

REQUEST FOR APPLICATIONS FOR

CHILDREN’S HEALTH INSURANCE PROGRAM SERVICES

ISSUING OFFICE

**Commonwealth of Pennsylvania
Department of Human Services
Bureau of Procurement and Contract Management
Room 832 Health and Welfare Building
625 Forster Street
Harrisburg, PA 17120**

RFA NUMBER

RFA 41-21

DATE OF ISSUANCE

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CALENDAR OF EVENTS

The Commonwealth will make every effort to adhere to the following schedule:

Activity	Responsibility	Date
Deadline to submit questions via email to RA-PWRFAQUESTIONS@PA.GOV	Potential Applicants	September 11, 2024 12:00:00 PM EST
Pre-Application Conference Webinar. Please register at: https://events.gcc.teams.microsoft.com/event/1d45d9f4-eae2-4b03-bbd5-4f42f0c7661d@418e2841-0128-4dd5-9b6c-47fc5a9a1bde After registering, you will receive a confirmation email.	DHS/Potential Applicants	September 9, 2024 10:00 AM
Answers to Potential Applicant questions posted to the Department of General Services website at http://www.emarketplace.state.pa.us/Search.aspx no later than this date.	DHS	September 25, 2024
Please monitor this website for all communications regarding this Request for Applications.	Potential Applicants	Ongoing
Application must be received by the Issuing Office at RA-PWRFAQUESTIONS@PA.GOV as provided in Part I, Sections I-14 and I-14.A.	Applicants	October 18, 2024 12:00:00 PM EST

PART I
GENERAL INFORMATION

- I-1. Purpose.** This Request for Applications (“RFA”) provides to those interested in submitting applications for the subject procurement (“Applicants”) sufficient information to enable them to prepare and submit applications for the Department of Human Services’ (“Department” or “DHS”) consideration on behalf of the Commonwealth of Pennsylvania (“Commonwealth”) to satisfy a need for procure the services of Managed Care Organizations (“MCOs”) to provide Children’s Health Insurance Program (“CHIP”) services throughout the 67 counties of the Commonwealth (“Project”). This RFA contains instructions governing the requested applications, including the requirements for the information and material to be included; a description of the services to be provided; requirements that Applicants must meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFA.
- I-2. Issuing Office.** The Department’s Office of Administration, Bureau of Procurement and Contract Management (“Issuing Office”) has issued this RFA on behalf of the Commonwealth. The sole point of contact in the Commonwealth for this RFA shall be Stephanie Hostetler, RA-PWRFAQUESTIONS@PA.GOV, the Issuing Officer for this RFA. Please refer all inquiries to the Issuing Officer.
- I-3. Overview of Project.** CHIP provides free, low-cost, and full-cost healthcare coverage to uninsured children and teens up to age 19 who are not eligible for or enrolled in Medicaid, known as Medical Assistance (“MA”) in Pennsylvania. CHIP is available to families whose income is above the established minimum federal poverty level (“FPL”) for CHIP. CHIP operates statewide requiring that a selected applicant provide for the CHIP services required under the RFA and the final CHIP-MCO Agreement in the entire CHIP geographic service area for which it applies and is selected.

CHIP offers comprehensive physical and behavioral health care benefits across five different subprograms as shown in the chart below:

Program	FPL
Free	Between 133 – 208
Subsidized 1 (Enrollee pays 25% of capitated rate per month, per child)	>208 – 262
Subsidized 2 (Enrollee pays 35% of capitated rate per month, per child)	>262 – 288
Subsidized 3 (Enrollee pays 40% of capitated rate per month, per child)	>288 – 314
Full Cost (Enrollee pays 100% of capitated rate per month, per child)	>314

Population projections for CHIP can be uncertain and can be affected by changes in the economy, law and regulations, and policies. CHIP publishes monthly and historical

enrollment reports capturing many specific geographic and statistical elements. Applicants can review these reports at <http://chipcoverspakids.com> and in the **CHIP Data Book (Appendix C)**.

I-4. Objectives.

A. General. This RFA is being issued to procure the services of MCOs to provide CHIP services in the 67 counties of the Commonwealth. In issuing this RFA, the Department's objective is to procure MCOs that will provide comprehensive primary health coverage, including physical health, dental, vision, and behavioral health services, and other services in a cost-effective manner to eligible children. Requirements for providing these services are outlined in **Part III**.

Selected Applicants shall provide health care services to members enrolled in CHIP and for managing the program, including claims processing and operational reports, in which the selected Applicants accept the full financial risk for the provision of the CHIP services in return for capitated payments. Applicants will collect premium payments from enrollees eligible for CHIP.

B. Specific. The primary objective is to secure the services of MCOs that shall:

1. Provide all CHIP covered children with access to primary and preventive care through a primary care provider ("PCP"), as well as access to a benefit package for medically necessary services through a coordinated network of specialists, facilities, and other healthcare providers;
2. Provide high-quality healthcare services and improve the outcomes for CHIP covered children by proactively managing and regularly measuring the care they receive using nationally accepted standards and other benchmarks, as well as through the use of programs that are whole person centered and that encourage personal responsibility by the parents and guardians of CHIP covered children in all health-related decisions;
3. Improve the stability and predictability of CHIP expenses while sustaining quality health outcomes, appropriate benefits levels, and access for CHIP covered children;
4. Provide services in accordance with this RFA, including the provisions of a final CHIP Agreement (see **Appendix B** for a draft Agreement);
5. Implement quality programs including value base purchasing arrangements and medical homes;
6. Provide health education to parents of enrollees with an emphasis on health promotion, wellness, and healthy lifestyles and practices;
7. Establish and maintain the necessary electronic interfaces with the Commonwealth and its contractors and subcontractors to support the exchange of information required by this RFA;
8. Provide enrollment packets to new enrollees, which shall include at a minimum, the new enrollee's healthcare services identification cards, provider directories, and member handbooks;

9. Conduct customer outreach with goal of identifying and enrolling uninsured children;
10. Collect the monthly premium from parents of children enrolled in the subsidized and full-cost components of the program;
11. Provide customer service;
12. Use the Department's reporting and program monitoring tools;
13. Become a Commonwealth of Pennsylvania Application for Social Services community partner;
14. Recommend and implement measures to contain costs;
15. Comply with all applicable state and federal laws and regulations, including any requirements related to the Affordable Health Care Act ("ACA") and the 2016 Managed Care Final Rule issued by the Center for Medicare & Medicaid Services; and
16. Perform such other duties as the Department may require.

I-5. Method of Award. Award will be made on a multiple award basis to all responsible and responsive bidders that comply with the Eligibility Requirements set forth in Section II-4 of this RFA.

I-6. Type of Agreement. If the Department enters into Agreements as a result of this RFA, they will be risk based capitated Agreements. Please see **Appendix B** for a draft CHIP Agreement.

The Department will pay each selected MCO using a schedule of per member per month ("PMPM") capitation rates. The Department will review and may adjust the rates for actuarial soundness. The Department will negotiate with the MCO to obtain a mutually agreed upon rate. Rates are considered final when a rate letter is sent to the MCO.

Selected Applicants shall submit rates on an annual basis with rates taking effect each January 1 through December 31. The Department will negotiate rates on an annual basis. The Department may request rate submissions at other times throughout the rate period due to substantial changes to federal or state laws, regulations, and policies that would require a change in rates.

The Department will determine a date by which negotiations must be completed and an Agreement is signed by selected Applicants. If the Applicant does not accept the Department's final rate offer, the Department may, in its sole discretion, reject the application for all or some of the geographic service areas for which the Applicant was selected.

I-7. Rejection of Applications. The Department may, in its sole and complete discretion, reject any application received as a result of this RFA and may choose to award grants for all, some, or none of the Applicants.

I-8. Incurring Costs. The Commonwealth and the Department are not liable for any costs an Applicant incurs in the preparation and submission of its application, in participating in the

RFA process, or for any service performed or expenses prior to the full execution of a grant agreement with a selected Applicant.

- I-9. Pre-Application Conference.** The Department will hold a Pre-Application Conference as specified in the Calendar of Events. The purpose of this conference is to provide an opportunity for clarification of the RFA. Applicants should forward all questions to the Issuing Officer in accordance with **Part I, Section I-10** of this RFA to provide adequate time for analysis before the Department provides an answer. The Pre-Application Conference is for information only. **Attendance at the Pre-Application Conference is optional, but strongly encouraged.**
- I-10. Questions & Answers.** If an Applicant has questions regarding this RFA, the Applicant must submit the questions by email (**with the subject line “RFA 41-21 Question”**) to the Issuing Officer named in **Part I, Section I-2** of this RFA. If the Applicant has questions, they may be submitted as they arise via email but **no later than** the date stated in the Calendar of Events. The Applicant shall not attempt to contact the Issuing Officer by any other means.

When questions are submitted after the date specified in the Calendar of Events, the Issuing Officer *may* respond to questions of an administrative nature by directing the questioning Applicant to specific provisions in the RFA. If the Department decides to respond to a non-administrative question *after* the date for receipt of questions, DHS will provide the answer to all Applicants through an addendum.

All questions and responses will be posted on the Department of General Services (“DGS”) website and are considered as an addendum to, and part of, this RFA in accordance with **RFA Part I, Section I-11** of this RFA.

- I-11. Addenda to the RFA.** If the Department deems it necessary to revise any part of this RFA before the application response date, the Department will post an addendum to eMarketplace at <http://www.emarketplace.state.pa.us/Search.aspx>. It is the Applicant’s responsibility to periodically check the website for any new information or addenda to the RFA. The Department is not bound by any verbal information nor is it bound by any written information that is not either contained within the RFA or formally issued as an addendum.
- I-12. Small Diverse Business (“SDB”) and Veteran Business Enterprise (“VBE”) Participation.** The DGS Bureau of Diversity, Inclusion and Small Business Opportunities (“BDISBO”) has developed a goal setting policy based upon recommendations from its 2018 Disparity Study. The goal setting policy requires BDISBO and agencies identify contract-specific participation goals for SDBs (which include Minority Business Enterprises (“MBE”), Women Business Enterprises (“WBE”), LGBT Business Enterprises (“LGBTBE”), Disability-Owned Business Enterprises (“DOBE”), and Service-Disabled Veteran-Owned Small Business (“SDVBE”)) and VBEs (which include Veteran-Owned Small Businesses and Service-Disabled Veteran-Owned Small Businesses). Applicants must either agree to meet the participation goals in full or must request and obtain a full or

partial Good Faith Efforts waiver from one or both of the participation goals. DHS will reject as unresponsive any application that fails to meet either participation goal or to establish its Good Faith Efforts to meet the participation goals in full or in part.

The established goals for this Project are set forth below:

SDB Participation: 11%

VBE Participation: 3%

Further information can be found in **Part IV** of this RFA. For assistance in determining whether a firm meets these requirements, you may contact BDISBO at (717) 783-3119 or RA-BDISBOVerification@pa.gov.

I-13. Response Date. To be considered for selection, Applicants must submit electronic copies of their applications to the Issuing Office no later than the date and time specified in the Calendar of Events. Hard copy applications will not be accepted. The Department will reject late applications in accordance with **Part II, Section II-1, Mandatory Responsiveness Requirements**. Please refer to the Calendar of Events for the application due date and time.

I-14. Application Requirements.

A. Application Submission: To be considered, Applicants should submit a complete response to this RFA to the Issuing Office, using the format provided in **Part I, Section I-14.B**, providing **one copy of the Technical Submittal, one copy of the Contractor Partnership Program (“CPP”) Submittal, one copy of the SDB Participation Submittal (which must include the SDB Utilization Schedule, the Good Faith Efforts Documentation to Support Waiver Request, or both), and one copy of the VBE Participation Submittal (which must include the VBE Utilization Schedule, the Good Faith Efforts Documentation to Support Waiver Request, or both)** via email to RA-PWRFAQUESTIONS@PA.GOV. The subject line of the email must specify “RFA #41-21 Application”. Email attachments are limited to 10 MB, cumulatively, per email, and files may not be sent in any compressed format. Any part of the application or its attachments over that limit must be sent via separate emails, with each labeled “RFA #41-21 Application Part X of Y” (with Y being the total number of emails). **The Department will reject any part of an application that is not timely received in accordance with Section II-1. Applicants should allow sufficient time to submit separate emails, if necessary, to allow for timely submission and receipt.**

All portions of the application should be submitted as e-mail attachments and Applicants **should not** submit any portion of their application via a third-party link, message portal, or similar arrangement. The electronic response must be in Microsoft Office or Microsoft Office-compatible format (including, but not limited to, PDF); and any spreadsheets must be in Microsoft Excel. For purposes of this RFA, Microsoft Office-compatible format **does not** include Microsoft Project format (.mpp file).

Applicants shall not lock, encrypt or restrict access to any files. Applicants may not lock or protect any cells or tabs.

If an Applicant designates information as confidential or proprietary or trade secret protected in accordance with **Part I, Section I-19**, the Applicant must also include one redacted version of the Technical Submittal, also excluding financial capability information. Applicants shall make no other distribution of its application to any other Applicant or Commonwealth official or Commonwealth consultant.

Each application page should be numbered for ease of reference. An official authorized to bind the Applicant to its provisions must sign the application. If the official signs the **Application Cover Sheet (Appendix A)** to this RFA) and the Application Cover Sheet is attached to the Applicant's application, the requirement will be met. For this RFA, the application must remain valid for 120 days or until an agreement is fully executed. If the Department selects the Applicant's application for award, the contents of the selected Applicant's application will become, except to the extent the contents are changed through negotiations, contractual obligations.

Each Applicant submitting an application specifically waives the ability to withdraw or modify it, except that the Applicant may withdraw its application by written notice received at the Issuing Office's address for application delivery prior to the exact hour and date for application receipt. An Applicant may modify its submitted application prior to the exact hour and date set for application receipt only by submitting a new sealed application or sealed modification that complies with the RFA requirements.

B. Application Format: Applicants should submit their applications in the format, including heading descriptions, outlined below. To be considered, the application should respond to all application requirements. Applicants should provide any other information thought to be relevant, but not applicable to the enumerated categories, as an appendix to the application. All SDB and VBE cost data should be kept separate from and not included in the Technical Submittal. Each application shall consist of the following four separately sealed submittals:

1. Technical Submittal:

- a.** Applicants should format their responses as outlined in **Part III** and address all requirements of **Part III**. The Technical Submittal must include the following sections:
 - i.** Section 1: Application Cover Sheet (**Appendix A**)
 - ii.** Section 2: Table of Contents
 - iii.** Section 3: Eligibility Requirements, in response to Part III, Sections III-1 to III-6
 - iv.** Section 4: Additional Application Information, in response to Part III, Section III-

- b. Complete and include **Appendix H, Cloud Services Requirements Questionnaire.**
 - c. Complete, sign and include **Attachment I, Lobbying Certification** and if applicable, the **Disclosure of Lobbying Activities.**
 - d. Complete and include **Appendix J, Federal Funding Accountability and Transparency Act Sub-Recipient Data Sheet.**
 - e. Complete, sign and include **Appendix K, Worker Protection and Investment Certification Form.**
2. SDB Participation Submittal (which must include the SDB Utilization Schedule, the Good Faith Efforts Documentation to Support Waiver Request, or both), in response to **Part IV**;
 3. VBE Participation Submittal (which must include the VBE Utilization Schedule, the Good Faith Efforts Documentation to Support Waiver Request, or both), in response to **Part IV**; and
 4. CPP Submittal, in response to **Part V**.

Applications should adhere to the following format:

- a. Pages should be 8.5 by 11 inches with right and left margins of one inch.
- b. Should use Arial or Times New Roman font with a type size of 12.
- c. Section headings, shown in this **Part I, Section I-14**, should be used.
- d. Should include a page number and identification of the Applicant in the page footer of each page.
- e. Should specifically reference materials provided in any appendix by page numbers in the body of the application.
- f. Exceptions for paper and font size are permissible for project schedules (Microsoft Project) and for graphical exhibits and material in appendices.

The Department may request additional information which, in the Department's opinion, is necessary to verify that the Applicant's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFA and resulting Agreement.

The Department may make investigations as deemed necessary to determine the ability of the Applicant to perform the Project, and the Applicant shall furnish to the Issuing Office all requested information and data. The Department may reject any application if the evidence submitted by, or investigation of, such Applicant fails to satisfy the Department that such Applicant is properly qualified to carry out the obligations of the RFA and to complete the Project as specified.

- I-15. Economy of Preparation.** Applicants should prepare applications simply and economically, providing a straightforward, concise description of the Applicant's ability to meet the requirements of the RFA.

I-16. Alternate Applications. The Department has identified the basic approach to meeting its requirements, allowing Applicants to be creative and propose their best solution to meeting these requirements. The Department will not accept alternate applications.

I-17. Discussions for Clarifications and Additional Information. The Department may request clarifications of its application from an Applicant to ensure mutual understanding and responsiveness to the RFA requirements. The Department will initiate requests for clarifications for those applications that the Department has determined need such clarifications and may request clarifications at any stage of the evaluation and selection processes.

The Department, in its sole discretion, may undertake negotiations with Applicants, in the judgement of the Department, show them to be qualified, responsible and capable of providing the services. The Department may conduct negotiations at any stage of the evaluation and selection processes.

I-18. Prime Applicant Responsibilities. The selected Applicants must perform services valued at least at 50% of the total agreement cost. Nevertheless, each selected Applicant shall assume responsibility for all services offered in its application whether it produces them itself or by sub-contract. The Department will consider the selected Applicants to be the sole points of contact for all agreement matters.

I-19. Application Contents.

A. Confidential Information. The Commonwealth does not require, confidential proprietary information or trade secrets be included as part of Applicants' submissions. Except as provided, Applicants should not label applications as confidential or proprietary or trade secret protected. Any Applicant who determines that it must divulge such information as part of its application must submit the signed written statement described in Subsection C below and must provide a redacted version of its application in accordance with **Part I, Section I-14**, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.

B. Commonwealth Use. All material submitted with the application shall be the property of the Commonwealth. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any application regardless of whether the application becomes part of an agreement. Notwithstanding any Applicant copyright designations contained on applications, the Commonwealth shall have the right to make copies and distribute applications internally and to comply with public record or other disclosure requirements under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.

C. Public Disclosure. After the award of a grant, all applications are subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-

Know-How, 65 P.S. § 67.101, et seq. If an application contains confidential proprietary information or trade secrets, the Applicant must provide a signed written statement to this effect with the submission in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt under 65 P.S. § 67.708(b)(11) from public records requests. Refer to **Appendix M** of the RFA for a **Trade Secret Confidential Proprietary Information Notice Form** that may be utilized as the signed written statement. If financial capability information is submitted in response to **Part III, Section III-6**, such financial capability information is exempt from public records disclosure under 65 P.S. § 67.708(b)(26).

- I-20. News Releases.** Applicants shall not issue news releases, Internet postings, advertisements or any other public communications pertaining to this Project without prior written approval of the Department, and then only in coordination with the Department.
- I-21. Restriction of Contact.** From the issue date of this RFA until the Department selects applications for award, the Issuing Officer is the sole point of contact concerning this RFA. Any violation of this condition may be cause for the Department to reject the offending Applicant's application. If the Department later discovers that the Applicant has engaged in any violations of this condition, the Department may reject the offending Applicant's application or rescind its agreement. Applicants shall not distribute any part of their applications beyond the Issuing Office. An Applicant who shares information contained in its application with other Commonwealth personnel or consultants or competing Applicant personnel may be disqualified.
- I-22. Department Participation.** Selected Applicants shall provide all services, supplies, facilities, and other support necessary to complete the Project, except as otherwise provided in this **Part I, Section I-22** of this RFA. The Department will require new applicants or applicants that are new to a specific geographical service area to undertake a Readiness Review. The Department will conduct onsite reviews for existing MCOs. Expansions will be completed on a case-by-case basis. The Department will provide an agreement monitor who will be each selected Applicant's primary contact and resource for issues related to the Project, as well as any general questions.
- I-23. Term of Agreement.** The term of the agreement will commence on the Effective Date and will end five years after the Effective Date. Subject to the performance of the Applicant and other considerations, the Department may extend the agreement on the same terms and conditions for up to two additional one-year periods. The Department will fix the Effective Date after the agreement has been fully executed by the selected Applicant and by the Commonwealth and all approvals required by the Commonwealth have been obtained. The selected Applicant shall not start the performance of any work prior to the Effective Date of the agreement and the Commonwealth shall not be liable to pay the selected Applicant for any service or work performed or expenses incurred before the Effective Date.
- I-24. Applicant's Representations and Authorizations.** By submitting its application, each Applicant understands, represents, and acknowledges that:

- A.** The Applicant certifies the accuracy, completeness and truthfulness of all information included in its application, including information on its subcontractors. All Applicant's information and representations in the application are material and important, and the Department will rely upon its contents in awarding an agreement. The Commonwealth may treat any misstatement, omission or misrepresentation as fraudulent concealment of the true facts relating to the application, punishable pursuant to 18 Pa. C.S. § 4904.
- B.** The Applicant has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting an application, or to submit an application higher than its application, or to submit any intentionally high or noncompetitive application or other form of complementary application.
- C.** The Applicant makes its application in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive application.
- D.** To the best knowledge of the person signing the application for the Applicant, the Applicant, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last **four** years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as the Applicant has disclosed in its application.
- E.** To the best of the knowledge of the person signing the application for the Applicant and except as the Applicant has otherwise disclosed in its application, the Applicant has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal.
- F.** The Applicant is not currently under suspension or debarment by the Commonwealth, any other state or the federal government and has not been precluded from participation in any federally funded health care program by the Commonwealth, any other state or the federal government, and if the Applicant cannot so certify, then it shall submit along with its application a written explanation of why it cannot make such certification.
- G.** The Applicant has not made, under separate agreement with the Department, any recommendations to the Department concerning the need for the services or the specifications for the services described in the application.
- H.** Each Applicant, by submitting its application, authorizes Commonwealth agencies to release to the Department information concerning the Applicant's Pennsylvania taxes, unemployment compensation and workers' compensation liabilities.
- I.** Until the selected Applicant receives a fully executed and approved written agreement from the Issuing Office, no legal and valid agreement exists, in law or in equity, and the Applicant shall not begin to perform.

- J.** The Applicant is not currently engaged, and will not during the duration of the agreement engage, in a boycott of a person or an entity based in or doing business with a jurisdiction that the Commonwealth is not prohibited by Congressional statute from engaging in trade or commerce.

I-25. Notification of Selection for Negotiations and Award.

A. Notification of Selection for Negotiations. The Department will notify all Applicants in writing of the Applicants selected for negotiations after the Department has determined the responsive and responsible applications that comply with the Eligibility Requirements.

B. Notification of Award. Applicants whose applications are not selected will be notified when negotiations have been successfully completed and the Department has received the final negotiated agreements from each selected Applicant. The Department will notify each Applicant of its selection or non-selection for grant award, after the Department has determined the responsive and responsible applications that comply with the Eligibility Requirements.

I-26. Debriefing Conferences. Upon notification of award as provided in **I-25.B**, Applicants whose applications were not selected may request the opportunity to be debriefed by emailing the Issuing Officer identified in **Section I-2**. For purposes of this RFA, the purpose of a debriefing is to assist the Applicant in understanding why the Applicant's application was non-responsive, not responsible, or did not comply with the Eligibility Requirements, as applicable. The Department will not compare the Applicant with other Applicants. In its sole discretion, the Issuing Office may schedule a call to read the written debriefing script to the Applicant or e-mail the debriefing script to the Applicant. Any questions concerning the debriefing must be submitted, in writing, to the Issuing Officer no later than the date stated in the debriefing script. In its sole discretion, DHS may respond to some, all, or none of the Applicant's questions.

I-27. RFA Protest Procedure. Applicants and prospective Applicants who are aggrieved in connection with the solicitation or award of this RFA may file a protest with DHS.

Any protest filed in relation to this RFA must be delivered to:

Department of Human Services
Office of Administration, Bureau of Procurement & Contract Management
Room 832 Health and Welfare Building
625 Forster Street
Harrisburg, Pennsylvania 17120
Attn: Stephanie Hostetler
Email address: RA-PWRFAQUESTIONS@PA.GOV

Protests by prospective Applicants that have not or have not yet submitted an Application must be filed no later than the Application submission deadline specified in the Calendar of Events.

Applicants and prospective Applicants should send a file protest electronically via email to the resource account listed above. The date of filing is the date of receipt of the protest. A protest must be filed in writing with the Issuing Office and must state all grounds the Applicant asserts the solicitation or award is improper. Issues not raised are waived and may not be raised on appeal. To be timely, the protest must be received by 4:00 p.m. on the seventh day of when the Applicant knew or should have known of the facts giving rise to the protest, except in no event may a protest be filed later than seven days after notification of award. Untimely filed protests must be disregarded by the Department. The Issuing Office will notify the contracting office and any Applicant reasonably susceptible of award of the protest, and such notification shall start the timeline for any protest response. Protests will be decided by the Secretary of Human Services or a designee by the Secretary in her discretion; however, the designee may not be a member of the RFA evaluation committee or the Contracting Office designated for the protest.

- I-28. Use of Electronic Versions of this RFA.** This RFA is being made available by electronic means. If an Applicant electronically accepts the RFA, the Applicant accepts full responsibility that no changes are made to the RFA. If a conflict arises between a version of the RFA in the Applicant's possession and the Issuing Office's version of the RFA, the Issuing Office's version shall govern.
- I-29. Information Technology Policies.** This RFA is subject to the Information Technology Policies ("ITPs") issued by the Office of Administration, Office for Information Technology and DHS Business and Technical Standards ("BTSs") created and published by DHS. ITPs may be found at <http://www.oa.pa.gov/Policies/Pages/itp.aspx>. The DHS Business and Technical Standards may be found at <https://www.dhs.pa.gov/providers/Providers/Pages/Business%20and%20Tech%20Standards/Business-and-Technology-Standards.aspx>.

All applications must be submitted on the basis that all ITPs and BTSs are applicable to this procurement. It is the responsibility of the Applicant to read and be familiar with the ITPs and BTSs. Notwithstanding the foregoing, if the Applicant believes that any ITP or BTS is not applicable to this procurement, it must list all such ITPs and BTS in its technical response, and explain why it believes the ITP or DHS BTS is not applicable. DHS may, in its sole discretion, accept or reject any request that an ITP or DHS BTS not be considered to be applicable to the procurement. The Applicant's failure to list an ITP or DHS BTS will result in its waiving its right to do so later, unless DHS in its sole discretion, determines that it would be in the best interest of the Commonwealth to waive the pertinent ITP or BTS.

The selected Applicant shall comply with state and federal law and policies requiring electronic and information technology being accessible to individuals with disabilities,

including Web Content Accessibility Guidelines (“WCAG”) 2.0, and Commonwealth ITP ACC001-Information Technology Accessibility Policy.

PART II

CRITERIA FOR SELECTION

- II-1. Mandatory Responsiveness Requirements.** To be eligible for selection, an application must:
- A.** Be timely received by the Department (see **Part I, Section I-12**);
 - B.** Be properly signed by Applicant (see **Part I, Section I-13**);
 - C.** Contain an SDB Participation Submittal (SDB-2) (which must include the SDB Utilization Schedule (SDB-3), Good Faith Efforts Documentation to Support Waiver Request (SDB-4 and SDB-5), or both); **and** (a) agree to meet the SDB participation goal in full or (b) receive an approved waiver from any unmet portion of the SDB participation goal; and
 - D.** Contain an VBE Participation Submittal (VBE-2) (which must include the VBE Utilization Schedule (VBE-3), Good Faith Efforts Documentation to Support Waiver Request (VBE-4 and VBE-5), or both); **and** (a) agree to meet the VBE participation goal in full or (b) receive an approved waiver from any unmet portion of the VBE participation goal.
- II-2. Technical Nonconforming Applications.** The four Mandatory Responsiveness Requirements set forth in **Section II-1** are the only RFA requirements that the Commonwealth will consider to be *non-waivable*. The Department may, in its sole discretion, (1) waive any other technical or immaterial nonconformities in an Applicant's application, (2) allow the Applicant to cure the nonconformity, or (3) consider the nonconformity in the scoring of the application.
- II-3. Evaluation.** The Department has developed a process to review timely submitted applications. The Department will not score the applications but will review the applications to determine compliance with the Eligibility Requirements set forth in Section II-4 of this RFA. Applicants must satisfy all of the Eligibility Requirements in order to be eligible for selection. The Department will notify in writing of its selection of the responsible and responsive Applicants whose application satisfy the Eligibility Requirements.

The Commonwealth will not score the SDB and VBE Participation Submittals. Rather, Applicants must commit to meeting the SDB and VBE participation goals or make good faith efforts to meet the SDB and VBE participation goals as more fully explained in **Part IV**. Although the SDB and VBE Participation Submittals will not be scored, the Department, in conjunction with the BDISBO, will evaluate the SDB Participation Submittal, the VBE Participation Submittal, and additional required documentation to determine whether they have been completed in accordance with **Part IV** and in a manner that demonstrates the Applicant is responsive and responsible. If an Applicant fails to

satisfy the SDB or VBE requirements described in **Part I, Section I-11**, the Department will reject the application.

DHS will not review or score the CPP Submittal. Once an Applicant has been selected for negotiations, DHS will review the CPP Submittal of the selected Applicant and may request changes to the selected Applicant's CPP Submittal during the grant agreement negotiations.

II-4. Eligibility Requirements. DHS will review the applications and determine compliance with all requirements outlined below. Each Applicant shall provide sufficient evidence of the following with the application submission. Applicants must:

- A.** Be licensed as a health insurance entity by the Pennsylvania Insurance Department and must maintain its license as a health insurance entity throughout the term of the agreement.
- B.** Have an established health care provider network of primary, preventative, and specialty health care licensed by the Pennsylvania Insurance Department in the geographic service area in which it is to provide CHIP health care services. It shall maintain such networks through the term of the agreement.
- C.** Identify the county or counties in which it intends to offer CHIP coverage. If the Applicant proposes to serve only a portion of a county, it must identify the zip codes it will serve within that county.
- D.** Be financially solvent and maintain financial solvency during the entire term of any agreement, including maintaining sufficient reserves, at the sole discretion of the Commonwealth, to fulfill all contractual obligations.
- E.** Provide a certification signed by an authorized corporate officer that the Applicant is able to provide managed care services to children enrolled in CHIP using a health plan accredited by the National Committee for Quality Assurance ("NCQA") either by achieving NCQA Accreditation status based on compliance with NCQA's requirements and the health plan's performance on Health Employer Data and Information Set ("HEDIS®") and Consumer Assessment of Health Care Providers and Systems ("CAHPS®") measures. Provide a certification signed by an authorized corporate officer that the Applicant is able to provide the services prescribed by this RFA and all of its appendices, including, but not limited to, **Appendix B**, Draft CHIP Agreement, and **Appendix N**, Program Requirements.
- F.** Conduct marketing and outreach activities to identify and inform potentially eligible children of the availability of the program.

II-5. Applicant Responsibility. To be responsible, an Applicant must submit a responsive application and possess the capability to fully perform the agreement requirements in all

respects and the integrity and reliability for the good faith performance of the agreement for all counties for which selected for negotiations and agreement award.

The Department will award an agreement only to an Applicant determined to be responsible in accordance with the most current version of Commonwealth Management Directive 215.9, Contractor Responsibility Program.

II-6. Award.

- A.** The Department will review all applications for responsiveness, responsibility, and compliance with the Eligibility Requirements.
- B.** The Department intends to select for agreement negotiations all responsive and responsible Applicants who satisfy the requirements listed in **Part II, Section II-4** as a result of this RFA.
- C.** The Department has the discretion to reject all applications or cancel the RFA, at any time prior to the time an agreement is fully executed, when it is in the best interests of the Commonwealth. The reasons for the rejection or cancellation will be made part of the RFA file.

PART III

TECHNICAL SUBMITTAL

- III-1. Geographic Service Area.** The Applicant must identify the county or counties in which it intends to offer CHIP coverage. If the Applicant is proposing to serve only a portion of a county, it must identify the zip codes it will serve within that county.

Applicant Response

- III-2. Licensure.** The Applicant must be licensed as a health insurance entity by the Pennsylvania Insurance Department. The selected Applicant must maintain its license as a health insurance entity throughout the term of any agreement resulting from this RFA. As part of its response to this RFA, the Applicant must provide sufficient evidence of the requisite licensure.

Applicant Response

- III-3. Provider Network.** The Applicant must have an established health care provider network of primary, preventative, and specialty healthcare licensed by the Pennsylvania Insurance Department in each county and zip code in which it is to provide CHIP healthcare services. The selected Applicant must maintain such networks throughout the term of any agreement resulting from this RFA. As part of its response to this RFA, the Applicant must provide sufficient evidence of its compliance with this requirement.

Applicant Response

- III-4. Certification.** As part of its response to this RFA, the Applicant must provide a certification signed by an authorized corporate officer that the Applicant is able to provide managed care services to children enrolled in CHIP using a health plan accredited by the National Committee for Quality Assurance (“NCQA”) either by achieving NCQA Accreditation statues based on compliance with NCQA’s requirements and the health plan’s performance on Health Employer Data and Information Set (“HEDIS®”) and Consumer Assessment of Health Care Providers and Systems (“CAHPS®”) measures.

As part of its response to this RFA, the Applicant must also provide a certification signed by an authorized corporate officer that the Applicant is able to provide the services prescribed by this RFA and all of its appendices, including, but not limited to, **Appendix B**, Draft CHIP Agreement, and **Appendix N**, Program Requirements.

Applicant Response

- III-5. Market Outreach.** The selected Applicant must conduct marketing and outreach activities to identify and inform potentially eligible children of the availability of the program. Applicants must submit either (1) outreach reports detailing the Applicant’s marketing strategy; or (2) a marketing plan demonstrating the Applicant’s marketing strategy.

Applicant Response

III-6. Financial Solvency. The Applicant must be financially solvent and the selected Applicant must maintain financial solvency throughout the term of any agreement resulting from this RFA. Financial solvency includes, but is not limited to, maintaining sufficient reserves.

To demonstrate financial solvency, the Applicant must submit the following information about the financial condition of the company in this section:

- A.** The identity of each entity that owns at least five percent of the Applicant.
- B.** Provide the following for the Applicant and for each entity that owns at least five percent (5%) of the Applicant. (The Applicant may **also** include information for other Affiliates as long as they still provide the requested information for each entity that owns at least 5%):
 - 1.** Audited financial statements for the two most recent fiscal years for which statements are available. The statements must include a balance sheet, statement of revenue and expense, and a statement of cash flow. Statements must include the auditor's opinion and the notes to the financial statements submitted by the auditor to the Applicant. If audited financial statements are not available, explain why and submit unaudited financial statements.
 - 2.** Unaudited financial statements for the period between the last date covered by the audited statements through the quarter before the submission of the application.
 - 3.** Documentation about available lines of credit, including maximum credit amount and amount available 30 business days prior to the submission of the application.
 - 4.** The most recent sets of quarterly and annual financial statements filed with the Pennsylvania Insurance Department or with other states' insurance departments, if the Pennsylvania filing is non-applicable.
 - 5.** State of incorporation.
 - 6.** Type of incorporation, as profit or non-profit.
 - 7.** Bond rating.
 - 8.** A.M. Best rating for life/health.
 - 9.** Standard and Poor's rating.
 - 10.** Weiss rating.

11. Its Risk Based Capital Ratio for the year filed most recently with the Pennsylvania Insurance Department.

If any information requested is not applicable or not available, provide an explanation. Applicants may submit appropriate documentation to support information provided.

- C.** Describe your financial stability and economic capacity to perform the CHIP Program requirements.
- D.** If the Applicant plans to enter into a subcontract at a cost of at least fifty percent (50%) of anticipated Agreement revenues received from the Department, and if the subcontract provides for financial risk on the part of the subcontractor, provide items listed in **Section III-6.B** above, as they relate to the proposed subcontractor.
- E.** The Applicant or entity(ies), identified in **Section III-6.A** above, who is an HMO or licensed insurer, must have SAP-basis equity, as of December 31 for the calendar year prior to submission or a subsequent date prior to submission of the application, equal to the highest of the amounts determined by the following “Three (3) Part Test”:
1. \$25.00 million;
 2. 7.0% of revenue earned by the Applicant or entity(ies) during the most recent four calendar quarters; or
 3. 7.0% of revenue earned by the Applicant or entity(ies) during the current quarter multiplied by three.

If the Applicant (not a related party) does not have the required SAP-basis equity, explain why and provide GAAP-basis equity. The Applicant must support its assertion of equity by a copy of a filing with the Pennsylvania Insurance Department. If the Pennsylvania Insurance Department’s filing is not available, explain why and provide a balance sheet that is attested to by an independent public accounting firm.

Failure to comply with the equity requirement, or with the requirement to provide documentation satisfactory to the Department, may result in rejection of the application.

- F.** Instead of the “three part test” equity requirement described in **Sections III.6.E** above, an Applicant may demonstrate compliance with the following alternative equity requirement. This alternative requirement has three parts:
1. CHIP-MCO RBC ratio of at least three (3.0);
 2. Substitution of five and one-half percent (5.5%) where the figure seven percent (7.0%) is included in the Three Part Test above; and
 3. Compliance with the Three Part Test with the figure of eight and three tenths percent (8.3%), where seven percent (7.0%) is stated, by individual at-risk Subcontractors who collectively receive at least seventy five percent (75%) of the

revenue provided by the Department to the CHIP MCO. Revenue, for the purpose of this alternative equity requirement, would be premium revenue reported on the most recently available audited statements and updated to incorporate more recent quarterly information.

- G. The Applicant shall explain how it will fund development and start-up costs, including the source of funds. Provide information and documentation to enable the Department to conclude whether sources have and are committed to providing the expected funds.
- H. List any ownership interest in proposed subcontractors. Copies of proposed subcontract arrangements are to be included as an appendix. The Department will approve all subcontracts used by the selected Applicant.
- I. The Applicant must state whether it has changed its independent actuary or independent auditor in the last two years. If it has, it must provide the date and explain why.

Applicant Response

III-7. Additional Application Information. The following items should be addressed in each Applicant's application, but are not considered Eligibility Requirements:

- A. **Bolstering Service Delivery through a Digital Experience Strategy.** The Commonwealth of Pennsylvania ("Commonwealth") is committed to improving digital interactions with Pennsylvanians, individuals, and entities that conduct business with or on behalf of the Commonwealth, (each a "Business Partner").

Executive Order 2023-08 – *Bolstering Service Delivery Through a Digital Experience Strategy* calls for the enablement of an online service delivery system that would provide a universal entry way to all Commonwealth programs, services, and resources organized by users' needs and life experiences rather than agency program areas.

More information about the Executive Order is available at the following location: [Executive Order 2023-08 – Bolstering Service Delivery through a Digital Experience Strategy.](#)

Applicants shall acknowledge and conform to the following six design principles and requirements when proposing solutions within applications and/or during product demonstrations in response to Commonwealth procurement solicitations. The selected Applicant shall align its performance and deliverables with these principles and requirements under any agreement that may be awarded from the procurement solicitation.

Design Principles and Requirements:

- 1. Delivering a consistent and friendly user experience across all Commonwealth agencies informed by human-centered design principles and user research.

A consistent and friendly user experience will enable Pennsylvanians, individuals, and Business Partners to locate services and conduct business with the Commonwealth, even if they do not know which agency to contact. Pennsylvanians, individuals, and Business Partners will continue to be able to navigate directly to services on agency websites, if they wish.

PA.GOV is the Commonwealth's single state government destination. By using PA.GOV, Pennsylvanians, individuals and Business Partners will know that they are utilizing official services from the Commonwealth.

The selected Applicant must use the PA.GOV domain for proposed websites and digital services. Refer to the Commonwealth Information Technology Policy ("ITP") ITP-NET005 – *Commonwealth External and Internal Domain Name Services ("DNS")*. Applicants shall acknowledge its understanding of and compliance with this requirement in its application.

Each Applicant's application must include a description of how the Applicant plans to integrate a consistent and friendly user experience, starting with [PA.GOV](#). The selected Applicant shall be able to receive and validate the credentials of a Pennsylvanian, individual or Business Partner that were previously authenticated from an active session.

The Applicant's solution must integrate with existing PA.GOV and be able to receive and validate credentials among Commonwealth websites, applications, and digital services to allow seamless navigation to and from PA.GOV.

Keystone Login is the Commonwealth's single login solution. Keystone Login provides a consistent and secure approach to account administration by offering Pennsylvanians, individuals, and in the future, Business Partners, a single online point of access to services offered by multiple Commonwealth agencies or other Business Partners. It is critical that by using Keystone Login any Pennsylvanian or Business Partner can work with any Commonwealth agency or other Business Partner through the Commonwealth's public facing applications using a single login credential.

The consistent and modern authentication standards available through Keystone Login will increase convenience for Pennsylvanians and Business Partners by simplifying account management and eliminating the need to remember multiple usernames and passwords, while also strengthening the Commonwealth's security posture.

In addition, Keystone Login provides the capability for a Pennsylvanian or a Business Partner to create a single profile managed by Keystone Login.

The selected Applicant shall register with and utilize Keystone Login.

Applications that utilize Keystone Login can leverage authentication methods through one of the following: (1) via a series of Application Programming Interfaces (“APIs”), (2) as a redirect to the Keystone Login Portal, or (3) a hybrid of both approaches.

A detailed Developer Integration Guide will be provided to the selected Applicant; however, to assist Applicants in preparing their applications, a summary version of the Developer Integration Guide and Keystone Login Branding Guidelines are available at the following location: <http://keystonelogindevelopers.pa.gov>.

The summary version of the Developer Integration Guide and Keystone Login Branding Guidelines should be reviewed by the Applicants prior to responding to this solicitation to ensure the Applicants understand the mandatory APIs and services that shall be made available to Pennsylvanians and Business Partners.

The Applicants shall include in their applications an acknowledgement that they will utilize Keystone Login for Pennsylvanians. If the Applicant requires any additional information to verify the identification of Pennsylvanians through the authentication process provided by Keystone Login, the Applicant must identify the additional required information the Applicant needs in its application.

Additionally, the Applicant must commit to utilizing Keystone Login for Business Partners when required by the Commonwealth. The timeframe for implementation of Keystone Login to Business Partners will be mutually agreed upon by the selected Applicant and the Commonwealth and will be documented through the change order process of the agreement.

2. Incorporating user feedback continuously into digital applications to ensure users’ expectations and needs are better met.

Applicants must develop user-focused requirements that tie back to all personas that will be leveraging the solutions being suggested.

Applicants must include within their applications a reporting strategy and specific mechanisms for how the solution would measure its success in meeting the needs of users (e.g., reducing time to complete for end-users by XX%).

When designing any digital interface, a plan for user research and iterative prototype development must be included within their applications. The Applicant must plan for written sign-off on a finalized prototype prior to beginning any development work, and such must be acknowledged within their applications.

Developed prototypes must be informed not only by design best-practices, but also the feasibility of the back-end technical integrations that would be required to enable the front-end experience, so user feedback is informed by realistic examples.

Applicants must outline in their applications the design best practices and technical integrations that would enable the front-end experience.

All existing user research completed by the Commonwealth related to this procurement will be provided, if available and permissible by law. If the Applicant does not have the ability to provide user research or prototype development, it must explicitly be called out in their application so that the Commonwealth can anticipate resources that will be required outside of the scope of the awarded agreement.

3. Sharing and integration of data across agencies to glean users' insights and measure experience, including satisfaction and trust across Commonwealth services.

The universal entry way outlined within the Executive Order will establish capabilities to connect Residents to existing systems of records using a consent-based approach that will enable Residents to view and update their data across agencies and program areas in a seamless fashion using a common technology identity.

An enterprise data management program strategy was established that focuses on democratization of data, efficiency of data transactions, and increasing data quality, availability, integrity, and security measures. The strategy also combines functional and cultural changes to the data habits and literacy of people, establishes standardized data processes, and deploys technologies to ensure optimal practices and business processes are used to collect, create, maintain, and/or disseminate data.

To accomplish the strategy, the Commonwealth is standardizing and deploying the following technology solutions in support of a centralized enterprise data hub.

- Core Resident and Business Profiles (“Golden Records”)
- Universal Identifiers and ID Linkage
- Master Data Management
- Enterprise Messaging and Queuing Services
- Data API / Data Integration Services
- Enterprise Data Catalog

The Applicant shall provide within their applications a detailed overview of data available from the proposed solution, along with data format and all methods in which the data can be accessed by Commonwealth solutions and reporting tools (e.g., Enterprise Data Catalog, Power BI).

The Applicant shall also include in the application how the proposed solution can contribute to the centralized enterprise data hub. This information must include field-level data (e.g., profile/demographics/preferences of users) and outcomes data from the proposed solution (e.g., user logins, user journey history, completed applications).

The data is owned by the Commonwealth and cannot be used by the awarded Applicant without written consent of the Commonwealth.

4. Consolidate or eliminate outdated technologies and systems that are costly or challenging to maintain, insecure, or no longer impactful with the goal of minimizing or preventing the Commonwealth from incurring technical debt.

Applicants must acknowledge within their applications if the proposed solution has a roadmap that showcases a progression plan for sustaining, enhancing, and maturing the proposed solution into the future. Applicants must include the roadmap within their applications, if available.

Applicants must explain within their applications how solution enhancements and/or version releases are handled, and at what cyclical intervals.

Applicants must acknowledge within their applications the timeframe (e.g. years, months) the proposed solution has been implemented for other clients or if new and/or emerging technology(ies) is being proposed.

5. Designing digital services that incorporate best practices regarding data exchange, data privacy, security, records management, language translation, and accessibility associated with Commonwealth data, devices, and materials to provide comprehensive protections and manage risk.

Applicants shall acknowledge within their applications compliance with the Commonwealth's electronic information privacy standards. Refer to the ITP-PRV001 – Commonwealth of Pennsylvania Electronic Information Privacy.

Applicants shall acknowledge within their applications compliance with the Commonwealth's websites, applications, and digital content and services design standards. Refer to ITP-SFT002 – *Commonwealth of PA Design Standards*, and ITP-SFT009 – *Application Development*.

Title VI of the Federal Civil Rights Act of 1964 provides that “no person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. Title VI applies to all state agencies that receive Federal financial assistance.”¹

Applicants shall demonstrate how they will support the Commonwealth in making vital digital information available to people with limited English proficiency with accurate digital language translation in frequently encountered languages.

¹ 42 U.S.C. § 2000d (1964), “Title VI” includes this statute and its regulations.

Applicants must acknowledge within their applications and, if requested by the Commonwealth, demonstrate during product demonstration sessions, solution and deliverable compliance with relevant federal, and state laws, regulations, and rules including, but not limited to, the following.

- Title III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability;
- Section 508 Amendment to the Rehabilitation Act of 1973, which requires all Federal agencies' electronic and information technology to be accessible to those with disabilities; and
- Section 504 of the Rehabilitation Act, which prohibits discrimination on the basis of disability for entities receiving federal funds.

In addition, Applicants must acknowledge within their applications and product demonstration sessions compliance with the revised Section 508 Standards and the current version of the Web Content Accessibility Guidelines ("WCAG"), which are industry standards. The selected Applicant must provide as a deliverable of the awarded agreement quarterly reports that demonstrate compliance with WCAG. Refer to ITP-ACC001 – *Information Technology Digital Accessibility Policy* for additional information.

6. Follow Commonwealth data source standards to facilitate better connections and access of user data.

The purpose of the citizen and business data models are to standardize and promote common glossary definitions for the data elements and their associated attributes. A common understanding of data entities and elements across the enterprise is an essential first step in developing integrated processes and moving away from 'silo' systems, solutions, applications, and digital services.

Applicants must acknowledge within their applications and, if requested by the Commonwealth, demonstrate during product demonstration sessions compliance with ITP-INF003 – *Data Modeling Standards* as well as ITP-INF003's associated supporting documents.

Applicants must provide within their applications the availability of APIs to add, update, and/or exchange resident, business, and solution/system/application data in real-time with centralized data hubs managed by the Commonwealth.

Applicant Response

- B. The Commonwealth defines Computing Services as any service that is hosted by or within a Service Organizations or its subcontractor(s) (Subservice Organization(s)) managed infrastructure regardless of deployment model (public, private, or hybrid) or such type as, but not limited to, software-as-a-service for web-based applications, infrastructure-as-a-service for Internet-based access to storage and computing power,

and platform-as-a-service that gives developers the tools to build and host web applications. Solutions deployed through traditional hosting methods and without the use of NIST Cloud capabilities (i.e., rapid elasticity, resource pooling, measured service, broad network access, and on demand self-service) are also included. Please refer to [Glossary \(pa.gov\)](#) for more specifics. This solicitation will require the selected Applicant to go through a Computing Services Use Case review prior to entering into an agreement. As part of this review, Applicants shall complete and submit as part of their application, **Appendix H, Cloud Services Requirements** document that is specific to the Computing Service being considered. Applicants shall also provide a Voluntary Product Accessibility Template (“VPAT”) and a System and Organizations Controls (“SOC”) Report as part of their application. After selection, the BPCM Issuing Officer will contact the selected Applicant to schedule a meeting to do a High Level Diagram of their system.

Applicant Response

- C. VPAT.** The VPAT is a self-assessment document explaining how applications conform to the 508 Standards for IT accessibility. Applicants shall provide their VPAT as part of their application. If selected for negotiations, the selected Applicant’s VPAT report will be reviewed during the Computing Services Use Case review process.

Applicant Response

- D. SOC Report.** A Service Organization Controls (“SOC”) Report is a way for the Commonwealth to verify the vendor will follow best practices relating to our data. The SOC report allows the Commonwealth to understand the level of risk involved with providing data to the selected Applicant. Applicants shall provide the appropriate SOC report as part of their application. Refer to [SEC040](#), Section 5.2 System and Organization Controls (“SOC”) Reporting Requirements for acceptable SOC types. If selected for negotiations, the selected Applicant’s SOC report will be reviewed during the Computing Services Use Case review process.

Applicant Response

- E. Lobbying Certification and Disclosure of Lobbying Activities.** This Project will be funded, in whole or in part, with federal monies. Public Law 101-121, Section 319, prohibits federal funds from being expended by the recipient or by any lower tier sub-recipients of a federal contract, grant, loan, or a cooperative agreement to pay any person for influencing, or attempting to influence a federal agency or Congress in connection with the awarding of any federal contract, the making of any federal grant or loan, or entering into any cooperative agreement. All parties who submit applications in response to this RFA must sign the **Lobbying Certification Form**, attached as **Appendix I**, and if applicable, complete the **Disclosure of Lobbying Activities** Form, also attached as **Appendix I**.

Applicant Response

F. Worker Protection and Investment. Pursuant to Executive Order 2021-06, *Worker Protection and Investment* (October 21, 2021), the Commonwealth is responsible for ensuring that every Pennsylvania worker has a safe and healthy work environment, and the protections afforded them through labor laws. To that end, contractors and grantees of the Commonwealth must certify that they are in compliance with all applicable Pennsylvania state labor and workforce safety laws. Such certification shall be made through the Worker Protection and Investment Certification Form (BOP-2201) and submitted with the bid, proposal or quote. This form is attached as **Appendix K**.

Applicant Response

PART IV

SMALL DIVERSE BUSINESS AND VETERAN BUSINESS ENTERPRISE PARTICIPATION INFORMATION

IV-1. SDB and VBE Participation Goals. The Issuing Office and BDISBO have set the SDB Participation Goal and a VBE Participation Goal for this RFA, which are listed in **Part I, Section I-12** of this RFA. The SDB and VBE Participation Goals were calculated based upon the market availability of SDBs and VBEs for work scopes identified for this solicitation.

Applicants must meet the SDB and VBE Participation Goals in full or demonstrate they have made Good Faith Efforts to meet the Goals and obtain an approved waiver or their application will be disqualified from further consideration. Each Applicant should submit only one SDB Participation Submittal and Utilization Schedule and one VBE Participation Submittal and Utilization Schedule for the entire geographic service area for which it applies.

The SDB and VBE Participation Goals apply only to the administrative portion of the PMPM rate. Applicants must utilize the following administrative PMPM assumptions in preparing their SDB and VBE Participation Submittals and Utilization Schedules:

Geographic Area	Administrative PMPM
Statewide	\$23.99

The administrative PMPM listed above is an assumption only and is provided to enable Applicants to submit responsive SDB and VBE Participation Submittals and Utilization Schedules on the same basis. The administrative PMPM reflected in any final, negotiated agreements resulting from this RFA may vary by county and by tier; however, selected Applicants shall be required to maintain the percentages of commitment set forth in their applications for the duration of the agreement term, including any renewals and extensions.

IV-2. SDB Participation Packet, Appendix D. Applicants should submit the SDB Participation Packet and associated required documentation in accordance with the Instructions for Completing SDB Participation Submittal and SDB Utilization Schedule and with the submission requirements of **Part 1, Section I-14.A**.

IV-3. VBE Participation Packet, Appendix E. Applicants should submit the VBE Participation Packet and associated required documentation in accordance with the Instructions for Completing VBE Participation Submittal and VBE Utilization Schedule and with the submission requirements of **Part 1, Section I-14.A**.

NOTE: Equal employment opportunity and contract compliance statements referring to company equal employment opportunity policies or past contract compliance practices do not constitute proof of SDB or VBE Status or entitle an Applicant to receive credit towards the SDB or VBE participation goals.

IV-4. Contract Requirements—SDB and VBE Participation.

- A. SDB and VBE Participation Documents. All documents completed and submitted by the selected Applicant in connection with its SDB Participation Submittal (including the SDB Participation Submittal, SDB Utilization Schedule, and any Good Faith Efforts Documentation to Support Waiver Request of SDB Participation Goal) and its VBE Participation Submittal (including the VBE Participation Submittal, VBE Utilization Schedule, and any Good Faith Efforts Documentation to Support Waiver Request of VBE Participation Goal) shall be incorporated into the Agreement by reference.
- B. Required contract terms. All agreements containing SDB and VBE participation must contain the following provisions to be maintained through the initial term and any subsequent options or renewals:
1. Each SDB participation commitment and each VBE participation commitment which was credited and the total percentage of the SDB participation commitments and VBE participation commitments made at the time of application submittal or agreement negotiations, as applicable, become contractual obligations of the selected Applicant upon execution of its Agreement with the Commonwealth.
 2. For purposes of monitoring compliance with the selected Applicant's SDB and VBE participation commitments, the Agreement cost is the total amount paid to the selected Applicant throughout the initial Agreement term and any extensions.
 3. The selected Applicant cannot alter its overall SDB or VBE commitments or commitments made to individual SDB or VBE subcontractors without written approval from the Department and BDISBO.
 4. Both the overall percentage of SDB and VBE commitments, and individual SDB and VBE commitments must be maintained if the Agreement is assigned to another prime.
- C. Subcontract requirements.
1. The selected Applicant and each SDB listed on the SDB Utilization Schedule and VBE listed on the VBE Utilization Schedule must enter into a final, definitive subcontract signed by the selected Applicant and the SDB or VBE within 30 calendar days of the final execution date of the Commonwealth agreement. A **Model Form of Small Diverse Business/Veteran Business Enterprise Subcontractor Agreement** which may be used to satisfy this requirement – is available as **Appendix F**.
 2. In addition to any requirements in the selected Applicant's contract documents, the subcontract must contain:

- a. The specific work, supplies or services the SDB or VBE will perform; location for work performed; how the work, supplies or services relate to the contract; and the specific timeframe during the initial term and any extensions, when the work, supplies or services will be provided or performed;
 - b. The fixed percentage commitment and/or associated estimated dollar value that each SDB or VBE will receive based on the final negotiated cost for the initial term of the Agreement and any extensions of the Agreement;
 - c. Payment terms requiring payment to the SDB or VBE for work satisfactorily completed within 14 calendar days of the selected Applicant's receipt of payment from the Commonwealth for such work. Subcontractors are encouraged to utilize electronic payment methods;
 - d. Commercially reasonable terms for the applicable business or industry that are no less favorable than the terms of the selected Applicant's Agreement with the Commonwealth and that do not place disproportionate risk on the SDB or VBE relative to the nature and level of the SDB's or VBE's participation in the Agreement; and
 - e. The requirement that the SDB or VBE submit utilization reports to BDISBO.
3. If a subcontract is required by the solicitation document and the subcontract terms omit any of the information required in subparagraph 2 but that information is otherwise reflected within the selected Applicant's SDB Participation Submittal, VBE Participation Submittal, or associated documents (SDB Utilization Schedule, VBE Utilization Schedule, and Letters of Commitment), the information listed in the SDB Participation Submittal, VBE Participation Submittal, or associated documents is incorporated into the subcontract. To the extent that any subcontract terms conflict with the requirements of subparagraph (2) or information contained within the selected Applicant's SDB Participation Submittal or VBE Participation Submittal and associated documents, the order of precedence is as follows: 1) the requirements of subparagraph 2, 2) the selected Applicant's SDB Participation Submittal, VBE Participation Submittal and associated documents; and 3) the terms of the subcontract.
 4. If the selected Applicant and a SDB listed on the SDB Utilization Schedule or VBE listed on the VBE Utilization Schedule cannot agree upon a definitive subcontract within 30 calendar days of the final execution date of the Commonwealth Agreement, the selected Applicant must provide written notification to the Department and BDISBO.
 5. The selected Applicant must provide a copy of any required subcontract with an SDB or VBE to BDISBO or the Department within ten business days of receiving such a request.

D. Utilization Reports.

1. The selected Applicant must submit a Monthly Utilization Report to BDISBO and the DHS Grant Administrator in the format required by BDISBO and within ten business days of the end of each month of the Agreement term and any subsequent extensions. In the Monthly Utilization Report, the selected Applicant must list payments made to each SDB or VBE subcontractor and any unpaid invoices over 30 calendar days old received from an SDB or VBE subcontractor, and the reason payment has not been made. This information will be used to track and confirm the actual dollar amount paid to SDB or VBE subcontractors and will serve as a record of fulfillment of the contractual commitment(s). If there was no activity, the selected Applicant must complete the form by stating “No activity”. A late fee of \$100.00 per day may be assessed against the selected Applicant if the Utilization Report is not submitted in accordance with the schedule above.
2. The selected Applicant must include in its subcontracts with its SDB and VBE subcontractors a requirement that the SDB and VBE subcontractors submit to BDISBO, within the time frame set forth within the solicitation document, a report identifying the prime contract, and listing:
 - a. Payments received from the selected Applicant within the time frame covered by the report, and
 - b. Invoices for which the subcontractor has not been paid.

E. Noncompliance with SDB or VBE commitments.

1. Upon BDISBO notifying the Department that a selected Applicant did not comply with the SDB commitments or VBE commitments, the Department will notify the selected Applicant in writing of BDISBO’s findings and will specify the corrective actions to be taken. The selected Applicant must initiate the corrective actions within ten business days and complete them within the time specified by DHS.
2. If DHS determines that material noncompliance with SDB or VBE provisions exists and that the selected Applicant refuses or fails to take the corrective action required by DHS, DHS, in consultation with BDISBO, may impose any and all remedies available under the Agreement as it deems appropriate. Such remedies include, but are not limited to, withholding of payments; termination of the agreement along with consequential damages; revocation of the selected Applicant’s SDB, and/or VBE status; a determination that the selected Applicant’s SDB or VBE participation submittal be deemed non-responsible in future procurements; and/or any actions under the Commonwealth’s Contractor Responsibility Program, up to and including suspension or debarment from future contracting opportunities with the Commonwealth.

PART V

CONTRACTOR PARTNERSHIP PROGRAM

- V-1. General Information – Contractor Partnership Program.** The CPP was created by the Department to address workforce needs by connecting beneficiaries of Temporary Assistance for Needy Families (“TANF”) to jobs while simultaneously helping to fill the hiring needs of employers. The program is a collaborative effort between DHS and its contractors and grantees to lift families out of poverty.

CPP requires entities who are awarded a contract or agreement with DHS to establish a hiring target that supports TANF beneficiaries in obtaining employment with the contractor, grantee, or their subcontractors for jobs within their organizations. The Department encourages selected Applicants to consider TANF beneficiaries not only for employment opportunities that will be created through the award of an Agreement but also for general employment opportunities within the organization. DHS staff will work cooperatively with selected Applicants to assist in meeting their hiring targets by assisting with the identification of qualified job applicants through the Department’s employment and training programs and providing technical assistance as needed. Participating Applicants may also be eligible to receive hiring incentives, such as the Work Opportunity Tax Credit.

Through CPP, DHS expects not only to increase the employment rate for individuals receiving TANF cash assistance, but to continue to contribute to the economic growth of the Commonwealth.

For more information about the Contractor Partnership Program, please contact: RA-BETPCPP@pa.gov or 1-866-840-7214.

- V-2. Participation Requirements.** Entities who are awarded a contract or agreement valued at a minimum of \$5 million through a competitive procurement process are automatically included in CPP. To receive credit towards meeting the CPP requirements and maintain good standing, these entities must hire or make good faith efforts to hire individuals currently receiving TANF cash assistance. This includes but is not limited to individuals receiving TANF who are currently participating in Department employment and training programs as well as TANF beneficiaries outside of these programs.

The Department’s vision for CPP is that selected Applicants are able to obtain employment for TANF beneficiaries in a number equal to 10% of the average of the annual number of a selected Applicant’s new hires in Pennsylvania over each of the prior three years.

- V-3. RFA Requirements.** Applicants must provide a written narrative that addresses the following and must include the information in the CPP Submittal of their application.

A. Applicant’s name, telephone number and mailing address.

B. Type of business entity (i.e. not-for-profit, government entity, public corporation,

university).

- C. Address of the company's headquarters; if located in Pennsylvania, include county.
- D. The name, title, phone number, mailing address, and email of the Applicant's point of contact for the CPP.
- E. Address of all satellite offices located in Pennsylvania, including the county.
- F. A list of the subcontractors' names, address, and phone number; if located in Pennsylvania, include the county.
- G. Type of services being provided under the Agreement.
- H. Type of services provided by Applicant.
- I. Based on the calculation below, the anticipated number of positions that will be established as the hiring target.

For each of the prior three years, provide the number of new hires at your organization's Pennsylvania offices. The hiring targets will be 10% of the average of the annual number of new hires in Pennsylvania over each of the last three years. Hiring targets can be discussed with the Office of Income Maintenance CPP staff to determine if a waiver or reduction of this requirement is warranted.

- J. Type of positions anticipated to be available during Agreement term.
- K. Describe the strategies that will be used to identify and recruit TANF individuals.
- L. Describe the methods that will be used to retain the individuals once they are employed, including opportunities for professional development.
- M. Identify the staff and processes that will be used to meet the CPP requirement, including the reporting requirements.
- N. Provide a brief explanation of any additional efforts that will be made to meet and maintain TANF hiring commitments.

The Department will not evaluate the CPP Submittal. After an Applicant is selected for negotiations, the Department's Office of Income Maintenance Bureau of Employment Programs will review the CPP Submittal and may request changes or clarifications during negotiations. All information submitted is subject to approval by DHS.

- V-4. Agreement Requirements.** The approved hiring target will become a performance target, included as part of the Agreement. Hiring targets will apply to the full term of the Agreement, including any extensions. After an Agreement has become effective, selected Applicants must establish a login for the DHS data tracking system, the Commonwealth Workforce Development System ("CWDS"), create a business folder, and complete and submit all required forms to the CPP staff. The selected Applicant must complete the Quarterly Employment Report on a quarterly basis to document the number of TANF beneficiaries hired for that quarter. OIM will monitor the submission of the Quarterly Employment Report in CWDS and will share the information with the Program Office responsible for the agreement.

Quarters	Begin Date	End Date	Reports Due*
1 – First	July 1	September 30	October 15
2 – Second	October 1	December 31	January 15
3 – Third	January 1	March 31	April 15
4 – Fourth	April 1	June 30	July 15

**If the 15th falls on a weekend or state holiday, the report is due the next business day.*

The selected Applicant, regardless of the Effective Date of the Agreement must complete the Quarterly Employment Report based on the schedule above. If an Agreement begins in the middle of a quarter, the information reported will be based on activity that occurred from the Effective Date through the end of the quarter. If no activity occurred, an entry reporting zero hires must still be submitted via CWDS.

In addition, selected Applicants must report information documenting the use and outcomes of their hiring strategies and demonstrating their good faith efforts to hire TANF beneficiaries on a quarterly basis. The Department will work with the selected Applicants to develop a form and submission requirements for this reporting.

Verification Process

Data entered in CWDS will be cross referenced with the Client Information System (“CIS”) to confirm TANF eligibility; CIS will automatically credit the selected Applicant whenever a TANF hire is submitted. The CPP staff and the Project Manager will work together to ensure that selected Applicants are meeting their hiring goals.