**Request for Proposals for the State of Wisconsin**

**ETI0050**

**Insurance Administration System**

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Issued by the State of Wisconsin

Department of Employee Trust Funds

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Vendor Questions & Letter of Intent Due: March 13, 2020 @ 2pm CDT

Clarifying Questions Due: March 27, 2020 @ 2pm CDT

Proposals Due: April 22, 2020 @ 2 p.m. CDT

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# General Information

## Introduction

The purpose of this Request for Proposals (RFP) is to provide interested and qualified vendors with information to enable them to prepare and submit competitive Proposals to provide and maintain a new, fully-integrated, best-practices-based insurance administration system requiring minimal customizations to meet the State of Wisconsin Department of Employee Trust Funds’ (Department) requirements.

The Department intends to use the results of this solicitation to award a Contract for an Insurance Administration System (IAS). The Contract will be administered and managed by the Department. This RFP document, its attachments, addendums, and the awarded Proposal will be incorporated into the Contract.

## Department Overview

The Department, located in Madison, Wisconsin, administers the Wisconsin Retirement System (WRS), the group health insurance program for State employees and many local governments, and a variety of other public employee benefit programs. The WRS is the 8th largest public pension fund in the nation, providing retirement benefits for more than 630,000 current and former State and local government employees on behalf of approximately 1,500 employers. Participants include current and former employees of Wisconsin’s State agencies, and current and former employees of participating local governments. The Department is overseen by independent governing boards and funds are held on behalf of benefit program beneficiaries in the Public Employee Trust Fund created and regulated under Chapter 40 of the Wisconsin Statutes. The Employee Trust Funds Board has delegated administrative authority for the fully-insured and self-funded benefit plans to the Group Insurance Board.

It is the Department’s mission to develop and deliver quality benefits and services to participants while safeguarding the integrity of the Trust. It is the Department’s vision to enhance the well-being of participants by delivering expert guidance, strong, sustainable benefit programs, and an exceptional customer experience.

The Department is considered a “Covered Entity” under Title 2 of the Health Insurance Portability and Accountability Act (HIPAA) of 1996, Public Law 104-191, 1996. As such, the Department must comply with all provisions of HIPAA and the Health Information Technology for Economic and Clinical Health Act (HITECH), 45 CFR §§ 160 and 164 (hereinafter collectively, “HIPAA”) regarding all privacy and security measures relevant to the operations of the programs within the Department when operating in a capacity subject to HIPAA. Additionally, any person or entity who performs functions or activities on behalf of or provides certain services to a covered entity that involve access to protected health information are considered Business Associates under HIPAA.

### Department Insurance Plans

The Department is one of the largest purchasers of health insurance in the State of Wisconsin, spending $1.5 billion in health insurance premiums, which includes pharmacy and uniform dental. The Department also has responsibility for the oversight of several other benefit programs including but not limited to group life insurance, income continuation insurance, supplemental employee-pay-all dental, vision, and accident insurance, wellness and disease management services, and pre-tax savings accounts such as employee reimbursement accounts, health savings accounts and commuter fringe benefits.

**Systems and Enterprise Technology**

Currently, the Department uses multiple information systems in support of its business processes for both insurance and pension functions. Those systems include mainframe and PC hardware and COBOL, Java, DB2, and MS Access-based software.

The Department anticipates increasing interest among members ability to be engaged in their benefits, including accessing benefit information in a secure, online platform. The Department must position itself to provide participants with relevant, understandable information about health care and insurance options so that they can make the most beneficial choices. The Department also needs the ability to modify benefits and program structures in the best interests of the participants as the health insurance industry adjusts to federal health care reform.

As part of an enterprise technology initiative, the Department is seeking a Contractor who solely, or through the use of one or more clearly defined and well-managed Subcontractors, can provide a commercial, off-the-shelf, IAS and the consulting services to assist the Department in implementing that solution.

**Health, Pharmacy and Dental Insurance Programs**

The State of Wisconsin Group Health Insurance Program (GHIP) is administered by the Department with direction from the Group Insurance Board. The GHIP offers three types of uniform insurance benefits: medical (health), pharmacy, and dental. GHIP coverage is available to employees and retirees of over 50 State agencies, the State of Wisconsin Legislature, the University of Wisconsin (UW) System, the UW Hospitals and Clinics Authority, and 378 participating local employer entities. The local offering is commonly referred to as the Wisconsin Public Employer (WPE) program. Local entities choose whether to offer GHIP coverage to their organization on an individual basis.

* Health: Currently, ten fully-insured health plans are contracted to provide medical coverage for the GHIP. Eight are health maintenance organizations (HMOs), one is a preferred provider organization (PPO), and one exclusively provides a Medicare Advantage passive PPO product. All contracted health plans provide uniform medical benefits, which include all federally mandated essential health benefits, as well as Department-specific benefit offerings. The GHIP offers a variety of plan designs with different cost-sharing levels, such as nation-wide and high deductible health plan (HDHP) options. Different plan designs are available to State and local employees. Both State and local retirees may choose from one of three Medicare plan designs. Additional benefits may be offered to retirees as required by federal regulations.
* Pharmacy: The uniform pharmacy benefit program is self-insured and has been administered through a single pharmacy benefit manager (PBM) since 2004. This includes providing Medicare Part D benefits through an employer group waiver plan (EGWP) since 2012. There is only one benefit design for uniform pharmacy benefits.
* Dental: See Dental in the Other Health Benefit Programs section below for more information about the uniform dental benefit and additional dental benefit offerings.

The following groups of individuals are eligible to participate in the above programs:

* Active employees participating in the Wisconsin Retirement System (WRS).
* Certain non-WRS employees grouped under the name Graduate Assistants.
* Employees on a leave of absence who continue their insurance.
* Retired employees who receive an annuity from the WRS (including receipt of a lump sum or disability benefit).
* Former employees who were insured and have 20 years of WRS-creditable service, even if the annuity is deferred.
* The surviving insured spouse or eligible dependents of an insured employee or an insured retiree.
* Employees of a local employer that elected to join the program even though the employer does not participate in the WRS but is a separate Social Security entity.

Many retirees or surviving beneficiaries pay for their health insurance premium using accumulated sick leave conversion credits. In 2018, 88,759 members used this option to pay their premiums. Others who do not have sick leave credits will pay their premiums out of their annuity. For those who have no sick leave credits and their annuity is not large enough to pay for the premium, they pay their insurance directly to their health plan. Note, a few convert the life insurance benefit to pay for health insurance premiums in retirement. See Life under the Other Health Benefit Programs below.

Table 1 shows the total number of covered lives under the GHIP as of January 2020. There is room for growth in the GHIP as the number of eligible participants increases.

***Table 1: 2020 GHIP Number of Covered Lives***

|  |  |
| --- | --- |
| **GHIP Type** | **Total Number of Participants** |
| Employee | 110,237 |
| Spouse | 55,820 |
| Child/Other Dependent | 72,760 |
| Total | 238,817 |

**Other Benefit Programs**

The Group Insurance Board is authorized under Wisconsin Statutes to offer other health-related and pre-tax benefits, including dental, life insurance, long term care (LTC), pre-tax savings accounts, supplemental accident, vision, and wellness benefits. The Department manages contracts with various vendors who provide these benefit programs.

* Dental: A vendor provides two dental programs with four different offerings and a nationwide provider network.
* Uniform Dental Benefit (UDB): is a preventive-focused benefit that includes exams, cleanings, fillings and orthodontics coverage for dependents under age 19. Members must elect health insurance coverage to receive the UDB. Employers contribute toward part of the cost of this coverage. Members who elect health insurance, may opt out of the UDB. Retirees and continuants who elect to receive the UDB, along with health insurance coverage, pay the total cost of the UDB. Local employers that participate in the WPE choose whether or not to offer the UDB to their group. Local employers may offer uniform medical and pharmacy coverage without the UDB program.
* Supplemental Dental: is employee-pay-all dental coverage. Active members pay monthly premiums through payroll deductions. Retirees and continuants pay premiums directly to the vendor. Of three plans offered, two have coverage for catastrophic dental events such as crowns, bridges etc. with different maximum benefits and levels of coverage. The third plan mirrors the coverage offered under the UDB however, the employee does not need to have health insurance to have Supplemental Dental and pays the entire premium every month with no employer contribution.
* Life: Three plans are offered by a single vendor through the group life insurance plan:
* Basic Plan: Provides coverage equal to the employee’s prior year earnings rounded to the next higher $1,000 increment (employees with less than one year of service at time of death have earnings estimated). Coverage can continue into retirement.
* Supplemental Plan: Provides an additional year of earnings at the same rate as the initial year. Coverage ends at age 65.
* Additional Plan: Provides coverage in addition to the Basic Plan at up to three times the prior year’s earnings. Coverage ends at age 65.

Employer contributions are required for the Basic Plan and the Supplemental Plan; no employer contributions are required for the Additional Plan. Under each Plan, if the employee is still working at age 70, premiums cease to be charged, and the amount of insurance is adjusted based on a formula.

In addition to the direct payment of benefits, the life insurance benefit can also be converted into a cash benefit for the payment of either health insurance or long-term care insurance premiums.

* Long Term Care (LTC): Unlike the other programs offered by the Group Insurance Board, LTC plans offered to State employees are individual insurance plans, not group plans. There are a few active members who pay for their LTC premium through a payroll deduction however a vast majority of members pay the premium to the carrier for those policies.
* Pre-Tax Savings Accounts: A vendor administers health savings accounts (HSA), employee reimbursement accounts (also known as flexible spending accounts), and commuter fringe benefits to eligible State employees. Currently the program is administered primarily by the vendor and benefit/payroll centers. State employers contribute toward the HSA.
* Supplemental Accident: A vendor provides cash payments to help cover out-of-pocket expenses regardless of any other insurance coverage. Members must pay for this coverage in full. Employees pay through payroll deduction. There is no retiree coverage under this benefit. However, if a member has the coverage as an active employee they may port the coverage until age 70, paying the monthly premium directly to the vendor.
* Vision: A vendor provides a nationwide provider network for vison exams and lenses, frames and contacts. Members must pay for this coverage in full. Employees pay through payroll deduction, while continuants pay directly to the vendor. Retirees pay their monthly premium through annuity deductions the Department takes and sends to the vendor.
* Wellness: A wellness and disease management vendor administers a program that offers a $150 incentive if an employee and/or their spouse completes several wellness activities. The Group Insurance Board is considering moving this incentive to a wellness premium differential in 2022.

The wellness and disease management vendor provides a core set of disease management services to members. Health plans also work with members on case and disease management. Health plans are encouraged to partner with this vendor for referrals of complex members.

Below is a chart that summarizes the number of participants for each benefit program.

***Table 2: 2020 Employee Benefit Program Participation Statistics***

|  |  |
| --- | --- |
| **Benefit Program** | **Total Number of Participants** |
| Life Insurance | 261,302 |
| StayWell Well Wisconsin Incentive | 47,720 |
| Uniform Dental | 203,977 |
| Supplemental Dental | 89,276 |
| Supplemental Vision | 79,118 |
| Supplemental Accident | 13,154 |
| Health Care Flexible Spending (FSA) | 16,360 |
| Health Savings Account (HSA) | 8,934 |
| Dependent Day Care Account | 3,699 |
| Commuter Fringe Benefits (Parking and Transit) Accounts | 1,743 |
| Limited Purpose Flexible Spending Account (LPFSA) | 522 |
| Long Term Care | 2,273 |

**Income Continuation Insurance Program**

Income Continuation Insurance (ICI) is an optional disability income insurance benefit that provides replacement income for short-term and long-term disabilities. The ICI program is a self-insured plan financed by employer and employee premium contributions. All State employers are required to participate, while participation is optional for local employers.

The ICI program will pay benefits to any insured individual who becomes disabled while employed by a WRS participating employer. ICI will pay 75% of average monthly earnings and offers standard and supplemental coverage as follows:

* Standard Coverage: Covers up to $64,000 of annual earnings. The maximum benefit is $4,000 per month. The premiums are shared by employers and employees.
* Supplemental Coverage: Available to employees whose annual salary exceeds $64,000. Covers between $64,000 and $120,000 of annual earnings. The maximum benefit is $7,500 per month. The premiums are paid entirely by the employee.

A $75 supplemental benefit is added to the normal monthly benefit amount when the benefit transitions to long-term ICI.

Before the ICI benefit begins, State employees must serve an elimination period or use sick leave up to a maximum of 130 working days, whichever is longer. University of Wisconsin (UW) faculty and academic staff may select an elimination period of up to 180 calendar days. All other State employees have a 30-day elimination period.

Local employees, like UW faculty and academic staff, select their own elimination period, up to 180 calendar days. Local employees are not required by the ICI plan to exhaust sick leave prior to receiving benefits.

Employee premiums are determined by various methods depending on the employer type:

* In the State ICI plan, employee premiums are determined by an employee’s level of accumulated sick leave and fit into one of six categories.
* ICI premiums for UW faculty / academic staff are determined by the employee-selected elimination period, as are premiums for local employees.

Employer contributions to the State ICI program are based on a percentage established in Wis. Stat. § 40.05(5), which establishes the program’s premium categories. For UW faculty and academic staff and local employees, employers pay an amount equal to the gross premium for coverage subject to a 180-day elimination period. Local employers may elect to contribute a greater amount toward the gross premium for any other elimination period. If an employee wishes to enroll with a shorter elimination period, they must pay the premium differential. Additionally, there is no employer contribution for UW faculty and academic staff until they have 12 months of State employment under the WRS.

ICI benefits continue until the recipient turns age 65 (with some exceptions), recovers, returns to full-time work, or dies, whichever occurs first.

ICI benefits will not duplicate certain benefits available from other sources, including the WRS, Social Security Administration, workers’ compensation, and unemployment compensation. Duplicate benefits must be paid back to the ICI program.

The ICI program is authorized by Wis. Stat. § 40.62 and is currently administered by The Hartford.

The Department is interested in strengthening its existing processes for collecting ICI premiums from employers. The table below gives data on usage of these programs.

***Table 3: Income Continuation Insurance***

|  |  |
| --- | --- |
| **Insurance Program** | **Program Statistics** |
| Income Continuation Insurance enrollees | 60,414 |
| Number of ICI participating employers | 321 |

* 1. **Additional Background Information**

Table 4 below provides links to additional background information. This information is provided to assist Proposers in completing an RFP response.

***Table 4: Additional Background Information***

|  |  |
| --- | --- |
| **Administrative Resources** | **Web Address** |
| Employee Trust Funds Website | <http://etf.wi.gov> |
| RFP ETI0050 IAS | <https://etf.wi.gov/procurement> |
| Wis. Admin. Code Chapter 11 Appeals | <http://docs.legis.wisconsin.gov/code/admin_code/etf/11> |
| Wisconsin State Statutes Chapter 16 | <https://docs.legis.wisconsin.gov/statutes/statutes/16> |
| Wisconsin State Statutes Chapter 40 | <https://docs.legis.wisconsin.gov/statutes/statutes/40> |
| 2018 Comprehensive Annual Financial Report (CAFR) | <https://etf.wi.gov/resource/comprehensive-annual-financial-report-2018> |
| 2018 State of Wisconsin Group Health Benefits Annual Report | <https://etf.wi.gov/resource/state-wisconsin-group-health-benefits-annual-report> |
| **Program Resources** | **Web Address** |
| Health Insurance eligibility rules for State employers (Chapter 3) | <https://etf.wi.gov/publications/et1118/direct> |
| Group Health Insurance Fact Sheet | <https://etf.wi.gov/resource/group-health-insurance-fact-sheet> |
| Pharmacy Benefit Fact Sheet | <https://etf.wi.gov/resource/pharmacy-benefits-program-fact-sheet> |
| Uniform Dental Benefit Fact Sheet | <https://etf.wi.gov/publications/et8948/direct> |
| Supplemental Insurance Fact Sheet | <https://etf.wi.gov/resource/supplemental-insurance-program-fact-sheet> |
| Long Term Care Standards | <https://etf.wi.gov/publications/et7423/direct> |
| Group Life Insurance Program | <https://etf.wi.gov/benefits/benefits-provided-etf/life-insurance> |
| Accumulated Sick Leave Credit Program | <https://etf.wi.gov/retirement/saving-retirement/accumulated-sick-leave-credit-program> |
| Income Continuation Insurance Program | <https://etf.wi.gov/benefits/benefits-provided-etf/income-continuation-insurance> |
| Wellness | <https://www.wellwisconsin-staywell.com/> |
| Pre-Tax Savings Accounts Overviews | <https://etf.wi.gov/its-your-choice/2020/state-employee-retiree-health-plan/pre-tax-savings-accounts> |
| Health Care Flexible Spending Account (FSA) | <https://etf.wi.gov/its-your-choice/2020/state-employee-retiree-health-plan/pre-tax-savings-accounts/health-care-flexible-spending-account-fsa> |
| Health Savings Account (HSA) | <https://etf.wi.gov/its-your-choice/2020/state-employee-retiree-health-plan/pre-tax-savings-accounts/health-savings-accounts-hsas> |
| Limited Purpose Flexible Spending Account (LPFSA) | <https://etf.wi.gov/its-your-choice/2020/state-employee-retiree-health-plan/pre-tax-savings-accounts/limited-purpose-flexible-spending-account-lpfsa> |
| Dependent Day Care Account | <https://etf.wi.gov/its-your-choice/2020/state-employee-retiree-health-plan/pre-tax-savings-accounts/dependent-day-care-account> |
| Parking Account | <https://etf.wi.gov/its-your-choice/2020/state-employee-retiree-health-plan/pre-tax-savings-accounts/parking-account> |
| Transit Account | <https://etf.wi.gov/its-your-choice/2020/state-employee-retiree-health-plan/pre-tax-savings-accounts/transit-account> |

* 1. **NATURE OF PROCUREMENT**

The Department is soliciting Proposals from vendors with recent experience in the implementation of integrated insurance administration solutions. The Proposer must have implemented insurance administration systems with two or more ***like*** clients, at least one of which must be complete, i.e., in the warranty period or later. The Department intends to continue to contract with third party administrators for its currently offered benefit programs.

### Project Objectives and Scope

The Department is embarking on a modernization initiative with the aim of implementing multiple new systems for: data management including integration, enterprise content management (ECM), insurance administration, and pension administration. The objective of this RFP is to solicit Proposals from insurance system software and implementation vendors to provide the Department with an integrated IAS. Specifically, vendors are to propose a solution consisting of the implementation of a fully integrated, best-practices-based IAS requiring minimal customizations to meet the Department’s requirements. Any Contract awarded, as a result of this solicitation, will be for at least the following solution components: off-the-shelf hardware and software, project management services, documentation, testing, implementation, integration, training, warranty, and support.

The Department may award a Contract to the Proposer who can best meet the requirements in Appendix 7 and elsewhere as defined in this RFP.

The high-level functionality of the IAS shall include, but not be limited to, the following:

* A solution providing core line-of-business insurance functions, which include applications that permit the Department to perform insurance-related operations, including:
* determining member insurance eligibility;
* facilitating benefit enrollment including transfer of data from and to other internal ETF systems, employers, and third party administrators (TPAs);
* updating and maintaining coverage records;
* calculating and generating premium payment invoices;
* reconciling invoices with incoming payments;
* executing queries and other data extractions used to determine plan trends, usage patterns, and facilitate statistical analysis, etc.;
* facilitate TPA carrier payments and financial reporting, data/records, etc.
* Strengthened processes and systems to consistently provide multiple insurance administration capabilities.
* Support for the execution of all processes required in accordance with legislation, governing board policies, etc.
* Browser-based access to the solution for participants, employers, TPAs, and Department staff.
* Web-based, self-service functionality to provide access to the Department, participants, retirees, and other appropriate stakeholders (i.e., employers and TPAs).
* All required interfaces, including, but not limited to, interfaces between employers and TPAs.
* Ad hoc reporting capabilities.
* Audit indicator capabilities such that a participant’s account can be identified as to whether it has been audited, through what date, and by whom.
* Thorough testing and quality assurance of the entire solution.
* A warranty that starts with the rollout of the first functional capability and concludes 12 months after the rollout of the final capability.
* Department-specific manuals and documentation for system users (including employers), administrators, and developers; in addition to all baseline functionality, all such documentation must reflect the customized, as-built status of the solution; standard documentation reflecting only the Contractor’s un-customized base solution will not be accepted.
* Training for system users (including employers), administrators, and developers (but not participants or retirees) – not only in application navigation and the use of screens and windows, but also in the use of the new solution to perform all of their various job functions, processes, and sub-processes in the new environment.
* Experienced-based expertise and consultation to Department management on topics such as suggested changes in communications, business rules, policies and practices.
* Opportunities (and training) for Department technical staff who will be responsible for solution maintenance and enhancements after the IAS has been turned over to the Department.
* Configuration and configuration management for the IAS software.
* Any and all necessary software customizations to meet business and functionality requirements.
* Full implementation of the new solution (including as-built documentation of system design, database models, system configurations, and customizations).
* Ongoing software support for the new IAS during the implementation and during the warranty period as provided herein.
* Project management services for the implementation effort as provided herein.

### Single Source of Support

A single prime Contractor will be responsible for the successful delivery of all contracted deliverables and Services, including Subcontractors’ efforts. Multiple (alternate) proposals from a Proposer will not be accepted.

The Department is seeking a single source for all activities related to the IAS. The Contractor may subcontract a portion of the work but shall retain sole responsibility for the successful delivery of all contracted deliverables. The Contractor must be designated in the Proposal, and any use of Subcontractors must be clearly explained. The Contractor shall be responsible for the Services provided by the Contractor and all of its Subcontractors and the Contractor and its Subcontractors shall infer a single source of support as the Contractor.

List all Subcontractors and the tasks that each Subcontractor is to perform as requested in Appendix 3 – Subcontractor Information. All Subcontractor staff in key positions must meet the same qualifications for experience specified for the Contractor. Upon request, resumes must be included for these key Subcontractor staff. The Proposal must also include sample copies of any agreements currently in place or that are to be executed between the Contractor and any Subcontractors in the event of Contract award. All subcontracting agreements must be signed prior to the Contract award and executed copies must be provided to the Department for review prior to the execution of the Contract with the Contractor. Throughout the Contract, Contractor must provide notice to the Department and receive Department approval before a new Subcontractor is assigned. Proprietary or confidential information may be redacted in the subcontract agreements provided to the Department. The Department reserves the right to reject any Subcontractor or the specific agreement between the Contractor and Subcontractor.

All Proposers must list in their Proposals the complete names and addresses of all Subcontractors and the type and percentage of work the Subcontractor(s) will be providing. Proposals must include a signed, written statement from any proposed Subcontractors verifying their commitment to perform the Services indicated to be completed by them. Failure to identify Subcontractors within your Proposal, or throughout the term of the Contract, may be grounds to find the Contractor in breach of the Contract.

Substitution of any proposed Subcontractor is allowed only after prior written permission is received from the Department Project Manager.

### Source Code Escrow

The Department expects the Contractor to deliver the IAS application source code as customized to meet Department-specific functional requirements upon the delivery of the IAS for use in each iteration and no less frequently than every month thereafter. Source code should also be escrowed on a monthly basis at a mutually acceptable escrow entity.

The Proposer’s proposed solution must NOT include software or hardware locks, traps, dongle keys, or similar security measures that would in any way deny the Department full and complete access. The Proposal must include an inventory of all software, complete with specifications, licensing fees, and instructions detailing how the Department would compile and promote this code into a production environment in the case of the Proposer’s business liquidation and subsequent Contract termination.

### Project Overview

As part of furnishing a complete IAS solution, the Contractor shall be able to furnish the Department with all necessary product licenses and license-related services.

The minimum solution life for Proposers proposed solution shall be designed to be operable, maintainable and upgradeable for at least 15 years after full implementation at the Department.

Contractor’s proprietary tools and software: Where the Contractor is permitted by the Department to use proprietary tools or software, the Contractor agrees to provide access and transparency into such tools or software to the extent requested by the Department.

## Procuring and Contracting Agency

This RFP is issued by the Department which is the sole point of contact for the State of Wisconsin in the selection process. The terms “State,” “ETF,” and “Department” may be used interchangeably in this RFP and its attachments.

Prospective Proposers are prohibited from contacting any person other than the individual listed below regarding this RFP. Violation of this requirement may result in the Proposer being disqualified from further consideration.

|  |  |
| --- | --- |
| **Express delivery** | **United States Postal Service delivery** |
| Dept. of Employee Trust Funds  Joanne Klaas  **RFP ETI0050**  Supply & Mail Services  7th Floor North Tower (Visitor’s Entrance)  4822 Madison Yards Way  Madison, WI 53705-9100 | Dept. of Employee Trust Funds  Joanne Klaas  **RFP ETI0050**  P.O. Box 7931  Madison, WI 53707-7931 |

**Telephone:** 608-261-7247

**E-mail:** [ETFSMBProcurement@etf.wi.gov](mailto:ETFProcurement@etf.wi.gov)

**NOTE:** Deliveries are accepted from 8:00 a.m. – 4:00 p.m. central time Monday through Friday. No deliveries may be made to the Department on Saturdays, Sundays, and State holidays as the office is closed on those days. See State holidays <https://dpm.wi.gov/Pages/How_Do_I/seeStateHolidays.aspx> The Department is not responsible for picking up Proposals at the post office or any courier office.

**If Proposers are dropping off Proposals:**

The street address for the Hill Farms State Office Building parking garage is 4846 Sheboygan Avenue, Madison. A visitor pass from the security desk on the 1st floor of 4822 Madison Yards Way is required for access to the Department of Employee Trust Funds’ reception area on the 8th Floor of the North Tower. Proposers must check in and wait until the boxes containing the Proposals have been dated and time stamped.

## Definitions and Acronyms

Words and terms shall be given their ordinary and usual meanings. Words and terms not defined below shall have the meanings provided by Wis. Stat. §16 and Wis. Admin. Code § 10.01 unless otherwise clearly and unambiguously defined by the context of their usage in this RFP. Where capitalized in this RFP, the following definitions and acronyms shall have the meanings indicated unless otherwise noted. The meanings shall be applicable to the singular, plural, masculine, feminine, and neuter forms of the words and terms.

**Business Day** means each Calendar Day except Saturday, Sunday, and official State of Wisconsin holidays (see also: Calendar Day, Day).

**Calendar Day or Day** refers to a period of twenty-four hours starting at midnight.

**Calendar Year or Year** means the time period from January 1 to December 31.

**Confidential Information** means all tangible and intangible information and materials being disclosed in connection with the Contract, in any form or medium without regard to whether the information is owned by the State of Wisconsin or by a third party, which satisfies at least one of the following criteria: (i) Individual Personal Information; (ii) Personally Identifiable Information under Wis. Stat. § 19.62 (5); (iii) Protected Health Information under HIPAA, 45 CFR 160.103; (iv) proprietary information; (v) non-public information related to the State of Wisconsin’s employees, customers, technology (including data bases, data processing and communications networking systems), schematics, specifications, and all information or materials derived therefrom or based thereon; (vi) information expressly designated as confidential in writing by the State of Wisconsin; (vii) all information that is restricted or prohibited from disclosure by State or federal law, including Individual Personal Information and Medical Records as governed by Wis. Stat. § 40.07, Wis. Admin. Code ETF 10.70(1) and 10.01(3m); or (viii) any material submitted by the Proposer in response to this RFP that the Proposer designates confidential and proprietary information and which qualifies as a trade secret, as provided in Wis. Stat. § 19.36 (5) or material which can be kept confidential under the Wisconsin public records law.

**Contract** means the written agreement resulting from the successful Proposal and subsequent negotiations that shall incorporate, among other things, this RFP, addendums and appendices, the successful Proposer's Proposal as accepted by the Department, the Department Terms and Conditions, an updated and executed Appendix 10 - Pro Forma Contract, its exhibits, subsequent amendments and other documents as agreed upon by the Department and the Contractor.

**Contractor** means a Proposer who is awarded the Contract.

**Cost Proposal** means the document submitted by a Proposer that includes Proposer’s costs to provide Services. The Microsoft Excel workbook attached as Appendix 8 – Cost Proposal Workbook is the required document all Proposers must submit. The Cost Proposal is described in Section 8 and elsewhere in this RFP.

**Department** or **ETF** means the State of Wisconsin Department of Employee Trust Funds.

**HIPAA** means the Health Insurance Portability and Accountability Act of 1996. See Appendix 9 – Department Terms and Conditions.

**Individual Personal Information** or **IPI** has the meaning ascribed to it at Wis. Admin. Code ETF § 10.70 (1). See Appendix 9 – Department Terms and Conditions.

**Mandatory** means the least possible threshold, functionality, degree, performance, etc. needed to meet a compulsory requirement.

**Personally Identifiable Information** or **PII** means information that is capable of identifying a particular individual through one or more identifiers or other information or circumstances. See Appendix 9 – Department Terms and Conditions.

**Proposal** means the complete response of a Proposer submitted in the format specified in this RFP, which sets forth the Services offered by a Proposer and Proposer’s pricing for providing the Services described in this RFP.

**Proposer/Offeror** means any individual, firm, company, corporation, or other entity that submits a Proposal in response to this RFP.

**Protected Health Information** or **PHI** has the meaning ascribed to it under 45 s. CFR 160.103. See Appendix 9 – Department Terms and Conditions.

**Quarterly** means a period consisting of every consecutive three (3) months beginning January.

**RFP** means this Request for Proposals ETI0050.

**Services** means all work performed, labor, actions, recommendations, plans, research, and documentation provided by the Contractor necessary to fulfill that which the Contractor is obligated to provide under the Contract.

**Split Contracts** A split contract permits a subscriber to have one or more family members enrolled in a Medicare health plan, while one or more family members is enrolled in a different, non-Medicare health plan.

**State** means the State of Wisconsin.

**State Statutes** or **ss** or **Wisconsin Statutes** or **Wis. Stats.** means Wisconsin State Statutes referenced in this RFP, viewable at: <http://www.legis.state.wi.us/rsb/stats.html>.

**S****ubcontractor** means a person or company hired by the Contractor to perform a specific task or provide Services as part of the Contract.

**Warranty Period** covers the IAS for defects starting the day of the successful go-live event and extends 12 months thereafter.

## Clarification of the Specifications and Requirements/Vendor Questions and Clarifying Questions

Vendors must submit all questions concerning this RFP via e-mail (no phone calls) to [ETFSMBProcurement@etf.wi.gov](mailto:ETFSMBProcurement@etf.wi.gov). The subject of the e-mail must state “**ETI0050**” and the e-mail must be received on or before the date indicated in Section 1.10 Calendar of Events, *Vendor Questions and Letter of Intent Due*. Vendors are expected to raise any questions they have concerning this RFP during this point in the process. Do not include any information within your questions that would identify your company as all submitted questions will be shared with all vendors who submit questions.

Vendors are encouraged to submit any assumptions or exceptions during the above process. All assumptions and exceptions listed must contain a rationale as to the basis for the assumption/exception. The Department will inform vendors what assumptions/exceptions are acceptable to the Department.

Questions must be submitted as a Microsoft Word document (not a .pdf or scanned image) using the format specified below:

***Table 5. Format for Submission of Clarification Questions***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Q # | RFP Section | RFP Page | Question/Rationale | Department Answer |
| Q1 |  |  |  |  |
| Q2 |  |  |  |  |
| Q3 |  |  |  |  |

Q = Proposer’s question

Vendor’s e-mail must include the name of the vendor’s company and the person submitting the question(s). A compilation of all questions and answers, along with any RFP updates, will be posted to the Department’s website at <https://etf.wi.gov/vendors-and-third-party-administrators> on or about the date indicated in Section 1.10 Calendar of Events, *Department Posts Responses to Vendor Questions*.

If a vendor discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this RFP, the vendor should immediately notify the individual identified in Section 1.5 Procuring and Contracting Agency, of such error and request modification or clarification of this RFP document.

If it becomes necessary to update any part of this RFP, updates will be published on the Department’s website listed above and will not be mailed. Electronic versions of this RFP and its attachments are available on the Department’s website.

Vendors are then invited to submit *only* clarifying questions to the Department’s written, posted responses on or before the date identified in Section 1.10 Calendar of Events, *Vendor Clarifying Questions to the Department’s Posted Responses.* New questions from vendors are not permitted after March 13, 2020 and will not be responded to by the Department. A compilation of all Vendor Clarifying Questions and Department Responses, will be posted to the Department’s website on or about the date indicated in Section 1.10 Calendar of Events, *Department Posts Responses to Vendor Clarifying Questions*.

## Vendor Conference

No vendor conference is scheduled for this RFP. If the Department decides to hold a vendor conference, a notice will be posted on the Department’s website at: <https://etf.wi.gov/vendors-and-third-party-administrators>. Note, unless this notice is posted, no conference will be held.

## Reasonable Accommodations

The Department will provide reasonable accommodations, including the provision of informational material in an alternative format, for qualified individuals with disabilities, upon request.

## Calendar of Events

Listed below are the important dates by which actions related to this RFP must be completed. If the Department finds it necessary to change any of the specific dates and times in the Calendar of Events listed below, it will do so by posting an addendum to this RFP on the Department’s website. No other formal notification will be issued for changes in the estimated dates.

Table 6. Calendar of Events\*

|  |  |
| --- | --- |
| Date | Event |
| March 2, 2020 | Department Issues RFP |
| March 13, 2020 @ 2:00 PM central daylight time (CDT) | Vendor Questions & Letter of Intent Due |
| March 23, 2020 | Department Posts Responses to Vendor Questions |
| March 27, 2020 @ 2:00 PM CDT | Vendor Clarifying Questions to the Department’s posted Responses |
| April 1, 2020 | Department Posts Responses to Vendor Clarifying Questions |
| April 22, 2020 @ 2:00PM CDT | **Proposal Due Date** |
| June-July 2020 | Proposer Demonstrations |
| 2020 | Notice of Intent to Award Contract(s) |
| 2020 | Contract Negotiations |
| 2020 | Contract Start Date |

***\*All dates are estimated except the due dates for: Vendor Questions & Letter of Intent, Vendor Clarifying Questions, and Proposals.***

## Contract Term

The Department expects the Contract to commence in 2020, after Contract negotiations have been successfully completed. The initial Contract term will be approximately ten (10) years beginning on the effective date indicated on the Contract and ending December 31, 2030. The Department retains the option to renew the Contract for an additional three (3) five-year terms.

The Department is interested in a longer-term Contract with renewal pricing built into the original Contract. Proposers are encouraged to provide their best pricing and Contract terms in Appendix 8 - Cost Proposal Workbook. If there are discounts for longer-term Contracts, the Department would like to learn about these options.

Note: Contract duration and software implementation timeframes are expected to be different. Contract term is defined here as a total term (with the option for extensions) for the partnership between the Department and the Contractor.

## Letter of Intent

A letter of intent indicating that a Proposer intends to submit a response to this RFP is *highly encouraged* (see Section 1.10 Calendar of Events). In the letter, identify the Proposer's organization/company name, list the name, location, telephone number, and email address of one or more persons authorized to act on the Proposer's behalf. Submit the letter of intent via email to [ETFSMBProcurement@etf.wi.gov](mailto:ETFSMBProcurement@etf.wi.gov). The RFP number and title must be referenced in the subject line of Proposer’s email. The letter of intent does not obligate the Proposer to submit a Proposal.

## No Obligation to Contract

The Department reserves the right to cancel this RFP for any reason prior to the issuance of a notice of intent to award a Contract. The Department does not guarantee to purchase any specific dollar amount. Proposals that stipulate that the Department shall guarantee a specific quantity or dollar amount will be disqualified.

## WI Department of Administration eSupplier Registration

The Wisconsin Department of Administration’s eSupplier Portal is available to all businesses and organizations that want to do business with the State. The eSupplier Portal allows vendors to see details about pending invoices and payments, allows vendors to receive automatic, future official notices of bid opportunities, and, in some cases, allows vendors to respond to State solicitations. Note: the eSupplier Portal is not being used for this solicitation for Proposer responses.

For more information on the eSupplier Portal, go to: <https://esupplier.wi.gov/psp/esupplier/SUPPLIER/ERP/h/?tab=WI_BIDDER>

## 1.16 Retention of Rights

All Proposals become the property of the Department upon receipt. All rights, title and interest in all materials and ideas prepared by the Proposer for the Proposal, and provided to the Department, shall be the exclusive property of the Department and may be used by the State at its discretion. Upon a Proposer’s request and at the Proposer’s expense, the Department will return hard-copy Proposals to a Proposer who is disqualified or who withdraws their Proposal.

## 1.17 Cooperative Purchasing

Where requested by the State, and agreed to by the Contractor, municipalities and other State agencies shall be able to obtain the commodities and services procured under the Contract at the same rates agreed to by the Department and the Contractor. (See Appendix 2 – Proposer Required Form, Section 5.) The Department reserves the right to extend the terms, conditions and prices of the Contract to other institutions (such as state, local and/or public agencies) who express an interest in participating in any Contract that results from this RFP. Each of the participating institutions will issue their own purchasing documents for purchasing of the goods. Proposer agrees that the Department shall bear no responsibility or liability for any agreements between Proposer and other institution(s) who desire to exercise this option.

# preparing and submitting a proposal

## General Instructions

The evaluation and selection of a Contractor will be based on the information received in the submitted Proposals plus the following optional review methods, at the Department’s discretion: reference checks, Proposer presentations, interviews, demonstrations, responses to requests for additional information or clarification, any on-site visits, and/or best and final offers (BAFO), where requested. Such methods may be used to clarify and substantiate information in the Proposals.

Failure to respond to each of the requirements in this RFP may be the basis for rejecting a Proposal.

Elaborate Proposals (e.g., expensive artwork), beyond that sufficient to present a complete and effective Proposal, are neither necessary nor desired. Marketing or promotional materials should only be provided where specifically requested. If providing such materials, please indicate which question the materials apply to.

All Proposals must be in English.

## Incurring Costs

The State of Wisconsin and the Department are not liable for any costs incurred by Proposers in replying to this RFP, making requested oral presentations, or demonstrations.

## Submitting the Proposal

### ****Proposal Copies and USB Flash Drive****

**Proposermustsubmit the following, including all required materials as specified herein:**

* **One (1) original hard copy (paper) of the Proposal, clearly labeled “ORIGINAL”;**
* **Six (6) identical paper copies of the original hard copy Proposal, marked as “COPY.” Indicate the copy number on the cover of each copy (for example: 1 of 6, 2 of 6, etc.); and**
* **One (1) USB flash drive, which includes three (3) folders:**
  + **Folder 1 containing all electronic Proposal files in Microsoft Word/Microsoft Excel, and/or Adobe Acrobat 9.0 (or above) format. The Department requires that all files have optical character recognition (OCR) capability (not a scanned image). OCR is the conversion of all images typed, handwritten or printed text into machine-encoded text. The file folder must be labeled “[Proposer Name] PROPOSAL”. All files must have the same pagination as Proposer’s original hard copy Proposal. Do not include the Cost Proposal in this file folder.**
  + **Folder 2** **(only required if Proposer includes confidential or proprietary information within its Proposal) containing all electronic Proposal files in Microsoft Word/Microsoft Excel, and/or Adobe Acrobat 9.0 (or above) format** **EXCLUDING or REDACTING all confidential and proprietary information/documents. This file folder must be labeled “[Proposer Name] REDACTED PROPOSAL.” This is the file that will be submitted to requestors for open records requests. Note that no matter what the method the Proposer uses to redact documents, the Department is not responsible for checking that the redactions match the Proposer’s Appendix 2 – Proposer Required Form, Section 4: Designation of Confidential and Proprietary Information. Proposers should be aware that the Department may need to electronically send the redacted materials to members of the public and other Proposers when responding appropriately to open records requests. The Department is not responsible for checking that redactions, when viewed on-screen via electronic file, cannot be thwarted. The Department is not responsible for responding to open records requests via printed hard copy, even if redactions are only effective on printed hard copy. The Department may post redacted Proposals on the Department’s public website in exactly the same file format the Proposer provides, and the Department is not responsible if the redacted file is copied and pasted, uploaded, emailed, or transferred via any electronic means, and somehow loses its redactions in that process. All files must have the same pagination as Proposer’s original hard copy Proposal. Do not include the Cost Proposal Workbook in this folder.**
* **Redact only material the Proposer authored. For example, do not redact the requirement or question the Proposer is responding to, only the answer.**
* **Do not redact page numbers. Page numbers should remain visible at all times, even if the whole page is being redacted.**
* **Sign Appendix 2 – Proposer Required Form Section 4: Designation of Confidential and Proprietary Information only once. Add as many lines/pages as necessary.** 
  + **Folder 3 containing Appendix 8** – **Cost Proposal Workbook labeled** **“[Proposer Name] COST PROPOSAL.” Note: costs provided in Proposer’s Cost Proposal shall NOT be redacted for confidentiality.**

**IMPORTANT:**

* **Do not lock or password protect the USB drive.**
* **Clearly mark the exterior of the USB flash drive with Proposer’s name and the RFP number.**
* **Flash drives must be free** of all malware, ransomware, viruses, spyware, worms, Trojans, or anything that is designed to perform malicious operations on a computer.

### Instructions for Submitting Appendix 8 – Cost Proposal Workbook

Proposers’ Cost Proposal should reflect the solution features described in response to the questions asked in Appendix 7.

One original paper copy of the Cost Proposal (Appendix 8 – Cost Proposal Workbook) must be placed in a sealed envelope and submitted in the package containing the Proposal. Each page of the Cost Proposal must contain the Proposer’s name. Mark the outside of the envelope with:

* “[Proposer's Name and Address]”
* Title: COST PROPOSAL WORKBOOK, RFP ETI0050

**IMPORTANT: Proposer’s Cost Proposal shall only be included: a) electronically within a separate file folder on the Proposer’s USB flash drive submitted to the Department as instructed in 2.3.1 above, and b) in paper form submitted in a sealed envelope as instructed above. See Section 8 below.**

### Proposal Due Date and Time

**Proposals received after the date and time specified in Section 1.10 Calendar of Events will not be accepted and will be disqualified. Receipt of a Proposal by the State** of Wisconsin **mail system does not constitute receipt of a Proposal by the Department, for the purposes of this RFP. All required parts of the Proposal must be submitted by the specified due date and time; if any portion of the Proposal is submitted late, the entire Proposal will be disqualified. Proposers may request, via an email to the address listed in Section 1.5, the time and date their Proposal was received by the Department.**

**Proposals submitted via fax or email will not be accepted.**

### Proposal Packaging

The Proposal must be packaged, sealed and show all of the following information on the outside of the package:

* Proposer's company name and address
* RFP Number: ***RFP ETI0050***
* **Proposal** Due Date (as specified in Section 1.10 Calendar of Events)

## Proposal Organization and Format

Proposers responding to this RFP must comply with the following format requirements. The Department reserves the right to exclude any Proposals from consideration that do not follow the required format as instructed below.

### Format Requirements

* **Proposals must be typed and submitted on 8.5 by 11-inch paper and bound securely.**
* **Only provide promotional materials if they are relevant to a specific requirement of this RFP. If provided, all materials must be included with the response to the relevant requirement and clearly identified as “promotional materials.” Electronic access to such materials is preferred, which includes flash drives and web links.**

|  |  |
| --- | --- |
| **FRONT COVER** | **Front Cover Requirements**  Include at a minimum the following information:   * **Proposer's company name;** * **Title of the following: *Proposal Response for the Wisconsin Department of Employee Trust Funds;*** * **RFP ETI0050;and** * **Proposal submission** date. |
| **TABLE OF CONTENTS** | **Table of Contents Requirements**  Include at a minimum the following information:   * Listing of each Proposal TAB number; * Listing of each Proposal TAB description; and * Listing of each Proposal TAB page number. |
| **TAB 1** | **General Information and Appendices**  Provide the following information and documents in the following order:   * TRANSMITTAL LETTER: A signed transmittal letter must accompany the Proposal. The transmittal letter must be written on the Proposer’s official business stationery and signed by an official that is authorized to legally bind the Proposer. Include in the letter:  1. Name and address of company; 2. Name, title and signature of Proposer’s authorized representative; 3. Name, title, telephone number, and e-mail address of representatives who may be contacted by the Department if questions arise regarding the Proposal; 4. **RFP ETI0050 IAS*;*** and 5. Executive Summary  * Appendix 1 – Proposal Checklist * Appendix 2 – Proposer Required Form * Appendix 3 – Subcontractor Information * Appendix 4 – Mandatory Proposer Qualifications * Current Form W-9 Request for Taxpayer Identification Number and Certification (from the Department of the Treasury, Internal Revenue Service: <https://www.irs.gov/pub/irs-pdf/fw9.pdf>)   **NOTE: Appendix 8 - Cost Proposal Workbook must be submitted as stated in Section 2.3.2 above. Also see Section 8 below.** |
| **TAB 2** | **Response to Appendix 6 – General Questionnaire and Appendix 7 - Technical Questionnaire**  Provide a point-by-point response to each and every statement in Appendix 6 – General Questionnaire. The response must follow the same numbering system, use the same headings, and address each point or sub-point listed in Appendix 6. See Section 6 below.  Provide a point-by-point response to each and every statement in Appendix 7 – Technical Questionnaire. The response must follow the same numbering system, use the same headings, and address each point or sub-point listed in Appendix 7. See Section 7 below.  Include all documents requested in Appendix 6 – General Questionnaire and Appendix 7 – Technical Questionnaire *immediately after* the appendix requesting documentation and label the document provided with the section number it applies to. For example, provide Proposer’s organizational chart requested in Appendix 6.1.a. at the end of your responses to all questions in Appendix 6 and be sure all pages of Proposer’s organizational chart are labeled “Response to Appendix 6.1.a.” |
| **TAB 3 Assumptions and Exceptions**  If the Proposer has no assumptions or exceptions to any RFP term, condition, or appendix, provide a statement in Tab 3 to that effect.  **If the Proposer has assumptions and/or exceptions to any RFP term, condition, or appendix, follow the instructions below.** | |

### Instructions for Submitting Assumptions and Exceptions

* Regardless of any proposed assumption or exception, the Proposal as presented must include all Services requested.
* If the Proposer cannot agree to a Department Term or Condition in Appendix 9 as written, which is not listed below in Table 7 “No Assumptions or Exceptions Allowed to the following Department Terms and Conditions”, the Proposer must make its specific required revision to the language of the provision by striking out words or inserting required language to the text of the provision. Any new text and deletions of original text must be clearly color coded or highlighted, which requires the Proposer’s response be printed in color. Proposers shall avoid complete deletion and substitution of entire provisions, unless the deleted provision is rejected in its entirety and substituted with substantively changed provisions. Wholesale substitutions of provisions shall not be made in lieu of strategic edits required to reflect Proposer-required modifications.
* Immediately after a proposed revision, the Proposer shall add a concise explanation concerning the reason or rationale for the required revision. Such explanations shall be separate and distinct from the marked-up text and shall be bracketed, formatted in italics and preceded with the term “[Explanation:].”
* All provisions on which no changes are noted shall be assumed to be accepted by the Proposer as written and shall not be subject to further negotiation or change of any kind unless otherwise proposed by the Department.
* Submission of any standard Proposer contracts as a substitute for language in the terms and conditions is not a sufficient response to this requirement and may result in rejection of the Proposal. An objection to terms or conditions without including proposed alternative language will be deemed to be an acceptance of the language as applicable.
* The Department reserves the right to negotiate contractual terms and conditions when it is advantageous for the State of Wisconsin to do so.
* Exceptions to any RFP terms and conditions may be considered by the Department during Contract negotiations if it is beneficial to the Department.
* The Department may or may not consider any of the Proposer’s suggested revisions. The Department reserves the right to reject any proposed assumptions or exceptions.
* Clearly label each assumption and exception with one of the following labels:
* Department Terms and Conditions Assumptions and Exceptions (Appendix 9)
* RFP and all Appendices (Excluding Section 8 and Appendix 8) Assumptions and Exceptions
* Cost Proposal Assumptions and Exceptions (Section 8 and Appendix 8)

### Supplemental Information – IMPORTANT – Department Terms and Conditions

The Department will not allow any assumptions or exceptions by the Proposer to any of the items listed in Table 7 below. Any Proposal with an assumption or exception to any of the items listed in Table 7 will be rejected unless the Proposer recants each such assumption or exception in writing.

Table 7. No Assumptions or Exceptions Allowed to the following

Department Terms and Conditions

|  |  |  |
| --- | --- | --- |
| Ref. No. | Document | Department Terms and Conditions Section |
| 1 | Appendix 9 | 3.0 Legal Relations |
| 2 | Appendix 9 | 14.0 Controlling Law |
| 3 | Appendix 9 | 23.0 Indemnification |
| 4 | Appendix 9 | 39.0 Assignment |

Section 22.0 of the Department Terms and Conditions (Appendix 9) acts as the Department’s Business Associate Agreement (BAA). The BAA ensures compliance with the federal regulations implementing the Health Insurance Portability and Accountability Act of 1996 (HIPAA) concerning the privacy, security and transaction standards on the confidentiality of personal information.

## Multiple Proposals

Multiple Proposals from a Proposer will not be accepted.

## Withdrawal of Proposals

Proposals shall be irrevocable until the Contract is awarded unless the Proposal is withdrawn. Proposers may withdraw a Proposal in writing at any time up to the date and time listed in Section 1.10 Calendar of Events, for the Proposal Due Date or upon expiration of three (3) Calendar Days after the Proposal Due Date and time, if received by the Department. To accomplish this, the written request must be signed by an authorized representative of the Proposer’s company and submitted to the contact listed in Section 1.5, Procuring and Contracting Agency. If a previously submitted Proposal is withdrawn before the Proposal Due Date, the Proposer may submit another Proposal at any time up to the Proposal Due Date and time.

# Proposal Selection and Award Process

## Preliminary Evaluation

Proposals may initially be reviewed to determine if Appendix 4 - Mandatory Proposer Qualifications are met, to the extent the Department can make that determination, and if all required Proposal components are received. Failure to:

* submit a complete Proposal following the instructions for completing the Proposal specified in this RFP, or
* meet the Mandatory Proposer Qualifications as stated in Appendix 4, or
* provide a complete response to Appendix 8 – Cost Proposal Workbook

may result in rejection of the Proposal regardless of when the Department makes such discovery. In the event that all Proposers do not meet one or more of the Mandatory requirements, the Department reserves the right to continue the evaluation of the Proposals and to select the Proposal which most closely meets the requirements specified in this RFP. Also see RFP Section 2.4.3 regarding the prohibition of assumptions and exceptions to the clauses in Table 7.

## Clarification Process

The Department may request Proposers to clarify ambiguities or answer questions related to information presented in their Proposal. Clarification requests may occur throughout the Proposal evaluation process. Clarification requests will include appropriate references to this RFP or the Proposal. Responses shall be submitted to the Department in writing within the time required. Failure to provide responses as instructed may result in rejection of a Proposal.

## Proposal Scoring

Proposals that pass the preliminary evaluation may be reviewed by an evaluation committee. The evaluation committee may review written Proposals, references, additional clarifications, oral presentations or demonstrations (top scoring Proposers only), site visits and other information to score Proposals. The Department may request reports on a Proposer’s financial stability (this includes the Department’s request for Proposers to furnish audited financial statements), and if financial stability is not substantiated, may reject a Proposer’s Proposal. The Department may request presentations or demonstrations of the Proposer’s proposed products(s) and/or service(s) (top scoring Proposers only), and review results of past awards to the Proposer by the State.

A Proposer may not contact any member of the RFP evaluation committee about the Proposal or any issue related to the RFP.

The evaluation committee's scoring will be tabulated and Proposals will be ranked based on the numerical scores received.

The evaluation committee reserves the right to stop reviewing a Proposal at any point during the evaluation process when they are not reasonably apt to receive an award and remove the Proposal from further consideration.

## Evaluation Criteria

Proposals will be evaluated based upon the proven ability of the Proposer to satisfy the requirements specified herein in an efficient, cost-effective manner, taking into account quality of services proposed. Proposals will be scored using the following criteria:

Table 8. Evaluation Criteria

| **RFP Section** | **Appendix** | **Description** | **%** | **Total**  **Points** |
| --- | --- | --- | --- | --- |
| 6 | 6 | General Questionnaire | 10% | 100 |
| 7 | 7 | Technical Questionnaire | 80% | 800 |
| 8 | 8 | Cost Proposal Workbook | 10% | 100 |
|  |  | Total | 100% | 1000 |

## Method to Score Cost Proposals

## The lowest Cost Proposal will receive the maximum number of points available for the cost category. Other Cost Proposals will receive prorated scores based on the proportion that the costs of the Proposals vary from the lowest Cost Proposal.

## Oral Presentations, Demonstrations, and/or Site Visits

**This section is optional and NOT separately scored. (0 points)**

**Any demonstrations will inform scoring of the General Questionnaire and/or Technical Questionnaire.**

At the discretion of the Department, Proposers reasonably apt to receive an award based on the evaluation of their written Proposal to the General and/or Technical Questionnaires of the RFP (Appendices 6 and 7), may be required to participate in oral presentations or demonstrations, interviews and/or site visits to supplement the Proposals, if requested by the Department. This may include presentations to supplement or clarify information in the Proposal or demonstrations of Proposer’s key tools and reporting capabilities, and interviews with key Department staff and evaluation committee members.

The Department will reasonably attempt to schedule each oral presentation or demonstration at a time that is agreeable to the Proposer. Presentations will be held in Madison, Wisconsin. Failure of a Proposer to interview or permit a site visit on the date scheduled may result in rejection of the Proposer's Proposal.

By submitting a Proposal in response to this RFP, the Proposer grants rights to the Department to contact or arrange a visit with any or all of the Proposer’s clients, associates, Subcontractors, and/or references.

Proposers will also be provided with scripted product demonstration scenarios on which to base their product demonstrations in order to assure an objective comparison among Proposers’ proposed solutions. The Department may require Proposers to use actual Department data in order to assure an objective comparison among Proposers’ proposed solutions. Also, time may be allotted for both an open forum in which the Department and the Proposer can discuss the vision of the project as well as to allow the Proposer to demonstrate a limited amount of unique functionality or functionality that they believe differentiates their solution from other solutions.

The Department prefers to see the Proposer’s Project Manager and other key assigned project staff conduct the demonstrations and facilitate discussions. The Department’s objective is to ascertain the Proposer's proposed project staff’s familiarity with the solution and their ability to explain, communicate, converse, and interact with Department staff. While respecting the role of sales and marketing staff in the sales process, the Department is most interested in interacting with key project members.

## Best and Final Offer (BAFO)

The Department reserves the right to solicit one or more BAFO(s) and conduct Proposer discussions, request more competitive pricing, clarify Proposals, contact references with finalists with all or a subset of Proposers, should it be advantageous for the Department to do so. The Department is the sole determinant of what is most advantageous.

If a BAFO is solicited, it will contain the specific information on what is being requested, as well as submission requirements, and a timeline with due date for submission. Any BAFO responses received by the Department after the stated due date may not be accepted. Proposers that are asked to submit a BAFO may refuse to do so by submitting a written response, indicating their Cost Proposal remains as originally submitted. Refusing to submit a BAFO will not disqualify the Proposer from further consideration.

## Contract Award

The evaluation committee will make a recommendation to award one or more Contract(s) to the Department Secretary based on the results of the general, technical, and cost evaluations, including any BAFO conducted, as well as the results of any reference checks, Proposer demonstrations/presentations, site visits, clarification of questions conducted at the option of the Department.

The Department may issue a Notice of Intent to Award a Contract to one or more Proposers, which may be conditioned on successful Contract negotiations and/or performance of a proof of concept (PoC) exercise.

The Department reserves the right not to award a Contract. If Contract negotiations cannot be concluded successfully with the selected Proposer(s), the Department may negotiate a Contract with another Proposer.

## Proof of Concept (PoC)

**Optional at discretion of Department**

If the Department elects to conduct a PoC exercise, the Proposer or Proposers invited to participate (PoC participant(s)) will be required to participate in the PoC in order to be considered further.

The Department will define the PoC requirements in writing to PoC participant(s). The PoC requirements will relate back to Appendix 6 – General Questionnaire and/or Appendix 7 – Technical Questionnaire. PoC participant(s) may be asked to conduct a condensed version of the design and build process that will be used throughout the project; this may include designing working software as a solution to specific functionality, conducting testing of the software, and delivering the final software to the Department.

PoC participant(s) will negotiate a contract with the Department which may include: a Pro Forma Contract (Appendix 10), Department Terms and Conditions (Appendix 9), PoC requirements, a statement of work with agreed upon payment terms, and if receiving Department confidential information, a non-disclosure agreement. The Department may include other terms and conditions limited to the duration of the PoC exercise.

Any PoC participant who cannot demonstrate functionality to the Department’s satisfaction during the PoC exercise may be eliminated from further consideration.

The Department will be the sole determinate of which PoC participant, if there is more than one, to continue negotiating with for the IAS.

## Right to Reject Proposals and Negotiate Contract Terms

This RFP does not commit the Department to awarding a Contract, or paying any cost incurred in the preparation of a Proposal in response to the RFP. The Department retains the right to accept or reject any or all Proposals or accept or reject any part of a Proposal deemed to be most advantageous to the Department. The Department shall be the sole judge as to compliance with the instructions contained in this RFP.

The Department may negotiate the terms of the Contract, including the award amount and the Contract length, with the selected Proposer prior to entering into a Contract. The Department reserves the right to add Contract terms and conditions to the Contract during Contract negotiations and subsequent renewals.

## Notification of Intent to Award

All Proposers who respond to this RFP will be notified in writing of the Department’s intent to award a Contract as a result of this RFP.

## Appeals Process

Notices of intent to protest (appeal) and protests (appeals) must be made in writing to the head of the Department, with a copy sent to the Department contact identified in RFP Section 1.5. The written notice of intent to protest the intent to award a Contract must be filed with the Department Secretary and received in the Department office listed below no later than five (5) Business Days after the notice of intent to award is issued. Fax and e-mail documents will not be accepted.

A written notice of intent to protest, and a formal written protest, must be filed with:

|  |  |
| --- | --- |
| **Express/Common Carrier Delivery:** | **United States Postal Service Delivery** |
| Wisconsin Department of Employee Trust Funds | Wisconsin Department of Employee Trust Funds |
| c/o Robert J. Conlin, Secretary | c/o Robert J. Conlin, Secretary |
| 4822 Madison Yards Way | PO Box 7931 |
| Madison, WI 53705-9100 | Madison WI 53707-7931 |

Following the notice of intent to protest, the formal written protest must be submitted to the Department Secretary at the address listed above, within ten (10) Business Days after the notice of intent to award a contract is issued. Appeal rights are lost if no formal protest is timely received. The formal protest must state the RFP number, detailed factual grounds for the objection to the Contract award and must identify any sections of the Wisconsin Statutes and Wisconsin Administrative Code that are alleged to have been violated. The Proposer can protest only once per award. The subjective judgment of evaluation committee members is not appealable.

Following Department action, the decision of the Department Secretary may be appealed to the Secretary of the Department of Administration within five (5) Business Days of issuance, with a copy of such appeal filed with the Department Secretary at the above address. The decision of the Secretary of the Department of Administration regarding any appeals is final.

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| **Express/Common Carrier Delivery:** | **United States Postal Service Delivery** |
| Wisconsin Department of Administration | Wisconsin Department of Administration |
| c/o Joel Brennan, Secretary | c/o Joel Brennan, Secretary |
| 101 E. Wilson St. | PO Box 7864 |
| Madison, WI 53703 | Madison WI 53707 |

# Mandatory proposer qualifications

**This section is pass/fail. (0 points)**

This section describes additional Proposal submission requirements.

**Submission of Appendix 4 – Mandatory Proposer Qualifications**

The requirements in Appendix 4 are mandatory for any Proposer who submits a Proposal. Failure to comply with one or more of the mandatory qualifications may disqualify the Proposer. A response to each item in Appendix 4 – Mandatory Proposer Qualifications is mandatory.

Conditions of the RFP that have the word “must” or “shall” describe a Mandatory qualification.

**If the Proposer cannot agree to each item listed in Appendix 4, the Proposer must so specify and provide the reason for the disagreement in Tab 3 – Assumptions and Exceptions – of the Proposer’s response.**

# timing of Major Deliverables

**This section in NOT scored. No response is required. (0 points)**

The Timing of Major Deliverables – Appendix 5 contains the minimum set of expected deliverables and timing thereof that the Contractor shall meet. The Timing of Major Deliverables will become part of the Contract. Any additions or clarifications to the Timing of Major Deliverables may be negotiated during Contract negotiations.

The Contractor will take the lead role in developing all deliverables and will be responsible for the content and quality of each deliverable.

If the Proposer cannot agree to provide a deliverable listed in Appendix 5, the Proposer must so specify and provide the reason for the disagreement in Tab 3 – Assumptions and Exceptions, of Proposer’s response.

# 6 General Questionnaire

**This section is scored. (100 total points)**

This section describes additional Proposal submission requirements.

**Submission of Appendix 6 – General Questionnaire**

The purpose of this section is to provide the Department with a basis for determining the Proposer’s capability to undertake the Contract. All Proposers must respond to each of the questions in Appendix 6 – General Questionnaire by restating the identifying number of each question (for example, 6.1.a), restating each question or statement, and providing a detailed written response. Instructions for formatting the written response to this section are found in Section 2.4 Proposal Organization and Format.

The Proposer must be able to perform Services according to the requirements contained in this RFP. **Fees related to any Services should NOT be noted in this section but must be included in the Cost Proposal Workbook only.**

# 7 Technical Questionnaire

**This section is scored. (800 total points)**

This section describes additional Proposal submission requirements.

**Submission of Appendix 7 – Technical Questionnaire**

The purpose of this section is to provide the Department with a basis for determining the Proposer’s capability to undertake the Contract. All Proposers must respond to each of the questions in Appendix 7 – Technical Questionnaire by restating the identifying number of each question (for example, 7.1), restating each question or statement, and providing a detailed written response. Instructions for formatting the written response to this section are found in Section 2.4 Proposal Organization and Format.

The Proposer must be able to perform Services according to the requirements contained in this RFP. **Fees related to any Services should not be noted in this section but must be included in the Cost Proposal.**

**Note: At the discretion of the Department, Proposers reasonably apt to receive an award after the initial review of Proposals may be required to provide the following:**

**a. a copy of their organization’s SOC 1 Type 2 Report. See Appendix 9 – Department Terms and Conditions for details**

**b. a copy of their organization’s reviewed or audited financial statements for the two (2) most recent fiscal years including the audit opinion, balance sheet, statement of operations and notes to the financial statements**

**c. information requested in Section 28.0(f)2 of Appendix 9 – Department Terms and Conditions**

If a Proposer receives a request for the above documents from the Department, the Proposer must furnish such documents to the Department within five (5) Business Days of the Proposer’s receipt of the Department’s request. If such documents are confidential, the Proposer may submit a revised Appendix 2 - Proposer Required Form, Section 4 – Designation of Confidential and Proprietary Information with the documents. The Department may reject a Proposal if the requested documentation is not provided or if the documentation provided does not assure the Department that the Proposer is able to provide the Services for the life of the Contract to the Department’s satisfaction.

# cost Proposal

**This section is scored. (100 total points)**

This section describes additional Proposal submission requirements.

**Submission of Appendix 8 - Cost Proposal Workbook**

The Microsoft Excel file included with this RFP as Appendix 8 – Cost Proposal Workbook is the required Cost Proposal document all Proposers must submit. Instructions on how to complete the Cost Proposal are provided in the Instruction tab of Appendix 8 – Cost Proposal Workbook. Instructions on how to submit Appendix 8 – Cost Proposal Workbook are provided in Section 2.3.2 above. The Cost Proposal Workbook must be returned to the Department in its original Microsoft Excel format.

Proposers’ entry into cell G/14 “TOTAL – Mandatory” of the “Proposal Summary” tab of Appendix 8 - Cost Proposal Workbook will be the number used to determine a Proposer’s Cost Proposal score. If the Proposer has assumptions for the Cost Proposal, follow the instructions in RFP Section 2.4.2

The Department reserves the right to clarify any pricing discrepancies related to assumptions on the part of the Proposers. Such clarifications will be solely to provide consistent assumptions from which an accurate cost comparison can be achieved for scoring.

Costs provided in the Contractor’s final Cost Proposal or Best and Final Offer shall remain firm for the initial Contract period.

Only dollar and number values will be accepted on the Cost Proposal. Any description other than number value such as, but not limited to: “no cost,” “included,” “see below,” “-" , “n/a,” etc. will not be accepted. A cost value of $0.00 shall indicate the deliverable is no cost to the Department.

If a cost is not provided in a cell, it will indicate the Proposer does not provide the specific service.

Cost Proposals that are not otherwise confidential under state or federal law are **not** Confidential Information.

1. **contract terms and conditions**

**This section is NOT scored. (0 points)**

The Department may execute a Contract with the awarded Proposer. A Pro Forma Contract is located in Appendix 10 and is attached as an example. The Contract and any subsequent renewal(s) will incorporate all the terms and conditions in this RFP, including all addendums and appendices, etc., made part of this RFP, and Contractor’s Proposal. The Department shall draft the Contract.

The Contractor shall be responsible for the performance of any obligations that may result from the Contract and shall not be relieved by the non-performance of any Subcontractor. Proposals must identify all proposed Subcontractors and describe the contractual relationship between the Proposer and each Subcontractor.

**9.1 Department Authority**

This solicitation is authorized under Chapter 16 of the Wisconsin Statutes. The Department is the sole point of contact for this solicitation and the Contract.

* 1. **Payment Terms**
* Invoices will be submitted in accordance with the Department’s direction.
* Invoices will be itemized by cost categories of expenses actually incurred and contain enough detail for the Department to determine the full extent of the cost.
* Invoices shall be submitted timely and no later than one (1) year after completion and delivery of deliverables to the Department.
* Invoices will be submitted electronically via e-mail to [etfsmbaccountspayable@etf.wi.gov](mailto:ETFSMBAccountsPayable@etf.wi.gov)
* Payment will only be made through Automated Clearing House (ACH) unless alternative arrangements are mutually agreed upon.
* Payment will be made to the Contractor within thirty (30) Calendar Days of receipt of a proper and approved invoice.
* Should additional services be required that are outside the scope of RFP ETI0050, the Contractor shall identify the work and costs in either a change order or a Contract amendment, as determined by the Department, executed by the Contractor and the Department prior to the work commencing and prior to the Contractor invoicing the Department for such services. Failure to execute a change order or amend the Contract for out-of-scope work will result in the work being deemed to be a gratuitous effort on the part of the Contractor, and Contractor will have no claim against the Department for such work, and the Department will have no obligation to pay for such work.
* Additional payment terms may be added during Contract negotiations.