



Benefits Consultant/Broker

Request for Proposal (RFP) # 22548

Date of Issue: January 19, 2010

Pre-proposal Meeting: January 25, 2010 9:00 a.m.

At the Education Service Center Room 1C

1829 Denver West Drive, Bldg. #27, Golden, CO 80401

Question Cut off: February 1, 2010 at 2:00 p.m. (our clock)

RFP Close Date: February 15, 2010 at 2:00 p.m. (our clock)

Proposal to be returned PRIOR to time and date above. Late proposals will not be accepted.

RETURN TO:

**Betty Standley, Purchasing Director
Jefferson County School District R-1
Education Center, Purchasing Dept.
1829 Denver West Drive, Bldg #27, 3rd floor
P.O. Box 4001
Golden, Colorado 80401-0001
(303) 982-6750**

RESPONDENT'S

The undersigned, having carefully examined all of the documents pertaining to the subject project, including the project specifications, agreement, and Terms & Conditions, hereby proposes to furnish all required labor, materials equipment, tools and insurance to complete the work described in their proposal document in strict accordance with the project documents for the price set forth herein.

CERTIFICATION

Company Name _____

Address _____

City _____ **State** _____ **Zip** _____

Telephone No. _____

Fax No. _____

Contact Name _____, **Title** _____

By _____
(Authorized Signature)

Email _____

OVERVIEW OF THE DISTRICT

Jefferson County Public School District, the largest school district in Colorado, serves a geographic area of approximately 800 square miles and has a current enrollment of approximately 84,000 students. The school district employs more than 12,000 full-time and part-time staff members. Employees include teachers, bus drivers, food service workers, custodians, support staff, office personnel and administrators. The district has 94 elementary schools, 20 middle schools, 17 high schools, 9 options schools and 13 charter schools.

Jeffco employees are represented by two major bargaining units and a professional association. Contracted teachers and licensed staff are represented by the Jefferson County Education Association (JCEA). Administrators may join Jefferson County Administrators Association (JCAA), a professional association. Classified employees are represented by a number of smaller unions, under the auspices of the Classified School Employees Associations (CSEA). Benefits are negotiated annually.

PURPOSE

The District is interested in retaining a qualified firm to provide benefits consulting and broker services. Under this agreement all insured products are to be provided to the district on a no-commission basis. All consulting costs are to be paid through a fee only arrangement. All responders must agree not to accept any commissions, fees or any other revenue sharing from insurance providers or other professional services.

BENEFITS BACKGROUND

Associations	District benefits are negotiated annually with the teachers (JCEA); classified employees (CSEA) and the paraprofessionals (JCAP) associations. Administrative (JCAA) benefits generally mirror the benefits provided to employees represented by JCEA.
Benefits Offerings (reference Exhibit C)	Employees may elect to take certain benefits on a before or after-tax basis. Benefits are provided through a cafeteria plan. Employees eligible for full benefits may select from: • Three fully-insured medical plans: Kaiser traditional HMO, Kaiser deductible HMO and a UHC Deductible POS Plan. • Self-funded dental plan; Delta Dental is TPA and provides the network • Self-funded vision plan; VSP is the TPA and provides the network • Supplemental life insurance of one – three times salary, employee paid, fully insured, Standard Insurance, minimum premium policy • Three voluntary spouse life insurance options, employee-paid, Standard insurance, fully insured • Three voluntary child life insurance options, employee-paid, Standard Insurance, fully insured • Healthcare and dependent care FSA

Benefits Consultant/Broker

	• Long-term disability benefits, Standard Insurance, fully-insured, employer-paid • Short-term disability benefits, Standard insurance, fully-insured, employer-paid • Basic Life insurance; one times salary up to \$100,000 – minimum premium policy provided through Standard Insurance, employer-paid • AD&D, one times salary up to \$100,000, employer-paid
Contributions (Reference Exhibit A)	The district provides a flat \$515 monthly benefit allocation to 40-hour/week employees to help offset the cost of benefits. Depending on the association and scheduled hours, a smaller benefit allocation is made for certain other employees who work less than 40 hours; and a reduced benefit allocation is available for employees who waive medical plan coverage with proof of other group medical coverage. Recently, the benefit allocation was modified – so that cash back is no longer provided to employees that don't use the cash for the purchase of benefits with the district (previously, they received cash back). Certain employees are eligible to purchase medical, dental and/or vision benefits but are not eligible for a district contribution.
Committee	Input into the health and welfare benefits design and vendor selection is provided through the Benefits Advisory Committee. This committee meets one – two times per month during the school year and consists of district staff and representatives appointed by the JCEA, CSEA and JCAA associations. The benefits consultant must be available to attend these meetings as needed. Meetings are held from 8 – 11:00 on Wednesdays at the Education Center in Golden, Co.
Eligibility and Enrollment (Reference Exhibit B)	Approximately 10,500 employees are eligible to purchase full or partial (medical, dental and vision) benefits through the district. Current enrollment and rates by plan are reflected in Exhibit B; along with an example of the premium costs/contributions for a typical employee and one with family coverage.
Policy Periods	Welfare plans are run on a fiscal year basis (7-1); FSA plan is run on a calendar year basis. Dental, medical and vision deductibles and OOP maximums accrue based on a policy year.
Technology	The district leverages technology whenever possible and provides automated feeds weekly to its vendors to report eligibility. Enrollment is reconciled monthly and payment is made per district self-reported records. The district utilizes Peoplesoft for its HR system and has fully leveraged the automated benefits-administration system. The annual benefits enrollment is conducted on-line and newly hired or

	transferred employees who become eligible for benefits enroll on-line. Status changes are handled manually through the Employee Benefits Department. Annual benefits enrollment is conducted in May for the non-FSA benefits, with benefits changes effective July 1. Payroll occurs monthly, premiums are deducted one-month in advance.
Third-party Administration	Administration of COBRA and billing for certain former employees or those on an un-paid leave who are covered under medical, dental or vision benefits is handled by a third-party administrator, currently UnitedHealthcare Benefits Services (formerly Processworks). Billing for retiree life insurance benefits is handled in-house. Flexible spending account administration is handled by a third-party, currently UnitedHealthcare Benefits Services (formerly Processworks).

PROPOSAL INFORMATION:

Through this Request for Proposal process, The Jefferson County School is seeking proposals from qualified firms to provide benefits consulting and broker services for the District benefit plan.

A pre-proposal conference will be held on January 25, 2010 at 9:00 a.m. at the Education Service Center in Conference Room 1C at 1829 Denver West Drive, Bldg. #27, Golden, CO 80401. All companies that intend to respond to the RFP are invited to attend to ask any questions they may have.

All questions must be submitted via e-mail to Betty Standley at bstandley@jeffco.k12.co.us. Any questions shall be submitted no later than 2:00 p.m. February 5, 2010. A response to questions will be issued in the form of an addendum which will be posted on the Rocky Mountain E-purchasing website at the following address: http://www.govbids.com/scripts/co1/public/home1.asp?utm_medium=referral&utm_source=JEF46CO&utm_campaign=web_site. It is anticipated that an addendum containing the response to any questions will be posted no later than close of business on January 7, 2010.

GENERAL CONDITIONS:

1. All prices shall be FOB destination.
2. All information requested must be completed and submitted by: February 15, 2010 at 2:00pm (our clock). If the required information is not submitted in a timely manner, the proposal will be deemed non-responsive. Proposals are due to the Jefferson County Public Schools Purchasing Department, 1829 Denver West Drive, 3rd Floor, Bldg. 27,

Golden CO 80401 by 2:00 P.M. (our clock) February 15, 2010. Proposals will not be publicly opened but the names of each respondent will be read.

2. The respondent(s) shall be in agreement with all provisions of the Request for Proposal. Any request for deviations/exceptions to the technical requirements, data requirements, and/or terms and conditions of the Request for Proposal must be explained in detail on proposer's letterhead and included in the proposal response.
3. Proposal responses must include all of the information requested. Proposals may be rejected by the District if the respondent(s) fail to completely provide all information necessary for a complete understanding of the proposal or fails to answer all questions adequately.
4. The District reserves the right to waive any technical or formal errors or omissions, and to accept or reject in part or in whole any or all proposals submitted.
5. Any award made will be to the respondent(s) whose technically acceptable offer will be the most advantageous to the District considering the evaluation criteria listed in this document.
6. Any written statement made as part of the proposal, including the RFP may become part of the final contract. Any addenda to the respondent's original proposal, such as letters, facsimile, and any other written clarifications and commitments may also become part of the final contract.
7. The effective period of contracts resulting from this proposal shall be July 1 2010 through June 30, 2011.
8. The District reserves the right to renew and extend the executed agreement(s) pertaining to all prices, terms, conditions, and specifications upon mutual agreement between the District and selected respondent(s) for an additional one (1) year period, but not to exceed six (6) additional one (1) year periods, for a total possible contract period of up to seven years.
9. The respondent(s) guarantees prices will not increase during the initial term of the agreement. If prices decrease during the term of this contract, the successful respondent must notify the District of the lower prices. Any requested fee increases will be evaluated during renewal periods and may not exceed the CPI for the Denver/Boulder/Greeley Area.
10. All information shall be submitted at the dates and times indicated herein to:

Betty Standley, Purchasing Director
Jefferson County Public School District No. R-1
1829 Denver West Drive, Building #27

Golden, CO 80401-0001
bstandle@jeffco.k12.co.us
phone: 303-982-6830

All contacts regarding this Request for Proposal during the submittal preparation and evaluation period **must** be done in **writing** through the Jefferson County Public School District Purchasing Department.

This restriction does not apply to:

- District initiated communications by evaluation committee only to satisfy clarification questions as part of the stage one evaluation process
- Scheduled product demonstrations and vendor interviews during the second stage evaluation

In the event that a firm has contact with any official, employee or representative of the District in any manner contrary to the above requirements, said firm may be disqualified from further consideration.

SPECIAL CONDITIONS:

1. Each respondent shall submit all information requested, in the order specified in the Proposals Submission Requirements. Failure to do so may result in the proposal being rejected. **Proposals shall be straightforward and concise and shall demonstrate the proposer's ability to satisfy the requirements of the RFP.**
2. This process is a Request for Proposal/Competitive Negotiation process. As such, only the names of the respondents shall be read at the closing of proposals. The District reserves the right to negotiate on any or all components of each proposal submitted. The District reserves the right to negotiate with one or more respondents in order to come to an acceptable contract agreement. 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 be held as confidential as well until such time as the award is completed.

The District, at its discretion, may utilize a Best and Final Offer (BAFO) process. If this process is utilized, the purchasing agent shall submit to the vendors most likely to receive the award, requests for specific clarification and allow vendors to enhance their pricing. The purchasing agent shall coordinate the offerors' responses for review by the evaluation committee. The purchasing agent shall be the SOLE point of contact throughout the process for all proposers.

3. The proposing firm shall submit one (1) original and six (6) copies of their response in a three ring, loose leaf binder. The firm's name and proposal name and number shall be on the cover of the binder. Firm shall also submit one electronic copy of their response on

CD ROM in write protected PDF Format.

4. Proposals submitted in response to this Request for Proposal shall become the property of District and be considered public documents under applicable Colorado state law. Financial records marked as “Confidential” and submitted in a separate sealed envelope shall be returned to the Respondent upon completion of the process.

SCOPE OF SERVICES

Routine Scope of Work:	
Consultation	• Provide advice on long-term strategic benefit plan and contribution strategies • Provide general guidance on trends in benefits offered; eligibility requirements, cost containment, design and claims administration • Recommend plan changes as needed and project pricing impact • Monitoring of vendor financial stability and performance or other issues that could affect vendor's ability to deliver agreed upon services
Benefit Changes	• Provide advice on benefit changes affecting the district's benefit plans; assist with implementation of changes including revisions in premium and recordkeeping procedures, reviewing master policy certificates and booklet amendments or modifications. • Provide comprehensive survey data on areas of interest to client (i.e. expected medical trend rates by plan types, benefit plan offerings specific to similar client types, average cost of benefits, etc)
Vendor negotiation; actuarial validation; rate and reserve recommendations	• Negotiate with medical, dental, vision, life, disability and other carriers to obtain best possible rates • Actuarially validate vendor rates based on claims data, benefit provisions and trends, design changes • Annually, establish contribution rates for self-insured dental and vision plans, estimate required reserves using past history, anticipated trend and additional factor affecting future operations. Prepare plan financial statement. • Prepare semi-annual financial analysis of claims versus premiums; trends
Coordination with other professional providers	• Work cooperatively with providers to resolve issues

Benefits Consultant/Broker

	that client is unable to resolve independently • Provide contract review and recommend signature • Assist with information requests from auditors • Meet with other professional service advisors, legal counsel and vendors as needed
Trends in legislation, new benefits, plan design	• Provide ongoing notification of proposed and final regulation changes to client • Provide webinars on topics of interest regarding health and welfare plans and other related topics • Educate committee members on recent legislative and regulatory changes
Meetings	• Attend 8-10 benefit committee meetings per fiscal year • Attend 1 – 2 board of education meetings as requested • Ad-hoc meetings as needed to review issues/plan for committee meetings, contract review, etc. • Ad-hoc telephone calls to discuss issues
Compliance	• Notify client of compliance issues that need to be addressed • Provide regular briefings (i.e. e-mail notices/newsletters, webinars, etc. regarding compliance issues) • Assist client in meeting compliance requirements - for example, updates in HIPAA policies, trust requirements, etc. ; making recommendations and providing policy and procedure drafts • Respond to client questions with regard to compliance issues
Self-funded Dental and Vision	• Contract review, renewal negotiations • Recommendations on benefit enhancements or changes • Updates on trend and market competitiveness • Plan document interpretation • Create plan summary; maintain as changes are required • Review, consult and assist in resolution of unusual claim situations, such as appeals

Ad-Hoc Services	
Actuarial	• Provide actuarial evaluations on benefits-related issues
Consultative	• Determine feasibility of self-insuring medical plan benefits
Requests for Proposals	• Identify eligible providers • Create RFP request in conjunction with district procurement requirements and staff • Hold conference call/meeting with interested vendors as needed • Respond to vendor questions • Analyze results and prepare detailed and summary reports • Meeting with RFP sub-committee to review RFP • Meeting(s) with RFP sub-committee to analyze results and prepare recommendation for full committee review • Attend benefit committee meeting with finalists • Assist in finalist selection • Negotiate terms (may occur in conjunction with district procurement staff) • Review contracts for compliance with agreed upon terms and make recommendation for signature
Audits	• Conduct claim audits, analyze results and prepare report as directed by district • Conduct dependent eligibility audits, analyze results and prepare report as directed by district. Manage Eligibility documentation support and validation process.
Communications	• Drafting of participant communication materials, such as letters regarding plan changes, summary booklets, annual benefits enrollment or new hire guides. Conducting focus group studies and analyzing and reporting on results.

In order to assist you in evaluating this opportunity and preparing a response, the following documents are available at Rocky Mountain e-Purchasing at the following link:

http://www.govbids.com/scripts/co1/public/home1.asp?utm_medium=referral&utm_source=JEF46CO&utm_campaign=web_site

- Exhibit A – new hire enrollment guide (includes schedule of benefits eligibility by association and scheduled hours; and employee rates)
- Exhibit B – current health plan enrollment
- Exhibit C - summary of medical plan rate increases over the last six years

- Exhibit D – benefit plan changes by year, since 7-2004
- Exhibit E – Business Associates and subcontractor agreement which must be executed by the finalist (included in this document)
- Exhibit F – sample district consultant contract (included in this document)

MINIMUM ELIGIBILITY REQUIREMENTS:

For a firm's response to be considered, the firm must meet the following minimum eligibility requirements:

1. Consulting firm must be a licensed life and health agent in the State of Colorado.
2. The investment consulting firm must have provided benefits consulting/broker services to other governmental, K-12 entities or other organizations which are approximately the size of the District's plans.
4. The consulting firm must agree that all insured products are to be provided to the District on a no-commission basis. All consulting costs are paid via time charges with a cap on the maximum fees that can be charged in a year. All responders must agree not to accept any commissions, fees or any other revenue sharing from insurance providers or other professional services.

PROPOSAL SUBMISSION REQUIREMENTS:

Information presented in the RFP submittal shall conform to the following:

- All pages are to be numbered.
- Information submitted should be arranged in the same order in which it is requested in.
- Each section must re-state each subheading or question, followed by your response.
- Responses must be concise and sufficient in detail to provide a thorough evaluation and assessment.
- Font size is not to be less than 10 point.
- Submittals are to be bound in a three ring loose leaf binder.
- Consultant shall provide six (6) hard copies of proposals, and one with original signature, and one electronic copy in PDF format on a CD.
- Respondent's Certification (Front page of the RFP document) shall be signed and returned with the proposal.
- Any addenda which are issued for this RFP should be signed and returned with the proposal response.

The following information is to be addressed in this order and clearly labeled in the

Respondent's proposal.

A. Firm's History and Firm's and Consulting Team's Relevant Experience

1. Describe your firm's history, number of years providing the types of services in the scope of work and the size and the scope of operations provided in Colorado and nationally. Limit, one page.
2. For the office directly supporting this contract, what percent of your book of business is made up of large employers (over 10,000 employees)? What percent of your book of business is made up of government employers? School districts?
3. What percentage of your income is attributable to benefits consulting services?
4. Describe your firm's financial status and stability. Include your most recent two years audited financial statements.
5. In the last 24 months has there been any filed or threatened litigation, judgments or liens? If your answer is "yes", please provide details. Limit, one page.
6. In the last 24 months have there been any completed or impending investigations of your firms' operations? If your answer is "yes", please provide details. Limit, one page.
7. For the location directly supporting this contract, what has been the professional staff turnover rate in the benefits consulting unit for each of the last four years?
8. Attach a one-page professional bio for each individual you propose to have direct contact with client. If you are suggesting a team approach, identify the team leader and the individual(s) who would be the day-to-day contact(s). For any proposed team members, the bio should include education, related work experience, professional designations, tenure with your firm, specific areas of expertise, professional memberships, articles published and presentations given at professional conferences. Any applicable K-12 or governmental benefits consulting/broker experience.
9. For the proposed individual or team directly supporting this contract, what has been the client turnover rate for the last four years?
10. Has the firm had contracts cancelled prior to completion in the last 24 months. Please state reason for any cancellations.
11. Consulting firm must be a licensed life and health agent in the State of Colorado. Please provide proof of licensing.

B. Firm's Philosophy and Approach

1. What is your organization's business philosophy with regard to benefits consulting? How do you distinguish yourself from your competition? Limit, one page.
2. What changes to your current business ownership or operational model do you foresee in the next two to three years? Limit, one page.
3. Describe the type of client who best fits with your business model. Limit, one page.
4. Describe your data security practices to protect client information. Describe your protocols for transferring files and data and e-mails securely. How is data protected once you have received it? Limit, one page.
5. Do you conduct client satisfaction surveys? How often? What have your results been for the last four years?

6. Identify any services which would not be provided directly by staff in the Denver Metro area and discuss how you coordinate these services to ensure smooth delivery to the client. Limit, one page.
7. For your last fiscal year, identify all sources of income, specifically any cost sharing fees or revenue received from insurance carriers.
8. Describe a summary of the support, research, compliance assistance, and technical service your corporate headquarters makes available to (a) your employees and (b) your benefits brokerage and consulting services clients. Identify specifically services you offer to keep your client base informed on changes in regulations/legislation.
9. Provide a copy of a redacted (name removed) client report that was prepared by the individual/team you propose to lead the work. Such report should address a specific issue related to providing health and welfare benefits for one of your clients.
10. What is the average time to return phone calls/e-mails on questions and issues brought to your recommended service leader/team in the past eighteen months?
11. Provide a list of the top five medical, life/disability, COBRA and FSA providers your proposed team deals with most frequently and the annual premium volume within each of these service lines.
12. Describe how you monitor insurer solvency.
13. Describe the top five (5) leading and future issues that will impact organizations like the district in the next three to five years and describe how your firm is uniquely able to address each of the leading issues you identified above.
14. What are your internal service standards? Please include a copy with your proposal. How often is compliance with your standards measured? Share your actual performance against standards for the last 24 months.
15. What performance guarantees will you provide to the District?

C. Fees

Fees shall include any costs associated with performing the work outlined. Rates for proposed reimbursable expenses such as mileage, equipment, printing, postage, courier service fees, or any other separate expenses that the firm would expect reimbursement on should be stated. Any expenses categories not identified will not be reimbursed separately and will be assumed to be included in the fee. Reimbursable expenses are reimbursed at cost.

1. Identify your proposed costs for the routine scope of work:

Description of work	Staff description	Hourly Billing Rate	Annual Hours	Annual Cost

Total Annual Costs – not to exceed				

2. Identify your proposed costs for ad-hoc services other than requests for proposals:

Description of work	Staff description	Hourly Billing Rate	Annual Hours	Annual Cost

3. Please state any rates for proposed reimburseable expenses below:

Description of Reimbursable Expense	Cost

4. Describe any complementary services your firm provides and the additional costs, if any.
5. For the services identified in the “scope of services section” identify those that would be provided directly by the primary consultant, other professional/technical staff, support staff, or through a third-party sub-contracting arrangement and the proposed hourly billing rates for each.
6. Provide individual costs for your firm to conduct an annual Request for Proposal for each of the benefit programs listed below and expected time frames for completion from date of authorization by the district to benefit plan implementation. List the estimated hours involved with each type of RFP and the maximum fee that would be charged.

Type of RFP	Staff Description	Hourly Rate	Cost	Estimated Hours	List any additional cost per respondent if it exceeds the number indicated in the scenario:
Medical – fully-insured. Assume five responders, narrowed to three finalists					
Dental, self-insured. Assume five responders, narrowed to three finalists					
Vision, self-insured. Assume five responders, narrowed to three finalists					
Life & AD&D insurance (basic and voluntary). Assume five responders, narrowed to three finalists					
Long and short-term disability. Assume five responders narrowed to three finalists					
COBRA. Assume ten responders					

Benefits Consultant/Broker

narrowed to five finalists.					
Flexible Spending Accounts. Assume ten responders, narrowed to five finalists					

C. Please provide a maximum not to exceed percent increase for each agreement renewal year.

Agreement Year	Maximum percent increase
2011/2012	
2013/2014	
2015/2016	
2016/2017	

Note: Any requested fee increases during renewal periods may not exceed the CPI for the Denver/Boulder/Greeley Area.

D. References

1. Attach a list of 5 references, preferably governmental and more specifically, K-12. Include their Company name, contact name, contact title, e-mail and telephone number.
2. Provide a list of public sector clients who have terminated your consulting relationship during the past three years and their reasons for doing so. Include the Company name, contact name, contact title, e-mail and telephone number.

E. Insurance and liability:

1. What limitations on liability, if any, do you impose through your contract? Please note any limitations on liability will be taken into consideration in the evaluation of the RFP.
2. Describe the following coverages that you carry and the levels of coverage that you carry for:
 - Professional liability or errors and omissions insurance
 - Commercial general liability
 - Cyber Risk coverage
 - HIPAA Exposure Coverage
3. Are the coverages you carry on a per client basis, or is the dollar figure applied to the firm as a whole:

4. List the insurance carriers for each coverage you carry.

5. Describe your disaster and facilities recovery plan.

SCHEDULE

The following is the schedule of events for the RFP submittal and selection process. The District reserves the right to change the schedule.

Event	Date
RFP	
RFP advertised	January 19 , 2010
Questions from vendors will be collected. No questions will be accepted following this deadline. An addendum containing all questions and responses will posted on http://www.govbids.com/scripts/co1/public/home1.asp	February 1, 2010 no later than 2:00pm (our clock)
Addendum issued containing responses to questions	February 5, 2010 close of business
Proposals due	February 15, 2010 prior to 2:00 p.m. (our clock)
Finalist Interviews (if required)	April 14, 2010 time to be determined
Contract Negotiations	April 2010
Contract Start	July 1, 2010

SELECTION PROCESS

Responses to this request will be evaluated by the Evaluation Committee members from the Employee Benefits Committee or their delegates with the assistance of staff from Human Resources, Benefits, Financial Services and Purchasing. This evaluation committee will make a recommendation for award.

Vendor proposals may be subjected to a two-stage evaluation and selection process. The first stage will begin with a review of the response to the proposal. A proposal must meet all minimum eligibility and other requirements as outlined to be considered.

Proposals not meeting minimum eligibility requirements or found to be incomplete will not be considered. Proposals not deemed within the competitive range will not be considered. The District may disqualify any vendor if it is deemed to be in the best interest of the District.

The District may choose to ask clarification questions in writing and include the additional information gathered in this process to all qualified respondents.

References of the top vendors will be checked to verify their selection.

Evaluation and rating of the responses will be based on:

- Information provided by the vendor in their response
- Information provided by the vendor in response to District clarification questions
- Information from reference checks

The second stage, if required by the District, will be a presentation and interview of finalists by the evaluation committee. Presentation/Interview, if applicable, shall be conducted in Golden, Colorado on April 14, 2010. Project Manager/team lead for the proposing firm will be required to attend along with other key staff that would be assigned to this project.

EVALUATION CRITERIA

The information listed below is in a random order. Proposals will be evaluated based on the following criteria:

- Offer comprehensive benefits consulting services; ability to respond to the needs of the district ; experience and qualifications of firm
- Background, experience and fit of primary consulting team
- Previous experience with school district or public sector clients; larger size employee groups, unions/associations General philosophy and approach, services provided
- Innovative thinking and creative approach.
- Demonstrated ability to perform the services referred to in the RFP.
- References and recommendations of other clients.
- Fee structure based on the services to be provided
- Contract terms and conditions and liability limitations.

TERMS AND CONDITIONS

SUBMISSION: Late responses will not be accepted. No oral, telephonic, telegraphic email or facsimile responses will be considered. A duly authorized official must sign this bid. Signature indicates agreement to comply with all terms, conditions, requirements and instructions of this RFP as stated or implied herein. Signature indicates agreement to furnish the proposed materials, supplies, products, equipment and/or services in strict accordance with the conditions, requirements, and specifications herein. Should anything be omitted which is necessary to clearly understand or should it appear that various instructions are in conflict, the Respondent shall secure instructions at **least 72 hours prior to the closing date and time.**

AWARD: No award shall be made to any person, firm or corporation that is in arrears upon any obligations to the District, or that otherwise may be deemed irresponsible or unreliable by the Director of Purchasing or designee. The Director of Purchasing or designee reserves the right to waive any technical or formal errors or omissions and reject any and all bids or to make an award, either in whole or in part, by item, category, or total, whichever is deemed to be most advantageous to and in the best interest of the District. In compliance with the provisions of Colorado Revised Statutes, Sections 8-17-101 and 102, 8-18-101, and 8-19-101 and 102, preference shall be given to Colorado labor and to resident Respondents against nonresident Respondents to the extent required by those sections. It is understood and agreed that the District reserves the right to modify conditions,

specifications, and prices by mutual agreement with the selected Respondent.

MODIFICATION: Any alteration, erasure or interlineation by the Respondent in this bid may constitute cause for rejection by the Director of Purchasing or designee. Exceptions or deviations should not be added to the individual pages, but should be submitted on Respondent's letterhead.

COMPLETION: Respondent shall complete all of the information requested for each item. Failure to do so shall constitute sufficient cause to reject any or all items offered if deemed to be in the best interest of the District. The District requests that this RFP be completed using either black ink or black type.

ACCURACY: Accuracy of the quotation is the responsibility of the Respondent. Quotations may not be changed after the bid opening time and date. No dollar amount change will be allowed, only clarification as to the unit represented. The Director of Purchasing or designee must do this in writing 24 hours after notification.

PRICING: All trade discounts and terms of payment must be reflected within the unit price. All prices must be quoted at a firm price, F.O.B. Destination. Prices shall remain firm for the term of the contract. If prices decrease during the term of this contract, the successful Respondent must notify the District of the lower prices so that all subsequent orders will reflect accurate pricing.

PAYMENT: The District payment terms are Net 30 days, unless otherwise negotiated. Payment shall be processed upon receipt by the District of an itemized invoice. Each purchase order shall be invoiced separately. All invoices shall be submitted to **Jefferson County Public School District, Attn: Accounts Payable, 1829 Denver West Dr. Bldg #27, Golden Colorado 80401.**

QUALITY: All goods/services furnished must strictly conform to the RFP and must be of the quality specified. No deviation or substitution is permitted without the prior written consent of the Director of Purchasing or designee. In the event no quality is specified, the goods/services must be at least equal to the standards of the industry. The Director of Purchasing or designee shall have the right at all times during the performance of this Agreement to conduct such tests and inspections as is deemed necessary to assure Respondent's compliance with this Agreement. The District will be supplied, as needed, data, drawings, specifications, test results, quality documentation, schedules, and other documents and information.

SHIPPING: Unless an order specifies a different delivery point, all deliveries under this Agreement shall be F.O.B. destination. Title and risk of loss of all goods shall pass to the District upon final acceptance.

DELIVERY: Delivery dates must be specified on this bid. **Time is of the essence.** Delivery is part of the consideration and the advised delivery date given on this RFP must be complied with unless otherwise instructed by the Director of Purchasing or designee. The District will not be responsible for any goods delivered or services performed without a purchase order signed by an authorized representative of The District.

SAMPLES: Samples of items, when requested/required, must be furnished free of expense and if not destroyed, will be returned upon request at the Respondents' expense.

NON-COLLUSION: By submission of the bid, the Respondent certifies that the bid has been arrived at independently and submitted without collusion with any other Respondent and that the contents of the bid have not been communicated, nor to the best of its knowledge and belief, by any one of its employees or agents, to any person not an employee or agent of the Respondent or its surety on any bond furnished herewith, and will not be communicated to any person prior to the official opening of the bid.

GRATUITIES: Respondents are expressly advised that gratuities are not allowed. District employees may not accept any gift, service, honorarium, stipend or fee, or use their position for private advantage or personal, financial or material gain. The District will investigate reported violations. Respondents, whom the Director of Purchasing or designee finds to have violated these provisions, may be barred from doing business with the District; employees may be disciplined according to District Policy.

CANCELLATION: The District reserves the right to cancel without penalty, at any time, any awards occurring as a result of this RFP. Time is of the essence. When a date is set for the delivery of merchandise or the performance of work, the merchandise must be delivered, or work performed, in accordance with the bid specifications or description on or before that date, or the order to the delinquent Respondent may be canceled and re-awarded. In such case, the District will have the right to buy merchandise or services at market price for immediate delivery. Any excess in cost shall be paid by the delinquent Respondent or deducted from any money due the delinquent Respondent.

COMPLIANCE: The Respondent agrees to comply with all applicable federal, state, and local laws, regulations, administrative rulings, and codes and secure all necessary licenses and permits in connection with this bid and any services to be provided hereunder.

GOVERNING LAW: Venue for any and all legal action regarding or arising out of transactions covered herein shall be solely in the District Court in and for Jefferson County, State of Colorado. The transaction shall be governed by the laws of the State of Colorado. Firms are responsible for ascertaining the pertinent legal requirements and restrictions.

TAX: The District is a political subdivision of the State of Colorado and as such is generally exempt and not liable for any sales, use, excise, property, or other taxes imposed by any federal, state or local government tax authority. The District is also not liable for any franchise taxes or taxes related to the income of a contractor. No taxes of any kind shall be charged to the District. Quotations shall not include the cost of any such taxes, including those on any materials, supplies or equipment used or installed in the work. The Respondent is hereby notified that when materials are purchased for the benefit of the District, some political subdivisions require the Respondent to pay sales or use taxes even though the ultimate product or service is provided to the District. These sales or use taxes will not be reimbursed by the District, nor will any prices be adjusted on account of such taxes. The Respondent shall file an "Application for Exemption Certificate" with the Colorado Department of Revenue and submit copies of such certificate to the District upon award of the contract and prior to commencement of any work.

HOLD HARMLESS: The Respondent agrees to protect, defend and hold the District harmless from and against any claim or demand for payment or other claim based upon or related to the use of any patented material, process, article or device that may enter into the manufacture, construction or form a part of any work covered or materials and equipment furnished under this bid.

INDEMNIFICATION: The Respondent agrees to indemnify and hold the District harmless from claims, suits or actions of every nature and description brought against it for or on account of any injuries or damages received or sustained by any party or parties, caused in whole or in part by or from the acts of the Respondent, its servants or agents. To this extent, the Respondent agrees to furnish adequate Public Liability and Property Damage Insurance, the amount of which will be determined by the District whenever such insurance, in the opinion of the District, is deemed necessary.

APPROPRIATIONS & APPROVAL: Any and all obligations of the District under this Agreement may be subject to annual approval and/or budgeting and appropriation by the District.

EQUAL OPPORTUNITY: In connection with the performance of any work under the bid, the Respondent shall agree not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, creed, color, national origin, ancestry, age, sex, or disability, and further agrees to insert the foregoing provisions in all subcontracts hereunder.

INSURANCE: The Respondent will be required to indemnify and hold the District harmless from suits or actions of any kind, including workers' compensation claims, brought against it for or on account of any damages or injuries received or sustained by any parties, by or from the acts of the Respondent or his agents. The Respondent will furnish copies of insurance certificates with the District included as additional insured on policies for comprehensive general liability with limits of not less than \$2,000,000 (\$2,000,000 aggregate must be maintained), combined single limit bodily injury and property damage and auto liability combined single limit \$2,000,000, \$2,000,000 aggregate must be maintained. The District must be notified by certified mail at least thirty (30) days prior to cancellation of any insurance policy. The Respondent will furnish copies of insurance certificates for statutory workers' compensation and employers' liability with limits of not less than \$1,000,000. The District reserves the right to change or waive insurance requirements it is deemed to be in the District's best interest to do so. As part of the proposal response companies are requested to provide the type of insurance and coverage levels their company carries.

ILLEGAL ALIENS: Pursuant to Colo. Rev. Stat. § 8-17.5-101 *et. seq.*, the District cannot enter into or renew a public contract for services with a vendor/contractor who knowingly employs or contracts with an illegal alien to perform work under the contract or who knowingly contracts with a subcontractor who knowingly employs or contracts with an illegal alien to perform work under the contract.

In accordance with the mandatory provisions of Colo. Rev. Stat. § 8-17.5-101 *et. seq.*, Vendor/Contractor certifies that it has not knowingly employed or contracted with an illegal alien to perform work under this Agreement, and that the Vendor/Contractor will participate in the E-Verify Program or the Department Program [as defined in Colo. Rev. Stat. § 8-17.5-101(3.3)] in order to confirm the employment eligibility of all employees who are newly hired to perform work under this Agreement. Vendor/Contractor further certifies that it will not enter into a contract with a subcontractor who fails to certify to Vendor/Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Agreement.

Vendor/Contractor has confirmed the employment eligibility of all employees who are newly hired to perform work under this Agreement through participation in either the E-Verify Program or the

Department Program. Vendor/Contractor shall not use the E-Verify Program or the Department Program to undertake pre-employment screening of job applicants while the Agreement is being performed.

If Vendor/Contractor obtains actual knowledge that a subcontractor performing work under this Agreement knowingly employs or contracts with an illegal alien, Vendor/Contractor shall:

- a. Notify the subcontractor and the District within three days that Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- b. Terminate the subcontract if within three days of receiving actual notice the subcontractor does not stop employing or contracting with the illegal alien, except that Vendor/Contractor shall not terminate the subcontract if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Vendor/Contractor shall comply with any reasonable request by the Department of Labor and Employment (hereinafter referred to as the "Department") made in the course of an investigation that the Department is undertaking pursuant to C.R.S. § 8-17.5-102(5).

If Vendor/Contractor violates the provisions of this paragraph, the District may terminate the contract for breach and Vendor/Contractor shall be liable for actual and consequential damages.

If Vendor/Contractor is a natural person eighteen years of age or older, Vendor/Contractor hereby swears or affirms under penalty of perjury that the Vendor/Contractor (i) is a citizen of the United States or otherwise lawfully present in the United States pursuant to federal law, (ii) shall comply with the provisions of CRS 24-76.5-101 et seq, and (iii) shall produce one of the forms of identification required by CRS 24-76.5-103 prior to the effective date of this Agreement.

CRIMINAL RECORD VERIFICATION: Successful Respondent will be required to complete Criminal record check on all employees who work on district property for this contract. Employees who have been convicted of, pled nolo contendere to, or received a deferred sentence or deferred prosecution for a felony, or a misdemeanor crime involving unlawful sexual behavior or unlawful behavior involving children, will not be allowed to work on District property for this contract. The Respondent must complete the district's Criminal Records Check Certification. Each individual Respondent will be responsible to adhere to any Federal, State, and Local privacy and confidentiality requirements.

THIRD PARTY INTELLECTUAL PROPERTY: The project may require the Respondent to utilize intellectual property owned by third parties. The Respondent acknowledges that it is wholly responsible for complying with all intellectual property law, including copyright, trademark, and patent law, and that it has or will secure all necessary permissions to use third parties' intellectual property in carrying out this Project. The Respondent agrees to indemnify and defend the District from all liability arising out of or related to the Respondent's use as part of this project of any intellectual property in which a third party asserts an interest.

USE OF WORK PRODUCT: Vendor's work product produced or created by Vendor specifically and exclusively for the District ("work product") shall be delivered to the District in the time frame contemplated by this Agreement, shall become the exclusive property of the District, and may be used by the District for any purpose. The rights of the District with respect to such Work Product shall include,

but not be limited to, the right to copy, publish, display, transfer, prepare derivative works, or otherwise use such Work Product.

Vendor shall not use, willingly allow, cause or permit such Work Product to be used for any purpose other than the performance of Vendor's obligations under this Agreement, without the prior written consent of the District.

EXHIBIT E

Business Associates and Subcontractor Agreement which must be executed by the finalist**BUSINESS ASSOCIATE AGREEMENT**

THIS BUSINESS ASSOCIATE AGREEMENT ("Agreement") is made this __ day of _____, 2009 (the "Effective Date"), by and between _____ ("Business Associate"), and Jefferson County School District's HIPAA covered health plans ("Health Plan").

WITNESSETH:

WHEREAS, Health Plan and Business Associate are subject to federal standards for the privacy and security of Protected Health Information (the "HIPAA Standards" as further defined below);

WHEREAS, Business Associate and Health Plan are parties to a services agreement under which Business Associate provides services for Health Plan that require Business Associate to use, access, disclose, receive or create Protected Health Information (the "Service Agreement");

WHEREAS, Health Plan and Business Associate are committed to complying with the HIPAA Standards and desire to set forth the rights and responsibilities of the parties with respect to Protected Health Information;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the sufficiency of which is hereby acknowledged by the parties, the parties agree as follows:

1. DEFINITIONS.

1.1 "Breach" means the acquisition, access use or disclosure of Protected Health Information in a manner not permitted by 45 C.F.R., Part 164, Subpart E (the Privacy Standards") which compromises the security or privacy of such information, except where a party has a good faith belief that an unauthorized person to whom such information is disclosed would not reasonably have been able to retain such information. The foregoing definition shall incorporate the terms and limitations provided in the definition of a breach as set forth in 45 C.F.R. § 164.402, as such may be modified from time to time, and does not include (i) any unintentional acquisition, access, or use of Protected Health Information by a workforce member or person acting under the authority of Health Plan or Business Associate if such acquisition, access, or use was made in good faith and within the course and scope of authority and does not result in further use or disclosure in a manner not permitted under the Privacy Standards; or (ii) any inadvertent disclosure by a person who is otherwise authorized to access Protected Health Information at Health Plan or Business Associate or an organized health care arrangement in which Health Plan participates and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted under the Privacy Standards.

1.2 “Designated Record Set” means a group of records containing Protected Health Information maintained by or for Health Plan which fall within one of the following categories: (a) a health care providers medical and billing records; (b) a Health Plans enrollment, payment, claims adjudication and case management records; or (c) records used in whole or in part by Health Plan to make decisions about the individuals to whom the information relates.

1.3 “Discovery” as used in Section 2.5 with respect to any Breach or other Unauthorized Use or Disclosure, as defined below, occurs on the first day that the Unauthorized Use or Disclosure is known to Business Associate or any employee, officer or other agent of Business Associate or by exercising reasonable diligence would have been known to Business Associate or any employee, officer or agent of Business Associate to have occurred. Business Associate shall be deemed to have knowledge of a Breach or other Unauthorized Use or Disclosure if such Breach or Unauthorized Use or Disclosure is known, or by exercising reasonable diligence would have been known, to any person other than the person committing the Breach or Unauthorized Use or Disclosure who is an employee, officer, or other agent of Business Associate (determined in accordance with the federal common law of agency).

1.4 “Individual” means the person who is the subject of Individually Identifiable Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

1.5 “HIPAA Standards” means collectively the Health Insurance Portability and Accountability Act (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act (the “HITECH” Act) as set forth in Pub. L. No. 111-5 (2009), the Security Standards for the Protection of Electronic Protected Health Information and the Standards for Privacy of Individually Identifiable Health Information as set forth in 45 C.F.R. Part 160 and Part 164, and any amendments and additions to such laws and regulations which may be adopted from time to time.

1.6 “Protected Health Information” or “PHI” means any information, whether oral or recorded in any form or medium, that is (a) created or received by Health Plan or by Business Associate or another person or entity on behalf of or for the benefit of Health Plan ; (b) relates to the past, present or future physical or mental health or condition of an individual, the provision of health care to an individual, or the past, present or future payment for the provision of health care to an individual, and (c) identifies an individual with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

1.7 “Required By Law” means a mandate contained in law that compels Health Plan or Business Associate to use or disclose PHI and that is enforceable in a court of law, including, but not limited to, court orders, court-ordered warrants and statutes and regulations that require such information if payment is sought under a government health care program.

1.8 “Unsecured PHI” means PHI in any form that is not secured through the use of technology or methodology specified in guidance issued by the Secretary of Health and Human Services (“Secretary”) under Section 13402(h)(2) of Public Law 111-5 on the Department of Health and Human Services Website.

1.9 Other Terms. All other terms used, but not otherwise defined, in this Agreement shall have the same meaning as provided in the HIPAA Standards.

2. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE.

2.1 Compliance with HIPAA Standards. Business Associate shall comply with all provisions of the HIPAA Standards as required by §§13401 and 13404 of the HITECH Act, this Agreement, and other applicable law.

2.2 Non-disclosure. Business Associate agrees not to use or disclose PHI other than as permitted or required by this Agreement or as Required By Law (collectively the “Permitted Disclosures”). All Permitted Disclosures shall be made in strict compliance with the HIPAA Standards. For purposes of this Agreement, any use or disclosure of PHI that is not a Permitted Disclosure, including but not limited to any Breach of Unsecured PHI, shall be considered an Unauthorized Use or Disclosure.

2.3 Safeguards. Business Associate agrees to use appropriate safeguards to prevent the use or disclosure of PHI other than as permitted by this Agreement. Business Associate will document and keep all such safeguards current.

2.4 Mitigation. Business Associate agrees to mitigate, to the extent practicable, any harmful effect, known to Business Associate, of any Unauthorized Use or Disclosure.

2.5 Reporting. Business Associate shall establish reasonable procedures to detect Unauthorized Uses or Disclosures of PHI (including but not limited to any Breach) and to facilitate the reporting of any such Unauthorized Uses or Disclosures as required by this Section 2.5. Business Associate agrees to report to the Privacy Officer of Health Plan any Unauthorized Use or Disclosure of PHI of which Business Associate becomes aware. The initial report shall be made by telephone call to the Privacy Officer of Health Plan within forty-eight (48) hours after Discovery by Business Associate of such Unauthorized Use or Disclosure. The telephone report shall be followed by a written report to the Privacy Officer which shall be made as soon as reasonably possible but in no event more than five (5) business days after Discovery by Business Associate of such Unauthorized Use or Disclosure. This reporting obligation shall include Unauthorized Uses or Disclosures by Business Associate, its employees, subcontractors and/or agents. Each such report of an Unauthorized Use or Disclosure will: (i) identify each individual whose Unsecured PHI has been or is reasonably believed to have been accessed, acquired, or disclosed as a result of such Unauthorized Use or Disclosure; (ii) identify the nature of the Unauthorized Use or Disclosure, including the date of Discovery and Date of the Unauthorized Use or Disclosure; (iii) identify the types of PHI used or disclosed (e.g., whether an individual’s full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved); (iv) identify who made the Unauthorized Use or Disclosure; (v) identify who received the unauthorized PHI; (vi) identify what corrective action Business Associate took or will take to prevent further Unauthorized Use or Disclosures and any other steps individuals should take to protect themselves from potential harm resulting from the Unauthorized Use or Disclosure; (vii) describe what Business Associate is doing to investigate the Unauthorized Use or Disclosure and identify what Business Associate did or will do to mitigate any deleterious effect of the Unauthorized Use or Disclosure; (viii) provide contact

procedures to ask questions or learn additional information; and (ix) provide such other information as Health Plan may reasonably request. Business Associate shall cooperate with the Health Plan as requested to mitigate potential harm to an individual resulting from an Unauthorized Use or Disclosure by Business Associate, its agents, or subcontractors and to implement any notification procedures required by the HIPAA Standards as a result of such Unauthorized Use or Disclosure. Business Associate shall pay the costs of mitigation and notification procedures which are attributable to an Unauthorized Use or Disclosure by Business Associates, its agents or subcontractors.

2.6 Agents and Subcontractors. Business Associate agrees to ensure that any agent or subcontractor to whom it provides PHI received from Health Plan, or created by Business Associate on behalf of Health Plan, agrees in writing to the same restrictions and conditions that apply to Business Associate through this Agreement with respect to such information. Such written agreement shall be in the form, and have the content, of the Subcontractor Agreement attached as Exhibit A. If Business Associate knows or has reason to know of a pattern of activity or practice of a subcontractor that constitutes a material breach or violation of the subcontractor's obligation under the Subcontractor Agreement, Business Associate shall take reasonable steps to cure the breach or end the violation, as applicable, and, if such steps are unsuccessful: (A) Business Associate shall terminate the Subcontractor Agreement and any related business arrangements between Business Associate and the subcontractor involving the use, disclosure, or creation of PHI, if feasible; or (B) if such termination is not feasible, Business Associate shall report the situation to Health Plan and the Secretary.

2.7 Access. Business Associate agrees to provide access to PHI in a Designated Record Set to Health Plan or, as directed by Health Plan, to an Individual within five (5) days of receiving a written request from Health Plan in order to meet the requirements of 45 C.F.R. § 164.524. This provision does not apply if Business Associate and its employees, subcontractors or agents have no PHI from a Designated Record Set of Health Plan or do not maintain PHI in a Designated Record Set on behalf of Health Plan. If Business Associate receives a request for access to PHI directly from an Individual, Business Associate shall notify Health Plan of the request within one (1) business day.

2.8 Amendments. Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set that Health Plan directs or agrees to pursuant to 45 C.F.R. § 164.526 within five (5) days of receiving a written request from Health Plan. Such amendment shall be made by addition to the PHI record, and under no circumstances shall PHI be deleted as part of the amendment process. If Business Associate receives a request for an amendment to a Designated Record Set directly from an Individual, Business Associate shall notify Health Plan of the request within one (1) business day. This provision does not apply if Business Associate and its employees, subcontractors or agents have no PHI from a Designated Record Set of Health Plan or do not maintain PHI in a Designated Record Set on behalf of Health Plan.

2.9 Records. Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Health Plan available to Health Plan or, at the request of Health Plan, to the Secretary, during regular business hours within five (5) business days of receiving a written request from Health Plan, or sooner if requested by the Secretary, for purposes of the Secretary determining Health Plan's compliance with the HIPAA Standards.

2.10 Accounting of Disclosures. Business Associate agrees to document all disclosures of PHI by Business Associate, its employees, subcontractors or agents in a record maintenance form which shall include: (a) the date of the disclosure; (b) the name and address (if known) of the person or entity who received the disclosure; (c) a brief description of the PHI disclosed; and (d) a brief statement of the purpose of the disclosure or a copy of the consent to the disclosure signed by the individual to whom the PHI relates. This documentation shall not be required for disclosures of PHI which are expressly exempt from the accounting requirements of the HIPAA Standards as set forth in Section 13405(c) of the HITECH Act and 45 C.F.R. § 164.528(a)(1). Business Associate agrees to provide Health Plan or, at Health Plan's request, an Individual within five (5) business days of receiving a written request from Health Plan, information collected in accordance with this Section to permit Health Plan to respond to a request by an Individual for such an accounting of disclosures. If Business Associate receives a request for an accounting of disclosures of PHI directly from an Individual, Business Associate shall notify Health Plan of the request within one (1) business day. Additionally, if the Health Plan uses or maintains electronic health records for PHI, the Business Associate will comply with any additional accounting requirements applicable under § 13405(c) of the HITECH Act, including any statutory or regulatory amendments and additions thereto as may be enacted from time to time.

2.11 "Trading Partner" Provisions: Use and Disclosure in Connection with Standard Transactions. If Business Associate conducts Standard Transactions (as defined in 45 C.F.R. Part 162) for or on behalf of Health Plan, Business Associate will comply, and will require each subcontractor or agent involved with the conduct of such Standard Transactions to comply, with each applicable requirement of 45 C.F.R. Part 162. Business Associate will not enter into, or permit its subcontractors or agents to enter into, any trading partner agreement in connection with the conduct of Standard Transactions for or on behalf of Health Plan that: (i) changes the definition, data condition, or use of a data element or segment in a Standard Transaction; (ii) adds any data elements or segments to the maximum defined data set; (iii) uses any code or data element that is marked "not used" in the Standard Transaction's implementation specification or is not in the Standard Transaction's implementation specification; or (iv) changes the meaning or intent of the Standard Transaction's implementation specification.

2.12 Training and Administrative Requirements. Business Associate shall adopt policies and procedures with respect to Protected Health Information that are designed to comply with the requirements of this Agreement and the HIPAA Standards, as such may be amended from time to time. Business Associate shall train all members of its workforce on such policies and procedures as necessary and appropriate for the members of the workforce to carry out their functions within Business Associate. Business Associate shall have and apply appropriate sanctions against members of its workforce who fail to comply with such policies and procedures or the requirements of this Agreement.

3. PERMITTED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION.

3.1 Permitted Uses and Disclosures. Except as otherwise limited in this Agreement, Business Associate may use PHI received from or created on behalf of Health Plan to carry out the responsibilities imposed upon Business Associate under the Service Agreement provided that such use

or disclosure would not violate the HIPAA Standards, the Service Agreement or the policies and procedures of Health Plan. Business Associate may use PHI in connection with the proper management and administration of Business Associate or to carry out legal responsibilities of Business Associate. Business Associate may disclose PHI in connection with the proper management and administration of Business Associate if (a) the disclosure is Required By Law, or (b) Business Associate receives adequate assurances from the person to whom the information is disclosed that the information will be held confidentially, used or further disclosed only as Required By Law or for the purposes for which the disclosure was made, and the person notifies Business Associate of any instance of which it is aware in which the confidentiality of the information has been Breached.

3.2 Unauthorized Uses and Disclosures. Any use or disclosure of PHI which is not specifically permitted in this Agreement is prohibited.

3.3 Violations of Law. Business Associate may use PHI to report violations of law to appropriate authorities consistent with 45 C.F.R. § 164.502(j)(1).

4. OBLIGATIONS OF HEALTH PLAN.

Health Plan shall make available to Business Associate upon request Health Plan's privacy notices, any relevant privacy policies or other information, and any restrictions on the use or disclosure of PHI voluntarily agreed to by Health Plan that may impact the permissible uses or disclosures of PHI by Business Associate.

5. SECURITY OF ELECTRONIC DATA.

If PHI is transmitted to or maintained by Business Associate in electronic format, Business Associate agrees to:

(a) Develop, implement, maintain, and use administrative, technical and physical safeguards that reasonably and appropriately protect the integrity, confidentiality, and availability of the electronic PHI that Business Associate creates, receives, maintains or transmits on behalf of Health Plan, as required by 45 C.F.R., Part 164, Subpart C and Section 13401 of the HITECH Act;

(b) Ensure that any agent or subcontractor to whom Business Associate provides electronic PHI agrees to implement reasonable and appropriate safeguards to protect such PHI;

(c) Report to Health Plan any security incident of which Business Associate becomes aware; and

(d) Provide reasonable access to and/or permit inspection of its systems to allow Health Plan to determine Business Associate's compliance with this provision.

6. TERM AND TERMINATION.

6.1 Term. The term of this Agreement shall commence on the Effective Date and shall continue until terminated as permitted herein.

6.2 Termination for Cause. Upon Health Plan's reasonable determination that Business Associate has breached a material term of this Agreement, Health Plan shall be entitled to do any one or more of the following:

(a) Give Business Associate written notice of the existence of such breach and give Business Associate an opportunity to cure upon mutually agreeable terms. If Business Associate does not cure the breach or end the violation according to such terms, or if Health Plan and Business Associate are unable to agree upon such terms, Health Plan may immediately terminate this Agreement. If termination of this Agreement is not feasible, Health Plan shall report the breach to the Secretary.

(b) Immediately terminate the Service Agreement or any other arrangement between Health Plan and Business Associate which is the subject of such breach.

(c) Immediately stop all further disclosures of PHI to Business Associate pursuant to the Service Agreement or other arrangement which is the subject of such breach.

6.3 Termination Without Cause. This Agreement shall terminate upon any such date as Health Plan and Business Associate may agree in a writing signed by both parties.

6.4 Termination of Service Agreement. This Agreement shall terminate upon the termination or expiration of the Service Agreement.

6.5 Effect of Termination.

(a) Upon termination of this Agreement for any reason, Business Associate shall return to Health Plan , or destroy, all PHI received, created, received or maintained in any form by Business Associate on behalf of Health Plan . Business Associate shall retain no copies of such information. This Section 6.5 shall also apply to PHI that is in possession of subcontractors or agents of Business Associates.

(b) In the event that Business Associate determines that return or destruction of PHI is not feasible, Business Associate shall provide to Health Plan written notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

(c) Business Associate shall cooperate with Health Plan to the extent reasonably necessary for Health Plan to determine that all PHI has been properly returned, destroyed or protected upon termination of this Agreement. Such cooperation shall include allowing Health Plan to review electronic and computer systems for data and deleting electronic access paths and codes which allow Business Associate to receive or transmit PHI in electronic formats.

(d) Business Associate's obligations to protect the privacy and security of PHI as provided in this Agreement are continuous and shall survive any termination, cancellation, expiration, or other conclusion of this Agreement or any other agreement between Business Associate and Health Plan.

(e) The respective rights and obligations of Business Associate under this Article 6 regarding the return, destruction or protection of PHI after termination shall survive the termination of this Agreement.

7. MISCELLANEOUS.

7.1 Scope of Agreement. This Agreement relates only to the use, disclosure and protection of PHI if it is disclosed to, created or received by Business Associate in connection with any relationship between Business Associate and Health Plan. This Agreement is the sole understanding between the parties relating to such matters, and supersedes all prior agreements and understandings, whether oral or written. Nothing herein shall require Health Plan to disclose any PHI to Business Associate or to utilize any service of Business Associate. Nothing herein requires Business Associate to accept any PHI or to provide any particular services.

7.2 Assignment. No assignment of this Agreement or of the rights and obligations hereunder by any party shall be valid, without the prior written consent of the other party. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and each of their respective successors, heirs and permitted assigns, if any.

7.3 Severability. In the event that any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal, or unenforceable, the remaining provisions of this Agreement shall not be affected thereby.

7.4 Waiver and 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 provisions hereof.

7.5 Notice. Any notice required or permitted to be given under this Agreement shall be in writing and may be either personally delivered, sent by registered or certified mail in the U.S. Postal Service, Return Receipt Requested, postage prepaid, or reputable overnight courier, delivery prepaid and signature required, addressed to each party at the addresses set forth at the end of this Agreement. Any such notice shall be deemed to have been given, if mailed as provided herein, as of 48 hours after mailing.

7.6 Amendments. Except as provided herein, this Agreement may be amended or modified by written agreement executed by all parties, in which case, the parties agree to take such action to amend this Agreement as is necessary for Health Plan to comply with the requirements of the HIPAA Standards. However, Health Plan reserves the right to amend this Business Associate Agreement as required to comply with applicable law by sending prior written notice of the amendment to Business Associate.

7.7 Governing Law/Construction. This Agreement shall be governed by applicable federal law and the laws of the State of Colorado, without regard to conflict of laws principles. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Health Plan and Business Associate to comply with the HIPAA Standards and with any Colorado laws relating to the confidentiality of individual health information that are not preempted by the HIPAA Standards. In the event that the HIPAA Standards impose any additional or more rigorous limitations on disclosures and uses of PHI by Business Associate, then this Agreement shall be read to comply with those higher standards.

7.8 No Third Party Beneficiaries. Business Associate and Health Plan agree that Individuals who are the subject of PHI are not third party beneficiaries of this Agreement.

7.9 Further Acts. The parties agree that the intent of this Agreement is to comply with the HIPAA Standards. Each of the parties shall execute and deliver all documents, papers and instruments reasonably necessary or convenient to carry out the terms of this Agreement. The parties shall, upon request at any time after the date of this Agreement, execute, deliver and/or furnish all such documents and instruments, and do or cause to be done all such acts and things as may be reasonable to effectuate the purpose and intent of this Agreement as set forth herein.

7.10 Relationship to Service Agreement. In the event that a provision of this Agreement is contrary to any provision of the Service Agreement, the provision of this Business Associate Agreement shall prevail.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

HEALTH PLAN :

By:
Printed Name: Lisa Eacker
Title: Employee Benefits Director
Address: Jefferson County School District
PO Box 4001
Golden, Co. 80401

BUSINESS ASSOCIATE:

By: _____
Printed Name: _____
Title: _____
Address: _____

SUBCONTRACTOR AGREEMENT

THIS SUBCONTRACTOR AGREEMENT is made this ____ day of _____, 2009 (“Effective Date”) by and between _____ (“Business Associate”) and _____ (“Subcontractor”).

WITNESSETH:

WHEREAS, Business Associate is subject to federal HIPAA Standards and has entered into a Business Associate Agreement with Jefferson County School District’s HIPAA covered health plans (the “Health Plan ”);

WHEREAS, Subcontractor provides services for Business Associate that require the use, disclosure, or creation of Protected Health Information (or “PHI”) as defined in the Business Associate Agreement between Business Associate and Health Plan (the “Business Associate Agreement”); and

WHEREAS, Business Associate and Subcontractor are committed to complying with the HIPAA Standards and desire to set forth the rights and responsibilities of the parties with respect to Protected Health Information;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the sufficiency of which is hereby acknowledged by the parties, the parties agree as follows:

1. Subcontractor agrees to assume and comply with all of the obligations, duties, and responsibilities of Business Associate as set forth in the Business Associate Agreement and Business Associate shall be subject to all of the terms and conditions of such agreement. Without limiting the foregoing, Subcontractor shall perform all of its services for Business Associate and or Health Plan in a manner that complies with the Business Associate Agreement and Subcontractor shall make no uses or disclosures of PHI that would not be a Permitted Disclosure under the term of such agreement.

2. This Subcontractor Agreement shall terminate upon the termination or expiration of the Business Associate Agreement. This Agreement shall incorporate the Definitions set forth in the Business Associate Agreement and all terms which are defined in the Business Associate Agreement shall have the same meaning in this Subcontractor Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESSETH WHEREOF, the parties have executed this Subcontractor's Agreement as of the Effective Date.

Business Associate:

By: _____

Printed Name: _____

Title: _____

Address: _____

Subcontractor:

By: _____

Printed Name: _____

Title: _____

Address: _____

EXHIBIT F
Sample Agreement

THIS AGREEMENT ("Agreement") is entered into and made effective this ____ day of March, 2010 ("Effective Date") by and between Jefferson County Public Schools R-1 ("District") and _____ ("Vendor") with offices located at, _____.

RECITALS

WHEREAS, the District seeks to purchase awarded services quoted on Request for Proposal (RFP) No.22548, Benefits Consultant/Broker issued by the District.

WHEREAS, the District issued RFP No.22548 and awarded the RFP as specified in the RFP document.

WHEREAS, the District and the Vendor desire to enter into an agreement in accordance with the terms and conditions contained herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

The **Contract Documents shall be this Agreement**, the RFP No. 22548, together with the District's Proposal document in its entirety, Proposal Terms and Conditions, any Addenda, and the Proposal of the Vendor all incorporated herein by reference.

The District accepts the Proposal of the Vendor for the items, estimated quantities and estimated costs as set forth in the Proposal of the Vendor, and the Vendor at its sole risk, cost and expense agrees to furnish, supply and deliver the said item or items as ordered and to perform all necessary labor, and to undertake and complete this Agreement in accordance with the standards of the industry and the terms of this Agreement and the other contract documents.

Term. The term of this Agreement shall commence on March 1, 2010 and shall continue through February 28, 2011 unless earlier terminated as provided herein. The District reserves the right to renew and extend the executed agreement for up to four (4) additional one (1) year periods upon mutual agreement between the District and the Vendor.

Extension of Credit and/or Faith. The Vendor shall not extend the credit and/or faith of the District to any person, firm, organization, association, or corporation.

Assignment. This Agreement and each of the rights, duties, and obligations hereunder, may not be assigned or transferred, in whole or in part, without the prior written approval of the District. The vendor may not assign staff to perform services under this agreement other than the staff submitted in the proposal without prior approval of the District. The District reserves the right to withhold approval if it is determined to be in the District's best interest.

Entire Agreement; Modification; Waiver. This Agreement constitutes the entire agreement of the parties regarding the subject matter herein and supersedes all prior agreements, verbal or written, which pertain to the subject matter herein. This Agreement may be modified only by writing signed by all parties. The waiver of a breach of any provision of this Agreement shall not be construed as a waiver of any subsequent breach. No waiver shall be valid unless it is in writing and signed by the party giving the waiver.

Governing Law. This Agreement shall be construed and governed by the laws of the State of Colorado. In the event of litigation, jurisdiction and venue shall be in the County or District Court, County of Jefferson, Colorado.

Severability. If any provision of this Agreement is determined to be invalid or illegal, such provision shall be deemed automatically amended to conform to the law or if such amendment is not possible, such provision shall have no effect. In either event, the other provisions of this Agreement shall remain applicable to the parties and be given full effect.

Appropriations. Any and all obligations of the District under this Agreement are subject to annual budgeting and appropriation by the District.

Termination. Either party may terminate this Agreement in the event the other party is in default of any of its obligations hereunder; provided, however, that the non-defaulting party has given the defaulting party written notice specifying the nature of the default, and the defaulting party shall fail to cure the default within thirty (30) days of such notice. The District may terminate this agreement at any time upon ten (10) days written notice.

Independent Contractor. The Vendor is an independent contractor, and nothing herein contained shall constitute or designate the Vendor or any of its employees or agents as agents or employees of the District.

Insurance. The vendor will be required to indemnify and hold the District harmless from suits or actions of any kind, including workers' compensation claims, brought against it for or on account of any damages or injuries received or sustained by any parties, by or from the acts of the Vendor or his agents. The Vendor will furnish copies of insurance certificates with the District included as additional insured on policies for comprehensive general liability with limits of not less than \$2,000,000 (\$2,000,000 aggregate must be maintained), combined single limit bodily injury and property damage and auto liability combined single limit \$2,000,000, \$2,000,000 aggregate must be maintained. Professional liability insurance with limits of \$2,000,000 per claim and aggregate, if "Claims Made", coverage is to be maintained for a period of two years beyond the expiration of this contract or a two year extended reporting period must be purchased. The District must be notified by certified mail at least thirty (30) days prior to cancellation of any insurance policy. The Vendor will furnish copies of insurance certificates for statutory workers' compensation and employers' liability

with limits of not less than \$1,000,000.

Illegal Aliens: Pursuant to Colo. Rev. Stat. § 8-17.5-101 *et. seq.*, the District cannot enter into or renew a public contract for services with a vendor/contractor who knowingly employs or contracts with an illegal alien to perform work under the contract or who knowingly contracts with a subcontractor who knowingly employs or contracts with an illegal alien to perform work under the contract.

In accordance with the mandatory provisions of Colo. Rev. Stat. § 8-17.5-101 *et. seq.*, Vendor/Contractor certifies that it has not knowingly employed or contracted with an illegal alien to perform work under this Agreement, and that the Vendor/Contractor will participate in the E-Verify Program or the Department Program [as defined in Colo. Rev. Stat. § 8-17.5-101(3.3)] in order to confirm the employment eligibility of all employees who are newly hired to perform work under this Agreement. Vendor/Contractor further certifies that it will not enter into a contract with a subcontractor who fails to certify to Vendor/Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Agreement.

Vendor/Contractor has confirmed the employment eligibility of all employees who are newly hired to perform work under this Agreement through participation in either the E-Verify Program or the Department Program. Vendor/Contractor shall not use the E-Verify Program or the Department Program to undertake pre-employment screening of job applicants while the Agreement is being performed.

If Vendor/Contractor obtains actual knowledge that a subcontractor performing work under this Agreement knowingly employs or contracts with an illegal alien, Vendor/Contractor shall:

- a. Notify the subcontractor and the District within three days that Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- b. Terminate the subcontract if within three days of receiving actual notice the subcontractor does not stop employing or contracting with the illegal alien, except that Vendor/Contractor shall not terminate the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Vendor/Contractor shall comply with any reasonable request by the Department of Labor and Employment (hereinafter referred to as the “Department”) made in the course of an investigation that the Department is undertaking pursuant to C.R.S. § 8-17.5-102(5).

If Vendor/Contractor violates the provisions of this paragraph, the District may terminate the contract for breach and Vendor/Contractor shall be liable for actual and consequential damages.

If Vendor/Contractor is a natural person eighteen years of age or older, Vendor/Contractor hereby swears or affirms under penalty of perjury that the Vendor/Contractor (i) is a citizen of the United States or otherwise lawfully present in the United States pursuant to federal law, (ii) shall comply with the provisions of CRS 24-76.5-101 *et seq.*, and (iii) shall produce one of the forms of identification required by CRS 24-76.5-103 prior to the effective date of this Agreement.

Third Party Intellectual Property. The project may require the Vendor to utilize intellectual property owned by third parties. The Vendor acknowledges that it is wholly responsible for complying with all intellectual property law, including copyright, trademark, and patent law, and that it has or will secure

all necessary permissions to use third parties' intellectual property in carrying out this Project. The Vendor agrees to indemnify and defend the District from all liability arising out of or related to the Vendor's use as part of this project of any intellectual property in which a third party asserts an interest.

Use of Work Product. Vendor's work product produced or created by Vendor specifically and exclusively for the District ("work product") shall be delivered to the District in the time frame contemplated by this Agreement, shall become the exclusive property of the District, and may be used by the District for any purpose. The rights of the District with respect to such Work Product shall include, but not be limited to, the right to copy, publish, display, transfer, prepare derivative works, or otherwise use such Work Product.

Vendor shall not use, willingly allow, cause or permit such Work Product to be used for any purpose other than the performance of Vendor's obligations under this Agreement, without the prior written consent of the District.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

By: VENDOR

JEFFERSON COUNTY PUBLIC SCHOOLS NO. R-1

By: _____
Signature

By: _____
Signature

Name

Name
