

STATE OF SOUTH DAKOTA
OFFICE OF PROCUREMENT MANAGEMENT
523 EAST CAPITOL AVENUE
PIERRE, SOUTH DAKOTA 57501-3182

State of South Dakota Flexible Benefits Plans: Vision, Short-Term Disability Income Protection, Long Term Disability, Voluntary Accident (Major Injury Protection), Hospital Indemnity, Basic and Supplemental Life Insurance/Accidental Death and Dismemberment

PROPOSALS ARE DUE NO LATER THAN February 16, 2023 5:00 P.M. CST

RFP #: 22RFP8307

BUYER: State of South
Dakota, Bureau of Human
Resources
Judy Stulken

EMAIL:
Judy.Stulken@state.sd.us

READ CAREFULLY

FIRM NAME: _____ AUTHORIZED SIGNATURE: _____

ADDRESS: _____ TYPE OR PRINT NAME: _____

CITY/STATE: _____ TELEPHONE NO: _____

ZIP (9 DIGIT): _____ FAX NO: _____

FEDERAL TAX ID#: _____ E-MAIL: _____

PRIMARY CONTACT INFORMATION

CONTACT NAME: _____ TELEPHONE NO: _____

FAX NO: _____ E-MAIL: _____

Note: Interested bidders must fill-in all information above and a representative of the bidder who is authorized to bind the bidder must sign it in ink.

1.0 GENERAL INFORMATION

1.1 PURPOSE OF REQUEST FOR PROPOSAL (RFP)

The South Dakota State Employee Benefits Program offers voluntary Flexible Benefit Plans. Flexible benefits include vision, short-term disability income protection, voluntary accident (major injury protection), supplemental life and accidental death and dismemberment ("AD&D"), and hospital indemnity. Basic Life and AD&D is offered on an employer-paid basis. This RFP is being issued for flexible benefits and employer-paid basic life insurance and AD&D plans as part of a standard process for ensuring the plans provide members appropriate coverage at competitive rates with efficient and responsive customer service. In addition, the State of South Dakota is seeking proposals for long term disability, voluntary critical illness and identity theft restoration services. Offerors are encouraged to submit alternative plans for consideration based on current industry trends or offeror-specific capabilities

1.2 ISSUING OFFICE AND RFP REFERENCE NUMBER

The Bureau of Human Resources ("BHR") is the issuing office for this document and all subsequent addenda relating to it, on behalf of the State of South Dakota (the "State"). The reference number for the transaction is RFP #22RFP8307. This number must be referred to on all proposals, correspondence, and documentation relating to the RFP.

1.3 LETTER OF INTENT

Any interested offerors must submit a Letter of Intent and a completed Offeror Privacy and Security Agreement by email prior to receiving Flexible Benefit Plan census data as described in Section 3.0 Scope of Work. **Attachment A** is an Offeror Privacy and Security Agreement. The offeror needs to complete the Offeror Privacy and Security Agreement.

The Letter of Intent and completed Offeror Privacy and Security Agreement must be submitted via email to judy.stulken@state.sd.us no later than January 6, 2023. Please place the following in the subject line of your email: "CarrierName - Letter of Intent for RFP #22RFP8307. The original hard copy of the completed Offeror Privacy and Security Agreement must be sent to: Judy Stulken, Director of Employee Benefits State of South Dakota Bureau of Human Resources, 500 East Capitol Avenue, Pierre, SD 57501-5070

The Letter of Intent must indicate the plan(s) for which the offeror will submit a proposal: Vision, Short-Term Disability, Long Term Disability, Basic Life/AD&D, Supplemental Life/AD&D, Accident (Major Injury Protection), Hospital Indemnity, voluntary critical illness and identity theft restoration services.

Upon receipt of the Letter of Intent and completed Offeror Privacy and Security Agreement, the State will send the census information applicable to each plan which the offeror will submit a proposal, to the offeror by secure email electronically.

1.4 SCHEDULE OF ACTIVITIES (SUBJECT TO CHANGE)

Description	Due Date
• RFP Publication	12/29/22
• Letter of Intent and Completed Offeror Privacy and Security Agreement Due	1/6/23
• Deadline for Submission of Written Inquiries	1/13/23
• Responses to Offeror Questions	1/25/23 2/2/23
• RFP Proposals Due	2/1/23 2/16/23
• Oral Presentations/discussions (if required)	2/13/23 2/28/23
• Anticipated Award Decision/Contract Negotiation	2/28/23 3/15/23

1.5 SUBMITTING YOUR PROPOSAL

All proposals must be completed and received by the Bureau of Human Resources office by the date and time indicated in the Schedule of Activities.

Proposals received after the deadline will be late and ineligible for consideration.

The offeror must provide one (1) copy of their entire proposal, including all attachments, in Microsoft Word, EXCEL or PDF electronic format by email and three (3) hard copies including all attachments. Signed Proposals along with any attachments must be submitted to the Bureau of Human Resources to email address: judy.stulken@state.sd.us by the date and time indicated in the Schedule of Activities. Hard copies of the proposal along with any attachments must be sent to the following address:

Request for Proposal #22RFP8307
Judy Stulken, Director of Employee Benefits
South Dakota Bureau of Human Resources
500 East Capitol Avenue
Pierre, SD 57501-5070

All proposals must be signed, in ink, by an officer of the responder, legally authorized to bind the responder to the proposal. Proposals that are not properly signed may be rejected. The email subject line must include the appropriate RFP Number and Title.

No proposal shall be accepted from, or no contract or purchase order shall be awarded to any person, firm or corporation that is in arrears upon any obligations to the State of South Dakota, or that otherwise may be deemed irresponsible or unreliable by the State of South Dakota. The Bureau of Human Resources may request an offeror's best and final offer.

1.6 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

By signing and submitting this proposal, the offeror certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, or declared ineligible from participating in transactions by the federal government or any state or local government department or agency. Offeror further agrees that it will immediately notify the State if during the RFP process the offeror or its principals become subject to debarment, suspension or ineligibility from participating in transactions by the federal government, or by any state or local government department or agency.

1.7 NON-DISCRIMINATION STATEMENT

The State of South Dakota requires that all contractors, vendors, and suppliers doing business with any State agency, department, or institution, provide a statement of non-discrimination. By signing and submitting their proposal, the offeror certifies they do not discriminate in their employment practices with regard to race, color, religion, age, sex, national origin or disability.

1.8 RESTRICTION OF BOYCOTT OF ISRAEL

For contractors, vendors, suppliers, or subcontractors with five (5) or more employees who enter into a contract with the State of South Dakota that involves the expenditure of one hundred thousand dollars (\$100,000) or more, by submitting a response to this solicitation or agreeing to contract with the State, the bidder or offeror certifies and agrees that the following information is correct:

The bidder or offeror, in preparing its response or offer or in considering proposals submitted from qualified, potential vendors, suppliers, and subcontractors, or in the solicitation, selection, or commercial treatment of any vendor, supplier, or subcontractor, has not refused to transact business activities, has not terminated business activities, and has not taken other similar actions intended to limit its commercial relations, related to the subject matter of the bid or offer, with a person or entity on the basis of Israeli national origin, or residence or incorporation in Israel or its territories, with the specific intent to accomplish a boycott or divestment of Israel in a discriminatory manner. It is understood and agreed that, if this certification is false, such false certification will constitute grounds for the State to reject the bid or response submitted by the bidder or offeror on this project and terminate any contract awarded based on the bid or response. The successful bidder or offeror further agrees to provide immediate written notice to the contracting executive branch agency if during the term of the contract it no longer complies with this certification and agrees such noncompliance may be grounds for contract termination.

1.9 MODIFICATION OR WITHDRAWAL OF PROPOSALS

Proposals may be modified or withdrawn by the offeror prior to the established due date and time.

No oral, telephonic, telegraphic or facsimile responses or modifications to informal, formal bids, or Request for Proposals will be considered.

1.10 OFFEROR INQUIRIES

Offerors may make email inquiries concerning this RFP to obtain clarification of requirements. No inquiries will be accepted after the date and time indicated in the Schedule of Activities. Email inquiries must be sent to Director of Benefits, Judy Stulken at Judy.Stulken@state.sd.us with the subject line "RFP #22RFP8307". The Bureau of Human Resources prefers to respond to offeror's inquiries (if required) via email. In addition, all inquiries and the State's response will be posted on the state's e-procurement system. Offerors may not rely on any other statements, either of a written or oral nature, that alter any specification or other term or condition of this RFP. Offerors will be notified in the same manner as indicated above regarding any modifications to this RFP.

1.11 PROPRIETARY INFORMATION

The proposal of the successful offeror(s) becomes public information. Proprietary information can be protected under limited circumstances such as client lists and non-public financial statements. Pricing and service elements are not considered proprietary. An entire proposal may not be marked as proprietary. Offerors must clearly identify in the Executive Summary and mark in the body of the proposal any specific proprietary information they are requesting to be protected. The Executive Summary must contain specific justification explaining why the information is to be protected. Proposals may be reviewed and evaluated by any person at the discretion of the State. All materials submitted become the property of the State of South Dakota and may be returned only at the State's option.

1.12 LENGTH OF CONTRACT

The State is requesting proposals for a period of three (3) years effective July 1, 2023 through June 30, 2026, with the option to renew for two (2) additional one (1) year periods as mutually agreed upon by all parties.

1.13 GOVERNING LAW

Venue for any and all legal action regarding or arising out of the transaction covered herein shall

be solely in Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota. The laws of South Dakota shall govern this transaction.

1.14 DISCUSSIONS WITH OFFERORS (ORAL PRESENTATIONS/NEGOTIATIONS)

An oral presentation by an offeror to clarify a proposal may be required at the sole discretion of the State. However, the State may award a contract based on the initial proposals received without discussion with the Offeror. If oral presentations are required, they will be scheduled after the submission of proposals. Oral presentations will be made at the offeror's expense.

This process is a Request for Proposal and Competitive Negotiation process. Each Proposal will be evaluated, and each offeror must be available for negotiation meetings at the State's request. The State reserves the right to negotiate on any component of every proposal submitted. From the time the proposals are submitted until the formal award of a contract, each proposal is considered a working document and as such, will be kept confidential. The negotiation discussions will also be held as confidential until such time as the award is completed.

2.0 STANDARD CONTRACT TERMS AND CONDITIONS

Any contract or agreement resulting from this RFP will include the State's standard terms and conditions as listed below, along with any additional terms and conditions as negotiated by the parties. Some of the terms listed below may or may not be applicable depending on the vendor chosen and services to be provided determined during the contract negotiation phase.

2.1 SCOPE OF WORK: The Contractor will perform those services described in the Scope of Work, attached hereto as Section **3.0** of the RFP and by this reference incorporated herein.

2.2 PERIOD OF PERFORMANCE: This Agreement shall be effective on July 1, 2023, and will end on June 30, 2026, unless sooner terminated pursuant to the terms of this Agreement.

The State in its sole discretion may renew the Agreement under the same terms and conditions for up to two (2) one-year periods. Notice of intent to renew shall be given by the State to Contractor in writing prior to the end of the existing term of the Agreement. If notice of intent to renew is given, the Agreement shall renew unless terminated by either party pursuant to the Termination Provision of the Agreement.

2.3 USE OF EQUIPMENT, SUPPLIES AND FACILITIES: Contractor will not use State equipment, supplies or facilities.

2.4 CONTRACTOR IDENTIFICATION: Upon execution of this Agreement, Contractor will provide the State with Contractor's Employer Identification Number, Federal Tax Identification Number or Social Security Number.

2.5 CONTRACT AMOUNT AND PAYMENT: The State will make payment for services upon satisfactory completion of the services. The TOTAL CONTRACT AMOUNT is an amount not to exceed \$_____. The State will not pay Contractor's expenses, including but not limited to travel, lodging and meals, as a separate item. Payment will be made pursuant to itemized invoices submitted with a signed state voucher. Payment will be made consistent with SDCL ch. 5-26. Any overpayment of this Agreement shall be returned to the State within thirty (30) days after written notification to Contractor.

2.6 INDEMNIFICATION: Contractor agrees to indemnify the State of South Dakota, its officers, agents, and employees, from and against all claims or proceedings for actions, suits, damages, liabilities, other losses or equitable relief that may arise at least in part as a result of an act or omission in performing services under this Agreement. Contractor shall defend the State of South Dakota, its officers, agents, and employees against any claim, including any claim, action, suit, or other proceeding related to the claim. Contractor's obligation to indemnify includes the payment of attorney fees and other costs of defense. In defending the State of South Dakota, its officers, agents, and employees, Contractor shall engage other professionals, subject to the written approval of the State which shall not be unreasonably withheld. Notwithstanding the foregoing, the State may, in its sole discretion and at the expense of

Contractor, engage attorneys and other professionals to defend the State of South Dakota, its officers, agents, and employees, or to assist Contractor in the defense. This section does not require Contractor to be responsible for or defend against claims or proceedings for damages, liabilities, losses or equitable relief arising solely from errors or omissions of the State, its officers, agents or employees.

2.7 INSURANCE: At all times during the term of this Agreement, Contractor shall obtain and maintain in force insurance coverage of the types and with the limits as follows:

A. Commercial General Liability Insurance:

Contractor shall maintain occurrence-based commercial general liability insurance or equivalent form of coverage with a limit of not less than one million dollars (\$1,000,000) for each occurrence. If such insurance contains a general aggregate limit it shall apply separately to this Agreement or be no less than two times the occurrence limit. The insurance policy shall name the State of South Dakota, its officers and employees, as additional insureds, but liability coverage is limited to claims not barred by sovereign immunity. The State of South Dakota, its officers and employees do not hereby waive sovereign immunity for discretionary conduct as provided by law.

B. Professional Liability Insurance or Miscellaneous Professional Liability Insurance:

Contractor agrees to procure and maintain professional liability insurance or miscellaneous professional liability insurance with a limit not less than one million dollars (\$1,000,000). The insurance policy shall name the State of South Dakota, its officers and employees, as additional insureds but liability coverage is limited to claims not barred by sovereign immunity. The State of South Dakota, its officers and employees do not hereby waive sovereign immunity for discretionary conduct as provided by law.

C. Business Automobile Liability Insurance:

Contractor shall maintain business automobile liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) for each accident. This insurance shall include coverage for owned, hired and non-owned vehicles. The insurance policy shall name the State of South Dakota, its officers and employees, as additional insureds but liability coverage is limited to claims not barred by sovereign immunity. The State of South Dakota, its officers and employees do not hereby waive sovereign immunity for discretionary conduct as provided by law.

D. Worker's Compensation Insurance:

Contractor shall procure and maintain workers' compensation and employers' liability insurance as required by South Dakota or federal law.

Before beginning work under this Agreement, Contractor shall furnish the State with properly executed Certificates of Insurance which shall clearly evidence all insurance required in this Agreement including naming the State, its officers and employees, as additional insureds, as set forth above. In the event of a substantial change in insurance, issuance of a new policy, cancellation or nonrenewal of the policy, Contractor agrees to provide immediate notice to the State and provide a new certificate of insurance showing continuous coverage in the amounts required. Contractor shall furnish copies of insurance policies if requested by the State.

2.8 TERMINATION: This Agreement may be terminated by either party hereto upon thirty (30) days written notice. In the event Contractor breaches any of the terms or conditions hereof, this Agreement may be terminated by the State at any time with or without notice. If termination for a breach is affected by the State, any payments due to Contractor at the time of termination may be adjusted to cover any additional costs to the State because of Contractor's breach. Upon termination the State may take over the work and may award another party a contract to complete the work contemplated by this Agreement. If after the State terminates for a breach by Contractor it is determined that Contractor was not at fault, then Contractor shall be paid for eligible services rendered and expenses incurred up to the date of termination.

2.9 FUNDING: This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by the State upon five (5) business days written notice. Contractor agrees that termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State or any officer, agent or

employee of the State, and Contractor waives any claim against the same.

- 2.10 COMPLIANCE WITH EXECUTIVE ORDER 2020-01:** Executive Order 2020-01 provides that for contractors, vendors, suppliers or subcontractors with five (5) or more employees who enter into a contract with the State that involves the expenditure of one hundred thousand dollars (\$100,000) or more, by signing this Agreement Contractor certifies and agrees that it has not refused to transact business activities, has not terminated business activities, and has not taken other similar actions intended to limit its commercial relations, related to the subject matter of this Agreement, with a person or entity that is either the State of Israel, or a company doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel to do business, or doing business in the State of Israel, with the specific intent to accomplish a boycott or divestment of Israel in a discriminatory manner. It is understood and agreed that, if this certification is false, such false certification will constitute grounds for the State to terminate this Agreement. Contractor further agrees to provide immediate written notice to the State if during the term of this Agreement it no longer complies with this certification and agrees such noncompliance may be grounds for termination of this Agreement.
- 2.11 NOTICE:** Any notice or other communication required under this Agreement shall be in writing and sent to the address set forth above. Notices shall be given by and to _____, on behalf of the State, and by and _____, on behalf of Contractor, or such authorized designees as either party may from time to time designate in writing. Notices or communications to or between the parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such party.
- 2.12 CONTROLLING LAW AND VENUE:** This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota, without regard to any conflicts of law principles, decisional law, or statutory provision which would require or permit the application of another jurisdiction's substantive law. Venue for any lawsuit pertaining to or affecting this Agreement shall be in the Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.
- 2.13 INDEPENDENT CONTRACTOR:** While performing services hereunder, Contractor is an independent contractor and not an officer, agent, or employee of the State of South Dakota.
- 2.14 THIRD PARTY BENEFICIARIES:** This Agreement is intended to govern only the rights and interests of the parties named herein. It is not intended to create, does not and may not be relied upon to create, any rights, substantive or procedural, enforceable at law by any third party in any matters, civil or criminal.
- 2.15 ASSIGNMENT AND AMENDMENT:** This Agreement may not be assigned without the express prior written consent of the State. This Agreement may not be amended except in writing, which writing shall be expressly identified as a part hereof and be signed by an authorized representative of each of the parties hereto.
- 2.16 COMPLIANCE:** Contractor will comply in full with all federal, tribal, state and local laws, regulations, ordinances, guidelines, permits, requirements and other standards applicable to the services provided under this Agreement and will be solely responsible for obtaining current information regarding the foregoing. Nothing herein shall constitute a waiver by the State to any defense to jurisdiction nor shall anything herein constitute an acknowledgement by the State that any tribe has or exercises any jurisdiction over this Agreement or the parties. Contractor agrees to abide by all applicable provisions of the following: Byrd Anti Lobbying Amendment (31 U.S.C. 1352), Debarment and Suspension (Executive Orders 12549 and 12689 and 2 C.F.R. 180), Drug-Free Workplace, Executive Order 11246 Equal Employment Opportunity as amended by Executive Order 11375 and implementing regulations at 41 C.F.R. part 60, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, Drug Abuse Office and Treatment Act of 1972, Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, Age Discrimination Act of 1975, Americans with Disabilities Act of 1990, Pro-Children Act of 1994, Hatch Act, Health Insurance Portability and Accountability Act (HIPAA) of 1996 as amended, Clean Air Act, Federal Water Pollution Control Act, Charitable Choice Provisions and Regulations, Equal Treatment for Faith-Based Religions at Title 28 C.F.R. Part 38, the Violence Against Women Reauthorization Act of 2013 and American Recovery and Reinvestment Act of 2009, as applicable; and any other nondiscrimination provision in the specific statute(s) under which application

for Federal assistance is being made; and the requirements of any other nondiscrimination statute(s) which may apply to the contract.

- 2.17 REPORTING:** Contractor agrees to report to the State any event encountered in the course of performance of this Agreement which results in an injury to any person or property, or which may otherwise subject Contractor, or the State of South Dakota or its officers, agents or employees to liability. Contractor shall report any such event to the State immediately upon discovery.

Contractor's obligation under this section shall only be to report the occurrence of any event to the State and to make any other report provided for by their duties or applicable law. Contractor's obligation to report shall not require disclosure of any information subject to privilege or confidentiality under law (e.g., attorney-client communications). Reporting to the State under this section shall not excuse or satisfy any obligation of Contractor to report any event to law enforcement or other entities under the requirements of any applicable law.

- 2.18 SUBCONTRACTING:** Contractor may not use subcontractors to perform the services described herein without the express prior written consent of the State. Contractor will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage in a manner consistent with this Agreement. Contractor will cause its subcontractors, agents, and employees to comply with applicable federal, tribal, state, and local laws, regulations, ordinances, guidelines, permits and other standards and will adopt such review and inspection procedures as are necessary to assure such compliance. The State, at its option, may require the vetting of any subcontractors. Contractor shall assist in the vetting process.

- 2.19 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION:** By signing this Agreement, Contractor certifies that neither Contractor nor its principals are presently debarred, suspended, proposed for debarment or suspension, or declared ineligible from participating in transactions by the federal government or any state or local government department or agency. Contractor further agrees that it will immediately notify the State if during the term of this Agreement Contractor or its principals become subject to debarment, suspension or ineligibility from participating in transactions by the federal government, or by any state or local government department or agency.

- 2.20 STATE'S RIGHT TO REJECT:** The State reserves the right to reject any person from performing services under this Agreement who the State believes would be detrimental to the services, presents insufficient skills, presents inappropriate behavior or is considered by the State to be a security risk.

- 2.21 SEVERABILITY:** In the event that any court of competent jurisdiction shall hold any provision of this Agreement unenforceable or invalid, such holding shall not invalidate or render unenforceable any other provision hereof.

- 2.22 SUPERCESSION:** All other prior discussions, communications and representations concerning the subject matter of this Agreement are superseded by the terms of this Agreement, and except as specifically provided herein, this Agreement constitutes the entire agreement with respect to the subject matter hereof.

- 2.23 FORCE MAJEURE:** Notwithstanding anything in this Agreement to the contrary, neither party shall be liable for any delay or failure to perform under the terms and conditions of this Agreement, if the delay or failure is caused by war, terrorist attacks, riots, civil commotion, fire, flood, quarantine, epidemic, pandemic, earthquake or any act of God, or other causes beyond the party's reasonable control provided, however, that in order to be excused from delay or failure to perform, the party must act diligently to remedy the cause of such delay or failure and must give notice to the other party as provided in this Agreement as soon as reasonably possible of the length and cause of the delay in performance.

- 2.24 WAIVER OF BREACH:** The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision in this Agreement.

- 2.25 SOVEREIGN IMMUNITY:** Nothing in this Agreement is intended to constitute a waiver of sovereign immunity by or on behalf of the State of South Dakota, its agencies, officers or employees.

2.26 HEADINGS: The headings in this Agreement are for convenience and reference only and shall not govern, limit, modify or in any manner affect the scope, meaning, or intent of the provisions of this Agreement.

2.27 AUTHORITY TO EXECUTE:

Contractor represents and warrants that:

A. Contractor is a corporation duly incorporated, validly existing and in good standing under the laws of its state of incorporation and has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement;

B. The execution, delivery and performance of this Agreement has been duly authorized by Contractor and no approval, authorization or consent of any governmental or regulatory agency is required to be obtained in order for Contractor to enter into this Agreement and perform its obligations under this Agreement;

C. Contractor is duly authorized to conduct business in and is in good standing in each jurisdiction in which Contractor will conduct business in connection with this Agreement; and

D. Contractor has obtained all licenses, certifications, permits, and authorizations necessary to perform the services under this Agreement and currently is in good standing with all regulatory agencies that regulate any or all aspects of Contractor's performance of the services. Contractor will maintain all required certifications, licenses, permits, and authorizations during the term of this Agreement at its own expense.

2.28 DISCLOSURE OF THE CONTRACT: Neither party shall disclose the contents of the Agreement except as required by applicable law or as necessary to carry out the terms of the Agreement or to enforce that party's rights under this Agreement. The Contractor acknowledges that the State of South Dakota and its agencies are public entities and thus are bound by South Dakota open meetings and open records laws. It is therefore not a breach of this Agreement for the State to take any action that the State reasonably believes is necessary to comply with the South Dakota open records or open meetings laws, including, without limitation, posting this Agreement on the website pursuant to SDCL 1-27-46. The Contractor agrees that the Agreement and any prices, fees and rates agreed to be paid by the State under the Agreement are not confidential.

2.29 SURVIVAL FOLLOWING TERMINATION: Any terms of this Agreement that would, by their nature or through the express terms of this Agreement, survive the expiration or termination of this Agreement shall so survive including but not limited to the terms of sections 2.16, 2.12, and 2.32.

2.30 RECORDS RETENTION: Contractor will comply with the applicable records retention requirements.

2.31 CONFIDENTIALITY: For the purpose of this Agreement, "Confidential Information" shall include all information, regardless of its format, disclosed to Contractor by the State and all information, regardless of its format, obtained by Contractor through the provisions of services as contemplated by this Agreement. Contractor, and any person or entity affiliated with Contractor shall not disclose any Confidential Information to any third person for any reason without the express written permission of a State officer or employee with authority to authorize the disclosure. Contractor, and any person or entity affiliated with Contractor shall not: (i) disclose any Confidential Information to any third person unless otherwise specifically allowed under this Agreement; (ii) make any use of Confidential Information except to exercise rights and perform obligations under this Agreement; (iii) make Confidential Information available to any of its employees, officers, agents or consultants except those who have agreed, by contract, to obligations of confidentiality at least as strict as those set out in this Agreement and who have a need to know such information and who have been instructed that such information is or may be confidential under state or federal law. Contractor, and any person or entity affiliated with Contractor is held to the same standard of care in guarding Confidential Information as it applies to its own confidential or proprietary information and materials of a similar nature, and no less than holding Confidential Information in the strictest confidence. Contractor, and any person or entity affiliated with Contractor shall protect the confidentiality of the State's information from the

time of receipt to the time that such information is either returned to the State or destroyed to the extent that it cannot be recalled or reproduced.

Confidential Information shall not include information that: (i) was in the public domain at the time it was disclosed to Contractor or to any person or entity affiliated with Contractor; (ii) was known to Contractor, or to any person or entity affiliated with Contractor, without restriction at the time of disclosure from the State; (iii) was disclosed with the prior written approval of State's officers or employees having authority to disclose such information; (iv) was independently developed by Contractor, or by any person or entity affiliated with Contractor, without the benefit or influence of the State's information; or (v) becomes known to Contractor, or to any person or entity affiliated with Contractor, without restriction, from a source not connected to the State of South Dakota.

Confidential Information can include, but is not limited to, names, social security numbers, employer numbers, addresses and all other data about applicants, participants, employers or other clients to whom the State provides services of any kind. Contractor understands that this information may be confidential and protected under state or federal law. Contractor agrees to immediately notify the State if the information is disclosed, either intentionally or inadvertently.

If work assignments performed in the course of this Agreement require additional security requirements or clearance, Contractor agrees that its officers, agents and employees may be required to undergo investigation or may be required to sign separate confidentiality agreements, and it will limit access to the confidential information and related work activities to employees that have executed such agreements.

Contractor will enforce the terms of this Confidentiality Provision to its fullest extent.

Contractor agrees to remove any employee or agent from performing work under this Agreement that has or is suspected to have violated the terms of this Confidentiality Provision and to immediately notify the State of such matter.

Contractor will comply with any other confidentiality measures and terms included in the Agreement.

Upon termination of this Agreement, if not already done so as part of the services performed under the Agreement, Contractor agrees to return to the State, at Contractor's cost, any Confidential Information or documentation maintained by Contractor regarding the services provided hereunder in a format readily useable by the State as mutually agreed by Contractor and State.

- 2.32 WORK PRODUCTS:** Contractor hereby acknowledges and agrees that all reports, plans, specifications, technical data, miscellaneous drawings, software system programs and documentation, procedures, or files, operating instructions and procedures, source code(s) and documentation, including those necessary to upgrade and maintain the software program, and all information contained therein provided to the State by Contractor in connection with the performance of services under this Agreement shall belong to and is the property of the State and will not be used in any way by Contractor without the written consent of the State. Papers, reports, forms, software programs, source code(s) and other material which are a part of the work under this Agreement will not be copyrighted without written approval of the State.
- 2.33 CRIMINAL BACKGROUND CHECKS:** Pursuant to SDCL 5-18D-28, Contractor agrees that each person who has access to confidential information obtained from the United States Internal Revenue Service or an authorized secondary source pursuant to this Agreement shall submit to and successfully pass a state and federal criminal background investigation and submit to a fingerprint check by the South Dakota Division of Criminal Investigation and the Federal Bureau of Investigation before being granted access to any Confidential Information. The appointing authority shall submit the completed fingerprint card to the South Dakota Division of Criminal Investigation. Contractor shall be responsible for payment of any fee charged for the cost of fingerprinting and the criminal background investigation. If a disqualifying record is discovered, Contractor agrees that such individual will not have access to the Confidential Information obtained from the United States Internal Revenue Service or an authorized secondary source pursuant to this Agreement. The State shall have the sole discretion to determine whether a record is disqualifying and will immediately notify Contractor.

- 2.34 TRANSFER OF INFORMATION:** Upon termination of this Agreement (whether initiated by the State or Contractor) and following a written request by the State, Contractor agrees to provide to the State, at Contractor's expense, any data and other pertinent records related to services performed under this Agreement ("Information") to the State or a designee chosen by the State ("Recipient") within thirty (30) days, unless otherwise agreed by the parties. The transfer of Information shall be conducted based upon the State's standards and in accordance with all applicable laws and regulations in a format readily usable by the State or Recipient as mutually agreed by Contractor and State.
- 2.35 OTHER METHODS OF NOTICE:** The parties consent to the use of electronic means and facsimile transmissions for communications as a signed writing provided that delivery is confirmed.
- 2.36 DILIGENCE AND SKILL:** In the performance of these services and providing the deliverables under the Agreement, Contractor, and its employees shall exercise the degree of skill and care consistent with customarily accepted practices and procedures for the performance of the type of services required. Contractor shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services and deliverables furnished by Contractor and any subcontractors, if applicable, under this Agreement. It shall be the duty of Contractor to assure that its services and deliverables are technically sound and in conformance with all pertinent technical codes and standards. Contractor represents and warrants that: (i) it shall give high priority to the performance of the services; and (ii) the services shall be performed in a timely manner.

Contractor shall be responsible to the State for material deficiencies in the contracted deliverables and services which result from the failure to meet the standard given herein. Contractor shall promptly correct or revise any material errors or omissions in deliverables and re-perform any services which are not in compliance with such representations and warranties at no cost to the State, provided that Contractor's failure to comply is not due solely to the actions, errors, or omissions of the State.

Permitted or required approval by the State of any services or deliverables furnished by Contractor shall not in any way relieve Contractor of its responsibility for the professional quality and technical accuracy and adequacy of its work. The State's review, approval, acceptance, or payment for any of Contractor's services or deliverables herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and except as provided herein Contractor shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to the State caused by Contractor's performance or failure to perform under this Agreement.

In the event of a breach of these representations and warranties, the State shall provide telephonic or electronic notice to Contractor. The State may, in its sole discretion, require Contractor to cure such breaches. If it is necessary for Contractor to send at least one qualified and knowledgeable representative to the State's site where the system is located, this will be done at Contractor's expense. This representative will continue to address and work to remedy the deficiency, failure, malfunction, defect, or problem at the site. The rights and remedies provided in this paragraph are in addition to any other rights or remedies provided in this Agreement or by law.

- 2.37 INTELLECTUAL PROPERTY:** In connection with the performance of this Agreement and the provision of services and deliverables under this Agreement, Contractor will not infringe any patent, copyright, trademark, trade secret or other proprietary right of any person. Contractor will not improperly use any trade secrets or confidential or proprietary information owned by any third party in performing this Agreement or the services related to this Agreement. Contractor shall indemnify the State, the State of South Dakota, its officers, agents and employees (hereinafter collectively "the State") from and against all claims or proceedings for actions, suits, damages, liabilities, other losses or equitable relief (collectively, a "Claim") to the extent such Claim alleges improper use of, or infringement or misappropriation by, the State or Contractor of any patent, copyright or federally registered trademark or trade secret in connection with the performance of this Agreement and the provision of services and deliverables under this Agreement.
- 2.38 THIRD PARTY RIGHTS:** Contractor represents and warrants that it has the full power and

authority to grant the rights described in this Agreement without violating any rights of any third party, and that there is currently no actual or, to Contractor's knowledge, threatened suit by any such third party based on an alleged violation of such rights by Contractor.

- 2.39 PUBLICITY:** The award of this Agreement to Contractor is not in any way an endorsement of Contractor or Contractor's services by the State and may not be so represented by Contractor in any advertising or publicity materials. Contractor agrees to submit to the State all advertising, sales promotion, and other publicity relating to this Agreement wherein the State's name is mentioned, or language is used from which the connection of the State's name therewith may, in the State's judgment, be inferred or implied. Contractor further agrees not to publish or use such advertising, sales promotion, or publicity without the prior written consent of the State. Contractor may not in any way contract on behalf of or in the name of the State, nor may release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning this Agreement without obtaining the prior written approval of the State.

3.0 SCOPE OF WORK

3.1 Overview

The South Dakota State Employee Benefits Program offers:

A. Employer Paid

- 1) Life-- \$25,000 – employee only
- 2) AD&D Insurance – employee only

B. Voluntary Flexible Benefit Plans:

- 3) Vision -- employee, spouse and dependents
- 4) Short-term disability income protection – employee only
- 5) Accident (Major Injury Protection) Insurance -- employee, spouse and dependents
- 6) Hospital indemnity -- employee, spouse and dependents

The State pays 100% of the basic life insurance premium and anticipates paying 100% for long term disability. For all other flexible benefits included in this RFP, employees pay 100% of the premium and there is no State subsidy of those premiums.

There are approximately 12,500 employees eligible to participate in the South Dakota State Employee Benefits Program. In addition, there are 200 COBRA participants enrolled in the vision plan. An eligible employee is defined as an employee placed in a permanent position, employed by a participating agency and scheduled to work twenty (20) or more hours a week at least six (6) months of the year.

Proposals may be submitted for any single plan or combination of plans. For clarification, life/accidental death and dismemberment plans should be submitted as a single plan offering. Proposals for matching in-force plans are required. Proposal requirements and plan information available for offerors for each employee benefit plan are included in Section 4.0. Additional plan detail is available on the State's Flexible Benefits Website at <https://bhr.sd.gov/benefits/flexible-benefits/>. Offerors are encouraged to submit alternative plan designs for consideration based on current industry trends or offeror-specific capabilities including proposals for long term disability coverage, voluntary critical illness and identity theft restoration services.

The FY23 Benefits Guide, Attachment B includes the plan design summaries. Claim experience reports and rate history reports will reflect the prior year plan designs.

The State is requesting proposals for the fully insured flexible benefit plans for a **period of three (3) years effective July 1, 2023 through June 30, 2026**, with the State having the option to renew for two (2) additional one (1) year periods. **A premium rate guarantee is required for the initial three (3) year term of the contract.** Offeror can offer an alternative self-funded proposal for short term disability.

Following the receipt of a letter of intent and the completed Offeror Privacy and Security Agreement, a census for each designated benefit plan will be provided via secured email electronically. The census includes current eligible employees; date of birth, gender and home zip code; the plan type and tier of coverage (employee only, employee + spouse, employee + children, employee + family).

Attachment C includes a workbook for the plan(s) being requested. Each workbook includes a cost proposal

worksheet, a questionnaire, and plan provisions comparison worksheet. This workbook must be used for submission of proposed premium rates. Offerors must enter premium rates for each plan for which they are proposing that matches in-force plans and for any alternative plan designs being proposed.

Attachment	A	Offeror Privacy and Security Agreement
Attachment	B	FY23 Benefit Guide
Attachment	C-Vision	Bidding Workbook
Attachment	C-Life/Disability Insurance	Bidding Workbook
Attachment	C-Accident (Major Injury Protection/Hospital Indemnity/Critical Illness	Bidding Workbook
Attachment	D	Claims Versus Premium Experience for all Lines Except Short-Term Disability
Attachment	E	Claims Versus Premium Experience for Short-Term Disability only
Attachment	F	Rate History
Attachment	G	Vision Plan Summary
Attachment	H	Claims Versus Premium Experience for Life Insurance only
Attachment	I	Life and Accidental Death and Dismemberment Plan Booklet
Attachment	J	Short-Term Disability Plan Booklet
Attachment	K	Accident (Major Injury Protection) Plan Summary
Attachment	L	Hospital Indemnity Plan Booklet
Attachment	M	BIT Security and Vendor Questions
Attachment	N	BIT Technology Standards
Attachment	O	South Dakota Bureau of Information and Telecommunications Security Acknowledgement form
Attachment	P	Information Technology Security Policy – Contractor

3.2 General Requirements

The Contractor for each plan will provide the following services:

1. For the vision plans only, provide complete administrative, fiduciary, and support services for the plan(s) as described in this RFP and attachments, including:
 - a. Access to nationwide network of providers with uniform quality of care and services.
 - b. The offeror must include a proposal to develop the network of providers it contracts with in the state of South Dakota.
2. Administer the plans in compliance with the insurance laws of the State of South Dakota.
3. Provide all levels of full and fair review of claims, claim denials and appeals made by members. Determination of payment or denial of claims or of appealed claims shall be made by the Contractor following appropriate analysis and review.
4. Design communications materials as mutually agreed by the parties to be necessary to communicate the program to members. Advise and assist the State in the preparation of forms and other documentation necessary to fulfill reporting and disclosure requirements.
5. Prepare Summary Plan Descriptions and Plan Summaries by May 1st of each year in order to be available during the Open Enrollment Period.
6. Provide performance guarantees for the implementation of the program.

7. Provide implementation credits to offset the State's costs.

- 3.2.1 The Contractor must be willing to sign an Offeror Privacy and Security Agreement with the State.
- 3.2.2 The Contractor will be required to sign the South Dakota Bureau of Information and Telecommunications Security Acknowledgement form, which is attached hereto as Attachment O.

4.0 PROPOSAL REQUIREMENTS AND COMPANY QUALIFICATIONS

- 4.1 The offeror is cautioned that it is the offeror's sole responsibility to submit information related to the evaluation categories and that the State of South Dakota is under no obligation to solicit such information if it is not included with the proposal. The offeror's failure to submit such information may cause an adverse impact on the evaluation of the proposal.
- 4.2 **Offeror's Contacts:** Offerors and their agents (including subcontractors, employees, consultants, or anyone else acting on their behalf) must direct all of their questions or comments regarding the RFP, the evaluation, etc. to the buyer of record indicated on the first page of this RFP. Offerors and their agents may not contact any state employee other than the buyer of record regarding any of these matters during the solicitation and evaluation process. Inappropriate contacts are grounds for suspension and/or exclusion from specific procurements. Offerors and their agents who have questions regarding this matter should contact the buyer of record.
- 4.3 The offeror must submit a copy of their most recent audited financial statements upon the State's request. The offeror is required to include financial ratings from A.M. Best and Standard & Poor's rating agencies for the entity submitting a proposal for this RFP. The ratings must be provided on Attachment C, the applicable workbook response.
- 4.4 The offeror must provide the following information related to at least three (3) previous and current service/contracts, performed by the offeror's organization, which are similar to the requirements of this RFP. The offeror shall provide this information for any service/contract that has been terminated, expired or not renewed in the past three (3) years:
 - a. Name, address and telephone number of client/contracting agency and a representative of that agency who may be contacted for verification of all information submitted;
 - b. Dates of the service/contract; and
 - c. A brief, written description of the specific prior services performed and requirements thereof.
- 4.5 As part of the proposal, the offeror shall provide a plan detailing the implementation timeline including any implementation phases. Implementation must be completed by sixty (60) days prior to the State's Annual Open Enrollment period. The plan shall also define responsibilities assigned to the offeror and responsibilities assigned to the State. Failure to provide an implementation timeline will be grounds to reject an offeror's proposal.
- 4.6 Proposals must include performance guarantees to ensure the offeror will complete the obligations of its proposal. Performance guarantees must be provided in each of the following areas:
 - a. Implementation/Open Enrollment;
 - b. Claims administration;
 - c. Customer service;
 - d. Member satisfaction; and
 - e. Reporting.
- 4.7 The offeror should thoroughly review the South Dakota Bureau of Information and Telecommunications ("BIT") standard contract terms and conditions pertaining to IT security (see BIT Technology Standards document), which is attached hereto as Attachment N. The offeror should indicate in their response if there are any standard IT security terms which are not

acceptable to the offeror. The offeror should pay special attention to fingerprinting and system security scanning. The offeror should include in their response reasons why the IT terms are unacceptable. The State will consider any IT contract term that was not indicated as unacceptable as being acceptable by the offeror. The Information Technology Security Policy, referred to in the clause "Security Acknowledgement Form" in Attachment O as the "Information Technology Security Policy – Contractor", is attached hereto as Attachment P.

- 4.8** The offeror must review and respond to the BIT Security and Vendor Questions which is attached hereto as Attachment M.
- 4.9** All software and cloud services purchased by the State will be subjected to security scans by BIT without exception.

4.10 VISION PLAN REQUIREMENTS

Of the State's approximately 12,500 benefit eligible employees, 8,147 are enrolled in the vision plan. The vision plan is currently insured through EyeMed. These employees are primarily located throughout the State of South Dakota.

PLAN DESIGN

Offerors shall:

1. Ensure its proposal is issued in accordance with the specifications and information of the vision plan offered by the State, referenced in this Request for Proposal. All deviations of the offeror's ability to administer the current plan designs and coverage provisions must be identified.
2. Include a list of participating providers under the vision plan. Proposal should include a provider listing for counties in the State of SD and a geo-access report

4.11 SHORT-TERM DISABILITY INCOME PROTECTION REQUIREMENTS

Of the State's approximately 12,500 benefit eligible employees, 3,891 are enrolled in the Short Term Disability Income Protection plan. The Short-Term Disability Income Protection plan is insured by MetLife. The current maximum weekly benefit is \$1200.00.

Offerors may include an alternate proposal with a higher weekly benefit maximum with validation regarding why a higher weekly benefit maximum would be suggested.

PLAN DESIGN

Offerors shall ensure its proposal is issued in accordance with the specifications and information of the Short-Term Disability Income Protection plan offered by the State, referenced in this Request for Proposal. All deviations of the offeror's ability to administer the current plan designs and coverage provisions must be identified.

4.12 LONG TERM DISABILITY REQUIREMENTS

The State does not currently offer a long term disability plan.

Offerors shall include a proposal with a 90 day and 6 month elimination period with a 70% benefit up to \$1200 with coverage to mirror current short-term disability provisions.

4.13 ACCIDENT (MAJOR INJURY PROTECTION) INSURANCE PLAN REQUIREMENTS

Of the State's approximately 12,500 benefit eligible employees, 5,773 are enrolled in its Accident (Major Injury Protection) Insurance plan. The Accident (Major Injury Protection) Insurance Plan is insured through MetLife. This coverage is for on- and off-the-job protection.

PLAN DESIGN

Offerors shall ensure its proposal is issued in accordance with the specifications and information of the Accident (Major Injury Protection) Insurance plan offered by the State, referenced in this Request for

Proposal. All deviations of the offeror's ability to administer the current plan designs and coverage provisions must be identified.

4.14 HOSPITAL INDEMNITY PLAN REQUIREMENTS

Of the State's approximately 12,500 benefit eligible employees, 3,829 are enrolled in its Hospital Indemnity Plan. The Hospital Indemnity Plan is insured through MetLife. This coverage is for on- and off-the-job protection.

The Hospital Indemnity Plan provides a daily benefit of \$200.00 per person for each day of hospitalization because of an illness or injury, up to a total of 180 days per fiscal year, beginning with the first day of a hospital stay. There is no lifetime maximum benefit. The Hospital Indemnity Plan provides payment for each day a covered member is hospitalized, regardless of coverage under other plans.

PLAN DESIGN

Offerors shall ensure its proposal is issued in accordance with the specifications and information of the Hospital Indemnity plan offered by the State, referenced in this Request for Proposal. All deviations of the offeror's ability to administer the current plan designs and coverage provisions must be identified. All deviations from the plan design requirements will be scored accordingly.

4.15 CRITICAL ILLNESS

The State of South Dakota currently does not offer a critical illness benefit.

PLAN DESIGN

Offerors shall ensure its proposal includes benefits for common illnesses such as heart attack, paralysis, cancer, stroke, kidney failure, organ transplant, heart transplant, coronary bypass surgery and multiple sclerosis at \$10,000, \$20,000 and \$30,000 benefit levels.

4.16 LIFE and ACCIDENTAL DEATH and DISMEMBERMENT REQUIREMENTS

Of the State's approximately 13,500 benefit eligible employees, 13,067 are enrolled in its Basic Life/AD&D Insurance Plan (\$25,000 term life benefit) for which the State pays 100% of the premium).

In addition to the Basic Life Insurance, 11,763 employees are enrolled in supplemental life insurance and accidental death and dismemberment insurance for which the employee pays 100% of the premium. The Life and Accidental Death and Dismemberment plans are insured through MetLife.

PLAN DESIGN

Offerors shall ensure its proposal is issued in accordance with the specifications and information of the Life and Accidental Death and Dismemberment plan offered by the State, referenced in this Request for Proposal. All deviations of the offeror's ability to administer the current plan designs and coverage provisions must be identified.

4.17 NO BROKER SUBMISSION

For the purposes of this RFP, the State will not accept proposals from brokers on behalf of service providers that they represent. The State will receive proposals directly from service providers only. In addition, costs proposed for services cannot include fees, commissions or revenue sharing (e.g. percentage of discount savings, etc.) with any broker or consultant.

5.0 PROPOSAL RESPONSE FORMAT

- 5.1** The offeror must provide one (1) copy of their entire proposal, including all attachments, in Microsoft Word, EXCEL, or PDF electronic format by email to judy.stulken@state.sd.us. The offeror must send an original and three (3) identical copies of the proposal along with any attachments in hard copy format to Judy Stulken.

- 5.1.1** The proposal should be page numbered and should have an index and/or a table of contents referencing the appropriate page number.

5.2 All proposals must be organized and tabbed with labels for the following headings:

5.2.1 RFP Form. The State's Request for Proposal form completed and signed.

5.2.2 Executive Summary. The one (1) or two (2) page executive summary is to briefly describe the offeror's proposal. This summary should highlight the major features of the proposal. It must indicate any requirements that cannot be met by the offeror. The reader should be able to determine the essence of the proposal by reading the executive summary. Proprietary information requests should be identified in this section.

5.2.3 Detailed Response. This section should constitute the major portion of the proposal and must contain at least the following information:

5.2.3.1 A complete narrative of the offeror's assessment of the work to be performed, the offeror's ability and approach, and the resources necessary to fulfill the requirements. This should demonstrate the offeror's understanding of the desired overall performance expectations.

5.2.3.2 A specific point-by-point response, to each requirement in the RFP as listed in each workbook in Attachment C as applicable.

5.2.3.3 A clear description of any options or alternatives proposed.

5.2.4 Cost Proposal. Cost will be evaluated independently from the technical proposal. Offerors may submit multiple cost proposals. All costs related to the provision of the required services must be included in each cost proposal offered.

See Section 7.0 for more information related to the cost proposal.

6.0 PROPOSAL EVALUATION AND AWARD PROCESS

6.1 After determining that a proposal satisfies the mandatory requirements stated in the Request for Proposal, the evaluator(s) shall use subjective judgment in conducting a comparative assessment of the proposal by considering each of the following criteria, on a 1,000 point scale:

6.1.1 Specialized expertise, capabilities, and technical competence as demonstrated by the proposed approach and methodology to meet the project requirements (200 points);

6.1.2 Resources available to perform the work, including any specialized services, within the specified time limits for the project (100 points);

6.1.3 Record of past performance, including price and cost data from previous projects, quality of work, ability to meet schedules, cost control, and contract administration (50 points);

6.1.4 Availability to the project locale (100 points);

6.1.5 Familiarity with the project locale (50 points);

6.1.6 Proposed project management techniques (100 points);

6.1.7 Ability and proven history in handling special project constraints (50 points);

6.1.8 Cost (250 points);

6.1.9 Company Services: The willingness to provide a dedicated account management team for BHR for elevated issues, willingness to have a representative at benefit fairs, and to conduct educational sessions for staff and State of South Dakota members (50 points); and

6.1.10 Quarterly and annual reporting packages including integration with the State of South Dakota's total health database. (50 points).

- 6.2** Experience and reliability of the offeror's organization are considered subjectively in the evaluation process. Therefore, the offeror is advised to submit any information which documents successful and reliable experience in past performances, especially those performances related to the requirements of this RFP.
- 6.3** The qualifications of the personnel proposed by the offeror to perform the requirements of this RFP, whether from the offeror's organization or from a proposed subcontractor, will be subjectively evaluated. Therefore, the offeror should submit detailed information related to the experience and qualifications, including education and training, of proposed personnel.
- 6.4** The State reserves the right to reject any or all proposals, waive technicalities, and make award(s) as deemed to be in the best interest of the State of South Dakota.
- 6.5 Award:** The requesting agency and the highest ranked offeror shall mutually discuss and refine the scope of services for the project and shall negotiate terms, including compensation and performance schedule.
- 6.5.1** If the agency and the highest ranked offeror are unable for any reason to negotiate a contract at a compensation level that is reasonable and fair to the agency, the agency shall, either orally or in writing, terminate negotiations with the contractor. The agency may then negotiate with the next highest ranked contractor.
- 6.5.2** The negotiation process may continue through successive offerors, according to agency ranking, until an agreement is reached or the agency terminates the contracting process.

7.0 COST PROPOSAL

Cost proposal worksheets are included in Attachment C Flexible Benefits Plan Cost Proposal Worksheets for each of the flexible benefit plans included in this RFP.