

Request for Proposal for  
**Medicare Advantage Plan Coverage**



**RFP No.: PEI2100000004**

Release Date: December 31, 2020

Written Questions and Non-Disclosure Agreements Due: January 12, 2021  
4:00 p.m. Eastern Time

Pre-Proposal Meeting: January 19, 2021, 10:00 a.m. Eastern Time

Proposal Due Date: February 12, 2021, 5:00 p.m. Eastern Time

West Virginia Public Employees Insurance Agency  
601 57th Street, SE, Suite 2  
Charleston, West Virginia 25304-2345

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# 1. INTRODUCTION

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The West Virginia Public Employees Insurance Agency (“PEIA”) was established under the Public Employees Insurance Act of 1971, to provide hospital, surgical, group major medical, prescription drug, group life, and accidental death and dismemberment insurance coverage to eligible employees; and to establish and promulgate rules for the administration of these plans.

Benefits are made available to all active employees of the State of West Virginia and various related State agencies and local governments. Participants may elect health insurance coverage through a self-insured preferred provider benefit plan (“PPB”) or through external managed care organizations (“MCO”). Additionally, all participants may elect to purchase additional life insurance under the optional life insurance policy. For revenue, PEIA relies almost solely on the premiums paid directly by its participating employers and employees.

Benefits are also available for approximately 52,000 retirees and dependents who are Medicare primary. PEIA currently covers these members through a Medicare Advantage and Prescription Drug Program. PEIA is also responsible for providing health care benefits for approximately 8,000 retired policyholders and dependents, who are not yet Medicare eligible. These participants are offered the same benefits as active participants.

## 1.1 Objectives of the Request for Proposal

The objective of this Request for Proposal (“RFP”) is to solicit proposals for fully insured Medicare Advantage Plan Coverage for Medicare eligible participants that includes coverage of prescription drugs.

PEIA is interested in the innovative and effective health care delivery and cost management strategies of the Respondents to this RFP. As part of its proposal, Respondents should describe those programs included as part of its monthly premium. (See Section 5.5.24 and 5.5.25 of this RFP.) The account services to be provided under any resulting contract shall commence on January 1, 2022. The program is exempt from premium taxes. The current PEIA Medicare Advantage insurer is Humana Insurance Company (“Humana”).

PEIA is seeking an initial three-year contract with possible annual renewals thereafter for each of the services listed above. In addition, the selected Respondent will be required to provide six months implementation and transition support beginning July 1, 2021.

## 1.2 Definitions

For the purposes of this RFP, the definitions identified below will apply.

- 1.2.1. “Contractor” means the Respondent selected by PEIA pursuant to this RFP and who has entered into a contract with PEIA to provide the services described herein.
- 1.2.2. “Dependent” means an eligible employee's spouse or any child or stepchild under the age of twenty-six, or a totally disabled child, if that child or stepchild meets the definition of a "qualifying child" or a "qualifying relative" in section 152 of the Internal Revenue Code. §33-16-1a.
- 1.2.3. “Enrollee” or “Participant” means a retiree, surviving spouse, dependent or surviving dependent child enrolled in the PEIA health benefits program.
- 1.2.4. “ESBD” means Electronic State Business Daily.
- 1.2.5. “FASB” means Financial Accounting Standards Board.
- 1.2.6. “GASB means Governmental Accounting Standards Board.
- 1.2.7. “Incumbent” means the current provider of the services sought through this RFP, which is Humana.
- 1.2.8. “MA” means Medicare Advantage.
- 1.2.9. “Medical claims” means all eligible charges incurred and not covered under the pharmacy benefit.
- 1.2.10. “Non-Participating Provider” – A provider who is not a member of the proposed Medicare Advantage network but will accept patients under a traditional Medicare FFS arrangement.
- 1.2.11. “Participating Provider” – A provider who is a member of the proposed Medicare Advantage network.
- 1.2.12. “The Program” means the PEIA health benefits program.
- 1.2.13. “Respondent” means an entity responding to this RFP.
- 1.2.14. “Retiree” means active employees who retire are eligible for PEIA health and life benefits, provided they meet the minimum eligibility requirements of the applicable state retirement system and if their last employer immediately prior to retirement.

## 1.3 Current Enrollment and Demographics

As of the date of this RFP, the number of participants in the program by coverage category and plan type is as follows:

| Coverage Category | Member Count                 |                          |                              |        |
|-------------------|------------------------------|--------------------------|------------------------------|--------|
|                   | Retired Non-Medicare Members | Medicare Advantage Plans |                              |        |
|                   | All Plans                    | Plan 1                   | Plan 1 w/ Benefit Assistance | Plan 2 |
| Non-Medicare      | 10,300                       | N/A                      | N/A                          | N/A    |
| Medicare          | N/A                          | 47,667                   | 3,420                        | 10     |

PEIA includes three optional levels of coverage (i.e. Plan types) for Medicare eligible retirees and dependents enrolled in a Medicare Advantage Plan: Plan 1, Plan 1 with benefit assistance, and Plan 2. (Please note that this RFP does not include the procurement of administrative services for the self-funded non-Medicare plans.)

## 1.4 General Information on the Retiree Plan

### 1.4.1. Benefit Plans

The Benefit Plan Year for PEIA Medicare Advantage plans begins January 1<sup>st</sup> and concludes on December 31<sup>st</sup> of the following calendar year. PEIA has three MA plan options which are summarized briefly in the table below.

| Benefit Description                     | Plan 1  | Plan 1 w/ Benefit Assistance  | Plan 2  |
|---|---|---|---|
| <b>Plan Provisions</b>                  |   |   |   |
| Deductible                              | \$150   | \$50  | \$375   |
| Annual Out-of-Pocket Maximum            | \$1,200   | \$600   | \$1,950   |
| <b>Hospital &amp; Facility Services</b> |   |   |   |
| Inpatient Hospital                      | \$100 copay per stay<br>(includes both facility and physician expenses) | \$100 copay per stay<br>(includes both facility and physician expenses) | \$150 copay per stay<br>(includes both facility and physician expenses) |
| Outpatient Surgery                      | \$100 copay   | \$100 copay   | \$150 copay   |
| Urgent Care Facility                    | \$0 copay   | \$0 copay   | \$0 copay   |
| Emergency Room                          | \$50 copay  | \$50 copay  | \$65 copay  |

| Benefit Description          | Plan 1     | Plan 1 w/ Benefit Assistance | Plan 2     |
|------------------------------|------------|------------------------------|------------|
| <b>Physician</b>             |            |                              |            |
| PCP Office Visit             | \$20 copay | \$2 copay                    | \$20 copay |
| Specialist Office Visit      | \$40 copay | \$5 copay                    | \$50 copay |
| Preventive Services          | \$0 copay  | \$0 copay                    | \$0 copay  |
| <b>Prescription Drugs</b>    |            |                              |            |
| Deductible                   | \$75       | \$75                         | \$150      |
| Annual Out-of-Pocket Maximum | \$1,750    | \$250                        | \$1,750    |
| Generic                      | \$5        | \$5                          | \$5        |
| Preferred Brand              | \$15       | \$15                         | \$20       |
| Non-Preferred Brand          | 50% coins  | 50% coins                    | 50% coins  |
| Specialty                    | \$100      | \$100                        | \$100      |

For a more detailed description of the current benefit plans, please refer to the “Medicare Advantage Plan Booklet”, which can be found at [peia.wv.gov/](http://peia.wv.gov/).

**1.4.2. Retiree Eligibility for Participation**

A. Eligibility for Medicare Advantage Plans under PEIA

Individuals are eligible for PEIA Medicare Advantage plans if he/she is retired and enrolled in Medicare Part A and Part B or Medicare Part B only. Members who qualify for Medicare due to End Stage Renal Disease (“ESRD”) are also eligible once they complete the coordination period. Members who are not entitled to Medicare Part B are given a waiver to remain on the PPB Plan until they are entitled. Members who are eligible are required to have Medicare Part A and B, if Medicare would be their primary carrier. If members are deemed ineligible for the MAPD plan, PEIA may choose to allow them to stay in the PPB Plan until the issues preventing their enrollment is resolved.

Members who turn 65 or retiree and become Medicare primary, through the year, remain on the PPB Special Medicare Plan and are moved to the MAPD Plan on January 1.

**1.4.3. Coordination of Benefits**

The program incorporates standard Coordination of Benefit provisions, which includes PEIA being secondary to all “group-like” coverage such as a Medicare supplement plan. Claims are paid according to the Government Exclusion Rule when Medicare is involved.

#### **1.4.4. Major Considerations**

The following major considerations should be kept in mind when responding.

- The Medicare Advantage plans are fully insured.
- The program is exempt from premium taxes.
- The Incumbent will process all claims incurred prior to but paid on or after January 1, 2022.
- The Contractor will process all claims incurred while the contract between PEIA and the Contractor is in effect. This includes run-out claims incurred during the period of the contract, but processed after the contract has been terminated.



## **2. GENERAL INFORMATION AND REQUIREMENTS**

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### **2.1. Point-of-Contact for this RFP**

PEIA is issuing this RFP with assistance from Gabriel, Roeder, Smith and Company Health and Welfare Consulting (“GRS”). All communication regarding this RFP should be directed to the PEIA’s representative at GRS.

Michael Reed  
Gabriel, Roeder, Smith and Company Health and Welfare Consulting  
5605 N. MacArthur Blvd.  
Suite 870  
Irving, TX 75038-2631  
Telephone: (469) 524-1347  
Email: michael.reed@grsconsulting.com

The above person is the point of contact from the date of release of the RFP, until the selection of the successful Respondent. See Section 2.22 of this RFP regarding restrictions on communications with the State and other personnel.

### **2.2. Intent to Bid Form**

Bidders must submit, in writing, notification of the intent to bid on any or all of the services outlined in this RFP. Intent to Bid forms should be submitted via email to PEIA’s representative named in Section 2.1 and should be received no later than the date and time shown in Section 2.16. Submission of the Intent to Bid form does not create an obligation to respond to this RFP and is not a prerequisite for submitting a response, however it is necessary to ensure receipt of any amendments or other notices and communications relating to this RFP.

### **2.3. Rules and Regulations**

The procurement process for this RFP will be conducted in accordance with the procurement policies and procedures established by PEIA. Pursuant to W. Va. Code §5-16-9(e); this purchase is not governed by the West Virginia Division of Purchasing. Any Respondent submitting a proposal must be able to meet and comply with all applicable state and federal statutes and regulations.

### **2.4. Order of Responses**

Responses shall be made in the same order as provided in the specifications. Any organization seeking to provide administrative services must respond to appropriate sections of these specifications. **Unless a**

**variation from the specifications of the RFP is specifically noted in a response, the Respondent is agreeing to meet all specifications stated in this RFP.**

## **2.5. Confidential Information**

In order to obtain Attachment B: Confidential Documents, which contains confidential data that is necessary to complete a proposal in response to this RFP, each Respondent must complete and return (1) Attachment A-1: Minimum Requirements and (2) a signed Limited Data Use Agreement (as provided as Appendix G to this RFP). Only those Respondents who meet the minimum requirements of the RFP and plan to respond to this RFP as the primary contractor should submit the Non-Disclosure Agreement.

**The Limited Data Use Agreement must be in the form provided as Appendix G to this RFP. The Limited Data Use Agreement must be received by the PEIA Representative identified in Section 2.1 and must be in the form outlined in Appendix G to this RFP prior to 4:00 p.m. on Tuesday, January 12, 2021. A scanned copy with the appropriate signature, transmitted by e-mail to the address listed in Section 2.1, is acceptable.**

PEIA reserves the right, in its sole determination, to withhold Attachment B: Confidential Documents from any requestor who cannot demonstrate its ability to meet the minimum requirements and/or provide the required services.

The information that will be provided to the Respondent after submission of the Limited Data Use Agreement includes the following:

1. Demographic data showing a unique participant ID, ZIP Code, date of birth, gender and relationship to the retiree for the currently covered population, to be used in completing the Geo-Access reports required in Attachments A-9 through A-12.

***Note that the census file provided in Attachment B: Confidential Documents includes 50,078 participants. Please check the output of the GeoAccess analysis and the summary tables in Section B of Attachments A-9 through A-12 to ensure that the totals are consistent with the census file provided.***

2. Confidential Vendor Response Documents, which includes data on the most utilized providers and facilities and disruption reports for completion of Attachments A-13 through A-18.
3. Data including utilization and enrollment by plan to be used in the preparation of financial proposal(s).

In order to obtain the Attachment B, a Respondent must first print, sign and return the Limited Data Use Agreement found at Appendix G, "Limited Data Use Agreement," with a request for the data to the PEIA Representative identified in Section 2.1 of this RFP. Note: Modification of or failure to complete all

fields on Appendix G may slow the processing of the request for Attachment B or may cause the request to be rejected. In such instances, PEIA will attempt to contact the submitter to resolve the deficiencies.

Once Limited Data Use Agreement is submitted and approved, the Respondent will be contacted by Mike Madalena to coordinate the secure delivery of an encrypted archive of the confidential materials for this RFP will be made available and the Respondent will receive instructions and credentials via a secure email necessary to retrieve the data.

The Attachment will not be e-mailed to Respondents. Respondents who fail to submit Attachment A-1: Minimum Requirements and a signed Limited Data Use Agreement prior to the January 5, 2021 deadline may submit these documents at the Pre-Proposal Conference.

## **2.6. Acceptance of Proposals**

PEIA retains the right to reject any or all proposals submitted. PEIA is not required to select the proposal with the lowest fees, but may consider any relevant criteria in making an award in the best interest of PEIA.

Each Respondent and each submitted proposal will be evaluated based on the following criteria:

- Ability to service the entire contract
- Account management services
- Claims processing capability
- Clinical and Cost Management Programs
- Cost
- Financial ability and financial strength
- Flexibility to modify services and networks as may be required by PEIA or by West Virginia law
- Past experiences
- Qualifications (proven experience for similar populations)
- Specialized services described herein

PEIA reserves the right to enter into discussions and negotiations with one or more Respondents selected at its discretion to determine the best and final terms. PEIA is not under obligation to hold these discussions or negotiations with each Respondent that submits a proposal.

It is the intent of PEIA at this time to enter into a contract from January 1, 2022 through December 31, 2024, with subsequent annual renewal options. The Respondent whose proposal is selected will be chosen with the goal of developing a long-term relationship.

Any contract awarded as a result of this RFP will not be contingent upon whether or not PEIA terminates or elects to solicit a current or future contract with the resulting Contractor for products or services not addressed within this RFP. In addition, any contract awarded as a result of this RFP will not be contingent upon whether or not PEIA places any of the products or services included in this RFP out to bid.

## **2.7. RFP Issuance, Amendments, and Clarifications to the RFP**

The Officials within PEIA have reviewed this RFP. The contents represent the best statement of the requirements and needs of PEIA. PEIA may issue any addenda, amendments, and clarifications regarding this RFP that PEIA determines are necessary. All such addenda, amendments, and clarifications issued by PEIA become part of the RFP. All addenda, amendments, and clarifications to the RFP will be issued in writing. PEIA may also e-mail any addenda, amendments, or clarifications to all eligible Respondents that have submitted a Limited Data Use Agreement that is recorded by PEIA and that have provided PEIA with an e-mail address. The Respondent must acknowledge all addenda, amendments, or clarifications by either signing and returning such document(s) or indicating receipt on the Signature Page of the proposal. Written addenda and amendments signed or sent by authorized PEIA personnel to all Respondents shall be binding. Written clarifications signed or sent by authorized PEIA personnel to individual Respondents shall also be binding. All oral and other interpretations or clarifications have no legal effect.

## **2.8. Solicitation**

The selected Respondent shall not use lists of covered employees/dependents and other employee/dependent data for any purpose except to provide services specifically authorized by PEIA. Neither the selected Respondent nor its employees may disclose such information to any other parties unless specifically authorized in advance by PEIA.

## **2.9. Certification**

An authorized officer of each Respondent submitting a proposal, with the authority to bind the Respondent, must certify that the Respondent complies with the RFP specifications by signing and returning the Signature Page included in this RFP. **Failure to sign and return the Signature Page shall result in disqualification of the submitted proposal.**

## **2.10. Additional Information from Respondents**

PEIA reserves the right to request additional documentation from Respondents, and such information may vary by Respondent.

## **2.11. References**

Each Respondent must provide references from major customers, as is requested later in this RFP. These references may be contacted by PEIA or its designated representative to provide information regarding the overall record of service in providing the program for their employees. The provision of references by the Respondent shall constitute verification that PEIA has the Respondent's permission to contact these employers without seeking additional permission of the proposing Respondent.

## **2.12. Non-responsive Proposals**

PEIA is not required to accept for consideration any proposals that do not comply with the criteria set forth herein.

## **2.13. Retiree Identification**

PEIA will provide the enrollment of eligible retiree and their dependents with a Unique PEIA ID number but the insurer may assign unique identification numbers to each enrollee for use in all correspondence and identification cards but the Medicare designated MBI must also be tracked. The insurer shall be responsible for providing a bridge program allowing for translation to and from PEIA's ID, any unique ID assigned by the insurer, and the MBIs. For most records, PEIA's unique identification numbers will be used as the reference number to identify retirees and their dependents for the purposes of the program.

## **2.14. Acceptable Administrative Services Combinations**

PEIA is accepting proposals from organizations capable of providing all services described herein on a fully insured basis. The following administrative services may be sub-contracted by the Contractor to a third party that is acceptable to PEIA: enrollment, participant communications and fulfillment, and disease management services. Core administrative services such as client management and reporting, claims adjudication and customer service must be performed directly by the Contractor.

PEIA intends to contract all administrative services through the Contractor. Any sub-contracted services or vendor partnerships, including non-proprietary provider networks, servicing PEIA must be clearly identified in your proposal. Further, the Respondent is responsible for actions, performance, management, and payment of any such vendors utilized. Accordingly, PEIA shall have no liability or

responsibility for payments to subcontractors of the Respondent. All Respondents must meet the eligibility requirements set forth Attachment A-1: Minimum Requirements of this RFP.

## 2.15. Binding Arbitration Clause Exclusion

No provision for “binding arbitration” in a complaint procedure will be accepted by PEIA. Each proposal must specify that no such provision shall be utilized with regard to eligible employees.

## 2.16. Key Proposal Dates and Submission

### 2.16.1. Key Proposal Dates

The following dates will apply during the proposal and implementation process. PEIA reserves the right to waive or modify specific terms and conditions contained in this RFP, and to waive, modify or extend deadlines specified herein.

| Activity   | Date/Time                                      |
|--|--|
| Issue of RFP   | Friday, December 31, 2020                      |
| Deadline for Submitting Intent to Bid Form & Written Questions | Tuesday, January 12, 2021 4:00PM ET            |
| Pre-Proposal Conference  | Tuesday, January 19, 2021 10:00AM – 12:00PM ET |
| Release Final Q&A Document                                     | Friday, January 22, 2021                       |
| Deadline for Proposal Submission                               | Friday, February 12, 2021 4:00PM ET            |
| Finalist Interviews (if applicable)                            | March 15, 2021 – March 19, 2021                |
| Implementation (if applicable)                                 | July 1, 2021 – December 31, 2021               |
| Effective date of MAPD Contract                                | Saturday, January 1, 2022                      |

### 2.16.2. Intent to Bid

Respondents must submit, in writing, notification of the intent to bid on any or all of the services outlined in this RFP. Intent to Bid forms should be submitted via email to PEIA’s representative named in Section 2.1 and should be received no later than the date and time shown in Section 2.16. Submission of the Intent to Bid form does not create an obligation to respond to this RFP and is not a prerequisite for submitting a response, however it is necessary to ensure receipt of any amendments or other notices and communications relating to this RFP.

### 2.16.3. Proposal Due Date

Respondent’s proposal (the “Proposal”) shall be physically received by PEIA Representative **no later than 4:00 P.M. Eastern Standard Time (EST), February 12, 2021**. Facsimiles of the Proposal will

not be accepted.

**Responses shall be mailed or delivered to:**

Michael Reed  
Gabriel, Roeder, Smith & Company  
5605 N. MacArthur Blvd, Suite 870  
Irving, TX 75038-2631

**2.16.4. Proposal Submission**

When submitting a proposal by regular mail, certified mail, or express mail, or delivery service, it is incumbent upon Respondent to allow for sufficient time to permit delivery by the U.S. Postal Service or any other delivery service or agent and by mail services internal to PEIA and its Representative. Respondents shall be solely responsible for ensuring their proposal is delivered to PEIA's Representative, at the address provided immediately above, prior to or at the stated delivery date and time. **THE PROPOSAL SHALL BE RECEIVED BY PEIA'S REPRESENTATIVE LOCATED AT 5605 N. MACARTHUR BLVD., IRVING, TEXAS BY THE REQUIRED DEADLINE. PEIA'S REPRESENTATIVE SIGNATURE OF DELIVERY WILL BE THE FINAL DETERMINANT OF WHETHER A PROPOSAL HAS BEEN TIMELY RECEIVED BY PEIA'S REPRESENTATIVE. PROPOSALS RECEIVED BY PEIA AFTER THE DUE DATE AND TIME SHALL BE REJECTED.**

An emailed version of the Proposal may be sent to the PEIA's representative named in Section 2.1 before the submission deadline as a backup but a physical electronic copy must be received prior to the deadline.

Because PEIA must be able to 1) effectively review and evaluate the Proposals submitted by Respondents, and 2) timely respond to public information requests, Respondents shall submit two (2) total electronic copies of their proposal in accordance with the following instructions.

**With regard to Complete Electronic Copy #1 and Complete Redacted Electronic Copy #2, Respondents shall separately and conspicuously mark or label each item Respondent desires to assert as confidential or proprietary information with the phrase "Confidential or Proprietary Information" and organize it according to the instructions outlined below. To adequately protect its interests, a Respondent should very specifically and clearly mark or label the information that is "Confidential or Proprietary Information," so that it is exceedingly clear to**

**PEIA what precise information is intended to be encompassed by the marking or labeling.**

- a. **Complete Electronic Copy #1 – Original Proposal With No Black Outs and No Highlighting of Any Confidential or Proprietary Information:** Respondent shall **submit one (1) electronic original of the entire Proposal.** Complete Electronic Copy #1 shall be a complete copy of all information submitted with Respondent’s Proposal. Colors must reproduce in a legible manner on a black-and-white copier. None of the Confidential or Proprietary Information should be blacked out or highlighted in yellow.

**A legally authorized representative of the Respondent’s company shall manually sign Complete Electronic Copy #1 of the Proposal.**

- b. **Complete Redacted Electronic Copy #1 – Original Proposal With Black Outs of All Confidential or Proprietary Information and No Highlighting of Any Confidential or Proprietary Information:** Respondent shall also submit one (1) complete redacted electronic copy of Complete Hard Copy #1 described in Section 2.16.4(a) immediately above.

**Complete Electronic Copy #1 must be a complete electronic version of all materials contained in Complete Redacted Electronic Copy #1.**

- c. Both copies shall be sent on electronic media (e.g., USB Drive [PEIA’s preference], CD-ROM, or DVD-ROM) in a Microsoft Office (Word, Excel, Project and PowerPoint files) version 2003 or later format, or searchable Adobe .PDF files.
- d. **For the avoidance of doubt, PEIA will provide Respondents with the notice described in Section 3.10, if a public information request is received by PEIA for any information properly organized as described herein and identified as “Confidential or Proprietary Information.”**
- e. If supplemental materials are included with the Proposal, both the printed and electronic copy of the Proposal must include such supplemental materials. All Proposals and accompanying documentation become the property of PEIA and will not be returned.
- f. Proposals must be valid for one hundred eighty (180) days following the proposal receipt date. Proposed administration fees must be firm and guaranteed through December 31, 2024.
- g. Proposals and any other information submitted by Respondents in response to this RFP shall become the property of PEIA.



- h. PEIA will not provide compensation to Respondents for any expenses incurred by the Respondents for proposal preparation or for any demonstrations that may be made. Respondents submit proposals at their own risk and expense.
- i. Proposals that are qualified with conditional clauses, or alterations, or items not called for in the RFP documents, or irregularities of any kind are subject to disqualification by PEIA, at its option.
- j. Each proposal should be prepared simply and economically, providing a straightforward, concise description of the Respondent's ability to meet the requirements of this RFP. Emphasis should be on completeness, clarity of content, responsiveness to the requirements, and an understanding of PEIA's needs.
- k. Representations made within the proposal will be binding on the responding Respondents. PEIA will not be bound to act by any previous communication or proposal submitted by the Respondents other than this RFP and any proposal submitted in response to this RFP.
- l. Include with the proposal a Table of Contents that includes page number references. The Table of Contents should be in sufficient detail to facilitate easy reference of the sections of the proposal as well as separate attachments (which should be included in the main Table of Contents). If supplemental materials are included with the proposal, each copy of the proposal must include such supplemental materials. Supplemental information and attachments included by a Respondent (i.e., not required) should be clearly identified in the Table of Contents and provided as a separate section.
- m. The submitted proposals must be enclosed in a sealed envelope, box, or container; the package must show clearly the RFP number, submittal deadline, Respondent name, and the return address of the Respondent.
- n. All proposals and accompanying documentation become the property of PEIA and will not be returned.
- o. PEIA's rights include, but are not limited to:
  - i. Cancellation of the RFP at its sole discretion;
  - ii. Suspension of the procurement process and/or issuance of RFP addenda;
  - iii. Rejection of any or all proposals received in response to the RFP as may be most beneficial to PEIA;
  - iv. Waiver of minor formalities or technicalities in the purchase process;

- v. Waiver of administrative deficiencies in proposals received;
- vi. Requesting any Respondent to submit proposal modifications addressing a subsequent RFP amendment; and
- vii. Requesting Respondent to clarify their proposal and/or submit additional information pertaining to their proposal.

## **2.17. Modification**

No proposal in response to this solicitation may be changed after 4:00 P.M. (EST), February 12, 2021, except at the request of PEIA or to submit a best and final offer, if requested by PEIA.

## **2.18. Proposal Withdrawal**

Prior to the proposal due date, a Bidder may withdraw their proposal by submitting a written request for its withdrawal signed by the Bidder's authorized agent. The written withdrawal request will be directed to the PEIA Representative at the address listed in Section 2.1.

## **2.19. Waiver**

By submitting a proposal, the Respondent submitting the proposal agrees to waive any claim it has or may have against, and release from liability, PEIA, their trustees, officers, employees, agents, and attorneys and any trust fund (including the Fund) managed by PEIA, arising out of or in connection with (1) the administration, evaluation or recommendation of any proposal; (2) waiver of any requirement under this RFP; (3) acceptance or rejection of any proposal; and (4) award of the contract.

## **2.20. Inquiries Regarding Specifications**

Respondents may submit questions in writing regarding this RFP prior to the pre-proposal conference. Written questions must be submitted no later than 4:00 p.m. EST on January 12, 2021 to the representative named above in Section 2.1. All questions shall, to the highest degree possible, cite the specific RFP section and paragraph number(s) to which the question refers. Responses to inquiries received by PEIA in a timely manner that directly affect an interpretation or result in a change to this RFP will be provided to all potential Respondents who are known by the PEIA Representative on the date and time shown in Section 2.16. Responses to these inquiries will be issued as an addendum to the RFP and shall be considered part of the RFP. In its proposal, the Respondent shall be required to consider and acknowledge receipt of any and all addenda issued prior to the submission of Respondent's proposal.

Only those inquiries PEIA replies to in writing shall be binding on PEIA. Oral and other interpretations or clarifications, regardless of the source, will be without legal effect. The Respondent must acknowledge all addenda by indicating receipt on the Signature Page submitted with the proposal. Such

acknowledgment must be received prior to the hour and date specified for receipt of proposals, or shall accompany the proposal.

All answers by PEIA will be in writing, unless the answer has already been clearly stated in the original RFP. Copies of questions and PEIA' answers will be distributed to all Respondents. To assure that all replies can be provided to all prospective Respondents prior to the deadline for submission of proposals, no questions received after 4:00 PM (EST), **January 12, 2021**, will be answered.

## **2.21. Change Required by Statute, Regulation, Court Orders, or Program Appropriations**

PEIA recognizes that there are factors that could cause a change of condition with regard to PEIA benefits and administration that are beyond the control of PEIA or the Respondent submitting a proposal. Those factors that may affect the program include, but are not limited to:

- Federal and state statutes, regulations, court decisions and administrative rulings
- Funding appropriated by the West Virginia Legislature
- Opinions of the Office of the West Virginia Attorney General

PEIA expects a good faith effort on the part of the Respondent that is selected to comply with additional responsibilities imposed by federal or state law without requiring mid-year fee increases. PEIA reserves the right to negotiate with the Respondent as needed to comply with any changes required by statute, regulation, court order, administrative order or official interpretation.

## **2.22. Restrictions on Communications with State and Other Personnel**

From the issue date of this RFP, shown in Section 2.16, until a Bidder is selected and announced, Bidders are prohibited from communicating with any PEIA representatives regarding this procurement, except for the contact listed in Section 2.1. This provision is not intended to restrict current Contractors from communicating with PEIA staff regarding ongoing operational matters. All communications related to this RFP are restricted to written communications except as set forth below. Bidders may not engage in attempting to influence, or lobbying activity, to influence the selection process via any unauthorized contact with any employee or officer of PEIA or the state of WV. Violation of this requirement shall disqualify the Bidder from further consideration. Any Bidder, by submitting its proposal, acknowledges that it will refrain from lobbying with, or otherwise contacting any of the above referenced individuals to try to influence the outcome of the selection process.

- The only exceptions to these restrictions are: PEIA staff and/or Bidder staff present at the Bidders' Conference for the purpose of addressing questions; or
- PEIA personnel involved in Oral Presentations by the Bidder

As described in this RFP, any clarification regarding the RFP will be issued in writing by PEIA. No statements, clarifications, or opinions regarding this RFP are valid or binding except those issued in writing by PEIA. Under no circumstances will questions be entertained except in writing or at the Bidders' Conference.

### **2.23. Pre-Proposal Meeting**

PEIA will conduct a pre-proposal meeting for all interested organizations to allow them to become more familiar with the requested services. PEIA will respond to all submitted questions received by the submission deadline and will give organizations an opportunity to seek answers to any clarifying questions that may arise. All changes as a result of the pre-proposal meeting will be made by PEIA in the form of an addendum to the RFP; no oral changes will be considered. While attendance at the conference is not mandatory, PEIA encourages Bidders to have a representative from their organization attend this meeting. Representatives are required to sign a register as the representative of the named organization.

The meeting schedule is shown below:

Location: Virtual

Date: Tuesday, **January 19, 2021**

Time: 10:00 AM EST

Point-of-Contact: Michael Reed, michael.reed@grsconsulting.com

### **2.24. Contract Award Process**

All proposals will be evaluated by PEIA for their responsiveness to the requirements of this RFP. PEIA may choose to conduct a finalist meeting at which one or more Respondents may be invited to submit a Best and Final Offer (BAFO) to clarify and/or amend the requested services and/or pricing. Based upon its evaluation of each Respondent's proposal, including its BAFO, the evaluation committee will make a recommendation to the PEIA Executive Director in March.

The Respondent selected by PEIA will be notified and negotiations, if any, will begin on the Contract. If for any reason during the negotiation period PEIA concludes that a timely acceptable agreement is unlikely, it may reopen consideration of the other Proposals and select another Respondent. Final approval of the Contract rests with PEIA once all individual requirements have been met.

## **3. CONTRACTUAL SERVICES TERMS AND CONDITIONS**

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### **3.1 Term of the Contract**

The contract term will begin immediately upon the execution of the Contract by PEIA. The initial contract term will end on December 31, 2024, with the possibility of annual renewals thereafter. The exercise of the renewals will be at the sole discretion of PEIA.

PEIA and the Contractor agree and acknowledge that the account services to be provided under this proposal will occur between January 1, 2022 and December 31, 2024 and any exercised renewal periods. However, PEIA and the Contractor also agree and acknowledge that there are duties and obligations specified by this proposal to be performed both prior to January 1, 2022, and after December 31, 2024 or the end of any exercised renewal periods. The parties each agree to perform all such duties and obligations, and all damage provisions included in the Contract shall thereby be in effect. For example, the Contractor will process all claims incurred while the Contract is in effect. This includes run-out claims incurred during the term of the Contract, but processed after the Contract has been terminated.

### **3.2 Failure to Comply**

Failure to comply with the procedures required by PEIA or any other applicable guidelines shall be cause for the immediate imposition of liquidated damages and/or immediate cancellation of the Contract, at PEIA's option. Should PEIA assess liquidated damages, liquidated damages shall continue to accrue until PEIA is satisfied that the circumstances resulting in liquidated damages have been corrected.

### **3.3 Compliance with ERISA**

Notice is hereby provided that PEIA is not covered by the provisions of ERISA since PEIA is a governmental entity.

### **3.4 Taxpayer I.D. Number**

The Contractor must obtain a Vendor Identification Number in order to receive payments issued through the West Virginia Department of Administration. The Contractor will be required to complete a Payment Identification Form (W-9) and submit it to Department of Administration in order to receive payment.

### **3.5 Authorized Signatures**

The Chief Executive Officer, General Counsel, or an authorized officer of the Respondent must sign the Signature Page (Attachment A-26) and the Deviations Page (Attachment A-25), which are part of this RFP. Respondent shall include a copy of a document granting the signing officer authority to bind the

Respondent to the agreements and representations made in the Respondent's Proposal. This document shall be submitted as Response Attachment A-26: Authorization Documentation.

### **3.6 Contract Administrator**

Upon approval of a Contract, and following execution of said Contract, PEIA shall direct the Bidder to administer the Contract on a day-to-day basis during the term of the Contract. However, administration of any Contract resulting from this Request implies no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions, and specifications of such Contract. That authority is retained by PEIA and other authorized representatives and these appointees are subject to change.

### **3.7 Cost Liability**

PEIA assumes no responsibility or liability for costs incurred by any Bidder prior to the signing of any Contract resulting from this RFP. PEIA's responsibility and liability is limited to the terms and conditions of any Contract resulting from this RFP.

### **3.8 Bidder Responsibilities**

The Bidder shall be required to assume responsibility for all contractual activities offered in this proposal whether or not that Bidder performs them. Further, PEIA shall consider the Primary Bidder to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Contract. If any part of the work is to be subcontracted, responses to this RFP should include *a list of subcontractors, including firm name and address, contact person, complete description of work to be subcontracted, and descriptive information concerning subcontractor's organizational abilities*. PEIA reserves the right to approve subcontractors for this project and to require the Primary Bidder to replace subcontractors found to be unacceptable. Respondents are reminded that they are responsible for driving the terms and conditions of the State of West Virginia Executive Branch Business Associate Agreement and other compliance documents down to any and/or all subcontractors. The Bidder is totally responsible for adherence by the subcontractors to all provisions of the Contract.

The Bidder and any subcontractors must commit to the entire contract period stated within this RFP, unless PEIA specifically agrees to a change of subcontractors. The Agreement between the Bidder and PEIA will not be assignable to another party without prior written permission from PEIA. The Bidder shall provide advance notice to PEIA on any intended sale of the contracting entity. PEIA will have the option of terminating the Contract with the Bidder upon the sale of the contracting entity.

### **3.9 News Releases**

From the time the RFP is released and until a successful Bidder is announced, news releases pertaining to this document or the services, study, data, or project to which it relates, shall not be made without prior written PEIA approval, and then only in accordance with the explicit written instructions from PEIA. No results of the program are to be released without prior written approval of PEIA and then only to persons designated.

### **3.10 Freedom of Information/Disclosure**

**Any and/or all documents in this RFP process are subject to West Virginia's Freedom of Information Act (FOIA) [West Virginia Code 29B-1 et seq.] and may be disclosed upon request.** The Bidder must clearly identify which/what data is/are considered proprietary. If PEIA receives a FOIA request for data, labeled by the Bidder as proprietary, PEIA will notify the Bidder, in writing, of the request to allow the Bidder time to obtain the appropriate court order to prevent the release of the information. Otherwise, PEIA will be compelled by state law to release such information. Vendors are asked to submit two (2) copies of their proposals to PEIA – one (1) full and complete proposal and one (1) redacted copy with proprietary and/or trade secret information removed. PEIA cannot guarantee that the redacted copy will satisfy the requestor(s) request(s). PEIA assumes no responsibility for the defense of or prevention of the release of data requested under the FOIA. That responsibility rests solely with the vendor.

### **3.11 HIPAA and Regulatory Compliance**

PEIA is a Covered Entity as defined by 45 CFR 160.103. The Respondent, in performing an Administrative function on behalf of the Covered Entity, to wit; third-party management of an MAPD coverage(s) plan, would be considered a Business Associate as defined by 45 CFR 106.103 of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and, as such, would be required to sign the West Virginia Executive Branch Business Associate Agreement with its corresponding Appendix A. The Business Associate Agreement shall be communicated to any and/or all subcontractors who may perform any of the Scope of Work on this procurement. The Appendix H for the Business Associate Agreement will be completed with the successful Respondent.

### **3.11.1 Vendor Assurances**

Pursuant to applicable provisions of the HIPAA Privacy Rule(s) found in 45 CFR Part 160 and Subparts A and E of Part 164 and the HIPAA Security Rule(s) found in 45 CFR Part 160 and Part 164, Subparts A and C, and their related guidance found in NIST SP 800-53, SP 800-66, and SP 800-88, the prospective vendor shall be required to provide certain vendor assurances to PEIA with regard to their HIPAA compliance. The prospective vendor recognizes PEIA's statutory right(s) to conduct such vendor assurances and agrees to cooperate with same. The PEIA Vendor Onboarding and Assurance Grids are included in the RFP as Appendix L.

### **3.11.2 Data Management Addendum**

As the potential MAPD Vendor contract will involve the exchange of data, the prospective vendor(s) shall be required to sign the PEIA Data Exchange – Data Management Addendum included in this RFP solicitation as Appendix K.

### **3.11.3 Data Disposition**

Within sixty (60) days of the termination of any contract or Agreement promulgated by this RFP, the vendor shall submit to PEIA a HIPAA compliant plan for the disposition of any and/or all data created, generated, and/or otherwise transmitted or exchanged as a result of the contract or Agreement such that it will render the data unreadable, indecipherable, and/or unusable as defined in the applicable provisions of the HIPAA Security Rule(s). This provision shall not apply to the records that the prospective vendor is required to keep by law. Those records should be specifically identified in the data disposition plan along with the policy and/or plan for retention.

### **3.11.4 Detecting and Preventing of Fraud, Waste and Abuse**

Pursuant to Part 2 of HIPAA, the prospective vendor is required to have robust controls in place to detect and prevent fraud waste and abuse.

Fraud is generally defined as knowingly and willfully executing, or attempting to execute, a scheme or artifice to defraud any healthcare benefit program or to obtain (by means of false or fraudulent pretenses, representations or promises) any of the money or property owned by, or under the custody or control of, any healthcare benefit program. (18 U.S.C. § 1347)



Waste is defined as overutilization of services or other practices that, directly or indirectly, result in unnecessary costs to the healthcare system, including the Medicare and Medicaid programs. It is not generally considered to be caused by criminally negligent actions, but by the misuse of resources.

Abuse is defined as payment for items or services when there is no legal entitlement to that payment and the individual or entity has not knowingly and/or intentionally misrepresented facts to obtain payment.

The prospective vendor shall provide to PEIA its plan for compliance with these requirements.

### **3.11.5 Other Compliance**

The vendor agrees to be compliant with any and/or all other applicable provisions of State and/or Federal law(s), rule(s), and/or regulation(s) including, but not necessarily limited to:

- i. The Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003
- ii. 42 CFR Parts 400, 403, 411, 417, 422 and 423 (subparts A through U) of the Medicare Prescription Drug Benefit
- iii. The CMS Medicare Managed Care Manual Rule(s)
- iv. The Social Security Act
- v. The Genetic Information Nondiscrimination Act of 2008 (GINA)
- vi. The Consolidated Omnibus Budget Reconciliation Act (COBRA)
- vii. Employee Retirement Income Security Act of 1974 (ERISA) [applicable provisions]
- viii. West Virginia Code §61-2-29b. Financial exploitation of an elderly person, protected person or incapacitated adult; penalties; definitions.
- ix. Other as applicable

### **3.12 Gratuities or Kickbacks**

By submission of a proposal, the Bidder represents that it has not retained any person, agency, or entity to solicit or secure a State contract upon an agreement or understanding for a commission or a percentage, brokerage, or contingent fee. The State will not pay any brokerage fees for securing or executing any of the services outlined in this RFP. Therefore, all proposed fees must be net of commissions and percentage, contingent, brokerage, service, or finder's fees.

### **3.13 Appropriations**

If the contract extends into more than one fiscal year (July 1 to June 30), and if appropriations are insufficient to support the contract, PEIA may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority.

### **3.14 Litigation Bond**

Each Bidder responding to this RFP is required to submit a litigation bond in the amount of 5% of submitted bid, made payable to the West Virginia Public Employees Insurance Agency. A surety company licensed to do business in the State of West Virginia with the West Virginia Insurance Commission, on a form acceptable to the State, and countersigned by a West Virginia Resident Agent must issue this bond. The only acceptable alternate forms of the bond are (1) company certified check (not an individual) and (2) a cashier's check.

The purpose of the litigation bond is to discourage unwarranted or frivolous lawsuits pertaining to the award of a contract from this RFP. Secondly, the bond provides a mechanism for the State of West Virginia, the Agency, and its officers, employees, or agents thereof to recover damages, including (but not limited to) attorney fees, loss of revenue, loss of grants or portions thereof, penalties imposed by the federal government and travel expenses which may result from any such litigation. A claim against the bond will be made if the Bidder contests the award in a court of competent jurisdiction and the grounds are found to be unwarranted or frivolous based on the facts of the award or applicable law as determined by the court.

The bond or alternate form must remain in effect for two years from the proposal submission date. After six (6) months, each Bidder may request, and the State anticipates granting, a release of the litigation bond or alternate form. However, the Bidder will be required to provide a release (signed and notarized in a form that is acceptable to the State) prior to release of the bond which states that the Bidder will not sue.

Failure to submit an appropriate bond or Litigation Waiver Form (Appendix O) with the proposal at the time of bid opening will result in automatic disqualification of the Bidder's proposal and the proposal will be considered non-responsive.

### **3.15 Miscellaneous Provisions**

The following provisions will be incorporated into any agreement entered into between PEIA and the successful Bidder. The successful Bidder will be asked to sign a form accepting the provisions described below.

#### **3.15.1 Dispute Resolution**

If a dispute arises out of this Agreement, or any modifications made to the Agreement, the parties agree to meet and attempt to resolve the dispute by negotiations. If negotiations are not successful, the parties shall attempt to resolve the dispute and may consider non-binding mediation using the American Arbitration Association as the mediator, or such other firm or association as agreed upon by the parties. The parties agree to make a good faith attempt to resolve the dispute prior to litigation.

#### **3.15.2 Arbitration**

Any references to arbitration contained in the agreement are hereby deleted. Claims against PEIA or the State of West Virginia arising out of the agreement shall be presented to the West Virginia Court of Claims.

#### **3.15.3 Hold Harmless**

Any clause requiring the Agency to indemnify or hold harmless any party is hereby deleted in its entirety. The successful Bidder must indemnify and hold harmless the State of West Virginia and PEIA for its acts or omissions arising out of the contract.

#### **3.15.4 Governing Law**

The agreement shall be governed by the laws of the State of West Virginia. This provision replaces any references to any other State's governing law.

#### **3.15.5 Taxes**

Provisions in the agreement requiring the Agency to pay taxes are deleted. As a State entity, the Agency is exempt from Federal, State, and local taxes and will not pay taxes for any Vendor including individuals, nor will the Agency file any tax returns or reports on behalf of Vendor or any other party.

#### **3.15.6 Payment**

Any references to prepayment are deleted. Payment will be in arrears. As per West Virginia State Law, PEIA will pay all uncontested invoices within sixty (60) days of receipt at PEIA offices.

**3.15.7 Interest**

Should the agreement include a provision for interest on late payments, the Agency agrees to pay the maximum legal rate under West Virginia law. All other references to interest or late charges are deleted.

**3.15.8 Recoupment**

Any language in the agreement waiving the Agency’s right to set-off, counterclaim, recoupment, or other defense is hereby deleted.

**3.15.9 Fiscal Year Ending Funding**

Services performed under the agreement may be continued in succeeding fiscal years for the term of the agreement, contingent upon funds being appropriated by the Legislature or otherwise being available for this service. In the event funds are not appropriated or otherwise available for this service, the agreement shall terminate without penalty on June 30. After that date, the agreement becomes of no effect and is null and void. However, the Agency agrees to use its best efforts to have the amounts contemplated under the agreement included in its budget. Non-appropriation or non-funding shall not be considered an event of default.

**3.15.10 Statute of Limitation**

Any clauses limiting the time in which the Agency may bring suit against the Vendor, lessor, individual, or any other party are deleted.

**3.15.11 Similar Services**

Any provisions limiting the Agency’s right to obtain similar services or equipment in the event of default or non-funding during the term of the agreement are hereby deleted.

**3.15.12 Attorney Fees**

The Agency recognizes an obligation to pay attorney’s fees or costs only when assessed by a court of competent jurisdiction. Any other provision is invalid and considered null and void.

**3.15.13 Assignment**

Notwithstanding any clause to the contrary, the Agency reserves the right to assign the agreement to another State of West Virginia agency, board or commission upon thirty (30) days written notice to the Vendor and Vendor shall obtain the written consent of Agency prior to assigning the agreement.

#### **3.15.14 Limitation of Liability**

The Agency, as a State entity, cannot agree to assume the potential liability of a Vendor. Accordingly, any provision limiting the Vendor's liability for direct damages or limiting the Vendor's liability under a warranty to a certain dollar amount or to the amount of the agreement is hereby deleted. In addition, any limitation is null and void to the extent that it precludes any action for injury to persons or for damages to personal property.

#### **3.15.15 Right to Terminate**

Agency shall have the right to terminate the agreement upon ninety (90) days written notice to Vendor.

#### **3.15.16 Termination Charges**

Any provision requiring the Agency to pay a fixed amount or liquidated damages upon termination of the agreement is hereby deleted. The Agency may only agree to reimburse a Vendor for actual costs incurred or losses sustained during the current fiscal year due to wrongful termination by the Agency prior to the end of any current agreement term. Upon termination of this agreement, or any extension thereto, the Bidder has the duty to continue to provide any reports required by the agreement or any law or regulation.

#### **3.15.17 Cooperation Upon Termination**

In the event the agency elects to terminate the agreement, the vendor will cooperate in the transition to the new vendor, will process all claims in run-off, and will provide to agency in a timely manner a transfer of all necessary claim data in a format agreeable to agency.

#### **3.15.18 Renewal**

Following the initial thirty-six (36) month contract, the agreement may be renewed annually at the option of the Agency.

#### **3.15.19 Insurance**

Any provision requiring the Agency to insure equipment or property of any kind and name the Vendor as beneficiary or as an additional insured is hereby deleted.

**3.15.20 Right to Notice**

Any provision for repossession of equipment without notice is hereby deleted. However, the Agency does recognize a right of repossession with notice.

**3.15.21 Acceleration**

Any reference to acceleration of payments in the event of default or non-funding is hereby deleted.

**3.15.22 Amendments**

All amendments, modifications, alterations or changes to the agreement shall be in writing and signed by both parties.

## **4. DESCRIPTION OF SERVICES CURRENTLY PROVIDED**

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It is the Trustee's intent that the Contractor provide a level of service that is at least comparable to that provided by the Incumbent. A description of benefits currently offered is available in the on-line at <http://peia.wv.gov/>. To assist prospective Respondents, the following is an overview of the services currently provided. To assist prospective Respondents, sections 4.1 through 4.13 of this RFP are an overview of the services currently provided by the Incumbent that will be provided by the Contractor. Note that this is a representative collection and that additional services from the Contractor are likely to be necessary.

### **4.1 Claim Adjudication and Customer Service**

The Incumbent currently adjudicates approximately 1,600,000 Medicare Advantage medical claim transactions and 2,200,000 Medicare advantage prescription drug claim transactions each year.

Customer service representatives in the Incumbent's claim office handle approximately 67,000 service calls from participants and providers. This staff has been specially trained to deal with PEIA's Medicare population. The Incumbent uses an electronic call documentation tool to gather information electronically from multiple data bases to answer questions and simultaneously document telephone conversations. The tool enables the Incumbent to extract summary reports tracking number of calls, types of information required, how calls were handled, etc. The claim office also uses an automated post call survey process that allows members to reply to basic questions regarding participant satisfaction with the performance of the Incumbent's claim office.

### **4.2 Claim Office/Patient Management**

The Patient Management staff is dedicated but not exclusive to PEIA account, with at least one dedicated, full-time supervisor. This team is staffed appropriately to optimize engagement, advocacy, and subsequent plan cost control and revenue management. These services are a core foundation of delivering a sustainable, quality Medicare Advantage offering to PEIA and their plan participants.

In addition, a dedicated, but not exclusive, Medical Director is assigned PEIA Medicare Advantage account team, supporting the Patient Management staff and Network Management staff on credentialing issues and participates in all significant credentialing committee meetings.

The Patient Management staff is responsible for administering all the utilization management programs currently underwritten into PEIA benefits plan. This includes inpatient pre-certification on inpatient stays,

outpatient pre-certification on a PEIA specific list of services, Medical and Testing procedures, and Outpatient Mental Care. Outpatient pre-certification is also required for other services, including Home Health Care, Hospice and Private Duty Nursing. They also perform case management, which includes negotiating with providers for discounts and appropriate care, and discharge planning.

### **4.3 Network Management**

The current network for PEIA Medicare Advantage plans consists of a passive PPO network provided by the Incumbent.

PEIA network benefit administration has the following characteristics: 1) All required pre-certifications and pre-authorizations; 2) Except for required copayments, coinsurance, and any ineligible charges, network providers may not “balance bill” any participant; and 3) Participants are not required to submit claim forms when point of service of care is a network provider.

### **4.4 Prescription Drug Coverage**

The prescription drug benefit for all PEIA Medicare Advantage plans are part of this RFP and are expected to be included in the Respondent’s technical and financial bid.

### **4.5 Disease Management**

In addition to Evidence-Based Medicine algorithms, the Incumbent administers a Disease Management program for all covered participants.

The Incumbent participates in the transition of care involving participants that are in disease management and moving to and from another PEIA health plan. This includes participants at retirement from the active employee PPB and MCO to the Medicare Advantage plan offered by PEIA and from the retiree PPB and MCO to the Medicare Advantage plan offered by PEIA when the participant becomes Medicare eligible.

### **4.6 Eligibility**

Currently PEIA submits a weekly and an end of month eligibility file to the Incumbent. The data provided are tested for accuracy, and updated into the system within two days of the file being received. The Incumbent has frequent contact with PEIA benefits staff to determine reasons for changes and fluctuations in the eligibility data that is reported.

During the 3<sup>rd</sup> Quarter, PEIA will transmit the new enrollees for January 1<sup>st</sup> of the following year. This will allow the Respondent to start the new member process for the new members. PEIA will also coordinate any Medicare eligible changes in the event a member’s eligibility changes.



## **4.7 Subrogation**

Currently the Incumbent pursues the recovery of any and all monies on a subrogation basis, initially without the involvement of legal counsel or litigation.

## **4.8 Issuance of ID Cards**

The Incumbent is responsible for providing identification cards to all participants. The card must contain each participant's unique number in lieu of their social security number.

## **4.9 Reporting**

Currently PEIA's data warehouse consultant receives detailed claim transaction data for both medical and prescription drug programs. These files include important patient (identifiable), provider, procedural diagnosis information, as well as the financial aspect of each claim on a processed basis. In addition, the consultant receives the complete Monthly Membership Report (MMR) containing CMS revenue data by participant.

PEIA receives a weekly full file of all members and member information along with an eligibility discrepancy report.

In addition, quarterly results are compiled and sent to PEIA by the close of each plan year quarter. These reports include the following data elements: demographic information, customer service statistics; patient management results; Performance Guarantee results; utilization and financial performance statistics.

On an annual basis, PEIA receives a comprehensive reporting package covering participant demographics, utilization and costs data, network utilization, customer service information and performance guarantee results. Throughout the year, the Incumbent provides PEIA staff with updates to issues impacting Medicare Advantage plans, CMS reimbursements and other issues affecting the plan.

## **4.10 Banking**

PEIA has a direct deposit arrangement with the Incumbent. Weekends, official PEIA holidays ([peia.wv.gov](http://peia.wv.gov)) and days when the state comptroller's system is closed are not included. PEIA will negotiate with the selected Respondent to determine the timing of the monthly premium payments.

## **4.11 Plan Booklets**

The Incumbent's Home Office customer team that supports the Account Managers on PEIA account is actively involved in the drafting of PEIA booklets.

## 4.12 Functional Relationships

The relationship between PEIA and the Incumbent is currently coordinated by the PEIA Executive Director. All communications, correspondence, reports, and inquiries shall be coordinated by PEIA staff. This, of course, does not preclude direct interaction between the Incumbent and covered participants or between the Incumbent and PEIA's health care consultant.

Division of responsibility and authority between the Incumbent and PEIA is envisioned as follows:

a. PEIA:

- Determine eligibility of participants and dependents to participate in the Plan.
- Determine the plan design
- Assist participants in the resolution of difficult problems involving the Incumbent.
- Assist the Incumbent in the resolution of difficult problems involving participants.
- Monitor the performance of the Incumbent, including the conducting of periodic audits as deemed necessary by PEIA.
- Review and approve forms to be used in the various processes.
- Review and approve all informational and marketing materials prior to mailing.
- Review and approve language contained in Explanation of Benefits notices.
- Establish performance standards and monitor performance.
- Review and approve all communication, subject to federal and state compliance requirements, to participants, including plan booklets, pre-retirement highlights, I.D. cards, etc.

b. Incumbent:

- Maintain compliance with Medicare rules and regulations
- Provide strategic direction and modeling for plan designs under consideration by the PEIA;
- Adjudicate claims, including payments, on a prompt, timely, and accurate basis, in accordance with contractual provisions and Medicare rules;
- Process claims, respond to inquiries, maintain data, recordings, eligibility, etc. (**Onshore**)
- Coordinate with PEIA and other applicable vendors to facilitate enrollment changes, participant communications and customer service;
- Assist PEIA in the resolution of difficult problems involving participants.
- Report significant changes in network to PEIA.
- Provide names of key persons to the PEIA Executive Director and his/her staff as follows:
  - ❖ One executive level contact that is acceptable to PEIA.
  - ❖ Local working management contacts (e.g., Claims Supervisors, Eligibility Specialist, Service Representatives, etc.)

- The executive level contact shall work closely with PEIA to ensure that all other relationships are working smoothly and effectively and that the program is operating as it is expected to operate.
- Provide timely reports and responses to inquiries as deemed appropriate by PEIA Executive Director.

### **4.13 Applicable Law**

The successful Respondent and any resulting agreement and contract shall be governed by the laws of the State of West Virginia.

## 5. PROPOSAL RESPONSE FORMAT

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Respondent shall submit their Proposal in accordance with the requirements set forth below. Regarding the Proposal, Respondents are hereby advised of the following:

- Each Proposal shall be prepared simply and economically, providing a straightforward, concise description of the Respondent's ability to meet the requirements of this RFP as outlined in Attachment A-6: Administrative Requirements. Emphasis should be on completeness, clarity of content, responsiveness to the requirements and an understanding of PEIA's needs. **It is PEIA's intent to receive proposals that provide substantive content to address the specific information requested in this RFP and not pre-prepared marketing materials.**
- Proposals that are qualified with conditional clauses, alterations, items not called for in the RFP documents, or irregularities of any kind are subject to disqualification by PEIA, at its option.
- Representations made within the Proposal will be binding on the Respondents. PEIA will not be bound to act by any previous communication or Proposal submitted by the Respondent other than this RFP and any Proposal submitted in response to this RFP.
- **Any pages or information which the Respondent wishes to claim as confidential shall be clearly marked within the Proposal. Additionally, the Respondent shall provide a brief summary page after the Table of Contents explaining the confidential nature of the marked pages.**

The Proposal shall include the following sections in the order in which they appear below. Each of the Attachments described in this section must be completed in the MS Excel format in which it is provided.

### 5.1 Transmittal Letter

A transmittal letter shall be provided with the Respondent's Proposal. The letter should bear the name and address of the Respondent and the name and number of this RFP. The purpose of this letter is to transmit the Proposal(s) and acknowledge the receipt of any addenda. The transmittal letter should be brief and signed by an individual who is authorized to commit the Respondent to the services and requirements as stated in this RFP.

## 5.2 Table of Contents

The Proposal shall include a Table of Contents that lists page number references. The Table of Contents should be in sufficient detail to facilitate easy reference to the sections of the Proposal and separate attachments (which shall be included in the main Table of Contents). If supplemental materials are included with the Proposal, each copy of the Proposal must include such supplemental materials. Supplemental information (i.e., information not required) and attachments included by the Respondent should be clearly identified in the Table of Contents and provided as a separate section.

## 5.3 Confidential Information

The Proposal shall include a list of each section of the proposal that the Respondent considers to be confidential and proprietary along with a brief summary page explaining the confidential nature of the material.

## 5.4 Completed Forms

The following forms shall be completed by the Respondent and submitted with Respondent's proposal. Each form shall be filled out in its entirety and shall include the signature of the Respondent's authorized agent. **Failure to complete, sign, and/or return all specified Forms may result in disqualification of the Respondent's proposal.**

- **Appendix G: Limited Data Use Agreement**
- **Appendix H: Business Associate Agreement**

The following forms are not mandatory, but may apply to the Bidder. If applicable, these complete forms should be included with the Bidder's proposal.

- **Appendix I: Bidder's Litigation Waiver Form**
- **Appendix J: Vendor Preference Certificate**

The remaining forms shall be completed upon award of contract or upon request of PEIA.

## 5.5 Attachment A: Respondent's Proposal

*The following exhibits are located in the MS Excel (version 2007) documents labeled Attachment A: Respondent's Proposal and Attachment B: Confidential Documents.*

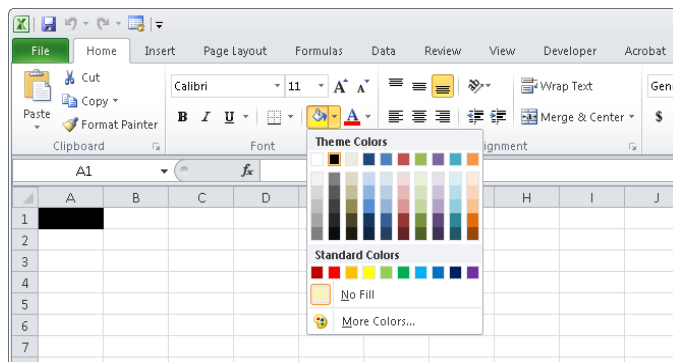
**Attachment A: Respondent’s Proposal** will be made publicly available. **Attachment B: Confidential Documents** will be sent only to those Respondents who submit an executed Limit Data Use Agreement (Appendix G) to the Point-of-Contact listed in Section 2.1.

The Respondent shall complete each of the tabs in Attachment A according to the instructions described below and any additional instructions included at the top of each worksheet.

Cells which have been highlighted in yellow require a response from the Respondent. Response types throughout the documents include selecting from a pre-set drop-down menu, entering a numerical value and/or writing a brief narrative. If the cell includes a drop-down menu, the Respondent shall not provide a response that is not provided in the drop-down list.

The following steps may be taken to prepare **Attachment A: Respondent’s Proposal** for Complete Electronic Copy #2 described in Section 2.16.4(a) and 2.16.4(b) of the RFP.

- a) Step 1 - After preparing Attachment A for submission with Complete Electronic Copy #1 described in Section 2.16.4(a) of the RFP, save the Excel document as Attachment A: Respondent’s Proposal (#1). Then, make one exact copies of this document, saving as Attachment A: Respondents Proposal (#2 Redacted).
- b) Step 2 – Within Attachment A: Respondent’s Proposal #2, format each response cell containing Confidential and Proprietary Information to be highlighted in black.



### 5.5.1. Attachment A-1: Minimum Qualifications

The Respondent shall complete Attachment A-1 by describing how they specifically meet or exceed each requirement. A simple confirmation that the Respondent meets the requirement is not sufficient. This tab and all supplementary materials necessary to demonstrate that the Respondents meets the

minimum requirements of the RFP must be submitted to the Point-of-Contact identified in Section 2.1 no later than the time indicated in Section 2 of this RFP.

#### **5.5.2. Attachment A-2: Respondent Information**

The Respondent shall complete each section of Attachment A-2 as requested. References provided shall include at least one reference for which the proposed account manager currently provides service.

The Respondent's Legal Name entered in Attachment A-2 will automatically be used to populate the Attachment A-25: Deviations Page and Attachment A-26: Signature Page, in addition to other areas of the MS Excel attachments.

#### **5.5.3. Attachment A-3: References**

References provided shall include two references for which the proposed account manager currently provides service.

#### **5.5.4. Attachment A-4: Implementation Team**

The Respondent shall complete each section of Attachment A-4 as requested. In addition to providing detail on key members of the Implementation Team, the Respondent should include the proposed Implementation Plan for PEIA.

#### **5.5.5. Attachment A-5: Account Management Team**

The Respondent shall complete each section of Attachment A-5 as requested, providing detail on the key members of the Account Management Team proposed for PEIA.

#### **5.5.6. Attachment A-6: Administrative Requirements**

The Respondent shall complete the exhibit by selecting either "Agree" or "Disagree" from the drop-down list next to each administrative requirement. For each requirement for which the Respondent selects "Disagree", an explanation must be provided in Attachment A-20: Deviations Page.

#### **5.5.7. Attachment A-7: Questionnaire**

The Respondent shall answer each question in A-7a: Questionnaire completely/briefly in the space provided. If additional space is needed, the response can be continued in Attachment A-7b: Additional Answers to Questionnaire. Continued responses should be labeled clearly with the corresponding question number.

If a drop-down list is available, the Respondent shall select a response from the list provided.

*Microsoft Excel will only print the first 1,024 characters in each cell. Therefore, please limit the length of your response to 1,024 characters. Additional space has been provided in Attachment A-7b.*

*In addition, the unlocked cells will automatically lock if the Respondent pastes an answer into a cell. This will prohibit the user from editing the cell(s) at a later time. The Respondent can use the Undo function to unlock the cell only if changes have not been saved since the paste occurred.*

**5.5.8. Attachment A-8: Subcontractor Questionnaires**

The Respondent shall complete one section of the Subcontractor Questionnaire for each and every subcontractor proposed to perform any of the scope of work and/or administrative requirements of this contract. Respondents may use the “Add Subcontractor” or “Remove Subcontractor” buttons at the top of the worksheet as needed. Respondents are reminded that they are responsible for driving the terms and conditions of the State of West Virginia Executive Branch Business Associate Agreement and other compliance documents down to any and/or all subcontractors.

**5.5.9. Attachment A-9: Access to PCPs**

PEIA is interested in the availability of participating primary care physicians (PCPs) to its Medicare eligible population. *For the purposes of Attachment A-9: Access to PCPs, a PCP is defined to include medical doctors (MDs) and osteopathic doctors (DOs) practicing as a Pediatrician, Family Practitioner, General Practitioner (GP), Internist, Geriatric Physician, or OB/GYN.*

To assist the Respondent in completing the standard GeoAccess report for PCPs, PEIA will provide the Respondent with a census file as part of Attachment B: Confidential Documents. The file will include the following fields: unique participant ID, ZIP Code, date of birth, gender and relationship to the retiree. This file will be sent to only those Respondents who submit a Limited Data Use Agreement-to the Point-of-Contact listed in Section 2.1. (See Appendix G.)

The Respondent shall prepare a GeoAccess study using the census data provided by PEIA and the parameters shown below:

| Access to PCPs  |                  |
|---|------------------|
| Urban/Suburban Areas<br>(1,000 or greater people per square mile) | 2 within 8 miles |



|   |                   |
|---|-------------------|
| Rural Areas<br>(Less than 1,000 people per square mile) | 1 within 15 miles |
|---|-------------------|

In Attachment A-9, the GeoAccess report should be prepared based on the Respondent’s proposed broad, national network and shall provide the following:

- A. The geo-mapping method used in the analysis
- B. A summary of the GeoAccess study results for PCPs by county

For each West Virginia county, input the total number of network PCP locations and the total number of participants included in the analysis based on the confidential data provided. The number of participants meeting/not meeting the access standard and the average distance to a participating PCP shall be provided for Urban/Suburban and Rural areas separately. Please note that the Respondent needs only to populate the highlighted cells in the exhibit; cells corresponding to the combination of the urban, suburban and rural areas will be calculated based on the values entered in the highlighted cells.

**5.5.10. Attachment A-10: Access to Other Specialists**

PEIA is interested in the availability of participating specialists to its Medicare eligible population. *For the purposes of Attachment A-10: Access to Other Specialists, ‘other specialist’ is defined to include medical doctors (MDs) and osteopathic doctors (DOs) who are not a Pediatrician, Family Practitioner, General Practitioner (GP), Internist or OB/GYN.*

To assist the Respondent in completing the standard GeoAccess report for Other Specialists, PEIA will provide the Respondent with a census file as part of Attachment B: Confidential Documents. The file will include the following fields: unique participant ID, ZIP Code, date of birth, gender and relationship to the retiree. This file will be sent to only those Respondents who submit a Limited Data Use Agreement to the Point-of-Contact listed in Section 2.1. (See Appendix G.)

The Respondent shall prepare a GeoAccess study using the census data provided by PEIA and the parameters shown below:

| Access to Other Specialists                                       |                   |
|---|-------------------|
| Urban/Suburban Areas<br>(1,000 or greater people per square mile) | 2 within 8 miles  |
| Rural Areas<br>(Less than 1,000 people per square mile)           | 1 within 15 miles |

In Attachment A-10, the GeoAccess report should be prepared based on the Respondent's proposed broad, national network and shall provide the following:

- A. The geo-mapping method used in the analysis
- B. A summary of the GeoAccess study results for Other Specialists by county

For each West Virginia county, input the total number of other specialist's office locations and the total number of participants included in the analysis based on the confidential data provided. The number of participants meeting/not meeting the access standard and the average distance to other specialists shall be provided for Urban/Suburban and Rural areas separately. Please note that the Respondent needs only to populate the highlighted cells in the exhibit; cells corresponding to the combination of the urban, suburban and rural areas will be calculated based on the values entered in the highlighted cells.

#### **5.5.11. Attachment A-11: Access to Hospitals**

PEIA is interested in the availability of participating primary hospitals to its Medicare eligible population. *For the purposes of this analysis, a hospital is considered to include those facilities that offer emergency services, inpatient care and services for observation, diagnosis and active treatment of an individual with a medical, surgical, obstetrical, rehabilitation or psychiatric condition requiring the direction or supervision of a physician. (Exclude ambulatory surgical centers, nursing homes, skilled nursing facilities, assisted living facilities, outpatient rehabilitation facilities, ESRD facilities, hospice care facilities, stand-alone Emergency Rooms, Urgent Care centers, walk-in clinics and other facilities providing outpatient care.*

To assist the Respondent in completing the standard GeoAccess report for Hospitals, PEIA will provide the Respondent with a census file as part of Attachment B: Confidential Documents. The file will include the following fields: unique participant ID, ZIP Code, date of birth, gender and relationship to the retiree. This file will be sent to only those Respondents who submit a Limited Data Use Agreement to the Point-of-Contact listed in Section 2.1. (See Appendix G.)

The Respondent shall prepare a GeoAccess study using the census data provided by PEIA and the parameters shown below:

| Access to Hospitals   |                   |
|---|-------------------|
| Urban/Suburban Areas<br>(1,000 or greater people per square mile) | 1 within 10 miles |
| Rural Areas<br>(Less than 1,000 people per square mile)           | 1 within 20 miles |

In Attachment A-11, the GeoAccess report should be prepared based on the Respondent’s proposed broad, national network and shall provide the following:

- A. The geo-mapping method used in the analysis
- B. A summary of the GeoAccess study results for hospitals by county

For each West Virginia county, input the total number of hospitals and the total number of participants included in the analysis based on the confidential data provided. The number of participants meeting/not meeting the access standard and the average distance to hospitals shall be provided for Urban/Suburban and Rural areas separately. Please note that the Respondent needs only to populate the highlighted cells in the exhibit; cells corresponding to the combination of the urban, suburban and rural areas will be calculated based on the values entered in the highlighted cells.

**5.5.12. Attachment A-12: Access to Pharmacies**

PEIA is interested in the availability of key pharmacies to its Medicare eligible population. To assist the Respondent in completing the standard GeoAccess report for pharmacies, PEIA will provide the Respondent with a census file as part of Attachment B: Confidential Documents. The file will include the following fields: unique participant ID, ZIP Code, date of birth, gender and relationship to the retiree. This file will be sent to only those Respondents who submit a Limited Data Use Agreement to the Point-of-Contact listed in Section 2.1. (See Appendix G.)

The Respondent shall prepare a GeoAccess study using the census data provided by PEIA and the parameters shown below:

| Access to Pharmacies  |                   |
|---|-------------------|
| Urban/Suburban Areas<br>(1,000 or greater people per square mile) | 1 within 5 miles  |
| Rural Areas<br>(Less than 1,000 people per square mile)           | 1 within 10 miles |

In Attachment A-12, the GeoAccess report should be prepared based on the Respondent’s proposed broad, national network and shall provide the following:

- A. The geo-mapping method used in the analysis

B. A summary of the GeoAccess study results for hospitals by county

For each West Virginia county, input the total number of network pharmacies and the total number of participants included in the analysis based on the confidential data provided. The number of participants meeting/not meeting the access standard and the average distance to pharmacies shall be provided for Urban/Suburban and Rural areas separately. Please note that the Respondent needs only to populate the highlighted cells in the exhibit; cells corresponding to the combination of the urban, suburban and rural areas will be calculated based on the values entered in the highlighted cells.

**5.5.13. Attachment A-13: Disruption based on Paid Physician Claims**

The Respondent shall complete this exhibit by indicating whether or not the named physician is a member of the PPO network being proposed for PEIA. Valid responses are either “Yes” or “No”. All other responses will be treated as a “No” response.

**5.5.14. Attachment A-14: Disruption based on Paid Facility Claims**

The Respondent shall complete this exhibit by indicating whether or not the named facility is a member of the PPO network being proposed for PEIA. Valid responses are either “Yes” or “No”. All other responses will be treated as a “No” response.

**5.5.15. Attachment A-15: Disruption based on Number of Physician Encounters**

The Respondent shall complete this exhibit by indicating whether or not the named physician is a member of the PPO network being proposed for PEIA. Valid responses are either “Yes” or “No”. All other responses will be treated as a “No” response.

**5.5.16. Attachment A-16: Disruption based on Number of Facility Encounters**

The Respondent shall complete this exhibit by indicating whether or not the named facility is a member the PPO network being proposed for PEIA. Valid responses are either “Yes” or “No”. All other responses will be treated as a “No” response.

**5.5.17. Attachment A-17: Rx Disruption based on Volume**

The Respondent shall complete this exhibit by indicating whether or not the named pharmacy is a member the broad network being proposed for PEIA. Valid responses are either “Yes” or “No”. All other responses will be treated as a “No” response.

#### **5.5.18. Attachment A-18: Rx Disruption based on Paid**

The Respondent shall complete this exhibit by indicating whether or not the named pharmacy is a member the broad network being proposed for PEIA. Valid responses are either “Yes” or “No”. All other responses will be treated as a “No” response.

#### **5.5.19. Attachment A-19: Network Composition - Medical**

The Respondent shall provide the requested information (1) by West Virginia county (Table A) and (2) for the states listed in (Table B) based on its proposed network. Please refer to Appendix E for a description of each field.

#### **5.5.20. Attachment A-20: Network Composition – Rx**

The Respondent shall provide the requested information (1) by West Virginia county (Table A) and (2) for the states listed in (Table B) based on its proposed network. Please refer to Appendix E for a description of each field.

#### **5.5.21. Attachment A-21: Formulary Analysis**

PEIA is interested in the formulary disruption to its Medicare retirees. PEIA will provide the Respondent with the top brand drugs utilized by the plans as part of Attachment B: Confidential Documents. The file will include the following fields: NDC-11, prescription drug name, total days of therapy, prescription drug count. This file will be sent to only those Respondents who submit a Limited Data Use Agreement to the Point-of-Contact listed in Section 2.1. (See Appendix G.)

Using the information provided in Attachment B: Confidential Documents, the Respondent shall select from the drop-down list to indicate the formulary tier (i.e. generic, preferred brand or non-preferred brand) for each non-specialty drug listed for the proposed broad, national network.

The Respondent shall submit to PEIA in MS Excel format with read/write capabilities its proposed Preferred Drug List (PDL), MAC Drug List, and Specialty Drug List. These lists must contain the NDC-11 Code, drug name and price per metric quantity for each drug in the list. In addition, a list of drugs excluded from coverage shall also be provided in MS Excel format with read/write capabilities.

### **5.5.22. Attachment A-22: Performance Guarantees**

For each Performance Guarantee, the Respondent shall provide its proposed financial penalty and indicated agreement/disagreement with the reporting measurement. Any disagreements shall be explained in Attachment A-25: Deviations Page.

At a minimum, the criterion identified in Attachment A-17 serves as a benchmark for performance measurements. Actual performance metrics and penalties will be finalized during contract negotiations between PEIA and the selected Respondent(s).

### **5.5.23. Attachment A-23: Financial Proposal**

In Table I of Section A, the Respondent shall propose a per participant per month (PMPM) fully insured Medicare Advantage Prescription Drug premium effective January 1, 2022 for each proposed plan option under the assumption that Medicare eligible participants will continue in their participation in the MA plan. The development of the calendar year 2022 Medicare Advantage Prescription Drug premium should be shown broken down on a PMPM basis by expected claims, expected CMS revenue, administration fee, profit charge, risk charge, and any other applicable charge(s). The product of the fully insured PMPM Medicare Advantage premium and the total number of covered lives, as shown in the exhibit, will be multiplied by a factor of 12 in order to calculate the Projected Annual Cost.

In Table II of Section A, the Respondent shall provide its guaranteed administrative fee, profit charge, risk charge, and any other applicable charge for the calendar year 2023 premium.

In Table III of Section A, the Respondent shall provide its guaranteed administrative fee, profit charge, risk charge, and any other applicable charge for the calendar year 2024 premium.

In section B of this tab, Respondent's will provide PEIA with its guaranteed renewal methodology for calendar years 2023, 2024 and any optional renewal period. The methodology should provide a step-by-step calculation for the development of renewal rates and submitted as "***A-23: Fully Insured Rate Renewal Methodology***".

PEIA is also interested in exploring a gain sharing arrangement. Respondents shall submit "***A-23: Gain Share Arrangement***" outlining in detail any gain share options the Respondent is willing to offer PEIA in conjunction with the fully insured premiums proposed in Table I. The Respondent shall include a detailed numerical example of any proposed gain sharing arrangements.

#### **5.5.24. Attachment A-24(a): Clinical and Cost Management Programs**

The Respondent shall provide a listing (by program name) and brief description of all clinical and/or cost management programs that the Respondent is proposing to implement for which the cost has been included in the premiums proposed in Attachment A-23: Financial Proposal. **The cost of these programs must be included in the Respondent's proposed premiums.** These programs include those clinical and cost management programs necessary to satisfy the administrative requirements of this RFP as well as any additional programs the Respondent chooses to include at no additional cost.

#### **5.5.25. Attachment A-24(b): Clinical and Cost Management Programs**

The Respondent shall provide the program name and brief description of each clinical and/or cost management program currently offered by the Respondent to its clients that is NOT included in the premiums proposed to PEIA. For each program, provide the proposed PMPM premium, which shall be available to PEIA if PEIA staff elects to implement the program during the course of the contract.

#### **5.5.26. Attachment A-25: Deviations**

The Respondent shall complete this attachment regardless of whether or not deviations from the administrative requirements or performance guarantees are proposed. The top right of the worksheet includes macros for the Respondent to indicate whether or not deviations are included in the table below the signature line.

**Prior to printing the final Proposal, the Respondent shall ensure that the print area of this document is set appropriately.** If no deviations are claimed, then the print area shall end following the title of the individual signing the document. Otherwise, the print area shall end following the last deviation described in the table.

#### **5.5.27. Attachment A-26: Signature Page**

The Respondent shall complete this attachment and provide documentation granting authorization for the signing officer to bind the Respondent to the agreements and representations made in the Respondent's Proposal. Label the documentation as A-26: Authorization Documentation.

## 5.6 Response Attachments

The following response attachments shall be included in the following order:

- Tab A-1: Minimum Requirement #1
- Tab A-1: Minimum Requirement #2
- Tab A-2: Certificates of Insurance
- Tab A-2: Financial Statement
- Tab A-2: Financial Ratings
- Tab A-4: Implementation Plan
- Tab A-7: Medical Management Biographies
- Tab A-7: Evidence-Based Medicine Communications
- Tab A-7: Evidence-Based Medicine Reporting Package
- Tab A-7: Specialty Drug List
- Tab A-7: Preferred Drug List
- Tab A-7: MAC List
- Tab A-7: Reporting Package
- Tab A-23: Fully Insured Rate Renewal Methodology
- Tab A-23: Gain Share Arrangement
- Tab A-23: Additional Benefits
- Tab A-24(a): C&CM 1, if applicable
- Tab A-24(a): C&CM 2, if applicable
- Tab A-24(a): C&CM 3, if applicable
- Tab A-24(a): C&CM 4, if applicable
- Tab A-24(a): C&CM 5, if applicable
- Tab A-24(a): C&CM 6, if applicable
- Tab A-24(a): C&CM 7, if applicable
- Tab A-24(a): C&CM 8, if applicable
- Tab A-24(a): C&CM 9, if applicable
- Tab A-24(a): C&CM 10, if applicable
- Tab A-24(a): C&CM 11, if applicable
- Tab A-24(a): C&CM 12, if applicable
- Tab A-24(a): C&CM 13, if applicable
- Tab A-24(a): C&CM 14, if applicable
- Tab A-24(a): C&CM 15, if applicable
- Tab A-24(a): C&CM 16, if applicable
- Tab A-24(a): C&CM 17, if applicable
- Tab A-24(a): C&CM 18, if applicable
- Tab A-24(a): C&CM 19, if applicable
- Tab A-24(a): C&CM 20, if applicable
- Tab A-24(a): C&CM 21, if applicable
- Tab A-24(a): C&CM 22, if applicable
- Tab A-24(a): C&CM 23, if applicable
- Tab A-24(a): C&CM 24, if applicable
- Tab A-24(a): C&CM 25, if applicable
- Tab A-24(b): C&CM 1, if applicable
- Tab A-24(b): C&CM 2, if applicable
- Tab A-24(b): C&CM 3, if applicable
- Tab A-24(b): C&CM 4, if applicable
- Tab A-24(b): C&CM 5, if applicable
- Tab A-24(b): C&CM 6, if applicable
- Tab A-24(b): C&CM 7, if applicable
- Tab A-24(b): C&CM 8, if applicable
- Tab A-24(b): C&CM 9, if applicable
- Tab A-24(b): C&CM 10, if applicable
- Tab A-24(b): C&CM 11, if applicable
- Tab A-24(b): C&CM 12, if applicable
- Tab A-24(b): C&CM 13, if applicable
- Tab A-24(b): C&CM 14, if applicable
- Tab A-24(b): C&CM 15, if applicable
- Tab A-24(b): C&CM 16, if applicable
- Tab A-24(b): C&CM 17, if applicable
- Tab A-24(b): C&CM 18, if applicable
- Tab A-24(b): C&CM 19, if applicable
- Tab A-24(b): C&CM 20, if applicable
- Tab A-26: Authorization Documentation



## APPENDICES

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- A. Plan Design
- B. Medical Claim Data Requirements
- C. Prescription Drug Claim Data Requirements
- D. Eligibility File Layout
- E. Place of Service / Type of Service Definitions
- F. Intent to Bid
- G. Limited Data Use Agreement
- H. Business Associate Agreement
- I. Purchasing Affidavit
- J. WV-96
- K. Data Management Addendum
- L. PEIA Privacy On-Boarding Grid
- M. PEIA HIPAA Security Rule Requirements Vendor Assurances Grid
- N. PEIA Security Rules Risk Assessment Tool Share
- O. Bidder's Litigation Waiver Form
- P. Vendor Preference Certificate

## APPENDIX A – PLAN DESIGN

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Please refer to PEIA website for the Benefits Booklet and other plan information.

1. Log on to <http://peia.wv.gov/>
2. Navigate to *Health Plans*
3. Navigate to *Medicare Advantage Plan*
4. Navigate to *Annual Notification of Changes & Evidence of Coverage (Plan Year 2020)* for both plan documents

## **APPENDIX B – MEDICAL CLAIM DATA REQUIREMENTS**

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1. SSN of the Employee
2. First Name of the Employee
3. SSN of the Patient
4. First Name of the Patient
5. Middle Initial of the Patient
6. Patient's Gender
7. Patient's Date of Birth
8. Patient's ZIP Code
9. Patient's Relationship to the Insured
10. Units of Service
11. Submitted Charges
12. Not Covered Amount
13. Not Covered Reason(s)
14. Discount Amount
15. Covered Charges
16. Amount Paid by the Plan
17. Type of Claim (Original, Positive Adjustment, Negative Adjustment)
18. Claim Number (Unique Claim Identification)
19. Beginning Date of Service
20. Ending Date of Service
21. Admit Date (if applicable)
22. Discharge Date (if applicable)
23. Paid Date
24. Received Date
25. Adjustment Date
26. Adjustment Reason
27. Place of Treatment
28. Pay to Provider Indicator
29. Pay to Provider Name
30. Pay to Provider Specialty
31. Pay to Provider ZIP Code
32. Rendering Provider ID
33. Rendering Provider Name
34. Rendering Provider Specialty
35. Rendering Provider ZIP Code
36. Principal Diagnosis (ICD-10)
37. Secondary Diagnosis (ICD-10)
38. Third Diagnosis (ICD-10)
39. Fourth Diagnosis (ICD-10)
40. Fifth Diagnosis (ICD-10)
41. Primary Procedure (ICD-10, applicable)
42. Secondary Procedure (ICD-10, if applicable)
43. Third Procedure (ICD-10, if applicable)
44. Fourth Procedure (ICD-10, if applicable)
45. Fifth Procedure (ICD-10, if applicable)
46. CPT4/HCPCS (if applicable)
47. CPT4/HCPCS Modifier 1 (if applicable)
48. CPT4/HCPCS Modifier 2 (if applicable)
49. UB92 Revenue Code (if applicable)
50. UB92 Discharge Status (if applicable)
51. UB92 Bill Type
52. DRG Code (if applicable)
53. APC Code (if applicable)
54. Deductible Amount
55. Copay Amount
56. Coinsurance Amount
57. Medicare Covered Amount
58. Medicare Paid Amount
59. COB Paid
60. COB Description
61. Reimbursement methodology (Prospective, Fee schedule, Per Diem, etc.)
62. NDC Code
63. Metric Quantity (for specialty drug)
64. Unit of Measure (for specialty drug)

## **APPENDIX C – PRESCRIPTION DRUG CLAIM DATA REQUIREMENTS**

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1. Claim ID (unique identifier for the transaction)
2. Adjustment type (negative, positive, original claims)
3. Transaction type (paid or rejected)
4. Claim media (paper, electronic, etc.)
5. Date claim received
6. Date claim processed
7. Dispense date
8. Adjustment date
9. NDC code
10. Drug name
11. Metric Quantity
12. Days supply
13. Drug strength
14. Drug dose description
15. Compound indicator
16. Maintenance indicator
17. Type of drug (brand, generic, brand with generic equivalent)
18. Drug class
19. Specialty indicator
20. Formulary indicator
21. Prior Authorization indicator
22. DEA class
23. Patient ID (MBI, internal ID, etc.)
24. Patient Social Security Number or PEIA ID
25. Patient DoB
26. Patient Gender
27. Patient's relationship to the retiree
28. Prescriber's NPI
29. Pharmacy NPI or other Pharmacy identifier (NAPB)
30. Pharmacy name
31. Pharmacy ZIP code
32. Pharmacy type (Retail, mail order, retail maintenance, etc.)
33. U and C amount
34. Dispensing fee
35. Patient deductible amount paid
36. Patient copay amount paid
37. Patient coinsurance amount paid
38. Average wholesale price amount
39. Ingredient cost
40. Professional fee paid
41. Plan payments
42. Other coverage payments
43. DAW indicator

## **APPENDIX D – ELIGIBILITY RECORD DATA REQUIREMENTS**

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1. Enrollee SSN and MBI
2. Enrollee First, Middle initial and Last Name
3. Enrollee Date of Birth
4. Enrollee Gender
5. Enrollee Street Address (up to 2 lines)
6. Enrollee City
7. Enrollee State
8. Enrollee ZIP + 4 Code
9. Enrollee Telephone number
10. Enrollee Coverage Effective Date
11. Enrollee Coverage End Date
12. Enrollee Status (Active or Future Enrollee)
13. Enrollee on Medicare (Yes or No)
14. Enrollee Medicare Part B Effective Date
15. Enrollee Plan Identifier
16. Enrollee ESRD Flag
17. Coverage Type (i.e., Employee Only; Employee/Child, etc.)
18. Dependent SSN and HICN
19. Dependent First, Middle Initial and Last Name
20. Dependent Date of Birth
21. Dependent Gender
22. Dependent Relationship to the Enrollee
23. Dependent Street Address (up to 2 lines)
24. Dependent City
25. Dependent State
26. Dependent Zip +4 Code
27. Dependent Coverage Effective Date
28. Dependent Coverage End Date
29. Dependent Current Medicare Status
30. Dependent Medicare Part B Effective Date
31. Dependent ESRD Flag
32. Dependent Phone number
33. Dependent E-mail address

Ability to add at a later date:

1. Change in street address
2. Add physical address

## APPENDIX E – PLACE OF SERVICE/TYPE OF SERVICE DEFINITIONS

**Tab A-16: Network Composition**

| Field      |                              | Description   |
|------------|------------------------------|---|
| Members    | Lives Covered                | Enter the number of covered retirees and dependents in the Respondent's group sponsored book of business enrolled in a plan utilizing the network proposed for PEIA.  |
| Physicians | PCPs                         | Enter the number of distinct medical doctors (MDs) and osteopathic doctors (DOs) who are practicing as a Pediatrician, Family Practitioner, General Practitioner (GP), Internist or OB/GYN and are in your proposed network.            |
|            | Physician Assistants         | Enter the number of distinct licensed Physician Assistants (PAs) who are a part of your proposed network.   |
|            | Nurse Practitioners          | Enter the number of distinct, licensed Nurse Practitioners (NPs) who are a part of your proposed network.   |
|            | Behavioral Health Physicians | Enter the number of distinct medical doctors (MDs) and osteopathic doctors (DOs) who specialize in the field of mental health, behavioral and/or substance abuse (i.e. psychiatrist or psychologist) and are in your proposed network.  |
|            | Anesthesiologists            | Enter the number of distinct medical doctors (MDs) and osteopathic doctors (DOs) who specialize in the field of anesthesiology and are in your proposed network.  |
|            | Other Specialists            | Enter the number of distinct medical doctors (MDs) and osteopathic doctors (DOs) other than a PCP, anesthesiologist, psychiatrist or psychologist and are in your proposed network.   |
| Facilities | Acute Care Hospitals         | Enter the number of facilities in your proposed network that provide diagnosis, treatment and/or care for patients suffering from acute illness or injury. (This includes both general acute care hospitals and specialized hospitals.) |
|            | MH/SA Facilities             | Enter the number of facilities in your proposed network that provide inpatient, outpatient and emergency care for mental health and/or substance abuse conditions.  |
|            | Skilled Nursing Facilities   | Enter the number of nursing facilities in your proposed network that provide 24-hour non-acute nursing, medical, and rehabilitative care.   |
|            | Freestanding Emergency Rooms | Enter the number of facilities in your proposed network that are physically separate from a hospital facility and provide emergency care.   |
|            | Ambulatory Surgery Centers   | Enter the number of outpatient surgical centers in your proposed network that have the professional staff to perform minor operations and do not require prolonged confinement in a hospital.   |
|            | Urgent Care Centers          | Enter the number of facilities in your proposed network that provide immediate, non-emergent primary health care.   |
|            | Imaging Centers              | Enter the number of freestanding facilities in your proposed network with the equipment to produce various types of radiologic and electromagnetic images and the professional staff to interpret those images.                         |

**APPENDIX F – PLACE OF SERVICE/TYPE OF SERVICE DEFINITIONS**

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**Form Due Date: January 12, 2021**

Gabriel Roeder Smith & Company  
5605 N. MacArthur Blvd.  
Suite 870  
Irving, TX 75038-2631

**ATTN:** Michael Reed  
michael.reed@grsconsulting.com

**RE:** West Virginia PEIA MAPD RFP #PEI2100000004

This is to advise that we are in receipt of the above referenced RFP. We also wish to advise that we will be quoting the following services:

| <b>Services</b>                           | <b>Yes</b> | <b>No</b> | <b>Reason For Decline</b> |
|---|------------|-----------|---------------------------|
| Medicare Advantage Prescription Drug Plan |            |           |                           |

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Company

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Email Address

## **APPENDIX G – LIMITED DATA USE AGREEMENT**

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A limited data set is a set of records containing protected health information (PHI), from which direct identifiers have been removed, but in which certain potentially identifying information remains. The use or disclosure of a limited data set is limited to research, public health, and health care operations purposes only.

Name of data recipient: \_\_\_\_\_

Description of data: De-identified PEIA Paid Medicare Advantage Claim Data for its population.

Purpose of use: PEIA will be disclosing a limited data set to Medicare Advantage Insurers that will be submitting bids in response to this RFP as part of its health care operations. The data will be used by bidding Medicare Advantage Insurers to prepare the cost estimate portion of its proposal.

### **By signing this agreement, the recipient agrees:**

- Not to further use or disclose any of the information, outside the purpose listed above, without prior written permission from PEIA or as otherwise required by law;
- That any further information requested by Recipient, or its Affiliates, regarding these reports must be made in writing to PEIA.
- Use appropriate safeguards to prevent use or disclosure of the information other than as provided for by the data use agreement;
- Report to PEIA any use or disclosure of the information not provided for by its data use agreement, of which it becomes aware;
- Ensure that any agent, including any affiliates, to whom it provides the limited data set agrees to the same restrictions and conditions that apply to the limited data set recipient with respect to such information; and
- Not to identify the information or to contact the individuals to whom the information pertains, if applicable.
- Properly and completely dispose of all data provided by PEIA upon completion of the project described above in “Purpose of use.”



## **APPENDIX G – LIMITED DATA USE AGREEMENT**

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PEIA may terminate the agreement if it notifies the recipient of a pattern of activity or practice that constitutes a material breach or violation of the data use agreement, or law, unless the recipient cures the breach or ends the violation within a reasonable time, as determined by PEIA. PEIA will take reasonable steps to cure the breach or end the violation and if such steps are unsuccessful PEIA will discontinue disclosure and report the violation to the appropriate authorities.

\_\_\_\_\_  
Signature of Recipient Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of PEIA Representative

\_\_\_\_\_  
Date

## **APPENDIX H – APPENDIX O**

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See attached documents for Appendix H through Appendix O. Please note that the documents are non-negotiable and required by the State of West Virginia.

**VENDOR PREFERENCE CERTIFICATE**

Certification and application\* is hereby made for Preference in accordance with **West Virginia Code**, §5A-3-37. (Does not apply to construction contracts). **West Virginia Code**, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the **West Virginia Code**. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Vendor Preference, if applicable.

**1. Application is made for 2.5% vendor preference for the reason checked:**

- Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
- Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
- Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; **or**,

**2. Application is made for 2.5% vendor preference for the reason checked:**

- Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,

**3. Application is made for 2.5% vendor preference for the reason checked:**

- Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,

**4. Application is made for 5% vendor preference for the reason checked:**

- Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; **or**,

**5. Application is made for 3.5% vendor preference who is a veteran for the reason checked:**

- Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; **or**,

**6. Application is made for 3.5% vendor preference who is a veteran for the reason checked:**

- Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

**Under penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.**

**Bidder:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**Signed:** \_\_\_\_\_  
**Title:** \_\_\_\_\_

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