



Albert Hawkins, Executive Commissioner

**Request for Proposals (RFP)
for
Grants for Regional or Local Health Care Programs for Employees of Small Employers**

RFP No. 529-08-0020

Date of Release: 10/9/07

**TBPC Class/Item Codes: 918-32 Consulting Services Not Otherwise Classified
918-78 Medical Consulting**

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1. General Information

1.1. Scope

The State of Texas, by and through the Texas Health and Human Services Commission (HHSC), seeks grant applications for one-time grants to regional or local health care programs for employees of small employers to support the initial establishment or operation of such programs in accordance with the specifications contained in this Request for Proposals ("RFP").

1.2. HHSC Point of Contact

The sole point of contact for inquiries concerning this RFP is:

Elizabeth Ward
Enterprise Contract and Procurement Services HHSC
Elizabeth.ward@hhsc.state.tx.us
909 West 45th Street
Austin, TX 78751
Phone: 512-206-5416
Fax: 512-206-5475

All communications relating to this RFP must be directed to the HHSC contact person named above. All communications between respondents and other HHSC staff members concerning this RFP are strictly prohibited. **Failure to comply with these requirements may result in proposal disqualification.**

1.3. Procurement Schedule

The following table documents the critical pre-award events for the procurement. All dates are subject to change at HHSC's discretion.

Procurement Schedule	
RFP Release Date	10/9/07
Vendor Conference	10/15/07
Vendor Questions Due	10/19/07
HHSC Posts Responses to Vendor Questions	10/30/07
Proposals Due	11/12/07
Deadline for Proposal Withdrawal	11/12/07
Tentative Award Announcement	12/12/07
Anticipated Contract Start Date	1/7/08

1.4. Mission Statement

HHSC's mission for this procurement is to foster the development and operation of regional and local health care programs that seek to increase the accessibility, availability and affordability of health services or benefits to employees of small employers.

1.5. Mission Objectives

HHSC's objectives for this procurement are:

- Support the initial establishment and operation of regional and local health care programs as described in Chapter 75 of the Health and Safety Code.
- Identify and encourage regional or local health care programs that will provide access to health benefits or services for employees of small employers and their families.
- Develop a flexible and responsive relationship with regional or local health care programs to achieve these Mission Objectives.

To achieve these objectives, HHSC desires to enter into contracts with the entities that will produce the Mission Results described in Section 2 of this RFP.

1.6. Background

1.6.1. Overview of the Health and Human Services Commission

Since 1991, the Texas Health and Human Services Commission (HHSC) has overseen and coordinated the planning and delivery of health and human service programs in Texas. HHSC is established in accordance with Texas Government Code Chapter 531, and is responsible for the oversight of all Texas health and human service agencies (HHS Agencies). HHSC's chief executive officer is Albert Hawkins, Executive Commissioner of Health and Human Services.

1.6.2. Project Overview

The 80th Texas Legislature, Regular Session, adopted SB 10, Section 13 which authorizes HHSC to develop a grant program to support the initial establishment and operation of regional and local health care programs.

1.7. Strategic Elements

1.7.1. Contract Type and Term

HHSC will award one or more contracts to regional or local health care programs for projects associated with the initial establishment or operations of such programs. The initial contract period will begin on or around January 7, 2008 and will expire on September 1, 2009. HHSC reserves the option to extend the term of the contract for up to one year or as necessary to complete the mission of the procurement.

1.7.2. Contract Elements

The term "contract" means the contract(s) awarded as a result of this RFP and all exhibits thereto. At a minimum, the following documents will be incorporated into the contract: this RFP

and all attachments and exhibits; any modifications, addendum or amendments issued in conjunction with this RFP; [HHSC's Uniform Contract Terms and Conditions \(UTCs\), Version 1.3](#); and the successful respondent's proposal.

One or more of the "Special Terms" located in Article 16 of the UTCs may apply to the contract, and HHSC reserves the right to negotiate additional contract terms and conditions. Respondents are responsible for reviewing the UTCs and noting any exceptions, reservations, and limitations on the Respondent Information and Disclosures form.

1.7.3. HHSC's Basic Philosophy: Contracting for Results

HHSC's fundamental commitment is to contract for results. HHSC defines a successful result as the generation of defined, measurable, and beneficial outcomes that satisfy the contract requirements and support HHSC's missions and objectives. This RFP describes what is required of the contractor in terms of services, deliverables, performance measures and outcomes, and unless otherwise noted in the RFP, places the responsibility for how they are accomplished on the contractor.

1.8. External Factors

External factors may affect the project, including budgetary and resource constraints. Any contract resulting from the RFP is subject to the availability of state and federal funds. As of the issuance of this RFP, HHSC anticipates that budgeted funds will be available to reasonably fulfill the project requirements. If, however, funds are not available, HHSC reserves the right to withdraw the RFP or terminate the resulting contract without penalty.

1.9. Legal and Regulatory Constraints

1.9.1. Delegation of Authority

State and federal laws generally limit HHSC's ability to delegate certain decisions and functions to a contractor, including but not limited to: (1) policy-making authority, and (2) final decision-making authority on the acceptance or rejection of contracted services.

1.9.2. Conflicts of Interest

A conflict of interest is a set of facts or circumstances in which either a respondent or anyone acting on its behalf in connection with this procurement has past, present or currently planned personal, professional or financial interests or obligations that, in HHSC's determination, would actually or apparently conflict or interfere with the Respondent's contractual obligations to HHSC. A conflict of interest would include circumstances in which a party's personal, professional or financial interests or obligations may directly or indirectly:

- make it difficult or impossible to fulfill its contractual obligations to HHSC in a manner that is consistent with the best interests of the State of Texas;
- impair, diminish or interfere with that party's ability to render impartial or objective assistance or advice to HHSC; or
- provide the party with an unfair competitive advantage in future HHSC procurements.

Neither the respondent nor any other person or entity acting on its behalf, including but not limited to subcontractors, employees, agents and representatives, may have a conflict of interest with respect to this procurement. Before submitting a proposal, respondents should carefully review Article 12 of the Uniform Terms and Conditions for additional information concerning conflicts of interests.

A Respondent must certify that it does not have personal or business interests that present a conflict of interest with respect to the RFP and resulting contract (see the Required Certifications form). Additionally, if applicable, the respondent must disclose all potential conflicts of interest. The respondent must describe the measures it will take to ensure that there will be no actual conflict of interest and that its fairness, independence and objectivity will be maintained (see the Respondent Information and Disclosures form). HHSC will determine to what extent, if any, a potential conflict of interest can be mitigated and managed during the term of the contract. **Failure to identify potential conflicts of interest may result in HHSC's disqualification of a proposal or termination of the contract.**

1.9.3. Former Employees of a State Agency

Respondents must comply with Texas and federal laws and regulations relating to the hiring of former state employees (see e.g., [Texas Government Code §572.054](#) and [45 C.F.R. §74.43](#)). Such "revolving door" provisions generally restrict former agency heads from communicating with or appearing before the agency on certain matters for two years after leaving the agency. The revolving door provisions also restrict some former employees from representing clients on matters that the employee participated in during state service or matters that were in the employees' official responsibility.

As a result of such laws and regulations, a respondent must certify that it has complied with all applicable laws and regulations regarding former state employees (see the Required Certifications form). Furthermore, a respondent must disclose any relevant past state employment of the respondent's or its subcontractors' employees and agents in the Respondent Information and Disclosure form.

1.10. HHSC Amendments and Announcements Regarding this RFP

HHSC will post all official communication regarding this RFP on its website, including the notice of tentative award. HHSC reserves the right to revise the RFP at any time. Any changes, amendments, or clarifications will be made in the form of written responses to respondent questions, amendments, or addendum issued by HHSC on its website. Respondents should check the website frequently for notice of matters affecting the RFP. To access the website, go to the "[HHSC Contracting Opportunities](#)" page and enter a search for this procurement.

1.11. RFP Cancellation/Partial Award/Non-Award

HHSC reserves the right to cancel this RFP, to make a partial award, or to make no award if it determines that such action is in the best interest of the State of Texas.

1.12. Right to Reject Proposals or Portions of Proposals

HHSC may, in its discretion, reject any and all proposals or portions thereof.

1.13. Costs Incurred

Respondents understand that issuance of this RFP in no way constitutes a commitment by HHSC to award a Contract or to pay any costs incurred by a respondent in the preparation of a response to this RFP. HHSC is not liable for any costs incurred by a respondent prior to issuance of or entering into a formal agreement, contract, or purchase order. Costs of developing proposals, preparing for or participating in oral presentations and site visits, or any other similar expenses incurred by a respondent are entirely the responsibility of the respondent, and will not be reimbursed in any manner by the State of Texas.

1.14. Protest Procedures

[Texas Administrative Code, Title 1, Part 15, Chapter 392, Subchapter C](#) outlines HHSC's respondent protest procedures.

1.15. Interpretive Conventions

Whenever the terms "shall," "must," or "is required" are used in this RFP in conjunction with a specification or performance requirement, the specification or requirement is mandatory. A respondent's failure to address or meet any mandatory requirement in a proposal may be cause for HHSC's rejection of the proposal.

Whenever the terms "can," "may," or "should" are used in this RFP in conjunction with a specification or performance requirement, the specification or performance requirement is a desirable, but not mandatory, requirement. Accordingly, a respondent's failure to address or provide any items so referred to will not be the cause for rejection of the proposal, but will likely result in a less favorable evaluation.

2. Mission Results/Scope of Work

2.1. Project Schedule

Respondents to this RFP must provide a detailed Project Work Plan with milestones that clearly demonstrate progress. Contracts will take effect on or around January 7, 2008 and expire on September 1, 2009. Deliverables due to HHSC include quarterly progress reports and a final progress and evaluation report. HHSC will provide a report schedule to successful applicants during the contracting process. Additionally, successful applicants must provide information and data in addition to the mandatory quarterly reports as requested by HHSC and must cooperate with all future program evaluations conducted by HHSC.

2.2. Project Scope

Purpose

The purpose of the RFP is to support the initial establishment and operation of one or more regional or local health care programs for employees of small employers as described in Chapter 75 of the Health and Safety Code found in SB 10, 80th Texas Legislature, Regular Session.

Eligible applicants

Entities that operate a regional or local health care program, and entities that intend to establish a regional or local health care program are eligible to apply for grant funds. Such entities include, but are not limited to:

- the commissioners courts of the counties operating or establishing a regional health care program;
- the commissioners court of the county operating or establishing a local health care program;
- the governing body of the nonprofit organization or other entity that is operating or establishing a regional or local health care program; and
- the healthcare district or hospital district of the county, or counties operating or establishing a regional or local health care program.

Grantee Qualifications

Entities responding to this RFP must demonstrate:

- That they operate a regional or local health care program for employees of small employers, or that they have a viable plan to establish such a program;
- The ability of key staff to develop and maintain the proposed program and to comply with the requirements and conditions as described in this RFP;
- The viability, sustainability and effectiveness of the entity to effectively and efficiently achieve the goals of the proposed program; and
- Community and stakeholder support and participation in the proposed program from entities such as small employers and their employees, the business community, the health care community, local government entities, and nonprofit organizations.

Eligible projects

Eligible projects are those determined by HHSC to support the initial establishment and operation of regional and local health care programs for employees of small employers that will help accomplish the mission established in section 1.4 of the RFP. Eligible projects may include, but are not limited to:

- identifying the target population of small employers for participating in the program;
- designing the service or benefit structure and delivery mechanisms;
- designing and implementing wellness and educational programs to improve the general health of the targeted population;
- conducting actuarial analysis;
- conducting related surveys or focus groups;
- developing and maintaining a provider network;
- provider contracting;
- marketing to small employers and employees; and
- administrative costs for the initial operation of regional or local health care programs.

Statement of Responsibilities

The grantees selected under this RFP must:

- Develop and implement a Project Work Plan required under section 3.15.1.3 to establish or operate a regional or local health care program;
- Demonstrate involvement of community stakeholders such as small employers and their employees, the business community, the health care community, local government entities, and nonprofit organizations or develop and implement a plan for community involvement and outreach with community stakeholders;
- Develop program policies to govern the delivery of benefits or services including nondiscrimination policies and privacy policies and practices consistent with, as applicable, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA");
- Effectively manage, budget, expend, disperse, and account for all state funds provided for the program;
- Provide regular reports to HHSC on program activities in a format and manner to be determined by HHSC; and
- Administer any subcontracting processes or subcontracts in full compliance with all state requirements specified in the contract.

Grant terms

The proposed maximum amount of any one grant will be \$350,000. A proposed minimum of three programs will be chosen to receive grant funds provided that HHSC receives at least three proposals that meet the requirements of this RFP. HHSC reserves the right to make fewer than three grants or to make grants that exceed the maximum grant of \$350,000 if HHSC determines that an insufficient number of grant proposals meet the requirements of the RFP, or to make no grants at all if HHSC determines that no proposals meet the requirements of the RFP.

2.3. Performance Measures and Associated Remedies

HHSC will monitor the performance of the contract issued under this RFP. All services and deliverables under the contract shall be provided at an acceptable quality level and in a manner consistent with acceptable industry standard, custom, and practice.

Performance measures will be negotiated and approved by HHSC based on the information supplied by the vendor on the Performance Template as required by this RFP.

3. General Instructions and Proposal Requirements

3.1. Vendor Conference

HHSC will hold a vendor conference on Monday, October 15, 2007 from 10 a.m. to noon in the Lone Star Room at the Health and Human Services located at 11209 Metric Blvd, Building H, Austin, Texas 78752. Vendor conference attendance is strongly recommended, but is not required.

Respondents may email questions for the conference to the HHSC Point of Contact (see Section 1.2) no later than three (3) business days before the conference. HHSC will also give respondents the opportunity to submit written questions at the conference. All questions should reference the appropriate RFP page and section number. HHSC will attempt to respond to questions at the vendor conference, but responses are not official until posted in final form on the HHSC website. HHSC reserves the right to amend answers prior to the proposal submission deadline.

3.2. Questions and Comments

All questions and comments regarding this RFP should be sent to the HHSC Point of Contact (see Section 1.2). Questions must reference the appropriate RFP page and section number, and must be submitted by the deadline set forth in Section 1.3. HHSC will not respond to questions received after the deadline. HHSC's responses to vendor questions will be posted to the HHSC website. HHSC reserves the right to amend answers prior to the proposal submission deadline.

Respondents must notify HHSC of any ambiguity, conflict, discrepancy, exclusionary specification, omission or other error in the RFP by the deadline for submitting questions and comments. If a respondent fails to notify HHSC of these issues, it will submit a proposal at its own risk, and if awarded a contract: (1) shall have waived any claim of error or ambiguity in the RFP or resulting contract, (2) shall not contest HHSC's interpretation of such provision(s), and (3) shall not be entitled to additional compensation, relief or time by reason of the ambiguity, error, or its later correction.

3.3. Modification or Withdrawal of Proposal

Prior to the proposal submission deadline set forth in Section 1.3, a respondent may: (1) withdraw its proposal by submitting a written request to the HHSC Point of Contact, or (2) modify its proposal by submitting a written amendment to the HHSC Point of Contact. HHSC may request proposal modifications at any time.

HHSC reserves the right to waive minor informalities in a proposal and award a contract that is in the best interest of the State of Texas. A "minor informality" is an omission or error that, in HHSC's determination, if waived or modified when evaluating proposals, would not give a bidder an unfair advantage over other bidders or result in a material change in the proposal or RFP requirements. When HHSC determines that a proposal contains a minor informality, it may at its discretion provide the respondent with the opportunity to correct.

3.4. News Releases

Prior to tentative award, a vendor may not issue a press release or provide any information for public consumption regarding its participation in the procurement. After tentative award, a vendor must receive prior written approval from HHSC before issuing a press release or providing information for public consumption regarding its participation in the procurement. Requests should be directed to the HHSC Point of Contact identified in Section 1.2.

This Section 3.4 does not preclude business communications necessary for a vendor to develop a proposal, or required reporting to shareholders or governmental authorities.

3.5. Incomplete Proposals

HHSC may reject without further consideration a proposal that does not include a complete, comprehensive, or total solution as requested by the RFP.

3.6. State Use of Ideas

HHSC reserves the right to use any and all ideas presented in a proposal unless the respondent presents a valid legal case that such ideas are trade secret or confidential information, and identifies the information as such in its proposal (see Section 3.13). A respondent may not object to the use of ideas that are not the respondent's intellectual property and so designated in the proposal that: (1) were known to HHSC before the submission of the proposal, (2) were in the public domain through no fault of HHSC, or (3) became properly known to HHSC after proposal submission through other sources or through acceptance of the proposal.

3.7. Property of HHSC

Except as otherwise provided in this RFP or the resulting contract, all products produced by a respondent, including without limitations the proposal, all plans, designs, software, and other contract deliverables, become the sole property of HHSC.

3.8. Copyright Restriction

HHSC will not consider any proposal that bears a copyright.

3.9. Additional Information

By submitting a proposal, the respondent grants HHSC the right to obtain information from any lawful source regarding the respondent's and its directors', officers', and employees': (1) past business history, practices, and conduct, (2) ability to supply the goods and services, and (3) ability to comply with contract requirements. By submitting a proposal, a respondent generally releases from liability and waives all claims against any party providing HHSC information about the respondent. HHSC may take such information into consideration in evaluating proposals.

3.10. Multiple Responses

A respondent may only submit one proposal as a prime contractor. If a respondent submits more than one proposal, HHSC may reject one or more of the submissions. This requirement

does not limit a subcontractor's ability to collaborate with one or more respondents submitting proposals.

3.11. No Joint Proposals

HHSC will not consider joint or collaborative proposals that require it to contract with more than one respondent.

3.12. Use of Subcontractors

Subcontractors providing services under the contract shall meet the same requirements and level of experience as required of the respondent. No subcontract under the contract shall relieve the respondent of the responsibility for ensuring the requested services are provided. Respondents planning to subcontract all or a portion of the work to be performed shall identify the proposed subcontractors.

3.13. Texas Public Information Act

3.13.1. General Requirement for the Release of Proposals

Proposals will be subject to the Texas Public Information Act (the Act), located in [Chapter 552 of the Texas Government Code](#), and may be disclosed to the public upon request. Subject to the Act, respondents may protect trade secret and confidential information from public release. If the respondent asserts that information provided in the proposal is trade secrets or other confidential information, it must be clearly marked such information in boldface type and include the words "confidential" or "trade secret" at top of the page. Furthermore, the respondent must identify trade secret or confidential information, and provide an explanation of why the information is excepted from public disclosure, on the Respondent Information and Disclosures form.

HHSC will process any request from a member of the public in accordance with the procedures outlined in the Act. Respondents should consult the Texas Attorney General's website (www.oag.state.tx.us) for information concerning the Act's application to proposals and potential exceptions to disclosure.

3.13.2. Publication of Major Contracts

[Texas Government Code §2177.052](#) requires HHSC to provide the copies of "major contracts" to the Texas Building and Procurement Commission (TBPC) and post information concerning these contracts on the [Electronic State Business Daily](#). The law defines a "major contract" as a contract with an expected value of at least five million dollars, computed as the initial value of the contract or the total value of the contract after all potential term extensions. If the contract resulting from this procurement falls within the law's definition of a "major contract," the TBPC will provide the public with access to all contract documents. This includes the proposal, unless the respondent can demonstrate that all or part of the proposal is accepted from disclosure under the Texas Public Information Act. In such cases, the respondent will be responsible for preparing, for HHSC's approval, an appendix that describes the exempt information contained in

the proposal without disclosing its content, as required by [Texas Government Code §2177.052\(e\)](#).

3.14. Instructions for Submitting Proposals

3.14.1. Number of Copies

Submit one (1) original and 5 copies of the proposal. An authorized representative must sign the original in ink. In addition, submit one electronic copy of the proposal on a portable media, such as a compact disk, compatible with Microsoft Office 2000. HHSC will not accept telephone and facsimile proposals. Any disparities between the contents of the original printed proposal and the electronic proposal will be interpreted in favor of HHSC.

3.14.2. Submission

Submit all copies of the proposal to HHSC's Enterprise Contract and Procurement Services (ECPS) Division no later than 5:00 p.m. on the date shown in 1.3. All submissions will be date and time stamped when received by ECPS. The clock in the ECPS office is the official timepiece for determining compliance with the deadlines in this procurement. HHSC reserves the right to reject late submissions. It is the respondent's responsibility to appropriately mark and deliver the proposal to HHSC by the specified date.

Physical Address for overnight and commercial mail:

HHSC Enterprise Contract and Procurement Services (ECPS) Division
909 West 45th Street, Building 1
Mail Code 2020
Austin, Texas 78751

Physical Address for hand delivery only:

HHSC Enterprise Contract and Procurement Services (ECPS) Division
4405 North Lamar Boulevard
Austin, Texas 78751

All proposals become the property of HHSC after submission.

3.14.3. Additional Requirements

All proposals must be:

- clearly legible;
- sequentially page-numbered and include the respondent's name at the top of each page;
- organized in the sequence outlined in Section 3.15;
- bound in a notebook or cover;
- correctly identified with the RFP number and submittal deadline;
- responsive to all RFP requirements;
- typed on 8½ by 11" paper;
- in Arial or Times New Roman font, size 12 for normal text, no less than size 10 for tables, graphs and appendices; and

- no more than 20 total pages, single-sided, excluding required forms and resumes.

Proposals may not include materials or pamphlets not specifically requested in this RFP.

3.15. Format and Content

The proposal must consist of the following parts:

- Part 1 – Business Proposal; and
- Part 2 – Budget and Performance Proposals

3.15.1. Part 1 – Business Proposal

The Business Proposal must include the following sections:

- Section 1 – Executive Summary
- Section 2 – Corporate Background and Experience
- Section 3 – Project Work Plan
- Section 4 – Assumptions
- Section 5 – Appendices
- Section 6 – Certifications and Other Required Forms

3.15.1.1. Section 1 – Executive Summary

In this section, condense and highlight the content of the Business Proposal to provide HHSC with a broad understanding of the respondent's approach to meeting the RFP's business requirements. The summary must demonstrate an understanding of HHSC's goals and objectives for this procurement.

3.15.1.2. Section 2 -- Corporate Background and Experience

This section details the respondent's corporate background and experience. If the respondent proposes to use subcontractor(s), it must describe any existing or ongoing relationships with the subcontractor(s), including project descriptions. The section should include the following information:

1. Corporate Background and Experience

Describe the respondent's corporate background as it relates to projects similar in scope and complexity to the project described in this RFP.

Include a description and at least three (3) references from projects performed within the last five (5) years that demonstrate the respondent's ability to perform the Scope of Work described in the RFP. Include contract dates and contact information (customer points of contact, address, telephone number and email address). The respondent must explain whether it performed the work as a prime contractor or subcontractor. If the respondent performed the work as a subcontractor, the respondent must describe the scope of subcontracted activities.

If the proposal includes the use of subcontractors, include a similar description of each subcontractor's corporate background and experience.

2. Résumés

Identify and describe the respondent's and its subcontractor's proposed labor skill set and provide résumés of all proposed key personnel (as defined by the respondent). Résumés must demonstrate experience germane to the position proposed. Résumés should include work on projects cited under the respondent's corporate experience, and the specific functions performed on such projects. Each résumé should include at least three (3) references from recent projects. References may not be the respondent's or subcontractor's employees.

3. Financial Capacity

Respondents are not required to submit evidence of financial capacity with their proposals. HHSC reserves the right to request such information at a later date.

4. Corporate Guarantee

If the respondent is substantially or wholly owned by another corporate (or other) entity, HHSC reserves the right to request that such entity unconditionally guarantee performance by the respondent in each and every term, covenant, and condition of the contract as executed by the parties.

5. Bonding

HHSC reserves the right to require the respondent to procure one or more performance, fidelity, payment or other bond, if during the term of the contract, HHSC in its sole discretion determines that there is a business need for such requirement.

6. Catalog Information Systems Vendors

Respondents are not required to submit evidence of Catalog Information Systems Vendor status for this procurement.

3.15.1.3. Section 3 – Project Work Plan

Describe the respondent's proposed processes and methodologies for providing all components of the Mission Results/Scope of Work described in Article 2. There is no required format for the Project Work Plan; however, it should contain the following information:

1) Amount of Funds Requested

Applicants must state the amount of grant funds that are being requested. HHSC reserves the right to award a grant in a lesser amount than an applicant requests.

2) Problem Statement

Applicants must include a problem statement that identifies need(s) to be address through the project implementation

3) Program Vision

Applicants must describe the vision for the regional or local health care program in the short-term through the grant period, and in the long-term through the first two years of operation. The vision should include the chosen method or possible options for the provision and financing of health services or benefits to employees of small employers.

4) Program Objectives

Applicants must indicate specific program objectives that would be accomplished during the grant period.

5) Implementation Timeline

Applicants must indicate specific milestones of accomplishment and their target dates during the grant period.

6) County or Counties to be Served

Applicants must provide a list of counties where the program is presently operating or plans to operate a regional or local health care program.

7) Community Involvement

Applicants must demonstrate involvement of community stakeholders such as small employers and their employees, the business community, the health care community, local government entities, and nonprofit organizations or submit a plan for developing the involvement of community stakeholders during the grant period.

8) Managerial Plan

Applicants must identify program leader(s), the fiscal agency, job responsibilities/duties of all staff, and a plan for hiring any key staff.

9) Sustainability Plan

Applicants must indicate how the regional or local health care program will continue to make progress toward the goal of providing health services or benefits to employees of small employers after the grant period including information on project leadership, community involvement, and financial commitment over time.

3.15.1.4. Section 4 – Assumptions

State any business, economic, legal, programmatic, or practical assumptions that underlie the respondent's response to the Business Proposal. HHSC reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into the contract resulting from this RFP are deemed rejected by HHSC.

3.15.1.5. Section 5 – Appendices

Respondents are not required to submit appendices to the Technical Proposal.

3.15.1.6. Section 7 – Certifications and Other Required Forms

Respondents must submit the following required forms with their proposals:

- Child Support Certification;
- Debarment, Suspension, Ineligibility, and Voluntary Exclusion of Covered Contracts;
- Federal Lobbying Certification;
- Nondisclosure Statement;
- Required Certifications; and
- Respondent Information and Disclosures.

The required forms are located on HHSC's website, under the "Business Opportunities" link. HHSC encourages respondents to carefully review all of these forms and submit questions regarding their completion prior to the deadline for submitting questions (see Section 1.3).

3.15.2. Part 2 – Budget and Performance Proposals

Respondents must base their Budget Proposals on the Scope of Work described in Article 2. This section should include any business, economic, legal, programmatic, or practical assumptions that underlie the Budget Proposal. HHSC reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into the contract resulting from this RFP are deemed rejected by HHSC. Respondents must complete the Budget Template provided at the end of this RFP for each fiscal year. The Budget proposal must be signed in ink by an individual authorized to legally bind the respondent.

Respondents may separately identify cost-savings and cost-avoidance methods and measures, and the effect of such methods on the Budget Proposal and Scope of Work.

Respondents must also complete the Performance Template provided at the end of this RFP for each fiscal year. The performance template should reflect the amount and types of services the vendor would provide given the amount of the proposed budget and the types of expenses the vendor intends to pay using grant funds.

4. Proposal Evaluation

HHSC will use a formal evaluation process to select the successful respondent(s). HHSC will consider capabilities or advantages that are clearly described in the proposal, which may be confirmed by oral presentations, site visits, demonstrations, and references contacted by HHSC. HHSC reserves the right to contact individuals, entities, or organizations that have had dealings with the respondent or proposed staff, whether or not identified in the proposal.

HHSC will more favorably evaluate proposals that offer no or few exceptions, reservations, or limitations to the terms and conditions of the RFP, including HHSC's UTCs.

4.1. Evaluation Criteria

HHSC will select the successful vendor through a formal evaluation process. HHSC will consider capabilities or advantages that are clearly described in the proposal, which may be verified by information from reference sources contacted by HHSC. HHSC reserves the right to contact individuals, entities, or organizations that have had dealings with the respondent or staff proposed for this effort, whether or not identified in the proposal.

HHSC will evaluate proposals based on demonstrated competence and qualifications. To evaluate these criteria, HHSC will consider the following factors:

- The strength of the applicant's proposal for establishing and/or operating a regional or local health care program.
- The degree to which the proposal addresses the specific requirements stated in the RFP, including proposed procedures for attaining the project objectives, and a proposed method for monitoring the status of each of the objectives in the proposal.
- The strength of the applicant's demonstrated involvement of community stakeholders or the plan to develop involvement of community stakeholders.
- The ability of the applicant to provide continued progress on and support of the activities initiated by the project after the end of the grant period.
- The qualifications of the applicant's key personnel.
- The strength of the applicant's overall design for a regional or local health care program to increase the accessibility, availability and affordability of health services or benefits to employees of small employers consistent with the provision of the RFP. This will be evaluated by the degree to which the regional or local health care program will accomplish the following purposes and objectives of the authorizing statute found in SB 10, 80th Legislature, Regular Session:
 - o Purposes in §75.001 Health and Safety Code:
 - Improve the health of employees of small employers and their families by improving the employees' access to health care and by reducing the number of those employees who are uninsured;

- Reduce the likelihood that those employees and their families will require services from state-funded entitlement programs such as Medicaid;
 - Contribute to economic development by helping small businesses remain competitive with a healthy workforce and health care benefits that will attract employees; and
 - Encourage innovative solutions for providing and funding health care services and benefits.
- o Objectives in §75.101 Health and Safety Code:
- Reduce the number of individuals without health benefit plan coverage within the boundaries of the participating county or counties;
 - Address rising health care costs and reduce the cost of health care services or health benefit plan coverage for small employers and their employees within the boundaries of the participating county or counties;
 - Promote preventive care and reduce the incidence of preventable health conditions, such as heart disease, cancer, and diabetes and low birth weight in infants;
 - Promote efficient and collaborative delivery of health care services;
 - Serve as a model for the innovative use of health information technology to promote efficient delivery of health care services, reduce health care costs, and improve the health of the community; and
 - Provide fair payment rates for health care providers.

4.2. Initial Compliance Screening

HHSC will perform an initial screening of all proposals received. Unsigned proposals and proposals that do not include all required forms and sections are subject to rejection without further evaluation.

In accordance with Section 3.3, HHSC reserves the right to waive minor informalities in a proposal and award contracts that are in the best interest of the State of Texas.

4.3. Competitive Field Determinations

HHSC may determine that certain proposals are within the field of competition for admission to discussions. The field of competition consists of the proposals that receive the highest or most satisfactory evaluations. HHSC may, in the interest of administrative efficiency, place reasonable limits on the number of proposals admitted to the field of competition.

4.4. Oral Presentations and Site Visits

HHSC may, at its sole discretion, request oral presentations, site visits, and/or demonstrations from one or more respondents admitted to the field of competition. HHSC will notify selected respondents of the time and location for these activities, and may supply agendas or topics for discussion. HHSC reserves the right to ask additional questions during oral presentations, site visits, and or demonstrations to clarify the scope and content of the written proposal.

The respondent's oral presentation, site visit, and/or demonstration must substantially represent material included in the written proposal, and should not introduce new concepts or offers unless specifically requested by HHSC.

4.5. Best and Final Offers

HHSC may, but is not required to, permit respondents to prepare one or more revised offers. For this reason, respondents are encouraged to treat their original proposals, and any revised offers requested by HHSC, as best and final offers.

4.6. Discussions with Respondents

HHSC may, but is not required to, conduct discussions with all, some, or none of the respondents admitted to the field of competition for the purpose of obtaining the best value for HHSC. It may conduct discussions for the purpose of:

- obtaining clarification of proposal ambiguities;
- requesting modifications to a proposal; and/or
- obtaining a best and final offer.

HHSC may make an award prior to the completion of discussions with all respondents admitted to the field of competition if HHSC determines that the award represents best value to the State of Texas.

Program and Administrative Services Budget Template

Add other rows as appropriate to fully describe the budget for the proposed project

FY08 Costs (1-1-08 to 8/31-08)

Item	Amount
Establish or Operate Health Care Program	
Salaries	
Rent	
Supplies/Equipment	
Travel	
Contracted services	
Outreach	
Other (if significant, specify:)	
TOTAL	

FY09 Costs (9-1-08 to 8-31-09)

Item	Amount
Establish or Operate Health Care Program	
Salaries	
Rent	
Supplies/Equipment	
Travel	
Contracted services	
Outreach	
Other (if significant, specify:)	
TOTAL	

Performance Template

This template is intended to describe the services the applicant proposes to provide during Fiscal Years 2008 and 2009 and to indicate the applicant's estimate of the volume of services that will be provided. The template indicates and quantifies what the state can expect to receive for the funding available.

Describe the strategies you intend to use to establish or operate a regional or local health care program. Include a full description of the strategy and the key outcomes of that strategy, including where appropriate, the number of people served. Some possible examples are provided in italics.

Provide one completed performance template for each fiscal year.

	Description of Strategy	Key Outcomes and Estimated Performance
Contracted Services		
Strategy 1 (<i>example: Actuary</i>)	<i>Actuarial analysis of proposed benefit package</i>	<i>Obtain projected cost of proposed benefit package under \$240 PMPM.</i>
Strategy 2		
Etc.		
Outreach		
Strategy 1 (<i>example: Build taskforce</i>)	<i>Develop a taskforce of stakeholders to select program benefits</i>	<i>Taskforce created with representation from local governments, health care providers, small business owners, employees of small business, and community nonprofit organizations</i>
Strategy 2		
Etc.		