



**STATE OF HAWAII
DEPARTMENT OF HEALTH
OFFICE OF HEALTH CARE ASSURANCE**

Release Date: February 20, 2020

**REQUEST FOR PROPOSALS
No. RFP-20-01-OHCA**

**Competitive Sealed Offers
for**

**Certification and Recertification Surveys
of Medicare-Eligible Health Care Facilities**

**Proposals will be received up to 4:00 p.m. (HST) on Friday March 20, 2020
at**

**Hawaii State Department of Health
Office of Health Care Assurance
601 Kamokila Boulevard, Room 337, Kapolei, Hawaii 96707**

**Direct questions relating to this Solicitation to:
Keith R. Ridley, Chief, OHCA
via telephone at (808) 692-7227 or
e-mail at keith.ridley@doh.hawaii.gov.**

**Keith R. Ridley
Procurement Officer**

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SECTION 1 INTRODUCTION AND KEY DATES

1.01 Terms and Acronyms Used Throughout the Solicitation

BAFO	=	Best and Final Offer
CMS	=	Centers for Medicare and Medicaid Services
CPO	=	Chief Procurement Officer
DAGS	=	Department of Accounting and General Services
DOH	=	Hawaii State Department of Health
GC	=	General Conditions, issued by the Department of the Attorney General
GET	=	General Excise Tax
HAR	=	Hawaii Administrative Rules
HRS	=	Hawaii Revised Statutes
Offeror	=	An individual, partnership, firm, corporation, joint venture, or representative or agent, submitting an offer in response to this solicitation.
OHCA	=	Office of Health Care Assurance
Procurement Officer	=	The contracting officer for the State of Hawaii, Department of Health, Office of Health Care Assurance
RFP	=	Request for Proposals
State	=	State of Hawaii, including each department and political subdivision

1.02 Introduction

The Hawaii State Department of Health (DOH), Office of Health Care Assurance (OHCA) is soliciting proposals to conduct initial certification and recertification surveys of Medicare-eligible health care facilities in the State of Hawaii in accordance with policies and procedures issued by U.S. Centers for Medicare & Medicaid Services (CMS) and specified in CMS's State Operations Manual and its Appendices.

Proposals shall be mailed and postmarked by the United State Postal Service on or before the close of business on **Friday, March 20, 2020, or hand delivered no later than 4:00 p.m., Hawaii Standard Time (HST), to Office of Health Care Assurance at 601 Kamokila Boulevard, Room 337; Kapolei, Hawaii 96707.** Proposals postmarked or hand delivered after the submittal deadline shall be considered late and rejected. There are no exceptions to this requirement.

Potential Offerors shall submit questions in writing via mail or e-mail:

Office of Health Care Assurance
Attn: Keith Ridley
601 Kamokila Boulevard, Room 337
Kapolei, Hawaii 96707

or E-mail to: keith.ridley@doh.hawaii.gov

The written questions shall reference the RFP section, page and paragraph number in the format provided in **Attachment 5, Offeror Questions**. Offerors must submit written questions on the proposal by 4:00 p.m. (H.S.T.) on the date identified in **Section 1.04, RFP Schedule and Significant Dates**. The DOH shall respond to the written questions no later than the date identified in the Section 1.04. No verbal responses shall be considered as official.

Inquiries regarding this RFP should be directed to Keith R. Ridley, Chief, Office of Health Care Assurance.

1.03 Cancellation

The RFP may be cancelled and any or all proposals rejected in whole or in part, without liability, when it is determined to be in the best interest of the State.

1.04 RFP Schedule and Significant Dates

The schedule set out herein represents OHCA's best estimate of the schedule that will be followed. All times indicated in this RFP are Hawaii Standard Time (HST). If a component of this schedule, such as "Proposal Due" date is delayed, the rest of the schedule may be shifted by the same number of days. The approximate schedule is as follows:

Solicitation Posting Date of Request for Proposals	February 20, 2020
Deadline to Submit Written Questions	March 3, 2020. 4:00 p.m.
State's Response to Written Questions	March 10, 2020
PROPOSALS DUE	FRIDAY, MARCH 20, 2020
Proposals Opened and Evaluated	March 30, 2020
Discussion with Offerors (optional by State)	April 1, 2020
Best and Final Offer (optional by State)	April 2, 2020
Estimated Contract Award	April 3, 2020
Contract Start Date	July 1, 2020 or upon execution of the Contract

SECTION 2 BACKGROUND AND SCOPE OF WORK

2.01 Project Overview and History

The Office of Health Care Assurance (OHCA), is a regulatory agency of the State of Hawaii and conducts onsite licensing inspections of all health care facilities and organizations throughout the State of Hawaii and conducts similar onsite certification and recertification inspections on behalf of the U.S. Centers for Medicare & Medicaid Services (CMS) to ensure the care being provided is performed in accordance with state and federal law.

These facilities and organizations include hospitals, nursing homes, ambulatory surgical centers, adult residential care homes, assisted living facilities, clinical laboratories, dialysis centers, hospices, home health agencies, adult day health programs, home care programs, and others.

OHCA has contracted services of recertification surveys of End-Stage Renal Disease facilities (ESRD Contract) in accordance with policies and procedures provided in CMS's State Operations Manual (SOM), Appendix H – Guidance to Surveyors: End-Stage Renal Disease Facilities. This ESRD Contract will end on June 30, 2020; OHCA intends to enter into a new Contract in accordance with this RFP for initial certification and recertification surveys of health care facilities pursuant to Section 2.02.

2.02 Scope of Work

The Contractor shall have a minimum of five (5) years of experience conducting federal certification and recertification surveys and complaint investigations of Medicare-eligible health care facilities or organizations (health care facilities) that shall include, but are not limited to hospitals, skilled nursing facilities, ambulatory surgical centers, end-stage renal disease (ESRD) facilities, hospices, and home health agencies in the State of Hawaii in accordance with instructions, policies, and procedures issued by CMS and specified in CMS's SOM and its Appendices.

The Contractor shall:

- a. Conduct federal certification and recertification surveys, follow-up revisit surveys, and complaint investigations at Medicare-eligible health care facilities as requested by OHCA in accordance with established federal regulations and standards and submit written reports on a timely basis. Initial certification and recertification surveys include health care surveys, life safety code (LSC) surveys and emergency preparedness surveys.
- b. Conduct on-site surveys of the health care facilities as requested by OHCA and shall be subject to OHCA's approval and to allotment and availability of federal and/or state funds.
- c. Staff must meet qualification standards approved by CMS to conduct such surveys. Surveyor training courses, life safety code courses and emergency

preparedness courses are provided by CMS. Surveyors shall possess experience that demonstrates their competence to conduct such surveys.

- d. Conduct supplemental surveys when CMS condition-level deficiencies are cited.
- e. Submit proposed travel and survey dates to the DOH OHCA for approval prior to the commencement of certification and recertification surveys.
- f. Make all travel arrangements that shall include, but are not limited to the following:
 - i. Air transportation using airfare which shall be the lowest economy class;
 - ii. Lodging accommodations; and
 - iii. Ground transportation or car rental which shall be a reasonable class to accommodate the survey team members.
 - iv. Any upgrades and costs for airfare, hotel, and care rental for anyone other than the survey team members shall be the responsibility of the Contractor.
- g. Submit in writing to the DOH OHCA, if applicable, subcontracts with other agencies for services under this Contract, prior to the service being provided, for review for staff qualifications, appropriateness and relevancy. The Contractor shall ensure that all subcontractors comply with the requirements of the Contract. Upon the request of the DOH OHCA, the Contractor shall submit documentation of the subcontractor's compliance with the requirements of the Contract.
- h. Provide timely and accurate documentation to the DOH OHCA in a format approved by the DOH OHCA. The documentation shall include, but not be limited to, inspection reports, notes and other documentation as requested by DOH OHCA.
- i. Maintain financial and personnel records and files and make them available to OHCA for inspection and/or copying.
- j. As applicable, provide services within contracted time limits, or if no time limits are specified, within a reasonable time as well as on holidays, weekends and evenings.
- k. Defer to the DOH OHCA decisions when disagreement between the contractor's staff and the DOH's staff arises in regard to the performance of service activities within contracted specification. Failure on the part of the Contractor to comply shall be deemed cause for corrective action and subject to contractual remedies.
- l. Upon completion of each survey, submit to the health care facility any required form(s) in accordance with CMS State Operations Manual and the accepted plan of correction when applicable within ten (10) calendar days of survey exit, and inform the DOH OHCA at the time of submission of the Form(s) to the facility. Contractor shall review the plan of correction for acceptance and shall inform DOH OHCA of acceptance and receipt of the accepted plan of correction.

Contractor shall use DOH OHCA template letters or forms when transmitting any correspondence to the health care facilities, and Contractor shall request such templates from DOH OHCA prior to corresponding with health care facilities.

- m. Submit invoices for cost reimbursement in accordance with the Compensation and Payment Schedule when contract is awarded. Expenditure report(s), in a format to be provided by the DOH OHCA, shall be submitted and include, but limited to the followings:

- i. Time and effort reports by survey: these shall include each facility name(s), surveyor name(s) and hours for pre-survey preparation, survey and post survey activities by surveyor;
- ii. Meal reimbursements for survey travels may be requested and included in the invoices;

Meal allowance rate is \$40.00 per day. In the case of travel time involving a fraction of a day, the allowable claim shall be in terms of quarter-day periods, with the quarter day periods measured from midnight. In computing the amount of meal allowance, the official travel time shall begin one (1) hour before the scheduled flight departure time and shall end upon the surveyor's return to his or her home airport.

Time		Departure Day	Returned Day
12:01 am	to 6:00 am	1 day	0.25
6:01 am	to 12:00 pm	0.75	0.50
12:01 pm	to 6:00 pm	0.50	0.75
6:01 pm	to 12:00 am	0.25	1 day

Example:

A round trip from Honolulu to Hilo.

Depart on 8/15/18 at 6:36 am and return on 8/18/18 at 10:45 am

Computation of meal allowance:

Dept. Day	Full Days	Return Day	Total Days	Rate	Total
0.75	2	0.50	3.25	\$40.00	\$130.00

- iii. Receipts and calculation for travel and cost reimbursement, as applicable by facility and surveyor, shall include airfare, baggage fees, car rental fees, gas, and lodging expenses;
 - iv. Other applicable cost reimbursements shall be submitted upon approval by DOH OHCA.
- n. Provide any other information or data relating to the provision of services as requested by the DOH OHCA which include, but is not limited to:
- i. Form CMS 670 Survey Team Composition and Workload Report;
 - ii. Form CMS 3427 ESRD Application and Survey and Certification Report;
- and

- iii. Fiscal Year 2018 ESRD Core Survey Data Worksheet or worksheet approved by DOH OHCA.
- iv. Other documents as required by DOH OHCA for health care facilities other than ESRD.

2.03 Hawaii Department of Health, Office of Health Care Assurance Responsibilities

- a. Approve timely the Contractor's proposed survey and travel dates;
- b. Provide timely the DOH OHCA template letters or other template forms as needed;
- c. Provide timely reimbursement to Contractor upon satisfaction of the conditions of the contract and following timely receipt of invoices submitted by Contractor; and
- d. Be primarily responsible to CMS for the survey and certification work under the 1864 Agreement.

SECTION 3 PROPOSAL FORMAT AND CONTENT

3.01 Introduction

One of the objectives of this RFP is to make proposals preparation easy and efficient, while giving Offerors ample opportunity to highlight their proposals. The evaluation process must also be manageable and effective. When an Offeror submits a proposal, it shall be considered a complete plan for accomplishing the tasks described in this RFP and any supplemental tasks the Offeror has identified as necessary to successfully complete the obligations outlined in this RFP.

The proposal shall describe in detail the Offeror's ability and availability of services to meet the goals and objectives of this RFP as stated in **Section 2.02, Scope of Work**.

Proposals must:

1. Include a transmittal letter to confirm that the Offeror shall comply with the requirements, provisions, terms, and conditions specified in this RFP.
2. Include signed Offer Form OF-1 with the complete name and address of Offeror's firm and the name, mailing address, telephone number, and fax number of the person the State should contact regarding the Offeror's proposal.
3. If subcontractor(s) will be used, append a statement to the transmittal letter from each subcontractor, signed by an individual authorized to legally bind the subcontractor and stating:
 - a. The general scope of work to be performed by the subcontractor;
 - b. The subcontractor's willingness to perform for the contractor the work indicated in the subcontract.
4. Provide all of the information requested in this RFP in the order specified.
5. Be organized into sections, following the exact format using all titles, subtitles, and numbering, with tabs separating each section described below. Each section must be addressed individually and pages must be numbered.
 - a. Transmittal Letter. See Attachment 1, Offer Form OF-1.
 - b. Experience and Capabilities. See Section 3.02.
 - c. Proposal. See Section 3.03.
 - d. Pricing. See Attachment 2, Offer Form OF-2.
 - e. Exceptions. See Section 3.05.

3.02 Experience and Capabilities

1. Provide a complete, related and current client listing.
2. Indicate the number of years Offeror has been in business and the number of years Offeror has performed services specified by this RFP.
3. Include a list of key personnel and associated resumes for those who will be dedicated to this project.
4. Offeror shall include a list of at least three (3) references from the Offeror's client listing that may be contacted by the State as to the Offeror's past and current job performance. Offeror shall provide names, titles, organizations, telephone numbers, email and postal addresses.
5. Provide a summary listing of judgments or pending lawsuits or actions against, adverse contract actions, including termination(s), suspension, imposition of penalties, or other actions relating to failure to perform or deficiencies in fulfilling contractual obligations against your firm. If none, so state.
6. Provide sample projects similar to those described in this RFP and/or examples of written plans.

3.03 Proposal, Strategy and Projected Timetable

Offeror shall submit a proposal that includes an overall strategy, timeline and plan for the work proposed as well as expected results and possible shortfalls.

3.04 Pricing

Refer to Attachment 2, for Offer Form OF-2.

3.05 Exceptions

Offeror shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Offeror shall reference the RFP section where exception is taken, a description of the exception taken, and the proposed alternative, if any.

SECTION 4 EVALUATION CRITERIA AND CONTRACTOR SELECTION

4.01 Introduction

The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objective of the evaluation.

4.02 Evaluation Process

The DOH shall establish an evaluation committee to evaluate the proposal. The committee shall consist of members who are familiar with the programs and the minimum standards or criteria for the particular area.

Additionally, the DOH may, at its discretion, designate additional representatives to assist in the evaluation process. The committee shall evaluate the proposal and document their comments, concerns and questions.

The evaluation will be conducted in three phases as follows:

- Phase 1 – Evaluation of Proposal Requirements
- Phase 2 – Evaluation of Proposal Application
- Phase 3 – Recommendation for Award

Evaluation Categories and Thresholds

Evaluation Categories	Possible Points
Cost of services	40 Points
Knowledge and Proficiency, Experience, Certification, and Training, and References	45 Points
Sample projects and/or examples of written plans, organizational charts, operational support, contact trees, etc.	5 Points
Project proposal	10 Points
Total Possible Points	100 Points

4.03 Evaluation Criteria

A. Phase 1 – Evaluation of Proposal Requirements:

Each proposal shall be evaluated to determine whether the requirements as specified in this RFP have been met.

B. Phase 2 – Evaluation of Proposal Application

The award will be made to the responsible Offeror whose proposal is determined to be the most advantageous to the State based on the evaluation criteria listed in this section and the evaluation categories and points pursuant to Section 4.02.

The total number of points used to score this contract is 100.

1) Cost of Services (maximum 40 points)

Complete all survey and certification activities within the annual funding. The cost of services shall not exceed \$150,000 per year.

The formula to determine the cost of services score is as follows:

- a. Lowest offer: $\text{Lowest price} \times 40 \div \text{Lowest price} = 40$ points
- b. 2nd lowest offer: $\text{Lowest price} \times 40 \div 2^{\text{nd}} \text{ lowest price} = 30$ points
- c. 3rd lowest offer: $\text{Lowest price} \times 40 \div 3^{\text{rd}} \text{ lowest price} = 20$ points
- d. Etc.

2) Knowledge and Proficiency, Experience, Certification and Training, and References (maximum 45 points)

- a. Knowledge and Proficiency with initial certification, recertification and follow-up revisit surveys of Medicare-eligible health care facilities: (maximum 10 points)

Provide resume and work history detailing knowledge and proficiency as a surveyor of the Medicare-eligible health care facilities. Points will be awarded based on a cumulative assessment of knowledge and proficiency.

- b. Experience in conducting the Medicare-eligible health care facilities surveys: (maximum 10 points)

- 1. Zero up to three years (3 points)
- 2. Three up to five years (5 points)
- 3. Five or more years (10 points)

- c. Certification and Specialized Training: (maximum 20 points)

- 1. Certification: (10 points)

CMS Survey Minimum Qualification Test (SMQT) certification; and

- 2. Specialized Training: (10 points):
CMS certification or written confirmation of successful completion of CMS surveyor training coursework. Training shall be satisfactorily completed prior to performing any survey activities under this

contract. These trainings are offered at various times and in various states across the continental United States.

d. Professional References: (maximum 5 points)

1. One to two references (2 points)
2. Three or more references (5 points)

3) Sample projects and/or examples of written plans, organizational charts, operational support, contact trees, etc. (maximum 5 points)

4) Project proposal (maximum 10 points)

a. Methodology

b. Responsiveness to survey expectations:

1. Ability to complete survey and certification activity within the allocated funding
2. Flexibility in adjusting to changes in survey scheduling with short notice
3. Efficiency in completing survey activity and related reports and correspondence
4. Effectiveness in working cooperatively with providers, suppliers, staff, and other agencies as required

c. Expected results

d. Possible shortfalls

C. Phase 3 – Recommendation for Award

Upon selection of the offeror that will be awarded a contract, the DOH shall initiate the contracting process. The offeror shall be notified in writing that the RFP proposal has been accepted and that the DOH intends to award a contract to the offeror. The RFP shall become part of the contract. This letter shall serve as notification that the offeror should begin to develop its programs, materials, policies and procedures for the programs. The award shall be offered as required in **Section 5.28, Award**.

SECTION 5 SPECIAL PROVISIONS

5.01 Scope

Contractor shall, in a proper and satisfactory manner as determined by the State, provide all the goods or services, or both, described in this RFP including the special provisions in this section, the Scope of Work specified herein, and the General Conditions (GC), included by reference and available at the Office of Health Care Assurance, 601 Kamokila Boulevard, Room 337; Kapolei, HI 96707

5.02 Responsibility of Offerors

Offeror is advised that if awarded a contract under this solicitation. Offeror shall, upon award of the contract, furnish proof of compliance with the requirements of §103D-310(c), HRS and §3-122-112, HAR:

1. Chapter 237, tax clearance;
2. Chapter 383, unemployment insurance;
3. Chapter 386, workers' compensation;
4. Chapter 392, temporary disability insurance;
5. Chapter 393, prepaid health care; and
6. Chapter 103D-310(c), Certificate of Good Standing (COGS) for entities doing business in the State.

Refer to the Award of Contract provision herein for instructions on furnishing the documents that are acceptable to the State as proof of compliance with the above-mentioned requirements.

5.03 Offeror Qualifications

Offeror shall meet all of the qualifications required by this RFP. Failure to meet the qualifications as specified in **Section 3.02, Experience and Capabilities**, will likely have an adverse affect on Offeror's proposal evaluation.

5.04 Term of Contract

Successful Offeror shall be required to enter into a formal written contract to commence work on this project. The initial term of the contract shall begin on July 1, 2020 or upon execution of the Contract, whichever is later and end on June 30, 2021. Unless terminated, the Contract may be extended for up to five (5) twelve (12) month periods or any portion thereof without the necessity of re-bidding upon mutual agreement and execution of a contract modification.

When interest of the State, the State may terminate the contract or the extended contract at any time and for convenience by providing eight (8) weeks prior written notice to the contracted parties.

5.05 Contract Administrator

For the purposes of this contract, Keith R. Ridley, Chief, (808) 692-7227, or authorized representative, is designated as the Contract Administrator.

5.06 Overview of the RFP Process

- a. The RFP is issued pursuant to Subchapter 6 of HAR Chapter 3-122, implementing HRS Section 103D-303.
- b. The procurement process begins with the issuance of the RFP and the formal response to any written questions or inquiries regarding the RFP. Changes to the RFP will be made only by Addendum.
- c. Proposals shall not be opened publicly, but shall be opened in the presence of two (2) or more procurement officials. The register of proposals and Offerors' proposals shall be open to public inspection after posting of the award.

All proposals and other material submitted by Offerors become the property of the State and may be returned only at the State's option.

- d. The Procurement Officer or an evaluation committee shall evaluate the proposals in accordance with the evaluation criteria in Section 4. The proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable.
- e. Proposals may be accepted on evaluation without discussion. However, if deemed necessary, prior to entering into discussions, a "priority list" of responsible Offerors submitting acceptable and potentially acceptable proposals shall be generated. The priority list may be limited to a minimum of three responsible Offerors who submitted the highest-ranked proposals. The objective of these discussions is to clarify issues regarding the Offeror's proposal before the BAFO is tendered.
- f. If during discussions there is a need for any substantial clarification or change in the RFP, the RFP shall be amended by an addendum to incorporate such clarification or change. Addenda to the RFP shall be distributed only to priority listed Offerors who submit acceptable or potentially acceptable proposals.
- g. Following any discussions, Priority Listed Offerors will be invited to submit their BAFO, if required. The Procurement Officer or an evaluation committee reserves the right to have additional rounds of discussions with the top three (3) Priority Listed Offerors prior to the submission of the BAFO.
- h. The date and time for Offerors to submit their BAFO, if any, is indicated in **Section 1.04, RFP Schedule and Significant Dates**. If Offeror does not submit a

notice of withdrawal or a BAFO, the Offeror's immediate previous offer shall be construed as its BAFO.

- i. After receipt and evaluation of the BAFOs in accordance with the evaluation criteria in Section 4.03, the Procurement Officer or an evaluation committee will make its recommendation. The Procurement Officer will award the contract to the Offeror whose proposal is determined to be the most advantageous to the State taking into consideration price and the evaluation factors set forth in Section 4.
- j. The contents of any proposal shall not be disclosed during the review, evaluation, discussion, or negotiation process. Once award notice is posted, all proposals, successful and unsuccessful, become available for public inspection. Those sections that the Offeror and the State agree are confidential and/or proprietary should be identified on each page by the Offerors prior to submission of Offeror's proposal and shall be excluded from access.
- k. The Procurement Officer or an evaluation committee reserves the right to determine what is in the best interest of the State for purposes of reviewing and evaluating proposals submitted in response to the RFP. The Procurement Officer or an evaluation committee will conduct a comprehensive, fair and impartial evaluation of proposals received in response to the RFP.
- l. The RFP, any addenda issued, and the successful Offeror's proposal shall become a part of the contract. All proposals shall become the property of the State of Hawaii.

5.07 Confidential Information

If a person believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld as confidential, then the Procurement Officer named on the cover of this RFP should be so advised in writing and provided with justification to support the confidentiality claim.

An Offeror shall request in writing nondisclosure of designated trade secrets or other proprietary data considered confidential. Such data shall accompany the proposal, be clearly marked on each relevant page, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.

Pursuant to HAR Section 3-122-58, the head of the purchasing agency or designee shall consult with the Attorney General and make a written determination in accordance with HRS Chapter 92F. If the request for confidentiality is denied, such information shall be disclosed as public information, unless the person appeals the denial to the Office of Information Practices in accordance with HRS Section 92F-42(12).

5.08 Required Review

Offeror shall carefully review this solicitation for defects and questionable or objectionable matter. Comments concerning defects and questionable or objectionable matter **must be made in writing and must be received by the Department of Health, Office of Health Care Assurance, Medicare Section, prior to the deadline for written questions as stated in the RFP Schedule and Significant Dates, page 3.** This will allow issuance of any necessary corrections and/or amendments to the RFP. It will help prevent the opening of a defective solicitation and exposure of Offeror's proposal upon which award could not be made. Any exceptions taken to the terms, conditions, specifications, or other requirements listed herein, must be listed in the *Exceptions* section of the Offeror's proposal, if the exception is unresolved by the Proposal Due date.

5.09 Questions Prior to Opening of Proposals

All questions must be submitted in writing and directed to Keith R. Ridley, Office of Health Care Assurance, Room 337, Kapolei, Hawaii 96707, (808) 692-7227. The State will respond to written questions by the date indicated in **Section 1.04, RFP Schedule and Significant Dates**, or as amended.

5.10 Cancellation of RFP and Proposal Rejection

The State reserves the right to cancel this RFP and to reject any and all proposals in whole or in part when it is determined to be in the best interest of the State, pursuant to HAR Section 3-122-96 through 3-122-97.

5.11 Offer Acceptance Period

The State's acceptance of offer, if any, will be made within sixty (60) calendar days after the opening of proposals. Prices or commissions quotes by the Offeror shall remain firm for a sixty (60) day period.

5.12 Proposal as Part of the Contract

This RFP and all or part of the successful proposal may be incorporated into the contract.

5.13 Contract Modifications - Unanticipated Amendments

During the course of this contract, the Contractor may be required to perform additional work that will be within the general scope of the initial contract. When additional work is required, the Contract Administrator will provide the Contractor a written description of the additional work and request the Contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work.

Changes to the contract may be modified only by written document (contract modification) signed by an authorized signee on behalf of the Department of Health, Office of Health Care

Assurance, Medicare Section, and Contractor personnel authorized to sign contracts on behalf of the Contractor.

The Contractor will not commence additional work until a signed contract modification has been issued.

5.14 Protest

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto, provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers. Further provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award of the contract.

The notice of award, if any, resulting from this solicitation shall be posted on the State's Procurement Reporting System, which is available on the SPO website:

_____.

Any protest pursuant to §103D-701, HRS, and Section 3-126-3, HAR, shall be submitted in writing to the Procurement Officer, Department of Health, Office of Health Care Assurance at 601 Kamokila Boulevard, Room 337, Kapolei, Hawaii 96707.

5.15 Downloaded Solicitation

Offeror is advised that if interested in responding to this solicitation, Offeror may choose to submit its offer on a downloaded document from the Internet **provided** Offeror registers its company by fax or e-mail for this specific solicitation. If Offeror does not register its company, Offeror will not receive addenda, if any, and its offer may be rejected and not considered for award.

5.16 Governing Law: Cost of Litigation

The validity of this contract and any of its terms or provisions, as well as the rights and duties of the parties to this contract, shall be governed by the laws of the State of Hawaii. Any action at law or equity to enforce or interpret the provisions of this contract shall be brought in a state court or competent jurisdiction in Honolulu, Hawaii.

In case the State shall, without any fault on its part, be made a part to any litigation commenced by or against the Contractor in connection with this contract, the Contractor, shall pay all costs and expenses incurred by or imposed on the State, including attorneys' fees.

5.17 Submission of Proposal

The submission of a proposal shall constitute an incontrovertible representation by the Offeror of compliance with every requirement of the RFP, and that the RFP documents are sufficient in scope and detail to indicate and convey reasonable understanding of all terms and conditions of performance of the work.

Before submitting a proposal, each Offeror must:

1. Examine the solicitation documents thoroughly. Solicitation documents include this RFP, any attachments, plans referred to herein, and any other relevant documents;
2. Become familiar with State, local, and federal laws, statutes, ordinances, rules, and regulations that may in any manner affect cost, progress, or performance of the work.

Offers shall be submitted to the Department of Health, Office of Health Care Assurance, 601 Kamokila Boulevard, Room 337, Kapolei, Hawaii 96707, no later than the date and time stated in **Section 1.04, RFP Schedule and Significant Dates**, as amended. Timely receipt of offers shall be evidenced by the date and time registered by the Department of Health, Office of Health Care Assurance, time stamp clock. Offers received after the deadline shall be returned unopened.

If the Offeror chooses to deliver its offer by United States Postal Service (USPS), please be aware that the USPS does not deliver directly to the Department of Health, Office of Health Care Assurance, but to a central mailroom. This may cause a delay in receipt by the Department of Health, Office of Health Care Assurance, and the offer may reach the Department of Health, Office of Health Care Assurance, after the deadline, resulting in automatic rejection.

5.18 Proposal Preparation

- a. **Offer Form, page OF-1.** See Attachment 1. Proposals shall be submitted using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate spaces on Offer Form page OF-1. Failure to do so may delay proper execution of the contract.

The authorized signature on the first page of the Offer Form shall be an original signature in ink. If unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the Offeror's intent to be bound.

- b. **Offer Guaranty.** An offer guaranty is NOT required for this RFP.

- c. **Tax Liability.** Work to be performed under this solicitation is a business activity taxable under HRS Chapter 237, and if applicable, taxable under HRS Chapter 238. Vendors are advised that they are liable for the Hawaii General Excise Tax (GET) at the current 4% rate and the applicable use tax at the current 1/2% rate. If, however, an Offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.
- d. **Taxpayer Preference.** For evaluation purposes, pursuant to HRS §103D-1008, the Offeror's tax-exempt price offer submitted in response to an invitation for bids (IFB) shall be increased by the applicable retail rate of general excise tax and the applicable use tax. Under no circumstance shall the dollar amount of the award include the aforementioned adjustment.
- e. **Original Proposal and Copies to be Submitted.** Offeror shall submit one (1) original proposal marked "ORIGINAL" and three (3) **copies** of the original marked "COPY". It is imperative to note that the Offeror submit only one original and the required number of copies. DO NOT SUBMIT MORE THAN ONE ORIGINAL.

Offeror is encouraged to submit typewritten offers. If handwritten, it should be clearly printed. Offeror is cautioned that illegible offers of any item(s) may be automatically rejected to avoid any errors in interpretation by the reviewers during the evaluation process.
- f. **Costs for developing** the Proposal are solely the responsibility of the Offeror, whether or not any award results from this solicitation. The State of Hawaii will not reimburse such costs.
- g. All proposals become the property of the State of Hawaii.
- h. Copies of documents transmitted by Offerors via facsimile machines shall be limited to the modifications or withdrawal of an offer pursuant to HAR Sections 3-122-108 and 3-122-28, respectively.

5.19 Pricing

Pricing shall include labor, materials, supplies, transportation and travel, all applicable taxes, and any other costs incurred to provide the specified services, **except the GET, currently 4.712%, which may be added as a separate line item and shall not exceed the current rate.**

The pricing shall be the all-inclusive cost to the State and no other costs will be honored.

5.20 Economy of Presentation

Proposals shall be prepared in a straightforward and concise manner, in a format that is reasonably consistent and appropriate for the purpose. Emphasis will be on completeness and clarity and content. If any additional information is required by the State regarding any aspects of the Offeror's proposal, it shall be provided within four (4) business days.

5.21 Proposal Opening

Proposals will be opened at the date, time, and place specified in **Section 1.04, Schedule and Significant Dates**. Proposals shall not be opened publicly, but shall be opened in the presence of two or more procurement officials. The register of proposals and Offeror's proposals shall be open to public inspection after all parties sign the contract.

5.22 Evaluation of Proposals

The Procurement Officer, or an evaluation committee of at least three (3) qualified state employees selected by the Procurement Officer, shall evaluate proposals. The evaluation will be based solely on the evaluation criteria set out in Section 4 of this RFP.

Proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable. Discussion may be conducted with priority listed Offerors who submit proposals determined to be acceptable or potentially acceptable of being selected for award, but proposals may be accepted without such discussions. The objective of these discussions is to clarify issues regarding the Offeror's proposals before the best and final offer, if necessary.

If numerous acceptable and potentially acceptable proposals are submitted, the evaluation committee may rank the proposals and limit the priority list to three responsive, responsible offerors who submitted the highest-ranked proposals.

5.23 Discussion with Priority Listed Offerors

Priority listed offerors shall have a discussion with the evaluation committee to discuss their proposal to ensure thorough, mutual understanding. The State in its sole discretion shall schedule the time and location for these discussions, normally within the timeframe indicated in **Section 1.04**.

5.24 Cancellation of RFP and Proposal Rejection

The State reserves the right to cancel this RFP and to reject any and all proposals in whole or in part when it is determined to be in the best interest of the State, pursuant to HAR Section 3-122-96 through 3-122-97.

The State shall not be liable for any costs, expenses, loss of profits or damages whatsoever, incurred by the Offeror in the event this RFP is cancelled or a proposal is rejected.

5.25 Additional Terms and Conditions

The State reserves the right to add terms and conditions during the contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluation.

5.26 Contract Execution

Successful Offeror receiving award shall enter into a formal written contract. No performance or payment bond is required for this contract.

No work is to be undertaken by the Contractor prior to the commencement date. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

If an option to extend is mutually agreed upon, the Contractor shall be required to execute a supplement to the contract for the additional extension period. The Contractor or the State may terminate the extended contract at any time without cause upon eight (8) weeks prior written notice.

5.27 Payment

Contractor shall be compensated for goods supplied or services performed, or both, according to the Cost Reimbursement basis. Incremental payments shall be made to the awarded Contractor on a quarterly basis, upon receipt of reports that meet the expectations of the RFP. The receipt of quarterly reports shall be due based on the timeline submitted by the Contractor in the proposal, or as amended.

HRS Section 103-10, provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory completion of contract to make payment. For this reason, the State will reject any offer submitted with a condition requiring payment within a shorter period. Further, the State will reject any offer submitted with a condition requiring interest payments greater than that allowed by HRS §103-10, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with State statute.

5.28 Award

Method of Award. The award will be made to the responsive, responsible Offeror whose proposal is determined to be the most advantageous to the State based on the evaluation criteria.

Responsibility of Lowest Responsive Offeror. Reference HRS Chapter 103D-310(c). If compliance documents have not been submitted to the Department of Health, Office of Health Care Assurance, Medicare Section, prior to award, the lowest responsive offeror shall produce documents to the procurement officer to demonstrate compliance with this section.

HRS Chapter 237 tax clearance requirement for award. Instructions are as follows:

Pursuant to HRS §103D-328, lowest responsive Offeror shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS). The certificate shall have an original green certified copy stamp and shall be valid for six (6) months from the most recent approval stamp date on the certificate. It must be valid on the date it is received by the Department of Health, Office of Health Care Assurance, Medicare Section.

The tax clearance certificate shall be obtained on the State of Hawaii, DOTAX *TAX CLEARANCE APPLICATION* Form A-6 (Rev. 2003) which is available at the DOTAX and IRS offices in the State of Hawaii or the DOTAX website, and by mail or fax:

DOTAX Website (Forms & Information): http://www.hawaii.gov/tax/a1_1alphalist.htm

DOTAX Forms by Fax/Mail: (808) 587-7572
1-800-222-7572

Completed tax clearance applications may be mailed, faxed, or submitted in person to the Department of Taxation, Taxpayer Services Branch, to the address listed on the application. Facsimile numbers are:

DOTAX:	(808) 587-1488
IRS:	(808) 539-1573

The application for the clearance is the responsibility of the Offeror, and must be submitted directly to the DOTAX or IRS and not to the Department of Health, Office of Health Care Assurance, Medicare Section. However, the tax clearance certificate shall be submitted to the Department of Health, Office of Health Care Assurance, Medicare Section.

HRS Chapters 383 (Unemployment Insurance), 386 (Workers' Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) requirements for award.

Instructions are as follows:

Pursuant to HRS §103D-310(c), the lowest responsive Offeror shall be required to submit a certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue and

must be valid on the date it is received by the Department of Health, Office of Health Care Assurance, Medicare Section. A photocopy of the certificate is acceptable to the Department of Health, Office of Health Care Assurance, Medicare Section.

The certificate of compliance shall be obtained on the State of Hawaii, DLIR *APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH HAR SECTION 3-122-112*, Form LIR#27 which is available at <http://hawaii.gov/labor/formsall.shtml> or at the neighbor island DLIR District Offices. The DLIR will return the form to the Offeror who in turn shall submit it to the Department of Health, Office of Health Care Assurance, Medicare Section.

The application for the certificate is the responsibility of the Offeror, and must be submitted directly to the DLIR and not to the Department of Health, Office of Health Care Assurance, Medicare Section. However, the certificate shall be submitted to the Department of Health, Office of Health Care Assurance, Medicare Section.

Compliance with Section 103D-310(c), HRS, for an entity doing business in the State. The lowest responsive Offeror shall be required to submit a *CERTIFICATE OF GOOD STANDING* (Certificate) issued by the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division (BREG). The Certificate is valid for six months from date of issue and must be valid on the date it is received by the Department of Health, Office of Health Care Assurance. A photocopy of the certificate is acceptable to the Department of Health, Office of Health Care Assurance.

To obtain the Certificate, the Offeror must first be registered with the BREG. A sole proprietorship, however, is not required to register with the BREG, and therefore not required to submit the certificate.

On-line business registration and the Certificate are available on website of Department of Commerce and Consumer Affairs <http://cca.hawaii.gov/>

Final Payment Requirements. Contractor is required to submit a tax clearance certificate for final payment on the contract. A tax clearance certificate, not over two months old, with an original green certified copy stamp, must accompany the invoice for final payment on the contract.

In addition to the tax clearance certificate, an original “Certification of Compliance for Final Payment” (SPO Form-22), see Attachment 3.

Hawaii Compliance Express. Alternately, instead of separately applying for these paper certificates at the various state agencies, vendors may choose to use the Hawaii Compliance Express (HCE), which allows businesses to register online through a simple wizard interface at <http://vendors.ehawaii.gov> to acquire a “Certificate of Vendor Compliance” as proof of compliance with the requirements of HRS Chapter 103D-310(c), and shall be accepted for both contracting purposes and final payment. Vendors that elect to use the new HCE services will be required to pay an annual fee. Vendors

choosing not to participate in the HCE program will be required to provide the paper certificates as instructed in the prior sections.

Liability Insurance Requirements. The Contractor shall maintain insurance acceptable to the DOH in full force and effect throughout the term of this contract, until the DOH certifies that the Contractor's work has been completed satisfactorily. Prior to or upon execution of the contract, the Contractor shall provide to the DOH certificate(s) of insurance dated within thirty (30) days of the effective date of the contract. Upon request by the DOH, Contractor shall furnish a copy of the certificate(s) of insurance, the policy(ies) or endorsement(s) necessary for DOH to verify the coverages required under the contract.

Timely Submission of all Certificates. The above certificates should be applied for and submitted to the Department of Health, Office of Health Care Assurance as soon as possible. If a valid certificate is not submitted on a timely basis for award of a contract, an offerer otherwise responsive and responsible may not receive the award.

The Contractor shall immediately provide written notice to the contracting department or agency should any of the insurance policies evidenced on its certificate of insurance forms be cancelled, limited in scope, or not renewed upon expiration.

If the scheduled expiration date of the insurance policy is earlier than the expiration date of the time of performance under this Contract, the Contractor, upon renewal of the policy, shall promptly cause to be provided to the STATE an updated certificate of insurance.

5.29 Subcontracting

No work or services shall be subcontracted or assigned without the prior written approval of the State. No subcontract shall under any circumstances relieve the Contractor of his/her obligations and liability under this contract with the State. All persons engaged in performing the work covered by the contract shall be considered employees of the Contractor.

5.30 Contract Invalidation

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

5.31 Non-Discrimination

The Contractor shall comply with all applicable federal and State laws prohibiting discrimination against any person on the grounds of race, color, national origin, religion, creed, sex, age, sexual orientation, marital status, handicap, or arrest and court records in employment and any condition of employment with the Contractor or in participation in the benefits of any program or activity funded in whole or in part by the State.

5.32 Conflicts of Interest

The Contractor represents that neither the Contractor, nor any employee or agent of the Contractor, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the Contractor's performance of this contract.

5.33 Waiver

The failure of the State to insist upon the strict compliance with any term, provision or condition of this contract shall not constitute or be deemed to constitute a waiver or relinquishment of the State's right to enforce the same in accordance with this contract.

5.34 Severability

In the event that any provision of this contract is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this contract.

5.35 Campaign Contributions by State and County Contractors

Contractors are hereby notified of the applicability of Section 11-355, HRS, which states that campaign contributions are prohibited from specified State or county government contractors during the term of the contract if the contractors are paid with funds appropriated by a legislative body.

5.36 Additions, Amendments and Clarifications

Approvals. Any agreement arising out of this offer may be subject to the approval of the Department of the Attorney General as to form, and is subject to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

Cancellation of Solicitations and Rejection of Offers. The solicitation may be cancelled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in HAR §§3-122-95 through 3-122-97.

Confidentiality of Material. All material given to or made available to the Contractor by virtue of this contract, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.

All information, data, or other material provided by the Offeror or the Contractor to the State shall be subject to the Uniform Information Practices Act, HRS chapter 92F. The Offeror shall designate in writing to the Procurement Officer those portions of its unpriced offer or any subsequent submittal that are trade secrets or other proprietary data that the Offeror desires to remain confidential, subject to HAR §3-122-58, in the case of an RFP, or HAR §3-122-30, in the case of an IFB. The Offeror shall state in its written communication to the Procurement Officer, the reason(s) for designating the material as confidential, for example, trade secrets. The Offeror shall submit the material designated as confidential in such manner that the material is readily separable from the offer in order to facilitate inspection of the non-confidential portion of the offer.

Price is not confidential and will not be withheld. In addition, in the case of an IFB, makes and models, catalogue numbers of items offered, deliveries, and terms of payment shall be publicly available at the time of opening regardless of any designation to the contrary.

If a request is made to inspect the confidential material, the inspection shall be subject to written determination by the Department of the Attorney General in accordance with HRS chapter 92F. If it is determined that the material designated as confidential is subject to disclosure, the material shall be open to public inspection, unless the Offeror protests under HAR chapter 3-126. If the request to inspect the confidential material is denied, the decision may be appealed to the Office of Information Practices in accordance with HRS §92F-15.5.

Nondiscrimination. No person performing work under this Agreement, including any subcontractor, employee, or agency of the Contractor, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

Records Retention. The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.

Competency of Offeror. Prospective Offeror must be capable of performing the work for which offers are being called. Either before or after the deadline for an offer, the purchasing agency may require Offeror to submit answers to questions regarding facilities, equipment, experience, personnel, financial status or any other factors relating to the ability of the Offeror to furnish satisfactorily the goods or services being solicited by the STATE. Any such inquiries shall be made and replied to in writing; replies shall be submitted over the signatures of the person who signs the offer. Any Offeror who refuses to answer such inquiries will be considered non-responsive.

Preparation of Offer. An Offeror may submit only one offer in response to a solicitation. If an Offeror submits more than one offer in response to a solicitation, then all such offers shall be rejected. Similarly, an Offeror may submit only one offer for each line item (if any) of a solicitation. If an Offeror submits more than one offer per line item, then all offers for that line item shall be rejected.

Preference for Hawaii Products. A purchasing agency shall review all specifications in a bid or proposal for purchase from the Hawaii products (HP) list where these products are available; provided that the products: Meet the minimum specifications and the selling price Free On Board (FOB) jobsite; unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price in Hawaii FOB jobsite; and unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price of a similar non-HP by more than: three per cent where class I HP are involved; five per cent where class II HP are involved; or ten per cent where class III HP are involved.

All persons submitting bids or proposals to claim HP preference shall designate in their bids which individual product and its price is to be supplied as a HP.

Where a bid or proposal contains both Hawaii and non-HP, then for the purpose of selecting the lowest bid or purchase price only, the price bid or offered for a HP item shall be decreased by subtracting there from: three per cent, five per cent, or ten per cent for the class I, class II, or class III HP items bid or offered, respectively. The lowest total bid or proposal, taking the preference into consideration, shall be awarded the contract unless the bid or offer provides for additional award criteria. The contract amount of any contract awarded, however, shall be the amount of the bid or price offered, exclusive of the preferences.

Printing Preference: All bids or proposals submitted for a printing, binding, or stationery contract in which all work will be performed in-state, including all preparatory work, presswork, bindery work, and any other production-related work shall receive a fifteen per cent preference for purposes of bid or proposal evaluation.

Where bids or proposals are for work performed in-state and out-of-state, then for the purpose of selecting the lowest bid or evaluating proposals submitted, the amount bid or proposed for work performed out-of-state shall be increased by fifteen per cent. The lowest total offer, taking the preference into consideration, shall be awarded the contract unless the solicitation provides for additional award criteria. The contract amount awarded, however, shall be the amount of the price offered, exclusive of the preference.

SECTION 6 ATTACHMENTS

Attachment 1:	Offer Form, OF-1
Attachment 2:	Offer Form, OF-2
Attachment 3:	Certificate of Compliance for Final Payment
Attachment 4:	General Conditions
Attachment 5:	Offeror Questions