then destroy accordingly</p>	<p>Please confirm the current vendor facility contains sufficient storage onsite to retain paper documents for 30 days after the image has been verified and meets the requirements for record maintenance and retention; and the documents can be securely destroyed.</p>	<p>Yes, the current facility contains sufficient storage onsite to retain documents for 30 days.</p>
HH50007333	Exhibit C, 3.5 Transition Phase Requirements	1	14-15 of 70	<p>System Agency must ensure that the process of transition to a new Vendor from the incumbent Vendor upon contract award, results in a predictable and, seamless transition where services to Consumers continue to be delivered in a timely and accurate manner.</p>	<p>The Project Schedule does not provide a date for the Contract Award. So that the Vendor can plan the schedule to meet Transition Phase requirements, please provide an anticipated Contract Execution Date.</p>	<p>Please refer to the RFP Article III, Section 3.1 Schedule of Events.</p>

HH50007333	Exhibit C, 3.5 Transition Phase Requirements	4	15 of 70	The work activities and requirements outlined in this section are applicable to the Successful Respondent. For each contract component, "Transition Phase" is defined as those activities that the Successful Respondent must conduct between the effective date of the contract and the Successful Respondent's operational start date. This includes all of the project management activities required to successfully support eligibility support services, and other components as determined by System Agency.	The Project Schedule does not provide a date for the Transition Phase period. So that the Vendor can plan the schedule to meet Transition Phase requirements, please provide an anticipated start date for the Transition Phase.	The anticipated contract start date includes the transition phase. Please refer to Article III, Section 3.1 Schedule of Events.
HH50007333	Exhibit C, Section 3.11	3	29 of 70	Recovery Time Objective (RTO) - The Successful Respondent must reestablish the document processing center infrastructure and processing capabilities within 24 hours from the date and time of a disaster declaration and identify risk and risk mitigation options.	Please confirm that this requirement will only be specific to Vendor owned/maintained systems.	This requirement is for HHSC owned systems as well. Please refer to Exhibit C, Contract Requirements, Section 3.11 IT Disaster Recovery and Business Continuity.
HH50007333	Exhibit E Key Performance Requirements	DPS KPR 13	13 of 26	DPS 13 – Major Systems Outage states the following as the performance standard The Successful Respondent must notify HHSC of all major system outages via e-mail or telephone if e-mail is unavailable within five minutes after the Successful Respondent determines a major system outage has occurred. Submit an incident report to HHSC via the official correspondence process within 24 hours of reported system outage(s). The requirement to submit an incident report within 24 hours is also listed as its own separate KPR CONTRACTOR must submit an incident report to HHSC via the official correspondence process within 24 hours of reported system outage(s).	Would HHSC consider combining these two KPRs?	The System Agency will not consider combining currently defined KPRs.
HH50007333	Exhibit E Key Performance Requirements	DPS KPR 13	13 of 26	DPS 13 – Major Systems Outage states the following for Measurement of Noncompliance states Each incident that is not reported within 24 hours and/or each major system outage event.	a) Will the Contractor be held responsible for major outages of systems not owned/maintained by the Contractor? b) Will determination on assessment for non-compliance for major system outages be dependent on level of severity/impact of the major system outage, or should the Contractor expect to be assessed for noncompliance every time a major system outage occurs?	An assessment of any system outage is performed to determine root cause and responsible party.
HH50007333	Exhibit E Key Performance Requirements	All KPRs, Non-Compliance Remedies	1-26	Under Exhibit E – Key Performance Requirements (KPRs), the following Non-Compliance Remedies are listed for each KPR HHSC may take the following actions in the event of non-compliance or a missed KPR •Suspending all or part of the Contract; •Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; •Recouping payments made to the Successful Respondent found to be in error; •Suspending, limiting, or placing conditions on the continued performance of the Project; •Imposing any other remedies authorized under the Contract; and •Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.	Will HHSC provide a measurement of non-compliance escalation table that will show how the severity for non-compliance will be assessed?	An assessment of any system outage is performed to determine root cause and responsible party.
HH50007333	Exhibit G 3.01 (11)	2	215 (p 5 of Exhibit G)	Comply with the HHS Acceptable Use Policy (AUP)	Please provide a copy of the AUP.	Please see Addendum 4 for HHS Information Security Acceptable Use Policy (AUP).
HH50007333	Exhibit I	3.1 – 3.4	4	3.1-3.4 Explains that each section will be worth an evaluated weighting of 10%; and that the evaluation will be based on "The Respondent's Cost Proposal demonstrates a quality approach to ensuring the highest levels of quality, accuracy and efficiency.	Please explain the evaluation formula used to measure the scoring of each category. For instance, is the scoring based on a cost formula such as (Lowest Cost / Bidders Cost) x 10% Bidder Score? Or are these sections evaluated by a panel and scored on a qualitative basis such as assigning a ranking based on quality, accuracy, and efficiency?	Each section will be evaluated by a panel and scored on a qualitative basis such as assigning a ranking based on quality, accuracy, and efficiency.
HH50007333	Exhibit I	3.1	4	3.1 – Evaluation of Exhibit K, Cost Proposal, A.1, Transition Pricing. Weighting of 10%.	Please explain the evaluation formula used to measure the scoring of Transition Pricing. If the scoring is based on a cost formula such as (Lowest Cost / Bidders Cost) x 10% Bidder Score, then this would give the incumbent bidder a large advantage. For instance Incumbent \$0 vs only \$100 Opposing Bidder would mean the scoring would yield 10% Incumbent; 0% Opposing Bidder. This advantage is meaningful as it would be 1/4th of all cost evaluation.	Each section will be evaluated by a panel and scored on a qualitative basis such as assigning a ranking based on quality, accuracy, and efficiency. Please refer to Exhibit I, Evaluation Score Tool.
HH50007333	Exhibit K	n/a	all	Cost Forms	Please provide the Cost Forms in an Excel Format.	Please see Addendum 4 for Cost Forms in Excel Format.

HHS0007333	Exhibit Q		1	Exhibit Q Kofax Mail Channel; Disaster Recovery Scan Site KOFAX PROCESSING ROLES LEGEND A KOFAX SCAN B KOFAX RECOGNITION SERVER C KOFAX BARCODE RECOGNITION D KOFAX EB AUTOINDEXER E; KOFAX ES AUTOINDEXER F KOFAX PDF GENERATOR G KOFAX EXPORT H KOFAX TRANSFORMATION SERVICES I KOFAX MAIL REPORTING J KOFAX QC/BATCH MANAGER K KOFAX VALIDATION L KOFAX KTM VALIDATION M REMOTE SYNCHRONIZATION AGENT N KOFAX CAPTURE LICENSING SERVICE	Is the Kofax software currently and will be required to be up to date, with current patches and updates applied as of Turnover from the current vendor?	The System Agency maintains Kofax software upgrades. The Successful Respondent will be provided system specifications.
HHS0007333	Exhibit R		all	Exhibit R HHSC Equipment Inventory The assets listed in Exhibit R do not include information on the purchase date (age) or version of the equipment listed.	So that vendors can plan accordingly and write to a 'refresh approach,' please provide HHSC anticipated refresh schedule for the technology equipment (i.e., scanners, PCs, etc.).	The System Agency is responsible for refresh schedule for HHSC owned equipment. If an alternative system solution is provided, the respondent should include information related to refresh equipment schedules. The Successful Respondent will be provided system specifications.
HHS0007333	Exhibit R		all	Exhibit R HHSC Equipment Inventory The assets listed in Exhibit R do not include software or associated maintenance agreements.	So that vendors can understand the capabilities of the current systems to support improvements, please provide HHSC information on the technology licenses and maintenance agreements and the anticipated refresh or replacement schedule (for Kofax software, PCs, etc.).	The System Agency is responsible for system updates. The Successful Respondent will be provided system specifications. Please see attached copies of the service agreements.
HHS0007333	3.9.1 Leverage of Current Investment	1	26	The Successful Respondent must utilize the existing DPC located in Austin, Texas	Will TX HHS allow vendors to take the documents off-site for digitizing in a Texas facility?	Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements to obtain Document Processing Centers facility information.
HHS0007333	3.9.1 Leverage of Current Investment	2	26	The Successful Respondent will be expected to use existing State assets currently in use in the DPC until the end of the assets recommended life cycle	Is using the agency's system with Kofax a requirement or can the vendor choose an alternative scanning solution?	Respondents may propose alternate imaging solutions. Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	The RFP is a little unclear on what type of services are being requested. Is TX HHS requesting scanning of backfile records, mailroom services or day forward record scanning?	The mission objectives are to A. Obtain a qualified Respondent to ensure continuous service in the performance and improvement of document processing functions; B. Ensure all inbound correspondence is properly imaged within timeframes and correctly uploaded to appropriate systems as described Exhibit C, Contract Requirements. C. Leverage State investments in facilities, equipment, telephony infrastructure and automation capabilities by proposing a solution that uses and improves utilization of resources available to the State1; and D. Support System Agency's modernization efforts to continuously improve business processes and take advantage of emerging technologies that promote efficiency and improved service delivery. Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements for detailed operational requirements.
HHS0007333	Exhibit T Historical Monthly Operational Status Reports	Austin DPC Scan Transactions Summary Report for June 2019	page 264 of the PDF (no page number listed on the document)	Volume Data	The table mentions numbers of transactions. How what is in a transaction (page, document)?	Please see Addendum 4 for copies of the Digital Separator Sheets (DSS) in "DSS Cover Sheets June 2019" samples to provide this information.
HHS0007333	Exhibit T Historical Monthly Operational Status Reports	Austin DPC Scan Transactions Summary Report for June 2019	page 264 of the PDF (no page number listed on the document)	Volume Data	Is the volume data for June typical for the entire contract? If not, what are approximate total number of pages, banker boxes, and/or filing cabinet drawers of paper to scan?	Please refer to Exhibit T, Historical Monthly Operational Status Reports for 12 months of historical data. Additional information will be provided to the Successful Respondent.
HHS0007333	ARTICLE I. DEFINITIONS AND INTERPRETIVE PROVISIONS	1.1 DEFINITIONS	page 7 of 24 or 141 in PDF	"Work Product" means any and all works, including work papers, notes, materials, approaches, designs, specifications, systems, innovations, improvements, inventions, software, programs, source code, documentation, training materials, audio or audiovisual recordings, methodologies, concepts, studies, reports, whether finished or unfinished, and whether or not included in the Deliverables, that are developed, produced, generated, or provided by Contractor in connection with Contractor's performance of its duties under the Contract or through use of any funding provided under this Contract	For transcription of audio and video records, is TX HHS willing to contract to a separate vendor as this service is not on the TX DIR for Imaging?	No, the System Agency intends to award one Contract as a result of this Solicitation. Please refer to the RFP Article II, Section 2.2.1 Contract Award and Execution.

HHS0007333	3.9.1 Leverage of Current Investment	1	26	<p>Maximum Leverage of Current Asset Investment</p> <p>The proposal must utilize assets in which System Agency has already made a significant investment for document processing. The intent is to ensure System Agency's investments in facilities, hardware, and software for operations covered under this RFP are utilized to full advantage as a way to reduce start up and operating costs. The Successful Respondent must utilize the existing DPC located in Austin, Texas, and is expected to arrange to sub lease the existing DPC space. Currently, the DR site for the DPC operations is in the Athens Call Center within the Eligibility Support Services (ESS) Vendor's lease. See Exhibit R HHSC Equipment Inventory for Austin and Athens for additional information.</p>	Two sites are listed Austin and Athens. Are the records stored at one location or to two mentioned or somewhere else?	Records are stored at the primary DPC location in Austin, TX. Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	How often will TX HHS require access to documents once they are in vendor's possession (queue) for scanning?	Document retention is 30 calendar days. Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	How much prep (staple removal, unfolding, etc.) is required as 'light', 'medium', or 'heavy'?	The System Agency will provide this information to the Successful Respondent.
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	Is there any re-prep (putting fasteners back in place) required?	The System Agency will provide this information to the Successful Respondent.
HHS0007333	Exhibit T Historical Monthly Operational Status Reports	Austin DPC Scan Transactions Summary Report for June 2019	page 264 of the PDF (no page number listed on the document)	Volume Data	How are documents to be separated? By folder? By document type?	Please see Addendum 4 for copies of the Digital Separator Sheets (DSS) in "DSS Cover Sheets June 2019" samples to provide this information.
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	Do you require return or certified destruction of the paper?	The System Agency will provide this information to the Successful Respondent.
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	Is full-text OCR PDF files an acceptable file format?	The System Agency will provide this information to the Successful Respondent.
HHS0007333	Exhibit T Historical Monthly Operational Status Reports	Austin DPC Scan Transactions Summary Report for June 2019	page 264 of the PDF (no page number listed on the document)	Volume Data	Is there any color or large format scanning required? If so, approximately how much?	The System Agency will provide this information to the Successful Respondent.
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	Is the vendor responsible for loading scanned content into TX HHS' content management system?	The System Agency will provide this information to the Successful Respondent.

HH50007333					Is there an incumbent or is this a new RFP?	<p>To request vendor information on the Document Processing Services Contract, please submit an Open Records Request. According to HHSC's Open Records Policy & Procedures and applicable law, requests under the Texas Public Information Act must</p> <ul style="list-style-type: none"> • Be submitted in writing; • Include the requestor's name, address or other contact information; • Include a clear description of the records that are being requested; and • Be submitted by mail, fax or email to the HHSC Open Records Coordinator <p>HHSC Open Records CoordinatorMC-10704900 N. Lamar Blvd.Austin, Texas 78751-2316Fax 512-424-6586 Email OpenRecordsRequest@hhsc.state.tx.us.The following link provides additional guidance in requesting an Open Records Request with HHSC https://hhs.texas.gov/about-hhs/communications-events/open-records-policy-procedures</p>
HH50007333					Who is the incumbent?	<p>To request vendor information on the Document Processing Services Contract, please submit an Open Records Request. According to HHSC's Open Records Policy & Procedures and applicable law, requests under the Texas Public Information Act must</p> <ul style="list-style-type: none"> • Be submitted in writing; • Include the requestor's name, address or other contact information; • Include a clear description of the records that are being requested; and • Be submitted by mail, fax or email to the HHSC Open Records Coordinator <p>HHSC Open Records CoordinatorMC-10704900 N. Lamar Blvd.Austin, Texas 78751-2316Fax 512-424-6586 Email OpenRecordsRequest@hhsc.state.tx.us.The following link provides additional guidance in requesting an Open Records Request with HHSC https://hhs.texas.gov/about-hhs/communications-events/open-records-policy-procedures</p>
HH50007333					Will Document Processing Services be performed at HHSC facility or vendor facility?	Please refer to Exhibit C, Contract Requirements, Section 3.2 Equipment, Accessibility and Operations. Location address will be provided to Successful Respondent upon award.
HH50007333					If at HHSC, which facility? Address?	Please refer to Exhibit C, Contract Requirements, Section 3.2 Equipment, Accessibility and Operations. Location address will be provided to Successful Respondent upon award.
HH50007333					How will vendor receive documents to be processed?	<p>DP 007 provides the following inbound mail routes</p> <ol style="list-style-type: none"> 1. Operate and maintain existing System Agency managed post office boxes for receipt of mail; 2. Pick up mail in a manner approved by System Agency from the United States Postal Service (USPS) facility in Austin, Texas, or other locations as required; 3. Accept delivery from other delivery services at Austin, Texas, or other locations as approved, from all carriers including but not limited to Fed Ex Corporation, United Parcel Service, Lone Star Mailing Services, and DHL International; <p>Please refer to Exhibit C, Section 3 Operational Requirements.</p>
HH50007333					How will vendor return documents processed?	Document retention is 30 calendar days. Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.
HH50007333					What is the current process/document flow for Document Processing?	Please refer to Exhibit P, HHSC KOFAX ES-ECM Mail Channel Flow and Exhibit Q Kofax Mail Channel.
HH50007333					What is the document work flow for Document Processing?	Please refer to Exhibit P, HHSC KOFAX ES-ECM Mail Channel Flow and Exhibit Q Kofax Mail Channel
HH50007333					What equipment is used for Document Processing at this time?	Please refer to Exhibit R, HHSC Equipment Inventory and Exhibit C, Section 3 Operational Requirements.
HH50007333					Will vendor have a Quality Assurance team on the project?	Please refer to Article V, Section 5.2.1 Key Staffing Profile.
HH50007333					Will this be a Multi-vendor award?	Please refer to Article II, Section 2.2.1 Contract Award and Execution.
HH50007333					How many vendors will get award?	Please refer to Article II, Section 2.2.1 Contract Award and Execution.
HH50007333					How are current DPS handled?	Please refer to Exhibit T, Historical Monthly Operational Status Reports. Additional information will be provided to the Successful Respondent.

HHS0007333					Who are the incumbent vendors?	<p>To request vendor information on the Document Processing Services Contract, please submit an Open Records Request. According to HHSC's Open Records Policy & Procedures and applicable law, requests under the Texas Public Information Act must</p> <ul style="list-style-type: none"> • Be submitted in writing; • Include the requestor's name, address or other contact information; • Include a clear description of the records that are being requested; and • Be submitted by mail, fax or email to the HHSC Open Records Coordinator <p>HHSC Open Records CoordinatorMC-10704900 N. Lamar Blvd.Austin, Texas 78751-2316Fax 512-424-6586 Email OpenRecordsRequest@hhsc.state.tx.us.The following link provides additional guidance in requesting an Open Records Request with HHSC https://hhs.texas.gov/about-hhs/communications-events/open-records-policy-procedures</p>
HHS0007333					Are there any limitation on where the work is done in terms of onshore or offshore? Can some components of work be offshored?	Please refer to Exhibit C, Section 3 Operational Requirements.
HHS0007333					Can we propose Join Venture response?	Please refer to the RFP Article VI, Required Respondent Information, Section 6.1.2 Company Profile.
HHS0007333					Can we bid as prime and partner as hub at the same time ?	Please refer to Exhibit J, HUB Subcontracting Plan and Checklist for requirements.
HHS0007333					Will there be training or knowledge transfer from incumbent vendor to create a smooth transition?	Yes.
HHS0007333	Section3		5	The Successful Respondent is expected to utilize System Agency equipment while performing the services to conserve System Agency resources and minimize cost unless the Successful Respondent wishes to propose an alternative imaging solution that would involve the use of other equipment in lieu of System Agency equipment	Please confirm that the term "equipment" refers only to equipment used to perform scanning services? Also, please confirm, under an alternative "imaging solution", the term "use of other equipment" refers only to the equipment used to perform scanning services?	Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.
HHS0007333					If a vendor proposes an imaging solution that utilizes software other than the Agencies Kofax software solution, will that software be procured as part of the DPS contract?	No. Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements
HHS0007333					Can a vendor, as part of its solution, include assumptions and/or specific recommendations expanding the configuration and capability of the Agency's current Kofax software solution?	Please refer to Exhibit C, Contract Requirements, Section 3 Operational Requirements.
HHS0007333					Please confirm that software, including any alternative solutions proposed that would be used as part of a vendor's solution, would be considered a pass-through cost in the retrospective cost settlement model and/or contract?	Please refer to Exhibit C, Contract Requirements, Section 4.3.6 Payment for Implementation and Modifications.
HHS0007333					Is HHSC open to a discussion of how to incorporate best practices and lessons learned to improve current Data Processing Services?	The Successful Respondent will be asked to provide this information.
HHS0007333					Is there an incumbent for the current scope of work (name) and what is that contract number? I believe the State of Texas does have an "open contracts" website or will we need to FOIA the contracts, submission, pricing and billings?	<p>To request vendor information on the Document Processing Services Contract, please submit an Open Records Request. According to HHSC's Open Records Policy & Procedures and applicable law, requests under the Texas Public Information Act must</p> <ul style="list-style-type: none"> • Be submitted in writing; • Include the requestor's name, address or other contact information; • Include a clear description of the records that are being requested; and • Be submitted by mail, fax or email to the HHSC Open Records Coordinator <p>HHSC Open Records CoordinatorMC-10704900 N. Lamar Blvd.Austin, Texas 78751-2316Fax 512-424-6586 Email OpenRecordsRequest@hhsc.state.tx.us.The following link provides additional guidance in requesting an Open Records Request with HHSC https://hhs.texas.gov/about-hhs/communications-events/open-records-policy-procedures</p>
HHS0007333					Will we be required to purchase all new scanning equipment, storage, etc., or does the Agency already own this equipment? If this referenced within the RFx, where is it identified?	The System Agency owns equipment. Please refer to Exhibit R, HHSC Equipment Inventory.

Solicitation Number	Section Number	Paragraph Number	Page Number	Text of Passage Being Questioned	Question	HHSC Response
HHS0007333					Considering the scope and complexity of this project, will HHS extend the RFP to September 25 to ensure adherence to forms and achieve most competitive rates?	
HHS0007333					What accuracy threshold would a corrective action potentially be issued?	
HHS0007333					What is the current accuracy rate of scanning and how is that calculated?	
HHS0007333					The Mail transactions by type for 2019 lists 10 PO Boxes. Is 10 the current number of different PO boxes currently used for the Document Processing Services that the Successful Respondent will need to assume management of or will new PO Boxes need to be rented and forms updated?	
HHS0007333					Will the State be providing a truck to pick-up the mail or is that something the Successful Respondent would need to supply?	
HHS0007333					Can HHSC provide document samples of each form by Transaction Type to be processed and identify how many index values are required per form?	
HHS0007333					Is the incumbent willing to sublease the Austin Facility to a Successful Respondent?	
HHS0007333					There are two RFP Sections numbered 3.6.2. Is the second of these sections accurate as these section headers do not match the instructions in the rest of the RFP?	
HHS0007333					Please confirm that we must submit only 3 files (Original Proposal, Cost Proposal, and HUB Sub Plan) and "Public Information" as applicable.	
HHS0007333	3.6.2	All	15-16	<p>Section 3.6.2, Options 1 and 2 Submit</p> <p>a. One file named "Original Proposal" that contains the Respondent's entire proposal in searchable PDF.</p> <p>b. In accordance with Section 8.1.5, one file named "Public Information Copy" that contains the Respondent's entire proposal in searchable PDF, if applicable</p> <p>c. One file named "Cost Proposal" that contains the Respondent's Cost Proposal in MS Word format; this is Exhibit K Cost Forms.</p> <p>d. One file named "HUB Subcontracting Plan" that contains Respondent's HSP in accordance with Section 6.8, HUB Subcontracting Plan.</p> <p>Each copy of Respondent's Solicitation Response must include all required attachments, checklists, and other documents.</p> <p>The second Section 3.6.2 Solicitation Responses must be submitted in separate parts</p> <p>A.Vendor Information and Disclosures, B.Narrative Proposal, C.Attachments (Reference Article X. Exhibits and Forms) D.Cost Proposal, and E.HUB Subcontracting Plan ("HSP").</p> <p>The entire Solicitation Response electronic copies--must then be submitted in one package to System Agency.</p>	<p>Please provide the cost estimate for this sub-lease arrangement for the facilities that the Vendor will be responsible for, so that it can be included correctly in the Cost worksheet.</p>	
HHS0007333	3.5.4 Facility and Business Structure Transition Plan	6	18	<p>The Successful Respondent is to assume the existing DPC in Austin, Texas, under a sub-lease arrangement from the current Vendor, unless an alternative site is approved by System Agency. Currently, the Disaster Recovery (DR) site is in Athens, Texas.</p>	<p>Will HHSC consider moving the current DPC to another facility that is also an HHSC asset and under a sublease arrangement?</p>	
HHS0007333	3.9.1 Leverage of Current Investment	3	26	<p>To ensure facility, leasehold improvements, furniture and fixtures, technology and equipment already acquired is utilized to the best value for System Agency, the Successful Respondent will obtain and be responsible for sustaining facility, leasehold improvements, furniture and fixtures, imaging equipment, other technology and software to support the proposal in the Austin facility under a sublease arrangement. The proposal must demonstrate consideration of the assets already in place and how these will be utilized to continue to support delivery of the services covered under this RFP to minimize startup costs, maintain continuity of services, and ensure an effective transition of operational responsibility. The proposal must describe the approach for refreshing equipment and acquisition of new equipment for any new sites proposed.</p>	<p>Please confirm that Key Personnel Resumes can be included in the Appendices and not count in the 150-page limit.</p>	

HHS0007333	5.4.1, 5.2.1	All	23	5.1.4Key Staffing Profile 5.2.1Key Staffing Profile	Please confirm that the System Agency is only reserving the right to request the corporate guarantee at a later date, and that a corporate guarantee is not required to be submitted with the proposals for wholly owned companies.	
HHS0007333	6.7	1	26	6.7CORPORATE GUARANTEE If the respondent is substantially or wholly owned by another corporate (or other) entity, SYSTEM AGENCY 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.	a) Please confirm that the two HSP copies on USB is not required for this proposal, and that a single emailed/upload version is required. b) Can the HSP file be in a searchable PDF (and not Microsoft Office), per RFP 3.6.2 requirements?	
HHS0007333	6.8	4	27	Submit two (2) electronic copies of the HSP marked "Original" and signed by an authorized representative on a portable media, such as a USB flash drive, compatible with Microsoft Office 2016.	Please confirm that an Insurance Certification is not required to be submitted with this proposal.	
HHS0007333	9, 10	k, Exhibit L	47, 48	Article IX-Submission Checklist lists "k. Insurance," but Article X-Exhibits say Exhibit L-Insurance does not have to be filled out.	a) Please confirm that Exhibit G1 (Attachment 2) must be completed and submitted with the proposals. b) Please confirm that Exhibit G Attachment 1-Subcontractor Agreement is not required to be completed and submitted with the proposals.	
HHS0007333	10	Exhibit G	48	Exhibit G - Data Use Agreement Yes Exhibit G1- Security and Privacy Inquiry (SPI) Yes	Please confirm the current vendor facility contains sufficient storage onsite to retain paper documents for 30 days after the image has been verified and meets the requirements for record maintenance and retention; and the documents can be securely destroyed.	
HHS0007333	Exhibit C, 3. Operational Requirements	DP 007	6 of 70	9. Retain received inbound documents for 30 business days then destroy accordingly	The Project Schedule does not provide a date for the Contract Award. So that the Vendor can plan the schedule to meet Transition Phase requirements, please provide an anticipated Contract Execution Date.	
HHS0007333	Exhibit C, 3.5 Transition Phase Requirements	1	14-15 of 70	System Agency must ensure that the process of transition to a new Vendor from the incumbent Vendor upon contract award, results in a predictable and, seamless transition where services to Consumers continue to be delivered in a timely and accurate manner.	The Project Schedule does not provide a date for the Transition Phase period. So that the Vendor can plan the schedule to meet Transition Phase requirements, please provide an anticipated start date for the Transition Phase.	
HHS0007333	Exhibit C, 3.5 Transition Phase Requirements	4	15 of 70	The work activities and requirements outlined in this section are applicable to the Successful Respondent. For each contract component, "Transition Phase" is defined as those activities that the Successful Respondent must conduct between the effective date of the contract and the Successful Respondent's operational start date. This includes all of the project management activities required to successfully support eligibility support services, and other components as determined by System Agency.	Please confirm that this requirement will only be specific to Vendor owned/maintained systems.	
HHS0007333	Exhibit C, Section 3.11	3	29 of 70	Recovery Time Objective (RTO) - The Successful Respondent must reestablish the document processing center infrastructure and processing capabilities within 24 hours from the date and time of a disaster declaration and identify risk and risk mitigation options.	Would HHSC consider combining these two KPRs?	
HHS0007333	Exhibit E Key Performance Requirements	DPS KPR 13	13 of 26	DPS 13 – Major Systems Outage states the following as the performance standard The Successful Respondent must notify HHSC of all major system outages via e-mail or telephone if e-mail is unavailable within five minutes after the Successful Respondent determines a major system outage has occurred. Submit an incident report to HHSC via the official correspondence process within 24 hours of reported system outage(s). The requirement to submit an incident report within 24 hours is also listed as its own separate KPR CONTRACTOR must submit an incident report to HHSC via the official correspondence process within 24 hours of reported system outage(s).	a) Will the Contractor be held responsible for major outages of systems not owned/maintained by the Contractor? b) Will determination on assessment for non-compliance for major system outages be dependent on level of severity/impact of the major system outage, or should the Contractor expect to be assessed for noncompliance every time a major system outage occurs?	
HHS0007333	Exhibit E Key Performance Requirements	DPS KPR 13	13 of 26	DPS 13 – Major Systems Outage states the following for Measurement of Noncompliance states Each incident that is not reported within 24 hours and/or each major system outage event.	Will HHSC provide a measurement of non-compliance escalation table that will show how the severity for non-compliance will be assessed?	

HHS0007333	Exhibit E Key Performance Requirements	All KPRs, Non-Compliance Remedies	1-26	Under Exhibit E – Key Performance Requirements (KPRs), the following Non-Compliance Remedies are listed for each KPR HHSC may take the following actions in the event of non-compliance or a missed KPR •Suspending all or part of the Contract; •Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; •Recouping payments made to the Successful Respondent found to be in error; •Suspending, limiting, or placing conditions on the continued performance of the Project; •Imposing any other remedies authorized under the Contract; and •Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.	Please provide a copy of the AUP.	
HHS0007333	Exhibit G 3.01 (11)	2	215 (p 5 of Exhibit G)	Comply with the HHS Acceptable Use Policy (AUP)	Please explain the evaluation formula used to measure the scoring of each category. For instance, is the scoring based on a cost formula such as (Lowest Cost / Bidders Cost) x 10% Bidder Score? Or are these sections evaluated by a panel and scored on a qualitative basis such as assigning a ranking based on quality, accuracy, and efficiency?	
HHS0007333	Exhibit I	3.1 – 3.4	4	3.1-3.4 Explains that each section will be worth an evaluated weighting of 10%; and that the evaluation will be based on “The Respondent’s Cost Proposal demonstrates a quality approach to ensuring the highest levels of quality, accuracy and efficiency.	Please explain the evaluation formula used to measure the scoring of Transition Pricing. If the scoring is based on a cost formula such as (Lowest Cost / Bidders Cost) x 10% Bidder Score, then this would give the incumbent bidder a large advantage. For instance Incumbent \$0 vs only \$100 Opposing Bidder would mean the scoring would yield 10% Incumbent; 0% Opposing Bidder. This advantage is meaningful as it would be 1/4th of all cost evaluation.	
HHS0007333	Exhibit I	3.1	4	3.1 – Evaluation of Exhibit K, Cost Proposal, A.1, Transition Pricing. Weighting of 10%.	Please provide the Cost Forms in an Excel Format.	
HHS0007333	Exhibit K	n/a	all	Cost Forms	Is the Kofax software currently and will be required to be up to date, with current patches and updates applied as of Turnover from the current vendor?	
HHS0007333	Exhibit R		all	Exhibit R HHSC Equipment Inventory The assets listed in Exhibit R do not include information on the purchase date (age) or version of the equipment listed.	So that vendors can understand the capabilities of the current systems to support improvements, please provide HHSC information on the technology licenses and maintenance agreements and the anticipated refresh or replacement schedule (for Kofax software, PCs, etc.).	
HHS0007333	Exhibit R		all	Exhibit R HHSC Equipment Inventory The assets listed in Exhibit R do not include software or associated maintenance agreements.		
HHS0007333	Exhibit C, Section 3	2	5	The Successful Respondent is expected to utilize System Agency equipment while performing the services to conserve System Agency resources and minimize cost unless the Successful Respondent wishes to propose an alternative imaging solution that would involve the use of other equipment in lieu of System Agency equipment	Please confirm that the term “equipment” refers only to equipment used to perform scanning services? Also, please confirm, under an alternative “imaging solution”, the term “use of other equipment” refers only to the equipment used to perform scanning services?	
HHS0007333	Exhibit C, Section 3	2	5	The Successful Respondent is expected to utilize System Agency equipment while performing the services to conserve System Agency resources and minimize cost unless the Successful Respondent wishes to propose an alternative imaging solution that would involve the use of other equipment in lieu of System Agency equipment	If a vendor proposes an imaging solution that utilizes software other than the Agencies Kofax software solution, will that software be procured as part of the DPS contract?	
HHS0007333	Exhibit P	Diagram	2	HHSC Kofax ES-ECM Mail Channel Flow	Can a vendor, as part of its solution, include assumptions and/or specific recommendations expanding the configuration and capability of the Agency’s current Kofax software solution?	
HHS0007333	Exhibit C, Section 3	3	5	If the Successful Respondent chooses to submit an alternative imaging solution or location, the Successful Respondent is encouraged but is not required to submit a proposal utilizing the System Agency Equipment.	Please confirm that software, including any alternative solutions proposed that would be used as part of a vendor’s solution, would be considered a pass-through cost in the retrospective cost settlement model and/or contract?	
HHS0007333					Is there a list of specific staffing positions that you need for this project?	
HHS0007333	N/A	N/A	N/A	N/A	In order to facilitate this Vendor participation process, is there a current document that provides the current cost for rent, electricity, security, destruction, maintenance of the scanners, supplies and everything else required to complete the proposal? Or is this something vendors would need to estimate or figure out based on their experience?	

HHS0007333	ARTICLE VI. REQUIRED RESPONDENT INFORMATION	6.6.2 Financial Capacity and Annual Report	26 of 48	If Respondent is unable to provide the required reports specified above, Respondent may, at the discretion of the System Agency, provide the following a) The last two (2) years unaudited financial statements or a balance sheet statement of financial position; b) An un-audited financial statement of the most recent quarter of operation; and c) A full disclosure of any events, liabilities, or contingent liabilities that could affect Respondent's financial ability to perform this Contract.	In order to facilitate this Vendor participation process, it states in b) An un-audited financial statement of the most recent quarter of operations; Does this mean financial statements that has not been audited? Or is there a process we need to approval for?	
HHS0007333	3.1	5	12	Deadline for Submission of RFP Responses	Would the Agency please extend the submission deadline so vendors can properly engage HUB vendors to meet the goal?	
HHS0007333	3.6.2	All	15-16	Section 3.6.2, Options 1 and 2 Submit a. One file named "Original Proposal" that contains the Respondent's entire proposal in searchable PDF. b. In accordance with Section 8.1.5, one file named "Public Information Copy" that contains the Respondent's entire proposal in searchable PDF, if applicable c. One file named "Cost Proposal" that contains the Respondent's Cost Proposal in MS Word format; this is Exhibit K Cost Forms. d. One file named "HUB Subcontracting Plan" that contains Respondent's HSP in accordance with Section 6.8, HUB Subcontracting Plan. Each copy of Respondent's Solicitation Response must include all required attachments, checklists, and other documents. The second Section 3.6.2 Solicitation Responses must be submitted in separate parts A.Vendor Information and Disclosures, B.Narrative Proposal, C.Attachments (Reference Article X. Exhibits and Forms) D.Cost Proposal, and E.HUB Subcontracting Plan ("HSP"). The entire Solicitation Response electronic copies--must then be submitted in one package to System Agency.	Questions a) There are two RFP Sections numbered 3.6.2. Is the second of these sections accurate as these section headers do not match the instructions in the rest of the RFP? b) Please confirm that we must submit only 3 files (Original Proposal, Cost Proposal, and HUB Sub Plan) and "Public Information" as applicable.	
HHS0007333	3.5.4 Facility and Business Structure Transition Plan	6	18	The Successful Respondent is to assume the existing DPC in Austin, Texas, under a sub-lease arrangement from the current Vendor, unless an alternative site is approved by System Agency. Currently, the Disaster Recovery (DR) site is in Athens, Texas.	Please provide the cost estimate for this sub-lease arrangement for the facilities that the Vendor will be responsible for, so that it can be included correctly in the Cost worksheet.	
HHS0007333	3.9.1 Leverage of Current Investment	3	26	To ensure facility, leasehold improvements, furniture and fixtures, technology and equipment already acquired is utilized to the best value for System Agency, the Successful Respondent will obtain and be responsible for sustaining facility, leasehold improvements, furniture and fixtures, imaging equipment, other technology and software to support the proposal in the Austin facility under a sublease arrangement. The proposal must demonstrate consideration of the assets already in place and how these will be utilized to continue to support delivery of the services covered under this RFP to minimize startup costs, maintain continuity of services, and ensure an effective transition of operational responsibility. The proposal must describe the approach for refreshing equipment and acquisition of new equipment for any new sites proposed.	Will HHSC consider moving the current DPC to another facility that is also an HHSC asset and under a sublease arrangement?	
HHS0007333	5.4.1, 5.2.1	All	23	5.1.4Key Staffing Profile 5.2.1Key Staffing Profile	Please confirm that Key Personnel Resumes can be included in the Appendices and not count in the 150-page limit.	
HHS0007333	6.7	1	26	6.7CORPORATE GUARANTEE If the respondent is substantially or wholly owned by another corporate (or other) entity, SYSTEM AGENCY 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.	Please confirm that the System Agency is only reserving the right to request the corporate guarantee at a later date, and that a corporate guarantee is not required to be submitted with the proposals for wholly owned companies.	
HHS0007333	6.8	4	27	Submit two (2) electronic copies of the HSP marked "Original" and signed by an authorized representative on a portable media, such as a USB flash drive, compatible with Microsoft Office 2016.	a) Please confirm that the two HSP copies on USB is not required for this proposal, and that a single emailed/upload version is required. b) Can the HSP file be in a searchable PDF (and not Microsoft Office), per RFP 3.6.2 requirements?	

HHS0007333	9, 10	k, Exhibit L	47, 48	Article IX-Submission Checklist lists "k. Insurance," but Article X-Exhibits say Exhibit L-Insurance does not have to be filled out.	Please confirm that an Insurance Certification is not required to be submitted with this proposal.	
HHS0007333	10	Exhibit G	48	Exhibit G - Data Use Agreement Yes Exhibit G1- Security and Privacy Inquiry (SPI) Yes	a) Please confirm that Exhibit G1 (Attachment 2) must be completed and submitted with the proposals. b) Please confirm that Exhibit G Attachment 1-Subcontractor Agreement is not required to be completed and submitted with the proposals.	
HHS0007333	Exhibit C, 3. Operational Requirements	DP 007	6 of 70	9. Retain received inbound documents for 30 business days then destroy accordingly	Please confirm the current vendor facility contains sufficient storage onsite to retain paper documents for 30 days after the image has been verified and meets the requirements for record maintenance and retention; and the documents can be securely destroyed.	
HHS0007333	Exhibit C, 3.5 Transition Phase Requirements	1	14-15 of 70	System Agency must ensure that the process of transition to a new Vendor from the incumbent Vendor upon contract award, results in a predictable and, seamless transition where services to Consumers continue to be delivered in a timely and accurate manner.	The Project Schedule does not provide a date for the Contract Award. So that the Vendor can plan the schedule to meet Transition Phase requirements, please provide an anticipated Contract Execution Date.	
HHS0007333	Exhibit C, 3.5 Transition Phase Requirements	4	15 of 70	The work activities and requirements outlined in this section are applicable to the Successful Respondent. For each contract component, "Transition Phase" is defined as those activities that the Successful Respondent must conduct between the effective date of the contract and the Successful Respondent's operational start date. This includes all of the project management activities required to successfully support eligibility support services, and other components as determined by System Agency.	The Project Schedule does not provide a date for the Transition Phase period. So that the Vendor can plan the schedule to meet Transition Phase requirements, please provide an anticipated start date for the Transition Phase.	
HHS0007333	Exhibit C, Section 3.11	3	29 of 70	Recovery Time Objective (RTO) - The Successful Respondent must reestablish the document processing center infrastructure and processing capabilities within 24 hours from the date and time of a disaster declaration and identify risk and risk mitigation options.	Please confirm that this requirement will only be specific to Vendor owned/maintained systems.	
HHS0007333	Exhibit E Key Performance Requirements	DPS KPR 13	13 of 26	DPS 13 – Major Systems Outage states the following as the performance standard The Successful Respondent must notify HHSC of all major system outages via e-mail or telephone if e-mail is unavailable within five minutes after the Successful Respondent determines a major system outage has occurred. Submit an incident report to HHSC via the official correspondence process within 24 hours of reported system outage(s). The requirement to submit an incident report within 24 hours is also listed as its own separate KPR CONTRACTOR must submit an incident report to HHSC via the official correspondence process within 24 hours of reported system outage(s).	Would HHSC consider combining these two KPRs?	
HHS0007333	Exhibit E Key Performance Requirements	DPS KPR 13	13 of 26	DPS 13 – Major Systems Outage states the following for Measurement of Noncompliance states Each incident that is not reported within 24 hours and/or each major system outage event.	a) Will the Contractor be held responsible for major outages of systems not owned/maintained by the Contractor? b) Will determination on assessment for non-compliance for major system outages be dependent on level of severity/impact of the major system outage, or should the Contractor expect to be assessed for noncompliance every time a major system outage occurs?	
HHS0007333	Exhibit E Key Performance Requirements	All KPRs, Non-Compliance Remedies	1-26	Under Exhibit E – Key Performance Requirements (KPRs), the following Non-Compliance Remedies are listed for each KPR HHSC may take the following actions in the event of non-compliance or a missed KPR •Suspending all or part of the Contract; •Requiring the Successful Respondent to take specific corrective actions to remain in compliance with term of the Contract; •Recouping payments made to the Successful Respondent found to be in error; •Suspending, limiting, or placing conditions on the continued performance of the Project; •Imposing any other remedies authorized under the Contract; and •Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.	Will HHSC provide a measurement of non-compliance escalation table that will show how the severity for non-compliance will be assessed?	
HHS0007333	Exhibit G 3.01 (11)	2	215 (p 5 of Exhibit G)	Comply with the HHS Acceptable Use Policy (AUP)	Please provide a copy of the AUP.	
HHS0007333	Exhibit I	3.1 – 3.4	4	3.1-3.4 Explains that each section will be worth an evaluated weighting of 10%; and that the evaluation will be based on "The Respondent's Cost Proposal demonstrates a quality approach to ensuring the highest levels of quality, accuracy and efficiency.	Please explain the evaluation formula used to measure the scoring of each category. For instance, is the scoring based on a cost formula such as (Lowest Cost / Bidders Cost) x 10% Bidder Score? Or are these sections evaluated by a panel and scored on a qualitative basis such as assigning a ranking based on quality, accuracy, and efficiency?	

HHS0007333	Exhibit I	3.1	4	3.1 – Evaluation of Exhibit K, Cost Proposal, A.1, Transition Pricing. Weighting of 10%.	Please explain the evaluation formula used to measure the scoring of Transition Pricing. If the scoring is based on a cost formula such as (Lowest Cost / Bidders Cost) x 10% Bidder Score, then this would give the incumbent bidder a large advantage. For instance Incumbent \$0 vs only \$100 Opposing Bidder would mean the scoring would yield 10% Incumbent; 0% Opposing Bidder. This advantage is meaningful as it would be 1/4th of all cost evaluation.	
HHS0007333	Exhibit K	n/a	all	Cost Forms	Please provide the Cost Forms in an Excel Format.	
HHS0007333	Exhibit Q		1	Exhibit Q Kofax Mail Channel; Disaster Recovery Scan Site KOFAX PROCESSING ROLES LEGEND A KOFAX SCAN B KOFAX RECOGNITION SERVER C KOFAX BARCODE RECOGNITION D KOFAX EB AUTOINDEXER E; KOFAX ES AUTOINDEXER F KOFAX PDF GENERATOR G KOFAX EXPORT H KOFAX TRANSFORMATION SERVICES I KOFAX MAIL REPORTING J KOFAX QC/BATCH MANAGER K KOFAX VALIDATION L KOFAX KTM VALIDATION M REMOTE SYNCHRONIZATION AGENT N KOFAX CAPTURE LICENSING SERVICE	Is the Kofax software currently and will be required to be up to date, with current patches and updates applied as of Turnover from the current vendor?	
HHS0007333	Exhibit R		all	Exhibit R HHSC Equipment Inventory The assets listed in Exhibit R do not include information on the purchase date (age) or version of the equipment listed.	So that vendors can plan accordingly and write to a "refresh approach," please provide HHSC anticipated refresh schedule for the technology equipment (i.e., scanners, PCs, etc.).	
HHS0007333	Exhibit R		all	Exhibit R HHSC Equipment Inventory The assets listed in Exhibit R do not include software or associated maintenance agreements.	So that vendors can understand the capabilities of the current systems to support improvements, please provide HHSC information on the technology licenses and maintenance agreements and the anticipated refresh or replacement schedule (for Kofax software, PCs, etc.).	
HHS0007333	3.9.1 Leverage of Current Investment	1	26	he Successful Respondent must utilize the existing DPC located in Austin, Texas	Will TX HHS allow vendors to take the documents off-site for digitizing in a Texas facility?	
HHS0007333	3.9.1 Leverage of Current Investment	2	26	The Successful Respondent will be expected to use existing State assets currently in use in the DPC until the end of the assets recommended life cycle	Is using the agency's system with Kofax a requirement or can the vendor choose an alternative scanning solution?	
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	The RFP is a little unclear on what type of services are being requested. Is TX HHS requesting scanning of backfile records, mailroom services or day forward record scanning?	
HHS0007333	Exhibit T Historical Monthly Operational Status Reports	Austin DPC Scan Transactions Summary Report for June 2019	page 264 of the PDF (no page number listed on the document)	Volume Data	The table mentions numbers of transactions. How what is in a transaction (page, document)?	
HHS0007333	Exhibit T Historical Monthly Operational Status Reports	Austin DPC Scan Transactions Summary Report for June 2019	page 264 of the PDF (no page number listed on the document)	Volume Data	Is the volume data for June typical for the entire contract? If not, what are approximate total number of pages, banker boxes, and/or filing cabinet drawers of paper to scan?	
HHS0007333	ARTICLE I. DEFINITIONS AND INTERPRETIVE PROVISIONS	1.1 DEFINITIONS	page 7 of 24 or 141 in PDF	"Work Product" means any and all works, including work papers, notes, materials, approaches, designs, specifications, systems, innovations, improvements, inventions, software, programs, source code, documentation, training materials, audio or audiovisual recordings, methodologies, concepts, studies, reports, whether finished or unfinished, and whether or not included in the Deliverables, that are developed, produced, generated, or provided by Contractor in connection with Contractor's performance of its duties under the Contract or through use of any funding provided under this Contract	For transcription of audio and video records, is TX HHS willing to contract to a separate vendor as this service is not on the TX DIR for Imaging?	

HHS0007333	3.9.1 Leverage of Current Investment	1	26	Maximum Leverage of Current Asset Investment The proposal must utilize assets in which System Agency has already made a significant investment for document processing. The intent is to ensure System Agency's investments in facilities, hardware, and software for operations covered under this RFP are utilized to full advantage as a way to reduce start up and operating costs. The Successful Respondent must utilize the existing DPC located in Austin, Texas, and is expected to arrange to sub lease the existing DPC space. Currently, the DR site for the DPC operations is in the Athens Call Center within the Eligibility Support Services (ESS) Vendor's lease. See Exhibit R HHSC Equipment Inventory for Austin and Athens for additional information.	Two sites are listed Austin and Athens. Are the records stored at one location or to two mentioned or somewhere else?	
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	How often will TX HHS require access to documents once they are in vendor's possession (queue) for scanning?	
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	How much prep (staple removal, unfolding, etc.) is required as 'light', 'medium', or 'heavy'?	
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	Is there any re-prep (putting fasteners back in place) required?	
HHS0007333	Exhibit T Historical Monthly Operational Status Reports	Austin DPC Scan Transactions Summary Report for June 2019	page 264 of the PDF (no page number listed on the document)	Volume Data	How are documents to be separated? By folder? By document type?	
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	Do you require return or certified destruction of the paper?	
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	Is full-text OCR PDF files an acceptable file format?	
HHS0007333	Exhibit T Historical Monthly Operational Status Reports	Austin DPC Scan Transactions Summary Report for June 2019	page 264 of the PDF (no page number listed on the document)	Volume Data	Is there any color or large format scanning required? If so, approximately how much?	
HHS0007333	Exhibit P HHSC KOFAX ES-ECM	Diagram	page 258 of the PDF (no page number listed on the document)	Diagram on page 258 of the PDF (no page number listed on the document)	Is the vendor responsible for loading scanned content into TX HHS' content management system?	
HHS0007333					Is there an incumbent or is this a new RFP?	
HHS0007333					Who is the incumbent?	
HHS0007333					Will Document Processing Services be performed at HHSC facility or vendor facility?	
HHS0007333					If at HHSC, which facility? Address?	
HHS0007333					How will vendor receive documents to be processed?	
HHS0007333					How will vendor return documents processed?	
HHS0007333					What is the current process/document flow for Document Processing?	
HHS0007333					What is the document work flow for Document Processing?	

HHS0007333					What equipment is used for Document Processing at this time?	
HHS0007333					Will vendor have a Quality Assurance team on the project?	
HHS0007333					Will this be a Multi-vendor award?	
HHS0007333					How many vendors will get award?	
HHS0007333					How are current DPS handled?	
HHS0007333					Who are the incumbent vendors?	
HHS0007333					Are there any limitation on where the work is done in terms of onshore or offshore? Can some components of work be offshored?	
HHS0007333					Can we propose Join Venture response?	
HHS0007333					Can we bid as prime and partner as hub at the same time ?	
HHS0007333					Will there be training or knowledge transfer from incumbent vendor to create a smooth transition?	
HHS0007333	Section3		5	The Successful Respondent is expected to utilize System Agency equipment while performing the services to conserve System Agency resources and minimize cost unless the Successful Respondent wishes to propose an alternative imaging solution that would involve the use of other equipment in lieu of System Agency equipment	Please confirm that the term "equipment" refers only to equipment used to perform scanning services? Also, please confirm, under an alternative "imaging solution", the term "use of other equipment" refers only to the equipment used to perform scanning services?	
HHS0007333					If a vendor proposes an imaging solution that utilizes software other than the Agencies Kofax software solution, will that software be procured as part of the DPS contract?	
HHS0007333					Can a vendor, as part of its solution, include assumptions and/or specific recommendations expanding the configuration and capability of the Agency's current Kofax software solution?	
HHS0007333					Please confirm that software, including any alternative solutions proposed that would be used as part of a vendor's solution, would be considered a pass-through cost in the retrospective cost settlement model and/or contract?	
HHS0007333					Is HHSC open to a discussion of how to incorporate best practices and lessons learned to improve current Data Processing Services?	
HHS0007333					Is there an incumbent for the current scope of work (name) and what is that contract number? I believe the State of Texas does have an "open contracts" website or will we need to FOIA the contracts, submission, pricing and billings?	
HHS0007333					Will we be required to purchase all new scanning equipment, storage, etc., or does the Agency already own this equipment? If this referenced within the RFX, where is it identified?	