Introduction

The federal Affordable Care Act (ACA) sought to create a more competitive health insurance industry through the creation of state-based marketplaces (SBMs), or Exchanges, that offer online solutions to help consumers and small businesses shop for health insurance coverage in a way that permits easy comparison of available plan options based on price, benefits and services, and quality. Federal goals include promoting efficiency, avoiding adverse selection, streamlined access and continuity of care, public outreach and stakeholder engagement, public accountability and transparency, and financial accountability.

Although the State of Nevada implemented its SBM in accordance with federal regulations in order to effectuate health insurance coverage for individuals on January 1, 2014, the Silver State Health Insurance Exchange (the Exchange) Board of Directors voted to replace its current IT vendor and automated solution in May 2014 due to unresolved issues.

At the recommendation of the Centers for Medicare and Medicaid Services (CMS), the Exchange is transitioning to the Supported State Based Marketplace (SSBM) until a new SBM solution can be implemented in Nevada to support the 2016 Plan Year (PY).

Individual Applications	
Initiated Household Applications	317,133
Individual Applicants	539,126
Eligibility Determined Applications	236,251
Individual Eligibility Determined Applicants	455,177
QHP Eligible Individuals	357,882
APTC Eligible Individuals	100,271
Medicaid/CHIP Predetermined Eligible Individuals	210,153
Individuals Enrolled in a Medical QHP	38,043
Individuals Enrolled in Standalone Dental QHP	12,643
Individuals Pending in a Medical QHP	8,293
Individual Medical including Pending	46,336
SHOP Applications	
Initiated Employer Applications	23
Potential Employees and Dependents	N/A
Employers First Payment Received	18
Employees and Dependents enrolled in a Medical QHP	45
Employees and Dependents enrolled in a Dental QHP	36
Medicaid/CHIP Applications	
Individuals Predetermined Eligible for Medicaid	155,598
Individuals Predetermined Eligible for CHIP	6,919
Total Medicaid / CHIP Applications sent to DWSS	167,349

June 30, 2014 Exchange enrollment statistics

At this point, the Exchange is seeking to acquire the following competitively priced services at the completion of this effort:

- Implementation of a transfer solution to support the Individual and SHOP marketplaces
- Development and implementation of system interfaces
- Ongoing hosting, Maintenance and Operations (M&O) of the transfer solution
- Business process re-alignment support
- Vendor Project Management and Quality Assurance Services

Purpose of This Survey

The purpose of this survey is to allow the Exchange to analyze IT solutions successfully implemented in other SBMs with the intent of transferring a system to support the Exchange's Individual and SHOP marketplaces for PY 2016.

The Exchange has distributed this survey to vendors who are currently offering solutions to determine the 'best fit' for its business and technology needs. As an outcome of receiving written responses, the Exchange will invite a subset of respondents to provide further information at in-person demonstrations in Carson City, NV. Invitations will be issued solely at the discretion of the Exchange, possibly resulting in the eventual negotiation with and selection of a vendor to implement a transfer solution. This expedited vendor selection process will not include the development of a Request for Proposals, as allowed by Nevada State Regulations and approved by the Board, should Nevada elect to acquire such services at the conclusion of this process.

This document is comprised of the following remaining sections:

- Background
- Environment Context
- Key Dates
- Instructions for Completion
- Questions for Vendor Response
- Attachments

Background

In the fall of 2013, Nevada Department of Health and Human Services (DHHS) implemented a business rules engine to store all of the eligibility rules for the State's publicly-subsidized health coverage programs. The transfer system must interface with this rules engine, known as the Health Care Reform Eligibility Engine (HCR-EE), to support eligibility determination for Medicaid and CHIP. In turn, the HCR-EE interfaces with Nevada's integrated eligibility system (known as NOMADS) that supports Medicaid, Nevada Check Up, TANF, SNAP and other public assistance programs. It is also important for vendors to note that the HCR-EE interfaces with the Federal Data Hub for online verifications, and with Access Nevada (Access NV), which is a separate public-facing portal that supports SNAP/TANF applications. These systems are shown in the figure below.

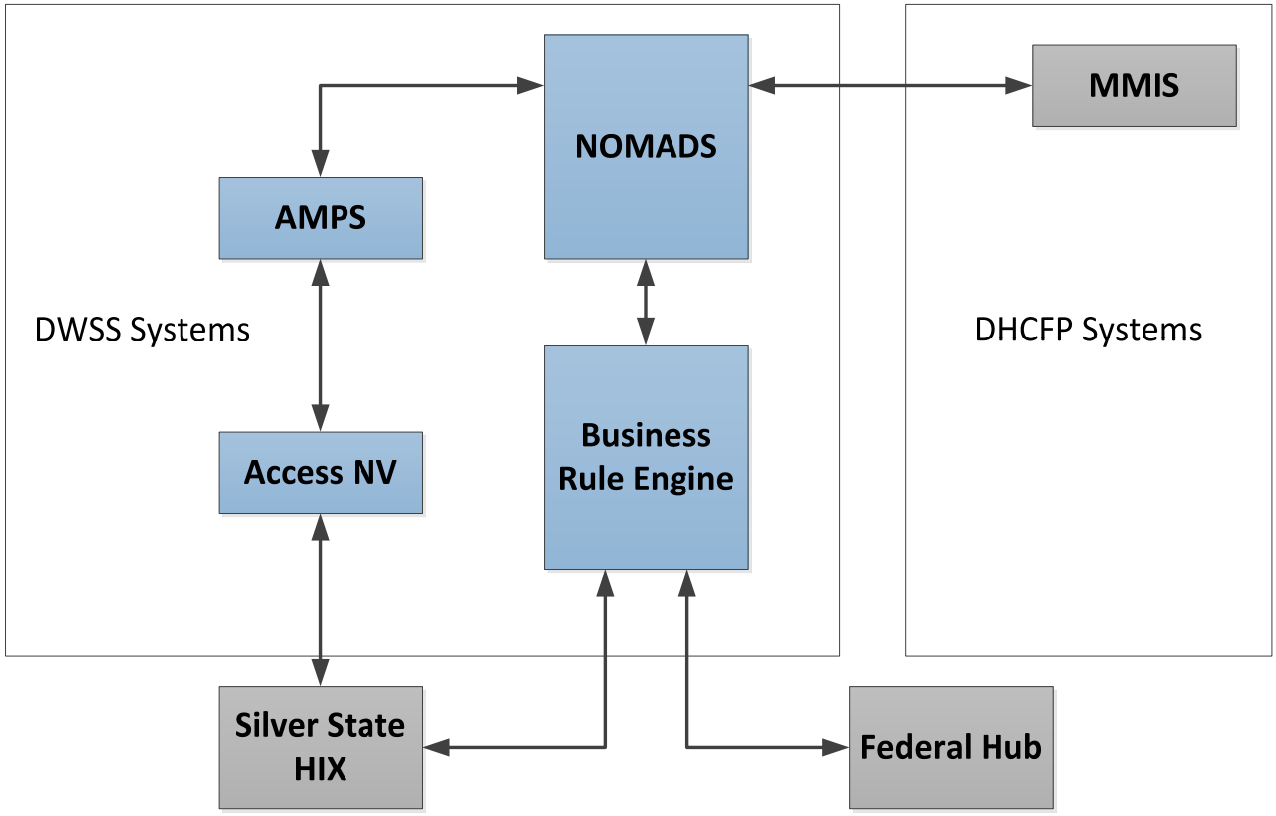

Figure 1: Nevada's ACA-Related Technical Environment

HCR-EE

The HCR-EE is Nevada's business rules engine that provides eligibility determination and verification for those who are seeking medical coverage and is capable of interfacing with the FDSH to retrieve verification information. This occurs through the NAM, which acts as a firewall and identity management and authentication system for all inbound and outbound traffic.

The Business Process Manager (BPM) is the centerpiece of the Eligibility Engine. The BPM is implemented using WebSphere Operational Decision Manager (WODM) Decision Server V8.0 to execute business rules and WebSphere Process Manager V8.0 to implement and orchestrate integration interfaces and process flows.

The Business Rules Management System (BRMS) provides business rule governance and management functionality to business users and is implemented using WebSphere Application Server V8.0 and WebSphere Operational Decision Management Decision Center V8.0.

Access NV

The Access NV system is an Internet (public-facing) application that allows clients to apply for benefits online. The Access NV system provides a solution for the public to inquire and apply for public assistance and benefits from any location with Internet access. Through Access NV, applications are pre-screened, based on a simple set of pre-eligibility rules, for potential eligibility for SNAP, TANF, and/or Medicaid services. The Access NV technical architecture is based on a standard web-enabled technical model. The technical implementation of the application is split across the Presentation Tier, Business Logic Tier, and Database Tier.

- The Presentation Tier is further split into the end user presentation-rendering component fulfilled by a desktop web browser and the presentation-generation (web page generation) component that is fulfilled by the WebSphere Portal Server product installed on hardware located at the State's data center.
- The Business Logic Tier is constructed using the Java programming language conforming to the Java 2 Platform Enterprise Edition (J2EE) application model and executed in the run-time environment by IBM's WebSphere Application Server product. This tier is deployed across a suite of IBM AIX based Application Servers located at the EITS data center.
- The Database Tier is fulfilled by the IBM DB2 database management system deployed on Database Servers located at the EITS data center. Both Access NV and AMPS (described below) use Novell iManager and iChain for ID Management (IdM) and role-based access control (RBAC).

Application Modernization and Productivity Services (AMPS)

Nevada AMPS is a system designed to enhance worker productivity for processing benefit cases for SNAP, TANF, and Medicaid. Once the user has entered their application into the Access NV database, the AMPS system pulls the applicant's data from the Access NV database (via a database listener in the AMPS system) into the AMPS database so that it can be incorporated into the AMPS workflow and displayed in the eligibility worker's inbox.

Enterprise Information Technology Services (EITS) Data Center

EITS is Nevada's state data center. The EITS has two (2) main computing environments. Nevada's integrated eligibility system is supported by an IBM Mainframe z114-X03 (upgrading to a zBC12-T04 (2828-T04) on 8/16/2014) characterized as follows:

- Operating System z/OS 1.12 (upgrading to z/OS 1.13 in Fall 2014)
- Database: DB2 V9 for z/OS (upgrading to DB2 v10 in Fall 2014)
- OLTP: CICS V4.2

- IBM Enterprise Cobol for z/OS V4.02
- Mainframe configuration: LPARs (2 production / 2 test)
- Storage Hardware: IBM DS8870 and TS7720

Access NV and AMPS are supported by an IBM Pureflex Unix/Linux System that consists of three Power7 systems running at 4.1 GHZ with 15 active processors. Two of these processors have one terabyte of RAM each, the third has 512 GB of RAM. They currently support over 100 LPARs, which are predominantly IBM AIX Unix based.

Environment Context

Overview

As has been previously mentioned, the Exchange is presently in the process of transitioning from an SBM to an SSBM. For plan year 2015, Nevada residents will enroll in QHPs through HealthCare.gov. All application intake, eligibility, enrollment, and policy management will be provided by HealthCare.gov. Nevada is a Medicaid assessment state, and as such, HealthCare.gov will not determine eligibility for Medicaid or CHIP, but will assess whether the applicant appears eligible and transfer the account data to DWSS accordingly. DWSS has an existing IT ecosystem for casework, which is documented above.

User View

Nevada is employing a “no wrong door” approach to directing clients to the appropriate system based their needs. Existing clients of DWSS who already have accounts in Access NV and know they want to return there may visit directly. Existing clients of the Exchange who already have HealthCare.gov accounts may go directly to HealthCare.gov. Individuals who are unsure of where they should be going may visit NevadaHealthLink.com where they will be provided an informative “front door” that will aid them in identifying the correct path.

- The “front door” provides visitors with three key options:
- Go directly to Access NV
- Go directly to HealthCare.gov
- Answer a short questionnaire about potential eligibility to determine which path may be best

Figure 2 provides a flowchart that visualizes these paths through the system. The third option is known as the pre-screener and its primary function is to send families which appear to be Medicaid eligible to Access NV to limit the number of account transfers coming from HealthCare.gov. This is an optimization employed by Nevada to realize administrative efficiencies from immediately handling applications from potentially Medicaid eligible applicants.

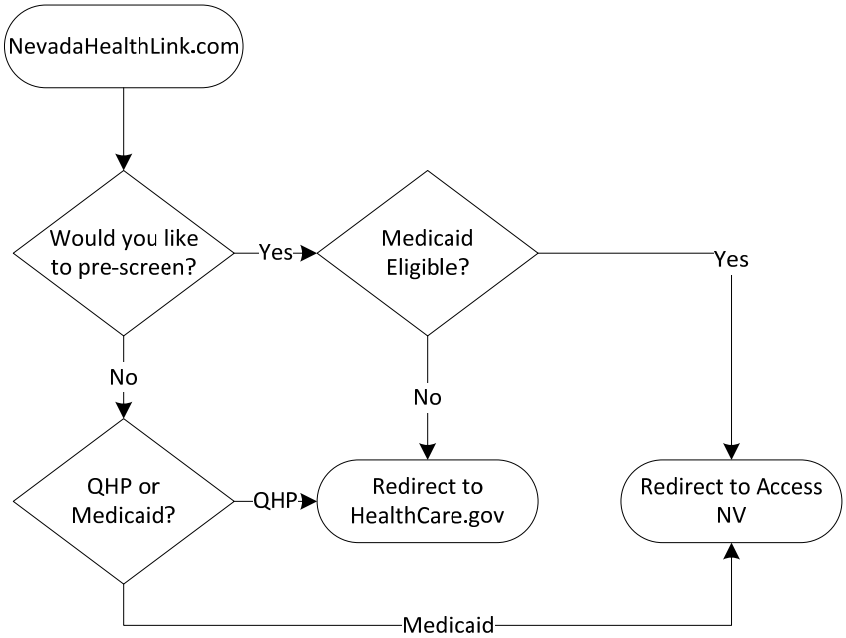

Figure 2 - Pre-Screening Process Flow

Users may proceed immediately to HealthCare.gov or may be directed there based on their answers to the pre-screening questions. To ensure Medicaid eligible individuals do not fall through the cracks HealthCare.gov will still make Medicaid assessments. Final eligibility determinations are made by DWSS, however. Applicants electing to proceed with a Medicaid determination have their application data transferred from HealthCare.gov to DWSS for a final determination. These application transfers are administratively more burdensome on DWSS, which is why the “front door” with its pre-screening tool was adopted by Nevada.

Systems View

As stated above, part of the transition from SBM to SSBM includes the addition of the pre-screener and a new “front door” at NevadaHealthLink.com. These new elements sit in front of Access NV and HealthCare.gov as routing tools for users. The component view of the environment context reflecting all relevant systems is modeled in Figure 2, which follows.

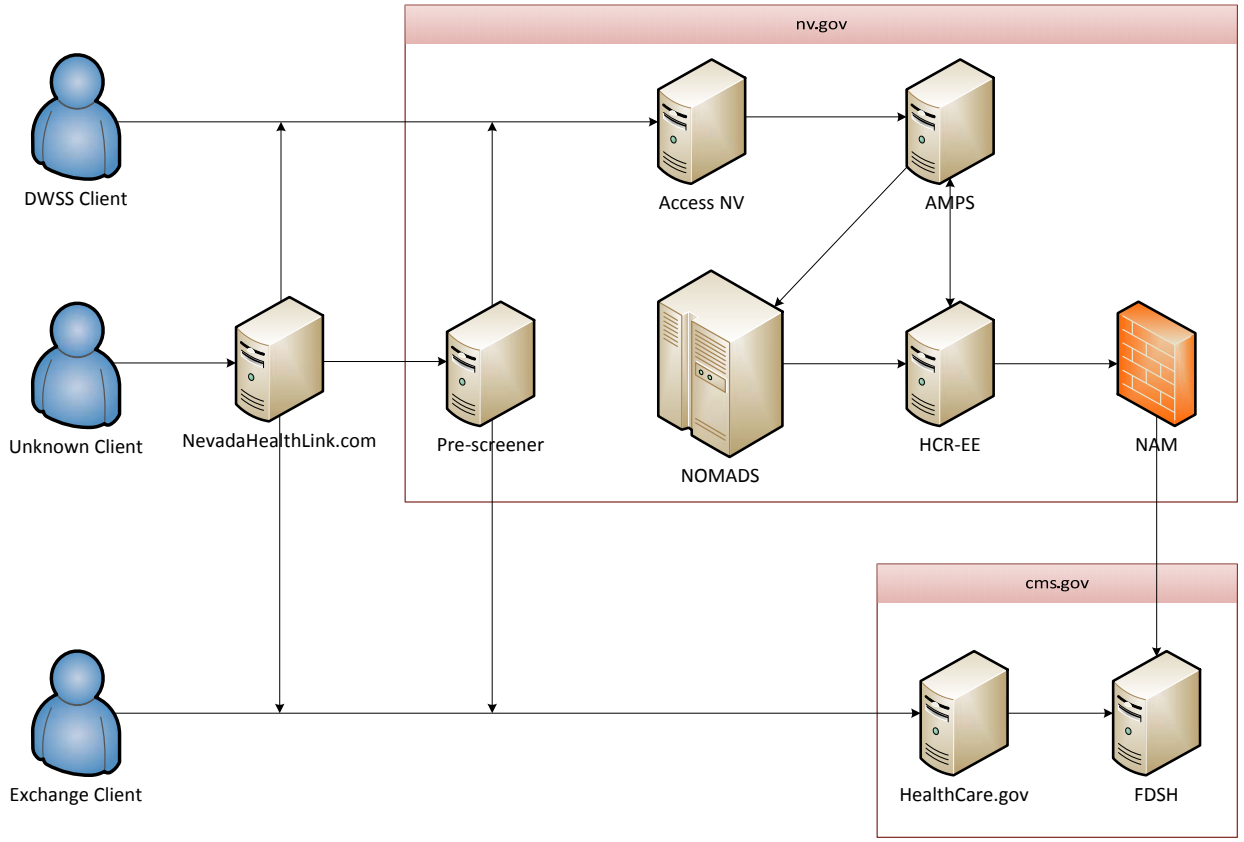

Figure 3 - Nevada SSBM

Users may visit Access NV or HealthCare.gov. Additionally, users may be sent to either system directly through the NevadaHealthLink.com "front door" that will contain information and links to users who know which system they want to visit—or by going through the pre-screener and being referred to either site by virtue of their resultant potential eligibility. Once at their intended destination, users will utilize the systems as designed and the "front door" and pre-screener will no longer have any function.

Within the DWSS infrastructure, several systems work together to provide tools for the caseworkers. Access NV takes applications filed by users and places them into AMPS for case management. In turn, AMPS has access to NOMADS, used as the authoritative source of case information. Both AMPS and NOMADS are able to interact with the HCR-EE to obtain updated eligibility information.

Future State

In transitioning away from the SSBM model Nevada hopes to maintain to the greatest extent possible all existing systems and processing. The proposed solution is expected to take the place of HealthCare.gov and it only. All systems and processes currently

used by DWSS clients will continue operating into plan year 2016. This also includes the pre-screening tool, which the proposed solution will also utilize to assist users with directions to the correct destination; however, instead of directing users to HealthCare.gov, it will route them onto the application and eligibility process within the solution. Figure 4 provides a modified view of the current state reflective of this intended future state.

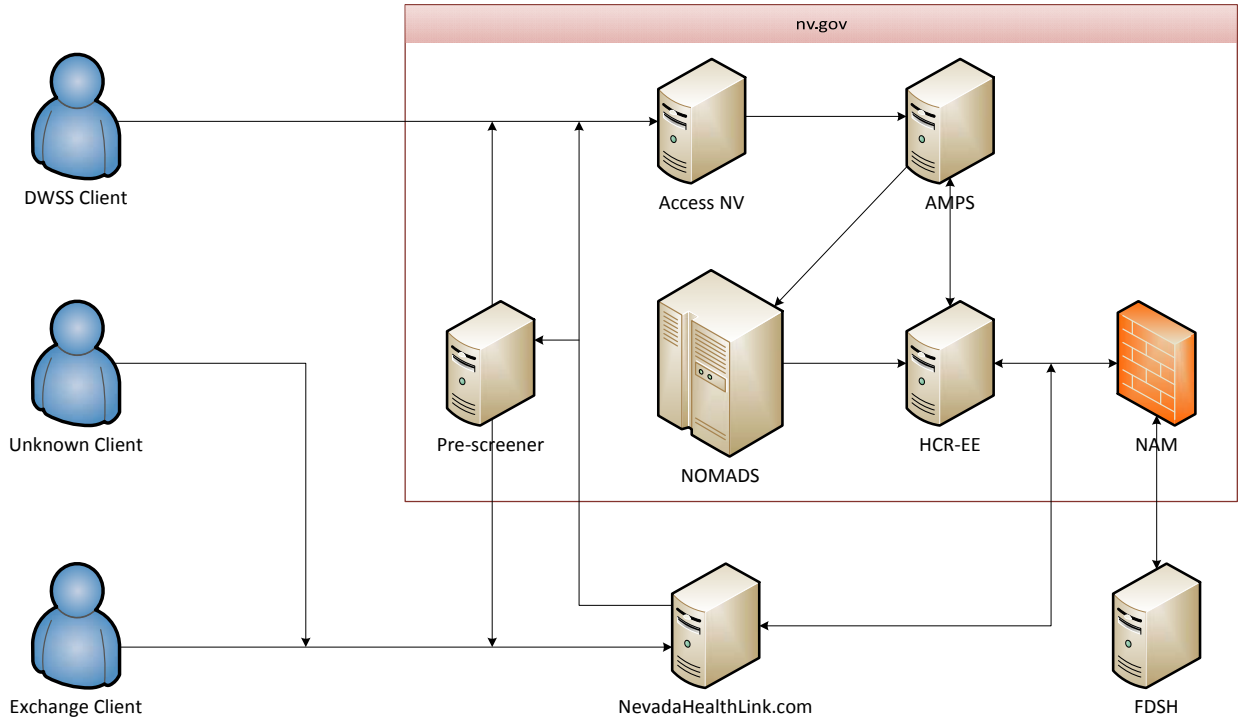

Figure 4 - Future State

In Figure 4, NevadaHealthLink.com is no longer the “front door” only, but is now also the PY 2016 (transfer) solution for the Exchange. Users may be routed to the pre-screener to answer the questionnaire, but if they are found ineligible for Medicaid, they will be sent back to NevadaHealthLink.com instead of HealthCare.gov. Additionally, whereas HealthCare.gov has its own integrated eligibility and connectivity to the FDSH, the new solution will use the HCR-EE for eligibility, and will access the FDSH through the state infrastructure. This is shown via the route to the FDSH through the NAM. Moreover, incoming calls to the solution may be made by the FDSH to push information, such as case updates by DHS for verification of lawful presence.

Key Dates

Critical dates for the selection and implementation of a transfer solution for the Nevada Exchange are provided in the table below.

Schedule:	
Distribute Survey to Vendors and Exchange Board	07/31/2014
Receive Vendor Responses	08/28/2014
Screen Vendor Responses	8/29/2014 – 9/5/2014
Attend Vendor Demonstrations / Interviews	9/8/2014 – 9/12/2014
Recommend Preferred Vendor to Steering Committee	9/19/2014
Enter into Preferred Vendor Discussions	9/22/2014 – 9/26/2014
Recommend Preferred Vendor to Board	10/8/2014
Develop Vendor Contract	10/09/2014 – 10/23/2014
Seek Formal (State / Federal) Approval	10/24/14
Initiate Contract	11/3/2014
Configure Transfer Solution	11/3/2014
Implement Transfer Solution	10/15/2015

Based on the schedule provided above, the Exchange encourages all respondents to tentatively plan to conduct demonstrations of their respective IT solutions in Nevada the week of September 8, 2014 until notified otherwise. In addition, it is Nevada's expectation that vendors will allow representatives of the Exchange to access its proposed transfer system (i.e., access to dedicated training environments that simulate production) remotely, as requested during the selection process.

Instructions for Completion

The Exchange encourages vendors to provide clear, concise responses to expedite the selection process. Written responses should not exceed 50 pages in length, excluding the completion of required tables and attachments accompanying the response, and should be submitted via email to cjanes@admin.nv.gov. Late submittals will not be accepted. Marketing materials should be excluded.

Vendors must enumerate their written response(s) to the survey in the order in which the questions are asked.

The Exchange expects concise responses that clearly demonstrate the following:

- An understanding that the Exchange is seeking the services to implement a transfer system 'as-is', with minimal configuration to support PY 2016, with the intention of implementing system upgrades and enhancements to support PY 2017 and beyond;
- An understanding that the Exchange has limited resources due to its enrollment numbers and in order to be self-sustaining, is seeking price-sensitive services, especially in relation to ongoing M&O costs. Should the Exchange be unable to acquire a solution that falls within its financial capacity, the State will remain with the SSBM / FFM in perpetuity;
- An understanding of the challenges in the current and future SBM environment and the application of 'lessons learned' from prior SBM implementations from which the Exchange may benefit; and
- Proof of organizational capacity, project team creativity, and collaboration with the State to deliver the requested services to the satisfaction of the Exchange Board of Directors and Governor's Office.

Questions for Vendor Response

Vendors are asked to provide their responses to questions in four primary areas:

I. Vendor identification;

II. Demonstrated experience;

III. Transferability / fit of IT solution (response to be submitted in Requirements Worksheet, Attachment A); and

IV. One-time and ongoing costs.

I. Vendor Identification

1. Please provide information for your corporation and any sub-contractors that would be included on your project team as follows:

Question	**Response**
Company / legal entity name:	
Company address:	
Point of Contact Name:	
Email Address:	
Telephone Number:	
Ownership type (corporation, etc.):	

Question	Response
State of incorporation:	
Date of incorporation:	
Nevada Business License Number*:	
Dun and Bradstreet Number:	
FTIN:	
Profit and Loss Statement / Balance Sheet for last two years**:	
Location(s) of the office that will provide services:	
Number of local staff with the expertise to support the project:	
Number of national staff with the expertise to support the project:	
Location(s) from which staff will be assigned to this project:	
Level of effort (in terms of percentage of total prime / subcontractor hours) assigned to the entire project:	

* The selected vendor must be licensed by the Nevada Secretary of State's Office pursuant to NRS76 prior to doing business in the State. Information can be located at http://sos.state.nv.us.

** To be provided during contract negotiations.

2. Has your company and/or sub-contractor(s) ever been under contract by any State of Nevada agency? If so, please complete the following table:

Question	Response
Name of State agency:	
State agency contact name:	
Dates when services were performed:	
Type of services provided:	
Total dollar value of the contract:	

3. Please disclose any significant prior or ongoing contract failures, contract breaches, civil or criminal litigation in which the vendor has been alleged to be

liable or held liable in a matter involving a contract with the State of Nevada or any other governmental entity in the table below.

Question	Response	
Date of alleged contract failure or breach:		
Parties involved:		
Description of the contract failure, contract breach, litigation, or investigation, including the products or services involved:		
Amount in controversy:		
Resolution or current status of the dispute:		
If the matter has resulted in a court case:	Court	Case #
Status of the litigation:		

4. Please indicate whether your company meets the insurance requirements specified in Attachment B and note any exceptions in your response.

5. Please review the State of Nevada's Model Contract included in Attachment C and note any exceptions in your response.

II. Demonstrated Experience

1. Please provide a brief and concise description of the IT services that your company provides.

2. Please describe, at a high level, the characteristics and capacities (current and planned, as of June 2015) of the proposed transfer solution.

3. Please indicate the state(s) in which the proposed transfer solution has been successfully implemented to support the requirements of the ACA, and for each state, provide the following information:

Question	Response
Name of State agency:	
Project sponsor name:	
Project sponsor email address:	
Project sponsor telephone number:	

Question	Response
Project technical lead name:	
Project technical lead email address:	
Project technical lead telephone number:	
Project business lead name:	
Project business lead email address:	
Project business lead telephone number:	
Dates when services were performed:	
One-time professional services cost:	
Annual ongoing professional services cost:	
Solution log-on IDs (up to five):	

4. Please provide your project work plan, to include major tasks, project milestones and timeline, for implementing the proposed transfer system by October 2015.

5. The Exchange wishes to implement the transfer system to support open enrollment for PY 2016. In addition to acquiring the services of a systems integrator, the Exchange has acquired Project Management Office (PMO) support and Independent Verification and Validation (IV&V) services. Please provide your assumptions in providing the requested services to the Exchange that will be critical to timely and successful project completion.

6. It is fully expected that this project will encounter risks and issues to overcome, properly manage, and mitigate. Based on your prior ACA-related experience, please delineate the most significant risks and issues that the Exchange may experience in the implementation of a transfer solution, and how you could help mitigate those risks.

7. Please describe the best practices and lessons learned that would be applied to this project based on your prior experience.

8. Please describe how you will assure for transparency and openness throughout the life cycle of this project.

9. Please provide up to three additional client references for other IT services engagements comparable in scope to this project that your company has completed within the last 5 years.

Question	Response
Client name:	
Project name	
Reference name:	
Reference email address:	
Reference telephone number:	
Dates when services were performed:	
One-time professional services cost:	
Annual ongoing professional services cost:	

III. Transferability / Fit of IT solution

1. A listing of the administrative, business and technical requirements are provided in Attachment A. Please review the listing and indicate the extent to which the requirements can be satisfied by the proposed transfer solution based on the instructions provided.

2. Please provide brief descriptions of how you will provide the following services and indicate the extent to which any of these services will be provided by sub-contractors:

   a) Project management
   b) Testing, including User Acceptance Testing (UAT) support
   c) Release management
   d) Defect management
   e) Business process re-alignment and training

IV. Costs

Cost figures provided by vendors will be compiled to assist the Exchange to determine the budgetary cost structure. The State requests responding vendors to provide one-time non-recurring cost estimates by project cost element and for annual recurring M&O costs.

1. In the table below, please provide your one-time non-recurring costs. Please provide responses to each category listed. If there are additional cost elements, add them to your table. Vendors should note that the cost tables do

not represent intended pay points or deliverables, which will be determined during contract negotiations.

#	One-Time Non-Recurring Cost Element	Cost
1	System Configuration / Modification	$
2	System Implementation	$
3	Project Management	$
4	System Interfaces	$
5	Solution Testing	$
6	User Training	$
7	System Documentation	$
8	Other (please identify)	$
	TOTAL	$

2. In the table below, please provide the annual recurring costs by Maintenance and Operations (M&O) cost element. Please provide responses to each category listed. If there are additional cost elements, add them to your table.

#	Annual Maintenance & Operations Cost Element	Cost
1	Ongoing Maintenance	$
2	System Enhancements	$
3	Project Management	$
4	Consulting Services Contracts	$
5	Help Desk	$
6	Solution Hosting	$
7	Other (please identify)	$
	TOTAL	$

Attachments

Attachment A: Requirements Worksheet

Attachment B: Insurance Schedule

Attachment C: Model Contract

Attachment D: Acronyms / Definitions

Attachment E: Liquidated Damages

Attachment A: Requirements Worksheet

Attachment A - Requirements Worksh

Attachment B: Insurance Schedule

Attachment B - NV Insurance Schedule.p

Attachment C: Model Contract

Attachment C - NV Model Contract .pdf

Attachment D: Acronyms / Definitions

Acronyms / Terms	Definitions
ACA	Affordable Care Act (aka PPACA)
AMPS	Application Modernization and Productivity Services. The system used by DWSS employees to maintain case work.
ANSI	American National Standards Institute
Application	Used without qualification the term means any or all of the following: • The single streamlined application. When used without qualification this means the single streamlined application either online or on paper. • The QHP only application • The SHOP employer application • The SHOP employee application
APTC	Advance Premium Tax Credit (aka advance payments of the premium tax credit)
ASC X12	Accredited Standards Institute. The accredited standards organization chartered by ANSI to develop and maintain the X12 EDI standard, which is an industry standard for electronic interfaces among disparate systems.
Assister	Also known as "Enrollment Assister," this is an individual who is specifically tasked with facilitating the enrollment of "non-traditional populations that typically do not purchase insurance."[1] The primary difference between assisters and navigators is that assisters are compensated (to ensure coverage of the target populations) whereas navigators are not.
BHP	Basic Health Plan
CAC	Certified Application Counselor. An individual who "provides information to individuals and employees about the full range of QHP options and insurance affordability programs for which they are eligible [and assists] individuals and employees to apply for coverage in a QHP through the Exchange and for insurance affordability programs. . . ."[2]
CFR	Code of Federal Regulations. Where used this term means any citations of the CFR inclusive of any corresponding and effective publications to the Federal Register. The CFR is only updated by the GPO on an annual basis, whereas federal agencies can publish new regulations to the Federal Register during the year.
CHIP	Children's Health Insurance Program
CMS	Centers for Medicare and Medicaid Services

[1] *Navigators, Enrollment Assisters, Certified Application Counselors, and Producers* (March 1, 2013)
[2] 45 CFR 155.225(c)(1) and (2)

Acronyms / Terms	Definitions
CSR	Cost Sharing Reduction
DHS	Department of Homeland Security
DOI	Department of Insurance. This is the Nevada agency responsible for regulating insurance products and producers in the state of Nevada.
DWSS	Department of Welfare and Supportive Services. This is the Nevada agency responsible for the administration of subsidized healthcare programs not administered by the Exchange (e.g. Medicaid, CHIP) in addition to other welfare programs, such as SNAP/TANF.
EDI	Electronic Data Interchange
EEF	Exchange Enrollment Facilitator. An individual certified by DOI and approved by the Exchange to assist individuals with enrollment in a QHP as defined by NRS 695J.050 inclusive of the following: • Navigators • Assisters • Certified Application Counselors
Exchange	When used without any other qualifier "the Exchange" means the Silver State Health Insurance Exchange. Additionally, Exchange carries the definition at 45 CFR 155.20.
FDSH	Federal Data Services Hub
FFM	Federally-facilitated Marketplace. The marketplace operated by CMS for states who have not otherwise chosen to provide their own marketplace functionality.
GPO	Government Printing Office
HCR-EE	Health Care Reform Eligibility Engine. This is the eligibility system used by DWSS to perform eligibility for all healthcare programs it administers.
MAABD	Medical Aid for the Aged, Blind, and Disabled
Marketplace	Another term for an Exchange, but typically used to denote the consumer-facing aspect of Exchanges.
Medicaid	When used without qualification "Medicaid" means all programs under Title 42 of the CFR, including but not limited to Medicaid, CHIP, and MAABD.
NAM	Novell Access Manager
Navigator	A private or public entity or individual that is qualified, and licensed, if appropriate, to engage in the activities and meet the standards described in 45 CFR 155.210.
Nevada Check Up	The name of CHIP in the state of Nevada.
NRS	Nevada Revised Statutes. The official codification of positive statutory law in the state of Nevada.
NIPR	National Insurance Producer Registry

Acronyms / Terms	Definitions
NOMADS	Nevada Operations of Multi-Automated Data Systems. The system of record for programs administered by DWSS.
NPN	National Producer Number
NRS	Nevada Revised Statutes
Paper application	If used without qualification it means both the paper single streamlined application and the QHP only application.
PPACA	Patient Protection and Affordable Care Act (aka ACA)
Privileged user	An individual who fulfills an operational capacity within the solution. This could be a call center representative, a system administrator, an Exchange staff member, or any other person who is authorized to perform the function described. Not all privileged users can perform the same functions, but are expected to conform to the security policies defined for the solution.
Producer	An individual who is licensed by the DOI to sell insurance in the state. Producers can be either brokers or agents. In addition to licensure producers must also be trained and certified regarding insurance affordability programs by DOI before the Exchange will approve them assisting with enrollment in QHPs.
QHP	Qualified Health Plan
SBM	State-based Marketplace. An exchange operating in a state that has not delegated its authority and responsibilities under the ACA to CMS.
SHOP	Small business Health Options Program
SNAP	Supplemental Nutrition Assistance Program
SPA	State Plan Amendment
SSBM	Supported State-based Marketplace. An SBM that utilizes HealthCare.gov for all enrollment and eligibility functions.
TANF	Temporary Assistance for Needy Families
User	An open class meaning anyone utilizing the portal or solution in any capacity, as applicable to the requirement.

ATTACHMENT E – Liquidated Damages

Terms	Effective Date	Damages Assessed
Up Time Guarantee: Production The system should successfully respond to user requests 99.9% of the time. Monthly Down Time* equates to 43.2 minutes and Total Annual Down Time* equates to 8.76 hours. * Excludes approved maintenance downtime	Go Live	Liquidated damages for non-compliance shall be assessed against the production environment based upon the time of year. During open enrollment, the rate is $2500 per 15 minutes, rounded up to the next 15 minute increment. Outside of open enrollment the rate is $500 per 15 minutes, rounded up to the next 15 minute increment.
Up Time Guarantee: UAT and Training The system should successfully respond to user requests 99.9% of the time from 6:00 AM to 8:00 PM Pacific Time. Monthly Down Time* equates to 43.2 minutes and Total Annual Down Time* equates to 8.76 hours. * Excludes approved maintenance downtime	Go Live	Liquidated damages for non-compliance shall be assessed against the UAT and training environments at the rate of $500 per 15 minutes, rounded up to the next 15 minute increment.
Exchange Response Time: Production The Exchange response time shall be as follows: No response time shall exceed fifteen (15) seconds and 80% of all responses shall not exceed five (5) seconds.	Go Live	Liquidated damages for non-compliance with the Performance Standard shall be considered non-compliance with the Up Time Guarantee: Production and assessed under the same terms.
Exchange Response Time: UAT and Training The Exchange response time shall be as follows: No response time shall exceed fifteen (15) seconds.	Go Live	Liquidated damages for non-compliance with the Performance Standard shall be considered non-compliance with the Up Time Guarantee: UAT and Training and assessed under the same terms.
Initial Incident Response Initial incident response measures the vendor's efforts to respond to incidents within the SLA based upon urgent, high, medium, and low priorities.	Go Live	Liquidated damages for non-compliance with the Performance Standard shall be assessed at $500 for each transaction over the SLA.

Terms	Effective Date	Damages Assessed
These metrics will be reported each month with a cumulative report showing vendor's efforts over several months. Time to Initial Response Target: Low priority – 1 Business hour 85% Medium priority – 1 Business hour 85% High priority – 1 Clock hour 90% Critical priority – 30 Clock minutes 95% *Business hours = normal business hours (Monday – Friday, 8 – 5, except holidays). *Clock hours = clock time		
Resolution Time Resolution time measure the vendor's efforts to resolve customer incidents within the SLA based upon urgent, high, medium, and low priorities. Total Time to Resolution Target: Low priority - 6 Business hours 90% Medium priority - 3 Business hours* 90% High priority - 4 Clock hours 90% Critical priority - 3 Clock hours 90% *Business hours = normal business hours (ex. Monday – Friday) *Clock hours = clock time	Go Live	Liquidated damages for non-compliance with the Performance Standard shall be assessed at $500 for each transaction over the SLA.
Online Imaging Online images of all documents shall be made available for immediate viewing and retrieval within one (1) business day of documents being scanned and submitted to the imaging system.	Go Live	Liquidated damages for non-compliance shall be assessed at the rate of 0.5% of the applicable monthly invoice for any month in which the contractor fails to achieve the service level set forth in the RFP.
Disaster Recovery	Go Live	Liquidated damages for non-compliance

Terms	Effective Date	Damages Assessed
Provide rapid recovery (under 72-hours) of hosting functionality and all functionality of Exchange processing.	Date	shall be assessed at the rate of 100% of the applicable monthly invoice for any month in which the contractor fails to achieve the service level.
Security Incidents All potential or actual major or minor security incidents identification times shall be documented within a Security Report.	Go Live	Liquidated damages for non-compliance with the notification to the Exchange Project Director Performance Standard shall be assessed at $5,000 per incident per day.
Call Center The solution shall be available to the Call Center 24-hours-a-day, seven-days-a-week except for the Exchange approved time for system maintenance.	Go Live	Liquidated damages for non-compliance for time not meeting the Call Center Service Level Expectation is defined as: • 0 - 60 minutes - $1,000 • 61 - 90 minutes - $2,000 • 91 - 120 minutes -$4,000 • Over 2 hours - $6,000 per hour after 2 hours Downtime in excess of four (4) per month, the contractor shall be assessed $2,500 per incident regardless of the duration of downtime.