



STATE OF TENNESSEE
 FINANCE AND ADMINISTRATION, DIVISION OF BENEFITS ADMINISTRATION

**REQUEST FOR PROPOSALS # 31786-00126
 AMENDMENT # 1
 FOR VOLUNTARY PREPAID DENTAL PROGRAM**

DATE: May 29, 2015

RFP # 31786-00127 IS AMENDED AS FOLLOWS:

- This RFP Schedule of Events updates and confirms scheduled RFP dates. Any event, time, or date containing revised or new text is highlighted.**

EVENT	TIME (central time zone)	DATE (all dates are state business days)
1. RFP Issued		April 29, 2015
2. Disability Accommodation Request Deadline	2:00 p.m.	May 4, 2015
3. Pre-response Conference	11:00 a.m.	May 5, 2015
4. Notice of Intent to Respond Deadline	2:00 p.m.	May 8, 2015
5. Written "Questions & Comments" Deadline	2:00 p.m.	May 13, 2015
6. State Response to Written "Questions & Comments"		May 29, 2015
7. Response Deadline	2:00 p.m.	June 5, 2015
8. State Completion of Technical Response Evaluations		June 15, 2015
9. State Opening & Scoring of Cost Proposals	2:00 p.m.	June 16, 2015
10. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection	2:00 p.m.	1 day after Insurance Committee Award of Contract
11. End of Open File Period		7 Calendar Days Later
12. State sends contract to Contractor for signature		8 BUSINESS DAYS LATER
13. Contractor Signature Deadline	2:00 p.m.	1 – 5 BUSINESS DAYS LATER

2. State responses to questions and comments in the table below amend and clarify this RFP.

Any restatement of RFP text in the Question/Comment column shall NOT be construed as a change in the actual wording of the RFP document.

QUESTION / COMMENT	STATE RESPONSE
<p>1 Assignment & Subcontracting, reference 4.4.2, is the State's intention to review all of the Contractor's subcontractors?</p> <p>Or, only subcontractors that may be assigned to portions of the work listed in the Pro Forma Contract under section A. SCOPE OF SERVICES?</p>	<p>No, it is the State's intention to approve all subcontractors' who will perform services for the State under the contract resulting from this RFP.</p>
<p>2 Section C – Technical Qualifications, Experience & Approach Items, reference C.19.Provider Network Analysis, would the State be willing to extend the service area outside Tennessee for a Contractor who meets the specified access standards in other locations for the State's total employee/retiree population?</p> <p>Would additional points be awarded?</p>	<p>No, the State will not alter this requirement for the analysis.</p> <p>The State recognizes that some active and retiree members reside outside the State of Tennessee and desire that they have reasonable access to network providers. However, the majority of the members reside within the State.</p>
<p>3 3.1 Response Form, reference 3.1.1.1, should the Contractor include a brief cover letter at the beginning of the Technical Response? Will an editable version of the Technical response be provided?</p>	<p>The Contractor (Respondent) may provide a brief cover letter at the beginning of the Technical Response if they choose. Yes, a Word version of the RFP document will be posted with this amendment.</p>
<p>4 6.3 Cost Proposal & Scoring Guide, reference RFP Attachment 6.3, why does the number of subscribers by tier for active employees and retirees reflected on the cost proposal differ from the number of subscribers reflected on the 4/1/2015 enrollment data as part of Appendix 7.2?</p>	<p>The number reflected in RFP Attachment 6.3 is the evaluation factor used for evaluating all cost proposals, because this is an evaluation factor and not the actual number of subscribers a growth factor has been applied to anticipate possible program growth in the future.</p>
<p>5 6.3 Cost Proposal & Scoring Guide, reference Table A (Prepaid Procedure Code Cost Proposal), will the estimated out of pocket expenditures be updated with new codes, frequencies and weights?</p> <p>When were the copays last updated?</p> <p>Will the following deleted codes be removed from the scoring, D0999 and</p>	<p>There is an updated spreadsheet that will be posted with this amendment.</p> <p>The copays have not changed during the entire length of the contract.</p> <p>These codes are no longer reflected on the correct</p>

QUESTION / COMMENT	STATE RESPONSE
D4271?	<p>table; please see the updated spreadsheet attached to the procurement website.</p> <p>http://tn.gov/generalserv/cpo/sourcing_sub/rfp.shtml</p>
<p>6 Pro forma Contract C. Payment Terms and Conditions, reference C.3.B.(2), please provide the maximum percentage increase determined by the national trend for dental expenses in 2013, 2014 and 2015 as calculated by the State's contracted actuarial and benefits consulting firm.</p>	<p>Based on the State's actuarial consultant's trend rates, national dental claims trend was 4% for 2013, 3% in 2014, and 3% in 2015.</p>
<p>7 Pro forma Contract D. Mandatory Terms and Conditions, reference D.7 Assignment and Subcontracting, if the Contractor who is awarded the contract exits the healthcare market, will the State initiate negotiations with the next ranked respondent?</p>	<p>If the Respondent deemed the best evaluated exits the market and is no longer providing the services requested by this Contract the State will work with the Central Procurement Office to determine the best way to proceed in establishing a new Vendor for the requested services.</p>
<p>8 Contract Attachment C Reporting Requirements, reference Liquidated Damages Tracking, please provide a copy of the annual liquidated damages tracking report from the Contractor for 2014.</p>	<p>Please see Attachment 2 to this amendment.</p>
<p>9 Contract Attachment C Reporting Requirements, reference Summary Plan Information, please provide a copy of the annual summary plan information report including capitation and claims paid for 2013 and 2014.</p>	<p>Please see Attachment 1 to this amendment.</p>
<p>10 Contract Amendment Cover Sheet, reference Appendix 7.3, why did the maximum liability decrease in 2015?</p>	<p>Maximum liability is based on several factors including enrollment participation levels, the maximum liability reflected on the Amendment cover sheet is an estimate of what the State expects to spend based on historical and current information.</p>
<p>11 Certificate of Group Prepaid Dental Benefits, reference 5.b.(ii) Participating General Dentists and Specialists, services not listed in the Participating Specialist Copayment Schedule will be paid at a charge which is 25% less than the Participating Specialist's usual and customary charge. Current Tennessee legislation prevents discounting for non-covered charges. Will the State approve removal of this clause?</p>	<p>No, the State chooses to not remove this clause. Procedures performed by Participating Specialists which are not listed on the member's copayment schedule are covered subject to program limitations and exclusions. The Participating Specialist has agreed to discount the charge to the member by 25%.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>If so, what copay amount should be used for orthodontics, since benefits are currently 25% reduction off the Orthodontist's usual and customary charges?</p> <p>Or should orthodontic coverage be removed entirely?</p>	
<p>12 Certificate of Group Prepaid Dental Benefits, reference Participating Dentist Copayment Schedule, several restorative codes have an asterisk (*) to indicate there is an upcharge associated with the code; however, the upcharge amounts are not listed. Please provide the appropriate upcharge amount to include in the schedule for these codes.</p> <p>Also, how should the upcharges be included in the prepaid procedure cost scoring?</p>	<p>The asterisk (*) indicates that the member is responsible for any laboratory charges. The laboratory charges are not included in the member's copayment schedule. The upcharges should not be included in the prepaid procedure cost table.</p>
<p>13 Tennessee Zip Code Employee/Retiree (sic) Eligibility Counts, reference Appendix 7.6, is it possible to remove non Tennessee zip codes from this file for rating purposes?</p>	<p>Please refer to Appendix 7.4 of the RFP document, the instructions ask only that respondents provide analysis results for Tennessee zip codes only.</p>
<p>14 Can you provide dental incurred claims vs premium experience for the past 24 months on the DHMO, including monthly enrolled lives</p>	<p>On the Prepaid program, the only claims submitted are for a few Participating Specialists which the current Contractor has agreed to reimburse an extra amount of payment in addition to the member's copayment for certain procedure codes as an incentive for the specialist to join the Contractor's network. Please see Attachment 1 for the requested premium and enrollment history.</p> <p>Detailed enrollment information was provided in Appendix 7.2 to the RFP document. This excel file has been updated and is posted to the State's procurement website located at http://tn.gov/generalserv/cpo/sourcing_sub/rfp.shtml</p>
<p>15 Can you provide a full census showing DHMO elections, family tiers, zip codes, DOB's, and genders</p>	<p>The State cannot provide DOB's, but please refer to Appendix 7.2 to the RFP document, see the response to Question #14 above.</p>
<p>16 A.4.b.(4): We are an inbound call center. Therefore, if a hearing impaired caller contacts us, they would likely be using a TTY device, along with a TRS</p>	<p>This requirement is being removed from the Pro Forma Contract; please refer to Amendment Section 3.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>(Telecommunications Relay Service). The TRS service then listens to the call and transcribes our call center's responses into text that is displayed on the TTY device for the caller to read. This requirement may be applicable to an outbound call center, but not an inbound call center.</p> <p>Therefore, we would request that this requirement be deleted or modified to read: If Contractor offers an outbound call center, the Contractor's Call Center shall be equipped with TDD (Telecommunication Device for the Deaf) or TTY (Teletype) in order to serve the hearing impaired population.</p>	
<p>17 A.4.c.(2): Our call center does not have the capability to monitor First Call Resolution. We estimate that 99%+ of all calls are resolved on the first call, but our call center does not have the capability to track and report on this. The Prepaid plan offered to State employees is administratively very simple, since the member merely selects a network General Dentist and pays the copayment according to the fixed copayment schedule (for both General and Specialist services). As well, the enrollment and eligibility is administered by the State, so any discrepancies related to the member/dependent eligibility would typically be resolved by the State. Additionally, since this is not a claims-based dental plan, there are no calls related to claims issues which would be a bit more complex, but much less complex than medical-related plans.</p> <p>Therefore, we would request this requirement be deleted from the Scope of Services since it is not applicable to a Prepaid dental plan.</p>	<p>Thank you for this suggestion however, the State chooses to maintain the current language in the Pro Forma contract.</p>
<p>18 A.4.h.: Our call center does not have the capability to record, index and retrieve all calls. We do have the ability to log call notes in the system by the caller's identifying information, date, length of call, type of call (e.g., whether the call was from the member, the provider, etc.),</p>	<p>The State will revise the wording in Pro Forma Contract Section A.4.h. to require that a minimum of 25% of the members' calls be recorded for auditing and quality assurance purposes and that call notes shall be entered into the Contractor's system for all member calls. Please see Amendment Section 4 below.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>reason for the call, member services representative who handled the call, and notes about the call (specifics regarding actions taken, etc).</p> <p>Therefore, we would request that this requirement be modified to read: The Contractor shall have the ability to log call notes in their call management system to include the caller's identifying information, date, length of call, type of call, reason for the call, member services representative who handled the call, and notes about the call, to include any actions taken.</p>	
<p>19 A.4.k.: Our call center does not routinely log all calls. We do have the ability to log call notes in the system by the caller's identifying information, date, length of call, type of call (e.g., whether the call was from the member, the provider, etc.), reason for the call, member services representative that handled the call, and notes about the call (specifics regarding actions taken, etc).</p> <p>Therefore, we would request this requirement be deleted from the Scope of Services (and note, it would be materially addressed by the change requested to A.4.h.).</p>	<p>The State has revised Pro Forma Contract Section A.4.h; refer to the response to Question 18 above, however – the requirements in the referenced Pro Forma Contract Section A.4.k. relate to the call notes that should be maintained by the Contractor.</p>
<p>20 A.10.h.(4): Due to the confidential, proprietary and sensitive nature of our Business Continuity and Disaster Recovery Plan (BC-DR), this document cannot be copied or released outside the company. We can provide the Table of Contents of the plan and the detailed documents, including information on our BC-DR plan, can be reviewed via a scheduled webinar with the <i>"Name Redacted"</i> Corporate Compliance team.</p> <p>Therefore, we would request that this section be modified to read: The Contractor shall provide the State with the Table of Contents of its BC-DR plan and latest test results at least one (1) month prior to the go-live date as shown in contract section A.15.e.19. The Contractor shall provide the State a copy of its BC-DR plan's Table of Contents within ten (10) business days of the Contractor's revision of the plan's Table of</p>	<p>The Contractor may provide a Table of Contents and then schedule a webinar to review detailed documents with the State. This clause, Pro Forma Contract A.10.h.(5) has been revised, please refer to Amendment Section 5 below.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>Contents.</p>	
<p>21 A.17.f.: We request this definition be revised to read: Traditional workdays, including Monday, Tuesday, Wednesday, Thursday, and Friday. State and Contractor holidays are excluded. Contractor will provide the State with the calendar of holidays prior to January 1 of each year.</p>	<p>Thank you for this suggestion however, the State chooses to maintain the current language in the Pro Forma contract.</p>
<p>22 <u>Attachment B – Performance Guarantees and Liquidated Damages</u></p> <p>9. Our call center does not have the capability to monitor First Call Resolution, as explained above in A.4.c.(2).</p> <p>We would request this metric be deleted.</p>	<p>Thank you for this suggestion however, the State chooses to maintain the current language in the Pro Forma contract.</p>
<p>23 <u>Attachment B – Performance Guarantees and Liquidated Damages</u></p> <p>12. We request the Assessment be incremental based on not meeting the requirement.</p> <p>Therefore, we request the Assessment be changed to read: Five hundred dollars (\$500.00) for each percent or partial percent below the requirement, up to ten thousand dollars (\$10,000.00) for failure to reach the guarantee.</p>	<p>Thank you for this suggestion however, the State chooses to maintain the current language in the Pro Forma contract.</p>
<p>24 <u>Attachment B – Performance Guarantees and Liquidated Damages</u></p> <p>13. There are areas in rural Tennessee where there will not be two (2) General Dentists available to the general population within 35 miles. Therefore, since the State allows members to drop the Prepaid Dental plan if they do not have access to a General Dentist within 40 miles, we recommend the GeoAccess standard for General Dentists in the rural area be defined to read: 2 providers within 40 miles.</p> <p>Also, we request the Assessment be incremental based on not meeting portions of the requirement (some credit should be allowed when the Contractor meets most of the standard).</p>	<p>Thank you for this suggestion however, the State chooses to maintain the current language in the Pro Forma contract.</p> <p>However, the State at its discretion may waive liquidated damage assessments in certain instances. These instances could include the Contractor proving that no dentists exist within a certain range and therefore would be unable to meet the requirement. Also, if the Contractor extended an offer to a dentist that declined to join and this dentist would have been necessary to meet the requirement, then the State may waive the liquidated damage assessment.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>Therefore, we request the Assessment be changed to read: Liquidated damage of five hundred dollars (\$500.00) per percent or partial percent of each standard not met up to five thousand dollars (\$5,000.00).</p>	
<p>25 <u>Cost Proposal Attachment 6.3</u></p> <p>Please confirm if the Cost Proposal Attachment 6.3 that is currently posted as part of the RFP is the correct document. The current document has a comment note highlighted in yellow that states it is from 2010 and needs to be updated with new codes, frequencies, and weights. Will the State be providing a new Attachment 6.3 that is updated with the referenced information?</p>	<p>A new Cost Proposal Excel attachment has been posted to the procurement website, please refer to the revised version posted.</p> <p>http://tn.gov/generalserv/cpo/sourcing_sub/rfp.shtml</p>

3. Delete RFP Attachment 6.6 Pro Forma Contract Section A.4.b.(4) in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

(4) TEXT DELETED

4. Delete RFP Attachment 6.6 Pro Forma Contract Section A.4.h. in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

h. The Contractor's call management system shall record and index a minimum of 25% of all member calls such that the Contractor can easily retrieve recordings of individual calls based on the phone number of the caller, the caller's name, the date/time of the call and the staff member who handled the call. The Contractor shall be able to provide a full recording of each recorded call upon the State's request. The Contractor shall log and enter call notes for all member calls answered by the Contractor. The Contractor shall archive the recordings for one year from the date of each call.

5. Delete RFP Attachment 6.6 Pro Forma Contract Section A.10.h.(5). in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

(5) The Contractor shall periodically, but no less than annually, test its BC-DR plan through simulated disasters and lower level failures in order to demonstrate to the State that it can restore system functions. The Contractor shall submit a written summary of its annual BC-DR test results to the State. Contractor will provide to the State at least annually results of the business continuity/disaster recovery plan. The test results will show any identified deficiencies and a remediation plan will be provided within 20 business days. The contractor will show evidence that any deficiencies have been corrected within 45 business days.

6. Delete RFP Attachment 6.6 Pro Forma Contract Section C.3.b.(4). in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

(4) For service performed from January 1, 2020 through December 31, 2020, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1) above [as modified in C.3.b.(2) and (3)] but adjusted, if requested by the Contractor, up to a maximum percentage determined by the national trend for dental expenses in the previous calendar year as calculated by the State's contracted actuarial and benefits consulting firm. In the event the Contractor requests a rate increase; the Contractor must provide any claims history, premium experience information, and/or other data supporting a need to increase the rates. Any rate increase will not exceed the national trend percentage calculated by the State's actuarial and benefits consulting firm. The Contractor may not appeal the trend rate provided by the State's consulting firm. The Contractor may reduce the payment rates upon notification to the State.

7. Add the following as RFP Attachment 6.6 Pro Forma Contract Section C.3.c. and renumber any subsequent sections as necessary:

c. In order for the Contractor to request a rate increase as described above, the Contractor's premium and capitation experience must reflect a dental loss ratio of 70% or greater based upon premium and capitation experience of the previous calendar year. Any rate escalation requests submitted for the State's consideration must be submitted no later than April 30th of the preceding year.

8. Add the following as RFP Attachment 6.6 Pro Forma Contract Attachment C, Section 12 and renumber any subsequent sections as necessary:

12) **Rate Escalation Request**, submitted annually if necessary detailing a request from the Contractor to increase the current rates detailed in Contract Section C.

9. RFP Amendment Effective Date. The revisions set forth herein shall be effective upon release. All other terms and conditions of this RFP not expressly amended herein shall remain in full force and effect.

**State of Tennessee - Enrollment, Premium, Capitation, and Claims Summary
Plan Years 2013 - 2014**

PLAN YEAR 2014										
	Q1		Q2		Q3		Q4		Year End	
	Subscribers (Avg/Month)	Premium								
Subscribers and Premium	24,186	\$1,153,588	24,238	\$1,154,463	24,325	\$1,158,410	24,528	\$1,166,963	24,319	\$4,633,424
Prepaid Claims Paid		\$84,735		\$120,309		\$108,644		\$98,402		\$412,090
Capitation Paid		\$674,342		\$676,955		\$674,558		\$661,360		\$2,687,215
Supplemental Capitation and/or Payments		\$132,603		\$120,140		\$115,119		\$110,096		\$477,958
Total Claims, Capitation and Supplements		\$891,680		\$917,404		\$898,321		\$869,858		\$3,577,263
Total Supplemental Capitation and/or Payments PSPM¹	\$1.83		\$1.65		\$1.58		\$1.50		\$1.64	
Claims & Capitation/Premium										77.2%

PLAN YEAR 2013										
	Q1		Q2		Q3		Q4		Year End	
	Subscribers (Avg/Month)	Premium	Subscribers (Avg/Month)	Premium	Subscribers (Avg/Month)	Premium	Subscribers (Avg/Month)	Premium	Subscribers (Avg/Month)	Premium
Subscribers and Premium	24,165	\$1,125,273	24,329	\$1,131,843	24,653	\$1,144,860	24,927	\$1,156,836	24,519	\$4,558,812
Prepaid Claims Paid		\$112,089		\$98,187		\$164,031		\$98,098		\$472,405
Capitation Paid		\$673,540		\$685,626		\$688,722		\$699,124		\$2,747,012
Supplemental Capitation and/or Payments		\$102,948		\$128,771		\$158,289		\$101,651		\$491,659
Total Claims, Capitation and Supplements		\$888,577		\$912,584		\$1,011,042		\$898,873		\$3,711,076
Total Supplemental Capitation and/or Payments PSPM	\$1.42		\$1.76		\$2.14		\$1.36		\$1.67	
Claims & Capitation/Premium										81.4%

¹ Average Dollar Amount of Supplemental Capitation and/or Payments to Network Providers Per Subscriber Per Month ("PSPM")

Guarantee	Assessment	1st QTR	2nd QTR	3rd QTR	4th QTR	2014 Total
1. Provider Network Accessibility						
As measured by the GeoNetworks® Provider & Facility Network Accessibility Analysis, the Contractor's provider network will assure that 95% of all members will have the Access Standard indicated.	\$5,000.00 if EITHER of the standards (Provider Type or Access Standard) is not met, either individually or in combination.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. Primary Dentist Turnover Rate						
Total Primary Dentists leaving the network, regardless if the action is voluntary or involuntary will not exceed 15%.	\$10,000.00 if dental turnover rate exceeds 15% in any Contract Year.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3. Telephone Response Time						
The Contractor's call center shall answer, by a person, one hundred percent (100%) of calls within five (5) minutes or three hundred (300) seconds, as required in Contract Section A.3.k	Five hundred dollars (\$500) for each second above the threshold during each period on any single day. One Hundred-Fifty-thousand dollar (\$150,000) annual maximum.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. Call Abandonment Rate						
Percentage of telephone callers that hang up before speaking to a "live" person will not exceed 5.0%.	\$500.00 for each full percentage point greater than 5% of all calls. Quarterly	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. Communication						
100% of State approved member information will be distributed prior to annual transfer period (usually Oct. 15 - Nov. 15 or as otherwise revised by the State).	Should the above standard not be met, the total non-compliant amount shall be \$10,000.00 per year in which standard is not met. Measured annually.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6. Identification Card Distribution						
Member ID cards must be distributed to at least 90% of members prior to December 20th preceding the January 1st start date for each year of the contract	Should the above standard not be met, the total non-compliant amount shall be \$2,000.00 per year in which the standard is not met	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7. Member Satisfaction						
The level of overall customer satisfaction, which is measured annually by a Stateapproved Member Satisfaction Survey, will be	\$10,000.00 Annual.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8. Weekly Enrollment Updates						

All Weekly Enrollment file processing and mismatch deadlines will be met as	See A.4.c.(1). \$100.00 per day for the first (1st) and second (2nd) working days out of compliance; \$500.00 per working day thereafter.	\$1,800.00	\$0.00	\$0.00	\$0.00	\$1,800.00
9. State of Tennessee Enrollment Data Match						
The Contractor shall submit to the State, not to exceed two (2) times annually, via secure medium its full file of State enrollees.	Failure to submit records in accordance with A.4.c.(2)i. shall result in a Five Thousand Dollar (\$5,000.00) amount per request. Failure to resolve the discrepancies within the specified timeframe in accordance with A.4.c.(2)ii. will result in a second Five Thousand Dollar (\$5,000.00) amount.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10. Management Reporting						
All quarterly claims management reports will be delivered by the 30th day subsequent to the end of each reporting period.	\$500.00 for every day that reports are late.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals:		\$1,800.00	\$0.00	\$0.00	\$0.00	\$1,800.00



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF BENEFITS ADMINISTRATION

**REQUEST FOR PROPOSALS
FOR
Voluntary Prepaid Dental Program**

RFP # 31786-00126

RFP CONTENTS

SECTIONS:

1. INTRODUCTION
2. RFP SCHEDULE OF EVENTS
3. RESPONSE REQUIREMENTS
4. GENERAL CONTRACTING INFORMATION & REQUIREMENTS
5. EVALUATION & CONTRACT AWARD

ATTACHMENTS:

- 6.1. Response Statement of Certifications & Assurances
- 6.2. Technical Response & Evaluation Guide
- 6.3. Cost Proposal & Scoring Guide
- 6.4. Reference Questionnaire
- 6.5. Score Summary Matrix
- 6.6. *Pro Forma* Contract

APPENDICES

- 7.1 Certificate of Group Prepaid Dental Benefits – Union Security Insurance Company
- 7.2 Prepaid Dental Plan Enrollment and Premium History
- 7.3 Prepaid Dental Current Contract and Amendments
- 7.4 GeoAccess Analysis Instructions
- 7.5 Sample GeoAccess Analysis
- 7.6 Tennessee Zip Code Employee/Retiree Eligibility Counts
- 7.7 Tennessee Edison System File Format
- 7.8 Voluntary Dental Preferred Provider Organization Insurance Eligibility

1. INTRODUCTION

The State of Tennessee, State Insurance Committee, Local Education Insurance Committee, and Local Government Insurance Committee; hereinafter referred to as "the State," has issued this Request for Proposals (RFP) to define minimum contract requirements; solicit responses; detail response requirements; and, outline the State's process for evaluating responses and selecting a contractor to provide the needed goods or services.

Through this RFP, the State seeks to procure necessary goods or services at the most favorable, competitive prices and to give ALL qualified businesses, including those that are owned by minorities, women, Tennessee service-disabled veterans, and small business enterprises, an opportunity to do business with the state as contractors, subcontractors or suppliers.

1.1. Statement of Procurement Purpose

The State is issuing this RFP through the Department of Finance and Administration, Division of Benefits Administration (Benefits Administration) with the intent to secure a single contract for a fully-insured voluntary (employee/retiree-pay-all) statewide Prepaid Dental (Prepaid) Program. Presently, the State has a contract with Union Security Insurance Company (Assurant Employee Benefits) for the provision of a voluntary Prepaid Dental Program; see Appendix 7.1 for the current Certificate of Insurance and Appendix 7.3 for the current State contract along with any applicable amendments. The Prepaid contract will expire on December 31, 2015, necessitating this procurement. The State also has a contract with Delta Dental of Tennessee for delivery of a statewide voluntary Dental Preferred Provider Organization (DPPO) Program, terminating on December 31, 2015. Eligible employees, retirees, COBRA Members and their eligible dependents of the State, Local Education and Local Government Plans may participate in either of these dental options. A listing of plan enrollment and premium history is included as Appendix 7.2 for your reference. A separate procurement for voluntary Dental Preferred Provider Organization Insurance Program (RFP #31786-00127) is also being released at this time.

The State wishes to continue, through this competitive procurement process, offering voluntary Prepaid Dental benefits for eligible employees and eligible retirees of the State, Local Education and Local Government Plans, and their eligible dependents. Appendix 7.8 to this RFP includes current State eligibility information for the current Prepaid Dental plan, and current benefits are listed in Attachment D to Pro Forma Contract Attachment 6.6 to this RFP. This RFP addresses requests for proposals for a statewide Prepaid Dental Program option, with the contract starting mid-year 2015 for required implementation and program services beginning on January 1, 2016.

1.2. Scope of Service, Contract Period, & Required Terms and Conditions

The RFP Attachment 6.6., *Pro Forma* Contract details the State's requirements:

- Scope of Services and Deliverables (Section A);
- Contract Period (Section B);
- Payment Terms (Section C);
- Standard Terms and Conditions (Section D); and,
- Special Terms and Conditions (Section E).

The *pro forma* contract substantially represents the contract document that the successful Respondent must sign.

1.3. Nondiscrimination

No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of a Contract pursuant to this RFP or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin,

or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Contractor pursuant to this RFP shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

1.4. RFP Communications

1.4.1. The State has assigned the following RFP identification number that must be referenced in all communications regarding this RFP:

RFP # 31786-00126

1.4.2. **Unauthorized contact about this RFP with employees or officials of the State of Tennessee except as detailed below may result in disqualification from consideration under this procurement process.**

1.4.2.1. Prospective Respondents must direct communications concerning this RFP to the following person designated as the Solicitation Coordinator:

Sylvia D. Chunn, Procurement and Contracting Manager
Finance and Administration, Division of Benefits Administration
312 Rosa L. Parks Ave. N
William R. Snodgrass TN Tower, 19th Floor
Telephone: 615-253-8358
Sylvia.Chunn@tn.gov

1.4.2.2. Notwithstanding the foregoing, Prospective Respondents may alternatively contact:

- a. staff of the Governor's Office of Diversity Business Enterprise for assistance available to minority-owned, woman-owned, Tennessee service-disabled veteran owned, and small businesses as well as general, public information relating to this RFP (visit www.tn.gov/businessopp/ for contact information); and
- b. the following individual designated by the State to coordinate compliance with the nondiscrimination requirements of the State of Tennessee, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and associated federal regulations:

David Sledge
Title VI Coordinator
Tennessee Department of Finance & Administration
Office of Human Resources
312 Rosa L. Parks Avenue, Suite 2100
Nashville, Tennessee 37243
Phone: 615.532.4595
Fax: 615.741.3470
David.Sledge@tn.gov

1.4.3. Only the State's official, written responses and communications with Respondents are binding with regard to this RFP. Oral communications between a State official and one or more Respondents are unofficial and non-binding.

- 1.4.4. Potential Respondents must ensure that the State receives all written questions and comments, including questions and requests for clarification, no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events.
- 1.4.5. Respondents must assume the risk of the method of dispatching any communication or response to the State. The State assumes no responsibility for delays or delivery failures resulting from the Respondent's method of dispatch. Actual or digital "postmarking" of a communication or response to the State by a specified deadline is not a substitute for the State's actual receipt of a communication or response.
- 1.4.6. The State will convey all official responses and communications related to this RFP to the prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to RFP Section 1.8, Notice of Intent to Respond).
- 1.4.7. The State reserves the right to determine, at its sole discretion, the method of conveying official, written responses and communications related to this RFP. Such written communications may be transmitted by mail, hand-delivery, facsimile, electronic mail, Internet posting, or any other means deemed reasonable by the State. For internet posting, please refer to the following website: http://tn.gov/generalserv/cpo/sourcing_sub/rfp.shtml.
- 1.4.8. The State reserves the right to determine, at its sole discretion, the appropriateness and adequacy of responses to written comments, questions, and requests related to this RFP. The State's official, written responses will constitute an amendment of this RFP.
- 1.4.9. Any data or factual information provided by the State (in this RFP, an RFP amendment or any other communication relating to this RFP) is for informational purposes only. The State will make reasonable efforts to ensure the accuracy of such data or information, however it is the Respondent's obligation to independently verify any data or information provided by the State. The State expressly disclaims the accuracy or adequacy of any information or data that it provides to prospective Respondents.

1.5. **Assistance to Respondents With a Handicap or Disability**

Prospective Respondents with a handicap or disability may receive accommodation relating to the communication of this RFP and participating in the RFP process. Prospective Respondents may contact the Solicitation Coordinator to request such reasonable accommodation no later than the Disability Accommodation Request Deadline detailed in the RFP Section 2, Schedule of Events.

1.6. **Respondent Required Review & Waiver of Objections**

- 1.6.1. Each prospective Respondent must carefully review this RFP, including but not limited to, attachments, the RFP Attachment 6.6., *Pro Forma* Contract, and any amendments, for questions, comments, defects, objections, or any other matter requiring clarification or correction (collectively called "questions and comments").
- 1.6.2. Any prospective Respondent having questions and comments concerning this RFP must provide them in writing to the State no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events.
- 1.6.3. Protests based on any objection to the RFP shall be considered waived and invalid if the objection has not been brought to the attention of the State, in writing, by the Written Questions & Comments Deadline.

1.7. **Pre-Response Conference**

A Pre-response Conference will be held at the time and date detailed in the RFP Section 2, Schedule of Events. Pre-response Conference attendance is not mandatory, and prospective Respondents may be

limited to a maximum number of attendees depending upon overall attendance and space limitations.

The conference will be held at:
William R. Snodgrass Tennessee Tower
3rd Floor – Conference Room A – (3.101)
312 Rosa L. Parks Avenue N
Nashville, TN 37243

The purpose of the conference is to discuss the RFP scope of goods or services. The State will entertain questions, however prospective Respondents must understand that the State's oral response to any question at the Pre-response Conference shall be unofficial and non-binding. Prospective Respondents must submit all questions, comments, or other concerns regarding the RFP in writing prior to the Written Questions & Comments Deadline date detailed in the RFP Section 2, Schedule of Events. The State will send the official response to these questions and comments to prospective Respondents from whom the State has received a Notice of Intent to respond as indicated in RFP Section 1.8, Notice of Intent to Respond and on the date detailed in the RFP Section 2, Schedule of Events.

1.8. **Notice of Intent to Respond**

Before the Notice of Intent to Respond Deadline detailed in the RFP Section 2, Schedule of Events, prospective Respondents should submit to the Solicitation Coordinator a Notice of Intent to Respond (in the form of a simple e-mail or other written communication). Such notice should include the following information:

- the business or individual's name (as appropriate)
- a contact person's name and title
- the contact person's mailing address, telephone number, facsimile number, and e-mail address

A Notice of Intent to Respond creates no obligation and is not a prerequisite for submitting a response, however, it is necessary to ensure receipt of any RFP amendments or other notices and communications relating to this RFP.

1.9. **Response Deadline**

A Respondent must ensure that the State receives a response no later than the response Deadline time and date detailed in the RFP Section 2, Schedule of Events. A response must respond, as required, to this RFP (including its attachments) as may be amended. The State will not accept late responses, and a Respondent's failure to submit a response before the deadline will result in disqualification of the response. It is the responsibility of the Respondent to ascertain any additional security requirements with respect to packaging and delivery to the State of Tennessee. Respondents should be mindful of any potential delays due to security screening procedures, weather, or other filing delays whether foreseeable or unforeseeable.

2. RFP SCHEDULE OF EVENTS

2.1. The following RFP Schedule of Events represents the State's best estimate for this RFP.

EVENT	TIME (central time zone)	DATE (all dates are state business days)
1. RFP Issued		April 29, 2015
2. Disability Accommodation Request Deadline	2:00 p.m.	May 4, 2015
3. Pre-response Conference	11:00 a.m.	May 5, 2015
4. Notice of Intent to Respond Deadline	2:00 p.m.	May 8, 2015
5. Written "Questions & Comments" Deadline	2:00 p.m.	May 13, 2015
6. State Response to Written "Questions & Comments"		May 26, 2015
7. Response Deadline	2:00 p.m.	June 2, 2015
8. State Completion of Technical Response Evaluations		June 12, 2015
9. State Opening & Scoring of Cost Proposals	2:00 p.m.	June 15, 2015
10. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection	2:00 p.m.	1 day after Insurance Committee Award of Contract
11. End of Open File Period		7 CALENDAR DAYS LATER
12. State sends contract to Contractor for signature		1 BUSINESS DAY LATER
13. Contractor Signature Deadline	2:00 p.m.	1-5 BUSINESS DAYS LATER

2.2. **The State reserves the right, at its sole discretion, to adjust the RFP Schedule of Events as it deems necessary.** Any adjustment of the Schedule of Events shall constitute an RFP amendment, and the State will communicate such to prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to section 1.8, Notice of Intent to Respond).

3. RESPONSE REQUIREMENTS

3.1. Response Form

A response to this RFP must consist of two parts, a Technical Response and a Cost Proposal.

- 3.1.1. **Technical Response.** RFP Attachment 6.2., Technical Response & Evaluation Guide provides the specific requirements for submitting a response. This guide includes mandatory requirement items, general qualifications and experience items, and technical qualifications, experience, and approach items all of which must be addressed with a written response and, in some instances, additional documentation.

NOTICE: A technical response must not include any pricing or cost information. If any pricing or cost information amounts of any type (even pricing relating to other projects) is included in any part of the technical response, the state may deem the response to be non-responsive and reject it.

- 3.1.1.1. A Respondent must use the RFP Attachment 6.2., Technical Response & Evaluation Guide to organize, reference, and draft the Technical Response by duplicating the attachment, adding appropriate page numbers as required, and using the guide as a table of contents covering the Technical Response.
- 3.1.1.2. A response should be economically prepared, with emphasis on completeness and clarity. A response, as well as any reference material presented, must be written in English and must be written on standard 8 ½" x 11" pages (although oversize exhibits are permissible) and use a 12 point font for text. All response pages must be numbered.
- 3.1.1.3. All information and documentation included in a Technical Response should respond to or address a specific requirement detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide. All information must be incorporated into a response to a specific requirement and clearly referenced. Any information not meeting these criteria will be deemed extraneous and will not contribute to evaluations.
- 3.1.1.4. The State may determine a response to be non-responsive and reject it if:
- a. the Respondent fails to organize and properly reference the Technical Response as required by this RFP and the RFP Attachment 6.2., Technical Response & Evaluation Guide; or
 - b. the Technical Response document does not appropriately respond to, address, or meet all of the requirements and response items detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide.
- 3.1.2. **Cost Proposal.** A Cost Proposal must be recorded on an exact duplicate of the RFP Attachment 6.3., Cost Proposal & Scoring Guide.

NOTICE: If a Respondent fails to submit a cost proposal exactly as required, the State may deem the response to be non-responsive and reject it.

- 3.1.2.1. A Respondent must only record the proposed cost exactly as required by the RFP Attachment 6.3., Cost Proposal & Scoring Guide and must NOT record any other rates, amounts, or information.

- 3.1.2.2. The proposed cost shall incorporate ALL costs for services under the contract for the total contract period, including any renewals or extensions.
- 3.1.2.3. A Respondent must sign and date the Cost Proposal.
- 3.1.2.4. A Respondent must submit the Cost Proposal to the State in a sealed package separate from the Technical Response (as detailed in RFP Sections 3.2.3., *et seq.*).

3.2. Response Delivery

- 3.2.1. A Respondent must ensure that both the original Technical Response and Cost Proposal documents meet all form and content requirements, including all required signatures, as detailed within this RFP.
- 3.2.2. A Respondent must submit original Technical Response and Cost Proposal documents and copies as specified below.
 - 3.2.2.1. One (1) original Technical Response paper document labeled:
“RFP # 31786-00126 TECHNICAL RESPONSE ORIGINAL”
and FIVE (5) paper copies of the Technical Response labeled:
“RFP # 31786-00126 TECHNICAL RESPONSE COPY”
and six (6) digital copies of the Technical Response each in the form of one (1) digital document in “PDF” format properly recorded on its own otherwise blank, standard CD-R recordable disc or USB flash drive labeled:
“RFP # 31786-00126 TECHNICAL RESPONSE COPY”
The digital copies should not include copies of sealed customer references, however any other discrepancy between the paper Technical Response document and any digital copies may result in the State rejecting the proposal as non-responsive.
 - 3.2.2.2. One (1) original Cost Proposal paper document labeled:
“RFP # 31786-00126 COST PROPOSAL ORIGINAL”
and one (1) copy in the form of a digital document in “XLS” format properly recorded on separate, blank, standard CD-R recordable disc or USB flash drive labeled:
“RFP # 31786-00126 COST PROPOSAL COPY”
In the event of a discrepancy between the original Cost Proposal document and the digital copy, the original, signed document will take precedence.
- 3.2.3. A Respondent must separate, seal, package, and label the documents and copies for delivery as follows:
 - 3.2.3.1. The Technical Response original document and digital copies must be placed in a sealed package that is clearly labeled:
**“DO NOT OPEN... RFP # 31786-00126 TECHNICAL RESPONSE FROM
[RESPONDENT LEGAL ENTITY NAME]”**

- 3.2.3.2. The Cost Proposal original document and digital copy must be placed in a separate, sealed package that is clearly labeled:

“DO NOT OPEN... RFP # 31786-00126 COST PROPOSAL FROM [RESPONDENT LEGAL ENTITY NAME]”

- 3.2.3.3. The separately, sealed Technical Response and Cost Proposal components may be enclosed in a larger package for mailing or delivery, provided that the outermost package is clearly labeled:

“RFP # 31786-00126 SEALED TECHNICAL RESPONSE & SEALED COST PROPOSAL FROM [RESPONDENT LEGAL ENTITY NAME]”

- 3.2.4. A Respondent must ensure that the State receives a response no later than the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events at the following address:

Sylvia D. Chunn, Procurement and Contracting Manager
Tennessee Department of Finance & Administration
Division of Benefits Administration
William R. Snodgrass Tennessee Tower, 19th floor
312 Rosa L. Parks Avenue
Nashville, Tennessee 37243

3.3. Response & Respondent Prohibitions

- 3.3.1. A response must not include alternate contract terms and conditions. If a response contains such terms and conditions, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.
- 3.3.2. A response must not restrict the rights of the State or otherwise qualify either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal. If a response restricts the rights of the State or otherwise qualifies either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.
- 3.3.3. A response must not propose alternative goods or services (*i.e.*, offer services different from those requested and required by this RFP) unless expressly requested in this RFP. The State may consider a response of alternative goods or services to be non-responsive and reject it.
- 3.3.4. A Cost Proposal must be prepared and arrived at independently and must not involve any collusion between Respondents. The State will reject any Cost Proposal that involves collusion, consultation, communication, or agreement between Respondents. Regardless of the time of detection, the State will consider any such actions to be grounds for response rejection or contract termination.
- 3.3.5. A Respondent must not provide, for consideration in this RFP process or subsequent contract negotiations, any information that the Respondent knew or should have known was materially incorrect. If the State determines that a Respondent has provided such incorrect information, the State will deem the Response non-responsive and reject it.
- 3.3.6. A Respondent must not submit more than one Technical Response and one Cost Proposal in response to this RFP, except as expressly requested by the State in this RFP. If a Respondent submits more than one Technical Response or more than one Cost Proposal, the State will deem all of the responses non-responsive and reject them.

- 3.3.7. A Respondent must not submit a response as a prime contractor while also permitting one or more other Respondents to offer the Respondent as a subcontractor in their own responses. Such may result in the disqualification of all Respondents knowingly involved. This restriction does not, however, prohibit different Respondents from offering the same subcontractor as a part of their responses (provided that the subcontractor does not also submit a response as a prime contractor).
- 3.3.8. The State shall not consider a response from an individual who is, or within the past six (6) months has been, a State employee. For purposes of this RFP:
- 3.3.8.1. An individual shall be deemed a State employee until such time as all compensation for salary, termination pay, and annual leave has been paid;
- 3.3.8.2. A contract with or a response from a company, corporation, or any other contracting entity in which a controlling interest is held by any State employee shall be considered to be a contract with or proposal from the employee; and
- 3.3.8.3. A contract with or a response from a company, corporation, or any other contracting entity that employs an individual who is, or within the past six (6) months has been, a State employee shall not be considered a contract with or a proposal from the employee and shall not constitute a prohibited conflict of interest.

3.4. **Response Errors & Revisions**

A Respondent is responsible for any and all response errors or omissions. A Respondent will not be allowed to alter or revise response documents after the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events unless such is formally requested, in writing, by the State.

3.5. **Response Withdrawal**

A Respondent may withdraw a submitted response at any time before the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events by submitting a written request signed by an authorized Respondent representative. After withdrawing a response, a Respondent may submit another response at any time before the Response Deadline. After the Response Deadline, a Respondent may only withdraw all or a portion of a response where the enforcement of the response would impose an unconscionable hardship on the Respondent.

3.6. **Additional Services**

If a response offers goods or services in addition to those required by and described in this RFP, the State, at its sole discretion, may add such services to the contract awarded as a result of this RFP. Notwithstanding the foregoing, a Respondent must not propose any additional cost amounts or rates for additional goods or services. Regardless of any additional services offered in a response, the Respondent's Cost Proposal must only record the proposed cost as required in this RFP and must not record any other rates, amounts, or information.

NOTICE: If a Respondent fails to submit a Cost Proposal exactly as required, the State may deem the response non-responsive and reject it.

3.7. **Response Preparation Costs**

The State will not pay any costs associated with the preparation, submittal, or presentation of any response.

4. GENERAL CONTRACTING INFORMATION & REQUIREMENTS

4.1. RFP Amendment

The State at its sole discretion may amend this RFP, in writing, at any time prior to contract award. However, prior to any such amendment, the State will consider whether it would negatively impact the ability of potential Respondents to meet the response deadline and revise the RFP Schedule of Events if deemed appropriate. If an RFP amendment is issued, the State will convey it to potential Respondents who submitted a Notice of Intent to Respond (refer to RFP Section 1.8, Notice of Intent to Respond). A response must address the final RFP (including its attachments) as amended.

4.2. RFP Cancellation

The State reserves the right, at its sole discretion, to cancel the RFP or to cancel and reissue this RFP in accordance with applicable laws and regulations.

4.3. State Right of Rejection

4.3.1. Subject to applicable laws and regulations, the State reserves the right to reject, at its sole discretion, any and all responses.

4.3.2. The State may deem as non-responsive and reject any response that does not comply with all terms, conditions, and performance requirements of this RFP. Notwithstanding the foregoing, the State reserves the right to waive, at its sole discretion, minor variances from full compliance with this RFP. If the State waives variances in a response, such waiver shall not modify the RFP requirements or excuse the Respondent from full compliance, and the State may hold any resulting Contractor to strict compliance with this RFP.

4.4. Assignment & Subcontracting

4.4.1. The Contractor may not subcontract, transfer, or assign any portion of the Contract awarded as a result of this RFP without prior approval of the State. The State reserves the right to refuse approval, at its sole discretion, of any subcontract, transfer, or assignment.

4.4.2. If a Respondent intends to use subcontractors, the response to this RFP must specifically identify the scope and portions of the work each subcontractor will perform (refer to RFP Attachment 6.2., Section B, General Qualifications & Experience Item B.14.).

4.4.3. Subcontractors identified within a response to this RFP will be deemed as approved by the State unless the State expressly disapproves one or more of the proposed subcontractors prior to signing the Contract.

4.4.4. After contract award, a Contractor may only substitute an approved subcontractor at the discretion of the State and with the State's prior, written approval.

4.4.5. Notwithstanding any State approval relating to subcontracts, the Respondent who is awarded a contract pursuant to this RFP will be the prime contractor and will be responsible for all work under the Contract.

4.5. Right to Refuse Personnel or Subcontractors

The State reserves the right to refuse, at its sole discretion and notwithstanding any prior approval, any personnel of the prime contractor or a subcontractor providing goods or services in the performance of a contract resulting from this RFP. The State will document in writing the reason(s) for any rejection of personnel.

4.6. **Insurance**

From time-to-time, the State may require the awarded Contractor to provide a Certificate of Insurance issued by an insurance company licensed or authorized to provide insurance in the State of Tennessee. Each Certificate of Insurance shall indicate current insurance coverages meeting minimum requirements as may be specified by this RFP. A failure to provide a current, Certificate of Insurance will be considered a material breach and grounds for contract termination.

4.7. **Professional Licensure and Department of Revenue Registration**

- 4.7.1. All persons, agencies, firms, or other entities that provide legal or financial opinions, which a Respondent provides for consideration and evaluation by the State as a part of a response to this RFP, shall be properly licensed to render such opinions.
- 4.7.2. Before the Contract resulting from this RFP is signed, the apparent successful Respondent (and Respondent employees and subcontractors, as applicable) must hold all necessary or appropriate business or professional licenses to provide the goods or services as required by the contract. The State may require any Respondent to submit evidence of proper licensure.
- 4.7.3. Before the Contract resulting from this RFP is signed, the apparent successful Respondent must be registered with the Tennessee Department of Revenue for the collection of Tennessee sales and use tax. The State shall not award a contract unless the Respondent provides proof of such registration or provides documentation from the Department of Revenue that the Contractor is exempt from this registration requirement. The foregoing is a mandatory requirement of an award of a contract pursuant to this solicitation. For purposes of this registration requirement, the Department of Revenue may be contacted at: TN.Revenue@tn.gov.

4.8. **Disclosure of Response Contents**

- 4.8.1. All materials submitted to the State in response to this RFP shall become the property of the State of Tennessee. Selection or rejection of a response does not affect this right. By submitting a response, a Respondent acknowledges and accepts that the full response contents and associated documents will become open to public inspection in accordance with the laws of the State of Tennessee.
- 4.8.2. The State will hold all response information, including both technical and cost information, in confidence during the evaluation process. Notwithstanding the foregoing, a list of actual Respondents submitting timely responses may be available to the public, upon request, after technical responses are opened.
- 4.8.3. Upon completion of response evaluations, indicated by public release of a Notice of Intent to Award, the responses and associated materials will be open for review by the public in accordance with *Tennessee Code Annotated*, Section 10-7-504(a)(7).

4.9. **Contract Approval and Contract Payments**

- 4.9.1. After contract award, the Contractor who is awarded the contract must submit appropriate documentation with the Department of Finance and Administration, Division of Accounts.
- 4.9.2. This RFP and its contractor selection processes do not obligate the State and do not create rights, interests, or claims of entitlement in either the Respondent with the apparent best-evaluated response or any other Respondent. State obligations pursuant to a contract award shall commence only after the contract is signed by the State agency head and the Contractor and after the Contract is approved by all other state officials as required by applicable laws and regulations.

- 4.9.3. No payment will be obligated or made until the relevant Contract is approved as required by applicable statutes and rules of the State of Tennessee.
- 4.9.3.1. The State shall not be liable for payment of any type associated with the Contract resulting from this RFP (or any amendment thereof) or responsible for any goods delivered or services rendered by the Contractor, even goods delivered or services rendered in good faith and even if the Contractor is orally directed to proceed with the delivery of goods or the rendering of services, if it occurs before the Contract start date or after the Contract end date.
- 4.9.3.2. All payments relating to this procurement will be made in accordance with the Payment Terms and Conditions of the Contract resulting from this RFP (refer to RFP Attachment 6.6., *Pro Forma* Contract, Section C).
- 4.9.3.3. If any provision of the Contract provides direct funding or reimbursement for the competitive purchase of goods or services as a component of contract performance or otherwise provides for the reimbursement of specified, actual costs, the State will employ all reasonable means and will require all such documentation that it deems necessary to ensure that such purchases were competitive and costs were reasonable, necessary, and actual. The Contractor shall provide reasonable assistance and access related to such review. Further, the State shall not remit, as funding or reimbursement pursuant to such provisions, any amounts that it determines do not represent reasonable, necessary, and actual costs.

4.10. **Contractor Performance**

The Contractor who is awarded a contract will be responsible for the delivery of all acceptable goods or the satisfactory completion of all services set out in this RFP (including attachments) as may be amended. All goods or services are subject to inspection and evaluation by the State. The State will employ all reasonable means to ensure that goods delivered or services rendered are in compliance with the Contract, and the Contractor must cooperate with such efforts.

4.11. **Contract Amendment**

After contract award, the State may request the Contractor to deliver additional goods or perform additional services within the general scope of the contract and this RFP, but beyond the specified scope of service, and for which the Contractor may be compensated. In such instances, the State will provide the Contractor a written description of the additional goods or services. The Contractor must respond to the State with a time schedule for delivering the additional goods or accomplishing the additional services based on the compensable units included in the Contractor's response to this RFP. If the State and the Contractor reach an agreement regarding the goods or services and associated compensation, such agreement must be effected by means of a contract amendment. Further, any such amendment requiring additional goods or services must be signed by both the State agency head and the Contractor and must be approved by other state officials as required by applicable statutes, rules, policies and procedures of the State of Tennessee. The Contractor must not provide additional goods or render additional services until the State has issued a written contract amendment with all required approvals.

4.12. **Severability**

If any provision of this RFP is declared by a court to be illegal or in conflict with any law, said decision will not affect the validity of the remaining RFP terms and provisions, and the rights and obligations of the State and Respondents will be construed and enforced as if the RFP did not contain the particular provision held to be invalid.

4.13. **Next Ranked Respondent**

The State reserves the right to initiate negotiations with the next ranked Respondent should the State cease doing business with any Respondent selected via this RFP process.

5. EVALUATION & CONTRACT AWARD

5.1. Evaluation Categories & Maximum Points

The State will consider qualifications, experience, technical approach, and cost in the evaluation of responses and award points in each of the categories detailed below (up to the maximum evaluation points indicated) to each response deemed by the State to be responsive.

EVALUATION CATEGORY	MAXIMUM POINTS POSSIBLE
General Qualifications & Experience (refer to RFP Attachment 6.2., Section B)	20
Technical Qualifications, Experience & Approach (refer to RFP Attachment 6.2., Section C)	30
Cost Proposal (refer to RFP Attachment 6.3.)	50

5.2. Evaluation Process

The evaluation process is designed to award the contract resulting from this RFP not necessarily to the Respondent offering the lowest cost, but rather to the Respondent deemed by the State to be responsive and responsible who offers the best combination of attributes based upon the evaluation criteria. ("Responsive Respondent" is defined as a Respondent that has submitted a response that conforms in all material respects to the RFP. "Responsible Respondent" is defined as a Respondent that has the capacity in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.)

5.2.1. **Technical Response Evaluation.** The Solicitation Coordinator and the Proposal Evaluation Team (consisting of three (3) or more State employees) will use the RFP Attachment 6.2., Technical Response & Evaluation Guide to manage the Technical Response Evaluation and maintain evaluation records.

5.2.1.1. The State reserves the right, at its sole discretion, to request Respondent clarification of a Technical Response or to conduct clarification discussions with any or all Respondents. Any such clarification or discussion will be limited to specific sections of the response identified by the State. The subject Respondent must put any resulting clarification in writing as may be required and in accordance with any deadline imposed by the State.

5.2.1.2. The Solicitation Coordinator will review each Technical Response to determine compliance with RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A—Mandatory Requirements. If the Solicitation Coordinator determines that a response failed to meet one or more of the mandatory requirements, the Proposal Evaluation Team will review the response and document the team's determination of whether:

- a. the response adequately meets RFP requirements for further evaluation;
- b. the State will request clarifications or corrections for consideration prior to further evaluation; or,
- c. the State will determine the response to be non-responsive to the RFP and reject it.

5.2.1.3. Proposal Evaluation Team members will independently evaluate each Technical Response (that is responsive to the RFP) against the evaluation criteria in this RFP,

and will score each in accordance with the RFP Attachment 6.2., Technical Response & Evaluation Guide.

- 5.2.1.4. For each response evaluated, the Solicitation Coordinator will calculate the average of the Proposal Evaluation Team member scores for RFP Attachment 6.2., Technical Response & Evaluation Guide, and record each average as the response score for the respective Technical Response section.
- 5.2.1.5. Before Cost Proposals are opened, the Proposal Evaluation Team will review the Technical Response Evaluation record and any other available information pertinent to whether or not each Respondent is responsive and responsible. If the Proposal Evaluation Team identifies any Respondent that does not to meet the responsive and responsible thresholds such that the team would not recommend the Respondent for Cost Proposal Evaluation and potential contract award, the team members will fully document the determination.
- 5.2.2. **Cost Proposal Evaluation.** The Solicitation Coordinator will open for evaluation the Cost Proposal of each Respondent deemed by the State to be responsive and responsible and calculate and record each Cost Proposal score in accordance with the RFP Attachment 6.3., Cost Proposal & Scoring Guide.
- 5.2.3. **Total Response Score.** The Solicitation Coordinator will calculate the sum of the Technical Response section scores and the Cost Proposal score and record the resulting number as the total score for the subject Response (refer to RFP Attachment 6.5., Score Summary Matrix).

5.3. **Contract Award Process**

- 5.3.1 The Solicitation Coordinator will submit the Proposal Evaluation Team determinations and scores to the head of the procuring agency for consideration along with any other relevant information that might be available and pertinent to contract award.
- 5.3.2. The procuring agency head will determine the apparent best-evaluated Response. To effect a contract award to a Respondent other than the one receiving the highest evaluation process score, the head of the procuring agency must provide written justification and obtain the written approval of the Chief Procurement Officer and the Comptroller of the Treasury.
- 5.3.3. The State will issue a Notice of Intent to Award identifying the apparent best-evaluated response and make the RFP files available for public inspection at the time and date specified in the RFP Section 2, Schedule of Events.

NOTICE: The Notice of Intent to Award shall not create rights, interests, or claims of entitlement in either the apparent best-evaluated Respondent or any other Respondent.

- 5.3.4. The Respondent identified as offering the apparent best-evaluated response must sign a contract drawn by the State pursuant to this RFP. The contract shall be substantially the same as the RFP Attachment 6.6., *Pro Forma* Contract. The Respondent must sign the contract by the Contractor Signature Deadline detailed in the RFP Section 2, Schedule of Events. If the Respondent fails to provide the signed contract by this deadline, the State may determine that the Respondent is non-responsive to this RFP and reject the response.
- 5.3.5. Notwithstanding the foregoing, the State may, at its sole discretion, entertain limited negotiation prior to contract signing and, as a result, revise the *pro forma* contract terms and conditions or performance requirements in the State's best interests, PROVIDED THAT such revision of terms and conditions or performance requirements shall NOT materially affect the basis of response evaluations or negatively impact the competitive nature of the RFP and contractor selection process.

- 5.3.6. If the State determines that a response is non-responsive and rejects it after opening Cost Proposals, the Solicitation Coordinator will re-calculate scores for each remaining responsive Cost Proposal to determine (or re-determine) the apparent best-evaluated response.

RFP # 31786-00126 STATEMENT OF CERTIFICATIONS AND ASSURANCES

The Respondent must sign and complete the Statement of Certifications and Assurances below as required, and it must be included in the Technical Response (as required by RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A, Item A.1.).

The Respondent does, hereby, expressly affirm, declare, confirm, certify, and assure ALL of the following:

1. The Respondent will comply with all of the provisions and requirements of the RFP.
2. The Respondent will provide all services as defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma Contract* for the total contract period.
3. The Respondent, except as otherwise provided in this RFP, accepts and agrees to all terms and conditions set out in the RFP Attachment 6.6., *Pro Forma Contract*.
4. The Respondent acknowledges and agrees that a contract resulting from the RFP shall incorporate, by reference, all proposal responses as a part of the contract.
5. The Respondent will comply with:
 - (a) the laws of the State of Tennessee;
 - (b) Title VI of the federal Civil Rights Act of 1964;
 - (c) Title IX of the federal Education Amendments Act of 1972;
 - (d) the Equal Employment Opportunity Act and the regulations issued there under by the federal government; and,
 - (e) the Americans with Disabilities Act of 1990 and the regulations issued there under by the federal government.
6. To the knowledge of the undersigned, the information detailed within the response submitted to this RFP is accurate.
7. The response submitted to this RFP was independently prepared, without collusion, under penalty of perjury.
8. No amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Respondent in connection with this RFP or any resulting contract.
9. Both the Technical Response and the Cost Proposal submitted in response to this RFP shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract pursuant to the RFP.

By signing this Statement of Certifications and Assurances, below, the signatory also certifies legal authority to bind the proposing entity to the provisions of this RFP and any contract awarded pursuant to it. If the signatory is not the Respondent (if an individual) or the Respondent's company *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to bind the Respondent.

DO NOT SIGN THIS DOCUMENT IF YOU ARE NOT LEGALLY AUTHORIZED TO BIND THE RESPONDENT

SIGNATURE:

PRINTED NAME & TITLE:

DATE:

**RESPONDENT LEGAL ENTITY
NAME:**

**RESPONDENT FEDERAL EMPLOYER IDENTIFICATION NUMBER (or
SSN):**

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION A: MANDATORY REQUIREMENTS. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.

The Solicitation Coordinator will review the response to determine if the Mandatory Requirement Items are addressed as required and mark each with pass or fail. For each item that is not addressed as required, the Proposal Evaluation Team must review the response and attach a written determination. In addition to the Mandatory Requirement Items, the Solicitation Coordinator will review each response for compliance with all RFP requirements.

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		The Response must be delivered to the State no later than the Response Deadline specified in the RFP Section 2, Schedule of Events.	
		The Technical Response and the Cost Proposal documentation must be packaged separately as required (refer to RFP Section 3.2., <i>et. seq.</i>).	
		The Technical Response must NOT contain cost or pricing information of any type.	
		The Technical Response must NOT contain any restrictions of the rights of the State or other qualification of the response.	
		A Respondent must NOT submit alternate responses (refer to RFP Section 3.3.).	
		A Respondent must NOT submit multiple responses in different forms (as a prime and a sub-contractor) (refer to RFP Section 3.3.).	
	A.1.	Provide the Statement of Certifications and Assurances (RFP Attachment 6.1.) completed and signed by an individual empowered to bind the Respondent to the provisions of this RFP and any resulting contract. The document must be signed without exception or qualification.	
	A.2.	Provide a statement, based upon reasonable inquiry, of whether the Respondent or any individual who shall cause to deliver goods or perform services under the contract has a possible conflict of interest (<i>e.g.</i> , employment by the State of Tennessee) and, if so, the nature of that conflict. NOTE: Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.	
	A.3.	Provide a current bank reference indicating that the Respondent's business relationship with the financial institution is in positive standing. Such reference must be written in the form of a standard business letter, signed, and dated within the past three (3) months.	
	A.4.	Provide two current positive credit references from vendors with which the Respondent has done business written in the form of standard business letters, signed, and dated within the past three (3) months.	
	A.5.	Provide an official document or letter from an accredited credit bureau,	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		verified and dated within the last three (3) months and indicating a satisfactory credit rating for the Respondent (NOTE: A credit bureau report number without the full report is insufficient and will <u>not</u> be considered responsive.)	
	A.6.	Submit a written statement indicating that the Respondent has at least three (3) years' experience in providing Prepaid Dental program benefits to at least three (3) employer accounts with employees in Tennessee, one (1) of which serves at least 5,000 Subscribers. To further demonstrate this required experience, provide the name of one of these employers with 5,000+ Subscribers, the duration of the contract, and number of enrollees.	
	A.7.	Submit a written statement indicating that the Respondent acknowledges it is required to, and agrees to administer the Prepaid Dental Program benefits as contained in Attachment 6.6 - <i>Pro Forma</i> Contract Attachment D – Prepaid Dental Benefits for all three plan groups (State, Local Education and Local Government) actives and retirees and their eligible dependents.	
	A.8.	Submit a written statement indicating the Respondent will comply with the State's requirement that no minimum membership enrollment levels are contained as a provision of the proposal.	
	A.9.	The Respondent must hold a current certificate of authority from the Tennessee Department of Commerce and Insurance which authorizes the Respondent to offer Prepaid dental benefits in Tennessee. Submit a copy of your organization's current State of Tennessee Certificate of Authority.	
	A.10.	<p>Provide the Respondent's most recent independent audited financial statements. Said independent audited financial statements <u>must</u>:</p> <ol style="list-style-type: none"> (1) reflect an audit period for a fiscal year ended within the last thirty-six (36) months (2) be prepared with all monetary amounts detailed in United States currency; (3) be prepared under United States Generally Accepted Accounting Principles (US GAAP); (4) include: the auditor's opinion letter; financial statements; and the notes to the financial statements; and (5) be deemed, in the sole discretion of the C.P.A. employed by the State and charged with the financial document review, to reflect sufficient financial stability to undertake the subject agreement with the State. <p>OR, in lieu of the aforementioned independent audited financial statements, provide a financial institution's letter of commitment for a general Line of Credit in the amount of One Million Dollars (\$1,000,000.00), U.S. currency, available to the Respondent. Said letter <u>must</u> specify the Respondent's name, be signed and dated within the past three (3) months by an authorized agent of the financial institution, and indicate that the Line of Credit shall be available for at least six (6) months.</p> <p>NOTES:</p> <ul style="list-style-type: none"> ▪ Reviewed or Compiled Financial Statements will not be deemed responsive to this requirement and will <u>not</u> be accepted. ▪ All persons, agencies, firms, or other entities that provide opinions regarding the Respondent's financial status <u>must</u> be properly licensed to render such opinions. The State may require the Respondent to submit proof of such licensure detailing the state of licensure and licensure 	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		number for each person or entity that renders the opinions.	
	A.11.	Submit a written confirmation that ALL examples and illustrations that the Respondent includes in its Technical Proposal constitute an offer to provide the same such service or product in Tennessee for the premium rates that the Respondent bids in its Cost Proposal UNLESS the Respondent prominently explicitly states in bolded, capital letters beside each separate, excepted example that "THIS SPECIFIC EXAMPLE IS FOR ILLUSTRATION PURPOSES ONLY AND WILL NOT BE PROVIDED TO THE STATE UNDER THIS CONTRACT FOR THE ALL-INCLUSIVE PREMIUM RATES BID IN THIS RFP."	
	A.12.	Provide a valid, Certificate of Insurance that is verified and dated within the last six (6) months and which details <u>all</u> of the following: (a) Name of the Insurance Company (b) Respondent's Name and Address as the Insured (c) Policy Number (d) The following minimum insurance coverages: (i) Comprehensive Commercial General Liability (including personal injury and property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate; (e) The following information applicable to each type of insurance coverage: (i) Coverage Description, (ii) Exceptions and Exclusions, (iii) Policy Effective Date, (iv) Policy Expiration Date, and (v) Limit(s) of Liability.	
State Use – Solicitation Coordinator Signature, Printed Name & Date:			

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION B: GENERAL QUALIFICATIONS & EXPERIENCE. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below. Proposal Evaluation Team members will independently evaluate and assign one score for all responses to Section B— General Qualifications & Experience Items.

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
	B.1.	Detail the name, e-mail address, mailing address, telephone number, and facsimile number of the person the State should contact regarding the response.
	B.2.	Describe the Respondent's form of business (<i>i.e.</i> , individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company) and business location (physical location or domicile).
	B.3.	Detail the number of years the Respondent has been in business.
	B.4.	Briefly describe how long the Respondent has been providing the goods or services required by this RFP.
	B.5.	Describe the Respondent's number of employees, client base, and location of offices.
	B.6.	Provide a statement of whether there have been any mergers, acquisitions, or change of control of the Respondent within the last ten (10) years. If so, include an explanation providing relevant details.
	B.7.	Provide a statement of whether the Respondent or, to the Respondent's knowledge, any of the Respondent's employees, agents, independent contractors, or subcontractors, involved in the delivery of goods or performance of services on a contract pursuant to this RFP, have been convicted of, pled guilty to, or pled <i>nolo contendere</i> to any felony. If so, include an explanation providing relevant details.
	B.8.	Provide a statement of whether, in the last ten (10) years, the Respondent has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, include an explanation providing relevant details.
	B.9.	Provide a statement of whether there is any material, pending litigation against the Respondent that the Respondent should reasonably believe could adversely affect its ability to meet contract requirements pursuant to this RFP or is likely to have a material adverse effect on the Respondent's financial condition. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it would impair the Respondent's performance in a contract pursuant to this RFP. NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	B.10.	Provide a statement of whether there are any pending or in progress Securities Exchange Commission investigations involving the Respondent. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it will impair the Respondent's performance in a contract pursuant to this RFP.

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	B.11.	Provide a brief, descriptive statement detailing evidence of the Respondent's ability to deliver the goods or services sought under this RFP (e.g., prior experience, training, certifications, resources, program and quality management systems, etc.).
	B.12.	Provide a narrative description of the proposed project team, its members, and organizational structure along with an organizational chart identifying the key people who will be assigned to deliver the goods or services required by this RFP.
	B.13.	Provide a personnel roster listing the names of key people who the Respondent will assign to meet the Respondent's requirements under this RFP along with the estimated number of hours that each individual will devote to that performance. Follow the personnel roster with a resume for each of the people listed. The resumes must detail the individual's title, education, current position with the Respondent, and employment history.
	B.14.	Provide a statement of whether the Respondent intends to use subcontractors to meet the Respondent's requirements of any contract awarded pursuant to this RFP, and if so, detail: <ul style="list-style-type: none"> (a) the names of the subcontractors along with the contact person, mailing address, telephone number, and e-mail address for each; (b) a description of the scope and portions of the goods each subcontractor involved in the delivery of goods or performance of the services each subcontractor will perform; <u>and</u> (c) a statement specifying that each proposed subcontractor has expressly assented to being proposed as a subcontractor in the Respondent's response to this RFP.
	B.15.	Provide documentation of the Respondent's commitment to diversity as represented by the following: <ul style="list-style-type: none"> (a) <u>Business Strategy</u>. Provide a description of the Respondent's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, Tennessee service-disabled veterans, and small business enterprises. Please also include a list of the Respondent's certifications as a diversity business, if applicable. (b) <u>Business Relationships</u>. Provide a listing of the Respondent's current contracts with business enterprises owned by minorities, women, Tennessee service-disabled veterans and small business enterprises. Please include the following information: <ul style="list-style-type: none"> (i) contract description and total value; (ii) contractor name and ownership characteristics (i.e., ethnicity, gender, Tennessee service-disabled); (iii) contractor contact name and telephone number. (c) <u>Estimated Participation</u>. Provide an estimated level of participation by business enterprises owned by minorities, women, Tennessee service-disabled veterans, and small business enterprises if a contract is awarded to the Respondent pursuant to this RFP. Please include the following information: <ul style="list-style-type: none"> (i) a percentage (%) indicating the participation estimate. (Express the estimated participation number as a percentage of the total estimated contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics only and DO NOT INCLUDE DOLLAR AMOUNTS); (ii) anticipated goods or services contract descriptions; (iii) names and ownership characteristics (i.e., ethnicity, gender, Tennessee service-disabled

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>veterans) of anticipated subcontractors and supply contractors.</p> <p>NOTE: In order to claim status as a Diversity Business Enterprise under this contract, businesses must be certified by the Governor's Office of Diversity Business Enterprise (Go-DBE). Please visit the Go-DBE website at https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9265 for more information.</p> <p>(d) <u>Workforce</u>. Provide the percentage of the Respondent's total current employees by ethnicity and gender.</p> <p>NOTE: Respondents that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and subcontractors. Response evaluations will recognize the positive qualifications and experience of a Respondent that does business with enterprises owned by minorities, women, Tennessee service-disabled veterans and small business enterprises and who offer a diverse workforce.</p>
	B.16.	<p>Provide a statement of whether or not the Respondent has any current contracts with the State of Tennessee or has completed any contracts with the State of Tennessee within the previous five (5) year period. If so, provide the following information for all of the current and completed contracts:</p> <p>(a) the name, title, telephone number and e-mail address of the State contact knowledgeable about the contract;</p> <p>(b) the procuring State agency name;</p> <p>(c) a brief description of the contract's scope of services;</p> <p>(d) the contract period; and</p> <p>(e) the contract number.</p> <p>NOTES:</p> <ul style="list-style-type: none"> ▪ Current or prior contracts with the State are <u>not</u> a prerequisite and are <u>not</u> required for the maximum evaluation score, and the existence of such contracts with the State will <u>not</u> automatically result in the addition or deduction of evaluation points. ▪ Each evaluator will generally consider the results of inquiries by the State regarding all contracts noted.
	B.17.	<p>Provide customer references from individuals (who are <u>not</u> current or former officials or staff of the State of Tennessee) for projects similar to the services sought under this RFP and which represent:</p> <ul style="list-style-type: none"> ▪ two (2) of the larger accounts currently serviced by the Respondent, <u>and</u> ▪ three (3) completed projects. <p>All references must be provided in the form of standard reference questionnaires that have been fully completed by the individual providing the reference as required. The standard reference questionnaire, which <u>must</u> be used and completed as required, is detailed at RFP Attachment 6.4. References that are not completed as required will be considered non-responsive and will not be considered.</p> <p>The Respondent will be <u>solely</u> responsible for obtaining the fully completed reference questionnaires, and for including them within the Respondent's sealed Technical Response. In order to obtain and submit the completed reference questionnaires, as required, follow the process detailed below.</p> <p>(a) Customize the standard reference questionnaire at RFP Attachment 6.4. by adding the subject Respondent's name, and make duplicates for completion by references.</p> <p>(b) Send the customized reference questionnaires to each individual chosen to provide a reference along with a new standard #10 envelope.</p> <p>(c) Instruct the person that will provide a reference for the Respondent to:</p> <p>(i) complete the reference questionnaire (on the form provided or prepared, completed, and</p>

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>printed using a duplicate of the document);</p> <p>(ii) sign <u>and</u> date the completed, reference questionnaire;</p> <p>(iii) seal the completed, signed, and dated, reference questionnaire within the envelope provided;</p> <p>(iv) sign his or her name in ink across the sealed portion of the envelope; and</p> <p>(v) return the sealed envelope containing the completed reference questionnaire directly to the Respondent (the Respondent may wish to give each reference a deadline, such that the Respondent will be able to collect all required references in time to include them within the sealed Technical Response).</p> <p>(d) <u>Do NOT open the sealed references upon receipt.</u></p> <p>(e) Enclose all <u>sealed</u> reference envelopes within a larger, labeled envelope for inclusion in the Technical Response as required.</p> <p>NOTES:</p> <ul style="list-style-type: none"> ▪ The State will not accept late references or references submitted by any means other than that which is described above, and each reference questionnaire submitted must be completed as required. ▪ The State will not review more than the number of required references indicated above. ▪ While the State will base its reference check on the contents of the sealed reference envelopes included in the Technical Response package, the State reserves the right to confirm and clarify information detailed in the completed reference questionnaires, and may consider clarification responses in the evaluation of references. ▪ The State is under <u>no</u> obligation to clarify any reference information.
	B.18.	<p>Provide a statement and any relevant details addressing whether the Respondent is any of the following:</p> <p>(a) is presently debarred, suspended, proposed for debarment, or voluntarily excluded from covered transactions by any federal or state department or agency;</p> <p>(b) has within the past three (3) years, been convicted of, or had a civil judgment rendered against the contracting party from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;</p> <p>is presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed above; and has within a three (3) year period preceding the contract had one or more public transactions (federal, state, or local) terminated for cause or default.</p>
	B.19.	<p>Provide a report on your company from URAC or other nationally recognized quality rating agency. If no report has been produced, reply likewise.</p>
		<p>SCORE (for <u>all</u> Section B—Qualifications & Experience Items above): (maximum possible score = 20)</p>
State Use – Evaluator Identification:		

RFP ATTACHMENT 6.2. — SECTION C

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION C: TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH. The Respondent must address all items (below) and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.

A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

0 = little value 1 = poor 2 = fair 3 = satisfactory 4 = good 5 = excellent

The Solicitation Coordinator will multiply the Item Score by the associated Evaluation Factor (indicating the relative emphasis of the item in the overall evaluation). The resulting product will be the item's Raw Weighted Score for purposes of calculating the section score as indicated.

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	C.1.	a. Provide a narrative that illustrates the Respondent's understanding of the State's requirements, how the Respondent will manage the project, ensure completion of the scope of services, and accomplish required objectives within the State's project schedule. b. Describe your experience delivering the services required in this contract to large employer groups.		10	
	C.2.	Provide a project implementation plan describing the steps that the Respondent will take to be prepared to assume all responsibilities as of the go-live date described in the <i>Pro Forma</i> Contract (RFP Attachment 6.6). Include the following: <ol style="list-style-type: none"> Details about the major implementation tasks including those tasks you deem to be the most critical and your ability to successfully manage these tasks; A roster of the implementation team members detailing each member's primary work location, roles, and responsibilities; A detailed description of all tasks that the Respondent expects the State to complete; The project timeline and a schedule of meetings between the Contractor's team and the State; A schedule of proposed member communications; and A description of the claims accuracy testing processes that occur both during implementation and after implementation. 		7	
	C.3.	Regarding the call center that will be assigned to this contract: <ol style="list-style-type: none"> What is the location of the proposed call center and what are the hours of operation? Provide the following statistics for the call center that will be assigned to this contract for calendar year 2014 		8	

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		by quarter: <ul style="list-style-type: none"> • Average speed of answer (in seconds) • Average Hold in Queue (in minutes) • First call resolution rates c. Does the Member Services Unit utilize an automated voice response system (AVR) in lieu of direct member service contact (live person)? If so provide the initial script that will be followed. d. What data (e.g. claims history/provider information) can a customer service representative access in response to an inquiry?			
	C.4.	Regarding the call center staff that will be assigned to this account please respond to/describe the following: <ul style="list-style-type: none"> a. How many member services representatives will be assigned to this account? What percentage will be dedicated to this account versus shared with other accounts? How many clients are you currently serving with this Call Center? b. What are the qualifications and experience of the Customer Service Manager(s) and member services representatives? Include average annual turnover rates. c. What are the initial and ongoing training requirements for the member services representatives? d. What proportion of member services representatives to be assigned to this Contract would have less than one year of Call Center experience? 		10	
	C.5.	Regarding the provider network describe: <ul style="list-style-type: none"> a. How your organization would meet the requirements for the development and maintenance of a statewide dental provider network; b. If you are proposing the use of existing networks, which networks? Provide the total number of contracted providers in Tennessee that you would use for this Contract; c. If there are any proposed provider recruitment efforts or areas in Tennessee that you have targeted for network expansion; d. The frequency of network contract renegotiation and renewal; and e. The timing and content of your standard communication process with network providers for introduction of a new client. 		7	

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	C.6.	Describe how your organization would monitor the provider conformance with plan quality requirements as required in RFP Attachment 6.6 – <i>Pro Forma</i> Contract, Scope of Services, Contract Section A.2.d.		2	
	C.7.	Describe how your organization would assure provider conformance with the provision of benefits and utilization management provisions as required in RFP Attachment 6.6 – <i>Pro Forma</i> Contract, Scope of Services, Contract Section A.2.e.		2	
	C.8.	Describe your organization's credentialing and re-credentialing criteria and process, for both network general and specialty dentists as required in RFP Attachment 6.6 – <i>Pro Forma</i> Contract, Scope of Services, Contract Section A.2.c.		3	
	C.9.	Does your organization monitor access to network General Dentist appointments? If so: <ul style="list-style-type: none"> a. Describe how this is monitored. b. How long, over the past 12 months, was the wait for a standard appointment? c. How long is the standard wait for an emergency vs. urgent appointment? 		3	
	C.10.	Describe how you would meet the requirements of RFP Attachment 6.6 – <i>Pro Forma</i> Contract, Scope of Services, Contract Section A.2.f. <ul style="list-style-type: none"> a. When a provider terminates his/her participation in the network: <ol style="list-style-type: none"> 1. How do you provide for completion of treatment in progress? 2. Do you currently provide for copies of dental records to the Members' new dentist at no cost to either the employer or its Prepaid Plan Members? 3. Do you notify Members of the termination? b. What was your annual network provider turnover rate for calendar years 2012, 2013, and 2014? 		5	
	C.11.	Regarding member complaints and grievances describe the following: <ul style="list-style-type: none"> a. How are member inquiries or complaints tracked, reported and resolved? b. Are inquiries or complaints matched to the treating provider? 		3	

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		c. The levels and timeframes available for grievance resolution.			
	C.12.	Describe details regarding each of the following areas of your organization's quality assurance program as required in RFP Attachment 6.6 – <i>Pro Forma</i> Contract, Scope of Services, Contract Section A.13.b.: a. Program structure components and procedures b. Indicators currently measured and tracked c. Program documentation and reporting		3	
	C.13.	a. Describe how you monitor and measure the quality of services provided by member services call center staff. b. Provide a summary of customer satisfaction survey results for the last two years for the call center that will be assigned to this account. c. Submit a copy of the survey you intend to utilize to measure customer satisfaction.		7	
	C.14.	Regarding member communications: a. Describe how you would effectively communicate with and educate plan members regarding the dental benefit. b. Describe the various communications methods you would utilize to reach members (written, electronic, in-person, etc.). c. Provide a high level communications plan for the initial enrollment period as well as subsequent annual enrollment periods. Include any sample communication materials that you would propose to use for this account.		5	
	C.15.	Describe Internet web-site capabilities that the Respondent will make available to members. Include a list of available materials (e.g., member handbook, forms) and services (e.g., contact Member Services, file an appeal, print identification card). Identify which capabilities are in current operation and which will be developed for a contract pursuant to this RFP. Include screen prints (no more than 20) that detail the primary website capabilities available for Members and a copy of your site map(s). For any capabilities that are not in current operation, submit draft materials.		5	
	C.16.	Describe your reporting systems and capabilities and how they will support your ability to deliver timely and accurate reports as required in Contract Attachment C.		3	

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>changes, and terminations based upon the State's 834 file supplied by the State, including a count of other clients with whom 834 files are utilized;</p> <p>b. The quality control processes that will be used to ensure the accurate and complete update of enrollment files as well as how enrollment errors will be communicated to the State;</p> <p>c. Where duplicate (backup) records relating to claims payments are maintained and in what electronic format; and</p> <p>d. How the Respondent will ensure a continuous enrollment match between the State's Edison System and the Respondent's system.</p>			
<p><i>The Solicitation Coordinator will use this sum and the formula below to calculate the section score. All calculations will use and result in numbers rounded to two (2) places to the right of the decimal point.</i></p>					<p>Total Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i></p>
<p>Total Raw Weighted Score</p> <hr/> <p>Maximum Possible Raw Weighted Score <i>(i.e., 5 x the sum of item weights above)</i></p>			<p>X 17 <i>(maximum possible score)</i></p>	<p>= C.1 through C.18 SCORE:</p>	
<p><i>State Use – Evaluator Identification:</i></p>					
<p><i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i></p>					

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:														
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score									
	C.19.	<p>Provider Network Analysis: Conduct and submit a GeoAccess Dental Provider Accessibility Analysis for your Prepaid General Dentist and Specialty Dentist network, IN TENNESSEE ONLY, as required in Appendix 7.4, GeoAccess Analysis Instructions. For these analyses, utilize the State's total employee/retiree population data provided in Appendix 7.6. – TN Zip Code Employee/Retiree Eligibility Counts.</p> <p>DEFINITION: For the purpose of this analysis, “Network Provider” shall be defined as any General or Specialty Dentist who:</p> <p>is currently operating under a fully executed and in force contract with the Respondent, for participation as a Provider in the Respondent’s Prepaid Plan; OR has signed a legally binding letter of agreement with the Respondent to mutually execute the Respondent’s required Provider contract for participation as a General Dentist or Specialty Dentist in the State’s Prepaid Plan, contingent upon the Respondent being awarded a contract pursuant to RFP# 31786-00126.</p>												
<p>* These 13 points will be distributed as follows:</p> <table border="1"> <thead> <tr> <th></th> <th></th> <th>Further broken out by</th> </tr> </thead> <tbody> <tr> <td>General Dentists</td> <td>9 points</td> <td> <ul style="list-style-type: none"> number of providers – 4 pts distance to one provider, for all employees – 5 pts </td> </tr> <tr> <td>Specialty Dentists</td> <td>4 points</td> <td> <ul style="list-style-type: none"> number of providers – 2 pts distance to one provider, for all employees – 2 pts </td> </tr> </tbody> </table>								Further broken out by	General Dentists	9 points	<ul style="list-style-type: none"> number of providers – 4 pts distance to one provider, for all employees – 5 pts 	Specialty Dentists	4 points	<ul style="list-style-type: none"> number of providers – 2 pts distance to one provider, for all employees – 2 pts
		Further broken out by												
General Dentists	9 points	<ul style="list-style-type: none"> number of providers – 4 pts distance to one provider, for all employees – 5 pts 												
Specialty Dentists	4 points	<ul style="list-style-type: none"> number of providers – 2 pts distance to one provider, for all employees – 2 pts 												

The RFP Coordinator shall use the GeoAccess analysis results and the following formulas to calculate **Provider Network Analysis** scores (see Appendix 7.5). Calculations shall result in numbers rounded to two decimal points. Scores will be earned by determining the most favorable results (i.e., the Respondent with the most General Dentist earns 4 points; the Respondent with the lowest average distance to one Specialist earns 2 points; etc.). All other Respondents will earn points in proportion to the most favorable, as calculated by the following formulas:

Number of Providers

$\frac{\text{Number of General Dentists, Respondent A (B, C, D...)}}{\text{Greatest number of General Dentists (among all Respondents)}} \times \text{Points available (4)} = \text{Score}$	
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$\frac{\text{Number of Specialists Dentists, Respondent A (B, C, D...)}}{\text{Greatest number of Specialist Dentists (among all Respondents)}} \times \text{Points available (2)} = \text{Score}$	
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RFP ATTACHMENT 6.2. — SECTION C (continued)

Average Distance to One Provider

$\frac{\text{Lowest average distance to One General Dentist (among all Respondents)}}{\text{Average distance to One General Dentist, Respondent A (B, C, D...)}}$	x Points available (5)	= Score	
---	------------------------	---------	--

$\frac{\text{Lowest average distance to One Specialist (all Respondents)}}{\text{Average distance to One Specialist, Respondent A (B, C, D...)}}$	x Points available (2)	= Score	
---	------------------------	---------	--

Score for C.1. – C.18. (Maximum 17 points)	
Score for C.19. (Maximum 13 points)	
Total RFP Attachment 6.2 - Section C (Maximum 30 points)	

State Use – Evaluator Identification:

State Use – RFP Coordinator Signature, Printed Name & Date:

RFP ATTACHMENT 6.3.

COST PROPOSAL & SCORING GUIDE

NOTICE: THIS COST PROPOSAL MUST BE COMPLETED EXACTLY AS REQUIRED

COST PROPOSAL SCHEDULE— The Cost Proposal, detailed below, shall indicate the proposed price for goods or services defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma* Contract, for the entire contract period. The Cost Proposal shall remain valid for at least one hundred twenty (120) days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract resulting from this RFP. All monetary amounts shall be in U.S. currency and limited to two (2) places to the right of the decimal point.

Any cell left blank in the cost proposal will be considered \$0.00 for evaluation purposes.

NOTICE: The Evaluation Factor associated with each cost item is for evaluation purposes only. The evaluation factors do NOT and should NOT be construed as any type of volume guarantee or minimum purchase quantity. The evaluation factors shall NOT create rights, interests, or claims of entitlement in the Respondent.

Notwithstanding the cost items herein, pursuant to the second paragraph of the *Pro Forma* Contract section C.1. (refer to RFP Attachment 6.6.), "The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract."

This Cost Proposal must be signed, in the space below, by an individual empowered to bind the Respondent to the provisions of this RFP and any contract awarded pursuant to it. If said individual is not the *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to legally bind the Respondent.

RESPONDENT SIGNATURE:	
PRINTED NAME & TITLE:	
DATE:	
RESPONDENT LEGAL ENTITY NAME	

Please propose the monthly premium, by tier, for the active employee and for the retiree. The rate proposed should be the premium amount for the employee or retiree, the employee or retiree plus a spouse (one premium amount), an employee or retiree plus children (one premium amount regardless of the number of children) and an employee or retiree plus spouse plus children (regardless of the number of children). The Estimated Out of Pocket Expenditures will be calculated in the manner described following this table based on information provided in Table A of the cost proposal spreadsheet. The Respondent should not complete the shaded areas; the State will perform this calculation.

Coverage Option for Active Employees	Respondent's Guaranteed Monthly Employee Premiums		STATE USE ONLY		
	Calendar Year 2016 1/1/2016 – 12/31/2016	Calendar Year 2017 1/1/2017 – 12/31/2017	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
Employee	\$ /Active Subscriber	\$ /Active Subscriber		8758	
Employee + Spouse	\$ /Active Subscriber	\$ /Active Subscriber		3113	
Employee + Child(ren)	\$ /Active Subscriber	\$ /Active Subscriber		2628	

Employee + Spouse + Child(ren)	\$ /Active Subscriber	\$ /Active Subscriber		4686	
Estimated Out of Pocket (OOP) Expenditures	\$ /Active Subscriber	\$ /Active Subscriber		n/a	
STATE USE ONLY					
Coverage Option for Retirees	Calendar Year 2016 1/1/2016 – 12/31/2016	Calendar Year 2017 1/1/2017 – 12/31/2017	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
Retiree	\$ /Retiree Subscriber	\$ /Retiree Subscriber		2822	
Retiree + Spouse	\$ /Retiree Subscriber	\$ /Retiree Subscriber		1556	
Retiree + Child(ren)	\$ /Retiree Subscriber	\$ /Retiree Subscriber		105	
Retiree + Spouse + Child(ren)	\$ /Retiree Subscriber	\$ /Retiree Subscriber		162	
Estimated Out of Pocket (OOP) Expenditures	\$ /Retiree Subscriber	\$ /Retiree Subscriber		n/a	
EVALUATION COST AMOUNT (sum of evaluation costs above):					
The Solicitation Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.					
lowest evaluation cost amount from <u>all</u> proposals				x 50	= SCORE:
evaluation cost amount being evaluated				(maximum section score)	
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>					

NOTE: The Estimated Out of Pocket Expenditures (OOP) listed above will be calculated using the information provided on the cost proposal spreadsheet, Table A (Prepaid Procedure Code Cost Proposal) that indicates the Respondent Member Cost.

PREPAID DENTAL OPTION MEMBER COST - Provide your **Proposed Member**

Cost for the dental procedures contained in the attached Excel spreadsheet, for the years 2016 and 2017, for each and every procedure listed, as determined by the provider classification of the individual delivering the treatment. "Classification" refers to Generalist versus Specialist, and is limited to those Generalists and Specialists participating in the Respondent's network.

The State has assigned a Specialist Weighted Multiplier to each procedure. This multiplier indicates the proportion of the given frequency for each procedure that, for evaluation purposes, we have determined is performed by Specialists. As an example, a procedure code with a Specialist weighting factor of 0.05 means that for every 100 times the procedure is performed, five of those times it is being performed by a Specialist.

Conversely, the Generalists' weighting factor (not shown on the matrix) is 1.00 minus the Specialist factor. For the example given, the Generalist factor is 1.00 minus 0.05, or 0.95. Please note that the State may use different multipliers for active employees and retirees.

Full instructions for completing the Excel file "Attachment 6.3., Table A, Procedure Code Cost Proposal" are included in the attachment.

The RFP Solicitation Coordinator will calculate the Evaluation Cost Amount for each Respondent using the formula below:

Total Subscriber Costs = [(Total Subscriber Premiums * 12) + (Total Member Out-of-Pocket Costs)] / N

Where: N = total number of Subscribers; and

Total Subscriber Premiums = (p₁ * y₁) + (p₂ * y₂) + (p₃ * y₃) + ... + (p₈ * y₈)

Where:

p₁, p₂, p₃, p₄, p₅, p₆, p₇, and p₈ are the monthly premiums for each tier;

y₁, y₂, y₃, y₄, y₅, y₆, y₇, and y₈ are the proportion of total Subscribers within each tier;

The following formula will be used to calculate the total proposed Out of Pocket (OOP) estimated expenditures for each year, by procedure, based on the given frequencies:

(Frequency X Specialist Weighted Multiplier) X Proposed Subscriber Cost for Specialist services
Plus (+)
(Frequency X [1.00 – Specialist Weighted Multiplier]) X Proposed Subscriber Cost for Generalist services

The totals for all procedures will then be summed to determine the total proposed Out of Pocket (OOP) estimated expenditures, for each year. The total OOP estimated expenditures proposed in Attachment 6.3., Table A will form the basis of this component of the Cost Proposal, and will, for the Respondent awarded the contract, serve as the Members' share of the treatment costs for these procedures for calendar year 2016. The proposed co-pay schedule submitted on the Respondent's completed Table A will be incorporated into the Contract by reference after contract award. (Note: The dental procedure codes in the Cost Proposal Attachment 6.3 are not inclusive of all the procedure codes covered under this Prepaid Dental program.)

RFP ATTACHMENT 6.4.**REFERENCE QUESTIONNAIRE**

The standard reference questionnaire provided on the following pages of this attachment MUST be completed by all individuals offering a reference for the Respondent.

The Respondent will be solely responsible for obtaining completed reference questionnaires as required (refer to RFP Attachment 6.2., Technical Response & Evaluation Guide, Section B, Item B.17.), and for enclosing the sealed reference envelopes within the Respondent's Technical Response.

RFP # 31786-00126 REFERENCE QUESTIONNAIRE

REFERENCE SUBJECT: RESPONDENT NAME (completed by Respondent before reference is requested)

The "reference subject" specified above, intends to submit a response to the State of Tennessee in response to the Request for Proposals (RFP) indicated. As a part of such response, the reference subject must include a number of completed and sealed reference questionnaires (using this form).

Each individual responding to this reference questionnaire is asked to follow these instructions:

- complete this questionnaire (either using the form provided or an exact duplicate of this document);
- sign and date the completed questionnaire;
- seal the completed, signed, and dated questionnaire in a new standard #10 envelope;
- sign in ink across the sealed portion of the envelope; and
- return the sealed envelope containing the completed questionnaire directly to the reference subject.

(1) **What is the name of the individual, company, organization, or entity responding to this reference questionnaire?**

(2) **Please provide the following information about the individual completing this reference questionnaire on behalf of the above-named individual, company, organization, or entity.**

NAME:	
TITLE:	
TELEPHONE #	
E-MAIL ADDRESS:	

(3) **What goods or services does/did the reference subject provide to your company or organization?**

(4) **What is the level of your overall satisfaction with the reference subject as a vendor of the goods or services described above?**

Please respond by circling the appropriate number on the scale below.

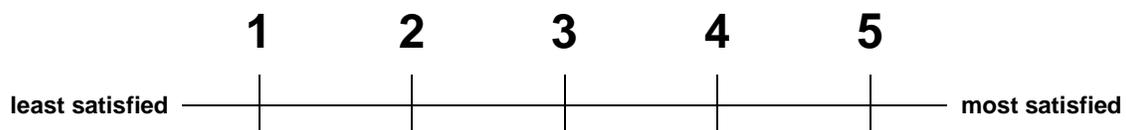
	1	2	3	4	5	
least satisfied						most satisfied

RFP # 31786-00126 REFERENCE QUESTIONNAIRE — PAGE 2

If you circled 3 or less above, what could the reference subject have done to improve that rating?

- (5) If the goods or services that the reference subject provided to your company or organization are completed, were the goods or services provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.
- (6) If the reference subject is still providing goods or services to your company or organization, are these goods or services being provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.
- (7) How satisfied are you with the reference subject's ability to perform based on your expectations and according to the contractual arrangements?
- (8) In what areas of goods or service delivery does/did the reference subject excel?
- (9) In what areas of goods or service delivery does/did the reference subject fall short?
- (10) What is the level of your satisfaction with the reference subject's project management structures, processes, and personnel?

Please respond by circling the appropriate number on the scale below.



What, if any, comments do you have regarding the score selected above?

RFP # 31786-00126 REFERENCE QUESTIONNAIRE — PAGE 3

- (11) Considering the staff assigned by the reference subject to deliver the goods or services described in response to question 3 above, how satisfied are you with the technical abilities, professionalism, and interpersonal skills of the individuals assigned?

Please respond by circling the appropriate number on the scale below.

	1	2	3	4	5	
least satisfied						most satisfied

What, if any, comments do you have regarding the score selected above?

- (12) Would you contract again with the reference subject for the same or similar goods or services?

Please respond by circling the appropriate number on the scale below.

	1	2	3	4	5	
least satisfied						most satisfied

What, if any, comments do you have regarding the score selected above?

REFERENCE SIGNATURE:

(by the individual completing this request for reference information)

(must be the same as the signature across the envelope seal)

DATE:

SCORE SUMMARY MATRIX

	<i>RESPONDENT NAME</i>		<i>RESPONDENT NAME</i>		<i>RESPONDENT NAME</i>	
GENERAL QUALIFICATIONS & EXPERIENCE (maximum: 20)						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
<i>REPEAT AS NECESSARY</i>						
	AVERAGE:		AVERAGE:		AVERAGE:	
TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH (maximum: 30)						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
<i>REPEAT AS NECESSARY</i>						
	AVERAGE:		AVERAGE:		AVERAGE:	
COST PROPOSAL (maximum: 50)	SCORE:		SCORE:		SCORE:	
TOTAL RESPONSE EVALUATION SCORE: (maximum: 100)						

Solicitation Coordinator Signature, Printed Name & Date:

RFP # 31786-00126 *PRO FORMA* CONTRACT

The *Pro Forma* Contract detailed in following pages of this exhibit contains some “blanks” (signified by descriptions in capital letters) that will be completed with appropriate information in the final contract resulting from the RFP.

**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
INSURANCE COMMITTEES,
AND
CONTRACTOR NAME**

This Contract, by and between the State of Tennessee, Insurance Committees (State, Local Education, and Local Government); hereinafter referred to as the "State" and **Contractor Legal Entity Name**, hereinafter referred to as the "Contractor," is for the provision of a voluntary Prepaid Dental (Prepaid) program (Program), as further defined in the "SCOPE OF SERVICES."

The Contractor is **a/an Individual, For-Profit Corporation, Non-Profit Corporation, Special Purpose Corporation Or Association, Partnership, Joint Venture, Or Limited Liability Company**.

Contractor Place of Incorporation or Organization: **Location**

Contractor Edison Registration ID # **Number**

A. SCOPE OF SERVICES:

- A.1. The Contractor shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Contract.
- a. The Contractor agrees to provide and administer a fully insured voluntary Prepaid Dental (Prepaid) program (Program) option to eligible employees of State agencies, as well as Local Education and Local Government agencies electing to participate in the State's group dental insurance plan; retirees receiving a benefit from the Tennessee Consolidated Retirement System (TCRS) or who participated in a Higher Education optional retirement plan (ORP); and dependents of employees and retirees who elect to participate in the Prepaid Dental Program option (hereinafter, enrolled employees/retirees shall be referred to as "Subscribers" and all participants collectively shall be referred to as "Members"). The Prepaid option shall be delivered in accordance with the provisions of this Contract, including Contract Attachment D - Prepaid Benefits, and the *Certificate of Coverage* created under Contract Section A.16.a. of this contract which shall be incorporated hereto by reference. The benefits coverage for the Program shall range from January 1, 2016 through December 31, 2017, unless the contract is extended for additional year(s). No compensation, beyond that specified in this Contract, shall be paid for completion of this task as it is recognized to be part of the Contractor's responsibilities.
 - b. The Contractor shall accept confirmation from the State of the in-force status of each Member's coverage and confirm the enrollment of each Member to its network providers, on the basis of enrollment information maintained electronically in the State's computer system (currently known as "Edison") and provided electronically to the Contractor for housing in the Contractor's computer system.
 - c. The Contractor shall provide coverage to eligible Members who elect the Prepaid option; participation in said option shall be for the entire Plan Year unless the Member's coverage has been terminated. The Subscriber may cancel enrollment for self and dependents if the Contractor cannot provide a network Participating General Dentist within forty (40) miles of the Subscriber's residence.
 - d. The Contractor shall allow for COBRA continuation coverage for eligible Members.
 - e. The Contractor shall provide customary corporate office services and functions including but not limited to call center, administration and accounting.
 - f. The Contractor shall provide advice and assistance with regard to questions as raised by the State, Members, employees, and retirees.

- g. The Contractor shall provide advice, assistance and information with regard to applicable Federal and State laws, court holdings and regulations affecting group dental insurance, and other Program related matters as needed.
- h. The Contractor shall accept all current Members' coverage transferred from the prior contract, without any break or lapse in coverage.
- i. The total amount for each procedure code proposed by the Contractor in RFP #31786-00126, Attachment 6.3., Table A will serve as the Members' guaranteed Copayment Schedule for calendar year 2016 for the listed procedure codes. The proposed Copayment Schedule submitted on the Respondent's completed Table A is included in this contract by reference. The dental procedure codes in the RFP Attachment 6.2, Table A are not inclusive of the covered procedures under this contract.
 - (1) The Contractor shall guarantee no increase in the amounts in the Copayment Schedule proposed in the RFP Attachment 6.3, Table A for calendar year 2016.
 - (2) The Contractor shall prepare a Copayment Schedule table which shall consist of all dental procedure codes covered under this Contract and provide a copy of the table to the State.
 - (3) The Contractor may reduce at any time the amounts for any and all procedure codes in the Copayment Schedule.
 - (4) The Contractor may add to the Copayment Schedule additional dental procedure codes upon State approval should the Contractor determine that it would be to the advantage of Members to cover the specific procedures.
 - (5) The Contractor may not remove dental procedure codes from the Copayment Schedule without approval from the State.
 - (6) Any revised Copayment Schedule shall be incorporated into this contract by reference and the Contractor shall provide a copy of the current schedule to the State when the schedule is modified.
 - (7) The Contractor may increase amounts in the Copayment Schedule after calendar year 2016.

A.2. Dental Provider Network

- a. The Contractor shall establish and administer a Tennessee statewide network of dental providers who have agreed to accept the Contractor's capitation and copayment amounts for services provided to Members participating in the Prepaid option. The Contractor further agrees to secure under contract, participation by General Dentist and Dental Specialists (i.e. Oral Surgeons, Orthodontists, Endodontists, Periodontist and Pedodontists) as needed and necessary to continuously provide adequate distribution, and reasonable access, and acceptable provider turnover rates as defined in Contract Attachment B – Liquidated Damages, Item # 13 and 14. The State shall review network accessibility and shall inform the Contractor, in writing, of any deficiencies it identifies which deny reasonable access to dental care. The Contractor shall respond to the State, in writing, as to the action it intends to take to correct said deficiencies.
- b. The Contractor shall maintain the capability to respond to inquiries from Members concerning provider participation and network providers' availability to accept new patients, by specialty by county. Such capabilities shall be available via a Member toll-free Call Center (see Contract Section A.4.) and the Contractor's website (see Contract Section A.8) which includes dental provider search capability available to all Members.

- c. The Contractor shall contract only with dentists who are duly licensed by the state in which they are providing dental services. In addition, the Contractor shall require that all providers maintain all licenses and accreditations in existence at the time of selection as a network provider and in order to continue their status as a network provider. The Contractor shall perform on a continuous basis appropriate provider credentialing that assures the quality of network providers. Re-credentialing of network providers must be performed at least every three (3) years.
- d. The Contractor shall maintain communication with providers to ensure a high degree of continuity in the provider base and ensure that the providers are familiar with the Prepaid benefits and procedural requirements. There shall be provisions to allow for on-site visits to the provider's office by the Contractor's staff, in addition to telephone and written contact for the purpose of monitoring provider conformance with program standards and quality requirements.
- e. The Contractor shall notify all network providers of and enforce, through the Contractor's provider contract, compliance with all provisions of the Prepaid Benefits Program and the applicable *Certificate of Coverage* by the date specified in contract section A.15.e.7. unless otherwise directed by the State.
- f. The Contractor shall have a process in place to address the transfer of Member records from terminating providers to new network providers. This process shall include at a minimum the transfer of the appropriate patient dental record, including the most recent x-rays if appropriate, covering the prior twenty-four (24) month period in hard copy or electronic format. Such cost of transfer shall not be borne by the Member or State.

A.3. Staffing

- a. The Contractor shall provide and maintain qualified personnel and staffing to provide the deliverables and services in accordance with this Contract.
- b. The Contractor shall ensure that all staff, including the Contractor's employees, independent contractors, consultants, and subcontractors, performing services under this contract have the experience and qualifications to perform the applicable services.
- c. The Contractor shall designate an Account Manager and back-up with overall responsibility for the State Program. The Account Manager shall serve as the single point of contact for the State and have overall responsibility for the Contractor's functions under the Contract. The Account Manager shall have the authority to make decisions and resolve problems on behalf of the Contractor with the State and shall remain dedicated to the work of the Contract for the duration of the Contract.
- d. In addition to the Account Manager the Contractor shall designate a Customer Service Manager, who shall manage the Call Center operations and staff and shall remain dedicated to the work of the Contract for the duration of the Contract.
- e. The Contractor shall also designate an Information Systems Project Coordinator who shall be responsible for implementation of the systems requirements for administering the Program and interfaces with the State.
- f. All key Contractor project staff shall attend a project kick-off meeting at the State of Tennessee offices in Nashville, TN within the first thirty (30) days after the Contract Award Date.
- g. The Contractor shall train its representatives/operators and other staff regarding the provisions of the State's Program. The Contractor's staff shall successfully complete the

training program prior to assuming their duties. The Contractor shall conduct regular staff refresher training to address Program, process, and policy training.

- h. For work under this Contract, the Contractor shall employ no employees or contract with subcontractors that are on the U.S. Department of Health and Human Services' Office of Inspector General (OIG) exclusions list unless the Contractor receives prior, written approval from the State.
- i. The Contractor agrees that, prior to the execution of the Contract, it will provide the State with a list of the subcontractors that will be utilized in connection with this Contract and will provide reasonable advance notice of any additional subcontractors that may be used. The State may approve or disapprove the Contractor's Subcontractors or its staff assigned to this Contract if the State is not satisfied with the service delivered by the subcontractor or its staff. Should the State disapprove of any particular subcontractor, the Contractor will work with the State in good faith to procure a reasonable alternative subcontractor. The State may also direct the Contractor to replace staff members providing core services and/or interacting regularly with the State as it deems necessary and appropriate. The decision of the State on these matters shall not be subject to appeal.
- j. Key personnel commitments made by the Contractor shall not be changed unless prior approval is received from the State. For these purposes, such commitments shall include any named individuals in the proposal and the levels of effort proposed. The Contractor shall notify the State at least fifteen (15) days in advance of proposed changes and shall submit justification (including proposed substitutions) in sufficient detail to the State to evaluate the impact upon the Contract.
- k. The Contractor shall survey State staff named by the State annually to determine the State's satisfaction with the Account Team and report the results of the survey to the State (see Contract Attachment C – Reporting Requirements #8).

A.4. Call Center

- a. The Contractor shall maintain a Call Center and provide a dedicated toll-free line, by the date specified in A.15.e.10. for the exclusive purpose of responding to Member inquiries. The Contractor shall provide advice and assistance to Members regarding issues such as, but not limited to, benefits and the network.
- b. Call Center Requirements
 - (1) The Contractor shall operate a Call Center that uses a designated toll-free number as the "front-end" entry point for callers. The Contractor's Call Center shall have designated representatives/operators to respond to inquiries from Members.
 - (2) The Contractor's call center and staff shall be located in the continental United States.
 - (3) The Contractor's Call Center shall accept calls, at a minimum, from 7:00 a.m. to 4:30 p.m. Central Time (CT), Monday through Friday.
- c. Call Center Processes
 - (1) The Contractor's call center shall maintain a monthly average rate of thirty (30) seconds or less for the Average Speed of Answer (ASA)

- (2) The Contractor's call center shall maintain a monthly average rate of ninety-two percent (92%) for First Call Resolution.
- d. The Contractor shall provide call center statistics related to the performance standards above to the State on a weekly basis during the thirty (30) days prior to go-live date through sixty (60) days after the go-live date. After sixty (60) days from the go-live date, the call center statistics report shall be submitted to the State only on a monthly basis. (See Contract Attachment C – Reporting Requirements #7)
 - e. The Contractor's call center shall have call management systems and communications infrastructure that can manage the potential call volume and achieve the performance standards described in this Contract.
 - f. The Contractor's call management systems shall be scalable and flexible so they can be adapted as needed, within negotiated timeframes where applicable, in response to Program, benefit, or enrollment changes.
 - g. The Contractor's call management systems shall be equipped with caller identification. In addition, the Contractor's call center shall adopt caller identification for itself.
 - h. The Contractor's call management system shall record and index a minimum of 25% of all member calls such that the Contractor can easily retrieve recordings of individual calls based on the phone number of the caller, the caller's name, the date/time of the call and the staff member who handled the call. The Contractor shall be able to provide a full recording of each recorded call upon the State's request. The Contractor shall log and enter call notes for all member calls answered by the Contractor. The Contractor shall archive the recordings for one year from the date of each call.
 - i. The Contractor may use an automated interactive voice response (IVR) system for managing inbound calls, provided that the caller always has the ability to leave the IVR system and wait in the queue in order to speak directly with a live-voice call center staff member rather than continuing through additional prompts.
 - j. The Contractor shall have the ability to make outbound calls without interrupting the ability of callers to continue to access the call center.
 - k. The call management system shall enable the logging of all calls, including:
 - (1) The caller's identifying information (e.g., Edison employee ID);
 - (2) The call date and time;
 - (3) The reason for the call;
 - (4) The member services representative that handled the call;
 - (5) The length of call; and
 - (6) The resolution of the call and if unresolved, the action taken and follow up steps required.
 - l. Additionally, the call management systems shall maintain a history of correspondence and call transactions for performance management, quality management and audit purposes. This history shall contain the actual information, a date/time stamp that corresponds to when the transaction took place, the origin of the transaction (e.g., the State and /or one of its authorized representatives or the Member), and the member services representative that processed the transaction. Related correspondence and calls shall be indexed and properly recorded such that they can be treated in reporting and analysis as part of a distinct transaction.

A.5. Member Communications/Materials

- a. The Contractor shall, in consultation with and following written approval by the State, develop and disseminate Member information and communication materials (hereinafter referred to as Member materials). Member materials shall include, but are not limited to, identification cards, Member handbooks, provider directories, administrative forms, letters, manuals, brochures, fliers, certificate of coverage, webinars and online videos. This provision excludes enrollment forms, which are the State's responsibility.
- b. Member materials shall be finalized (including State review and sign-off) and ready for distribution prior to the State's fall Annual Enrollment Period.
- c. In addition to the Member materials referenced above, the Contractor shall assist the State, if requested, in the education and dissemination of general information regarding the Program. This assistance may include but not be limited to:
 - (1) Written information;
 - (2) Audio/video presentations;
 - (3) Attendance at meetings, workshops, and conferences; and
 - (4) Educating State staff and other persons on Contractor's administrative and benefits procedures.
- d. Unless otherwise specified in this Contract, the Contractor shall be responsible for all costs related to the design, development, printing, distribution and mailing (if applicable), and revision of all Member materials that are required to be produced under the terms of this Contract. The Contractor shall ensure that up-to-date version of all printed member materials can be downloaded from its website
- e. If the State requires mailings above those identified in the contract, the State shall pay the postage, printing and production costs of such mailings pursuant to Contract Sections C.3.c. and C.3.d.
- f. Unless otherwise directed by the State, the Contractor shall obtain approval in writing from the State prior to using or distributing any Member materials.
- g. The Contractor shall work in conjunction with the State's communications staff to ensure continuity of branding across all program and Member materials, website, and any other communications information. This branding shall include, but is not limited to, use of the ParTNers for Health logo, color scheme and applicable taglines. All uses of these branding elements shall be subject to prior written approval by the State.
- h. The Contractor shall have the exclusive responsibility to write, edit, and arrange for clearance of materials (such as securing full time use of a stock photograph for perpetuity) for any and all member materials in time for the materials to be approved by the State and printed.
- i. The Contractor shall ensure that its member materials are culturally sensitive and professional in content, appearance, and design.
- j. The Contractor shall prominently display the Contractor's call center telephone number and website address in large, bolded typeface on all Member materials.

- k. The Contractor shall, to the extent practicable, use relatively large and legible fonts in its Member materials. Additionally, the Contractor shall make maximum use of graphics to communicate key messages to populations with limited literacy or limited English proficiency.
- l. Unless otherwise prior approved in writing by the State, the Contractor shall design all member materials at the sixth (6.0) grade level or lower using the Flesch-Kincaid Index or other suitable metric that the State prior approves in writing. The Contractor shall evaluate materials using the entire text of the materials (except return addresses). When submitting draft materials to the State for approval, the Contractor shall provide a reading level analysis and certification of the reading level of each piece of material.
- m. The Contractor covenants that all materials distributed to Members and prepared or produced by the Contractor shall be accurate in all material respects.
- n. The Contractor shall ensure that up-to-date versions of all printed Member materials can be downloaded from its website/portal.
- o. The number of Member handbooks and other relevant information to be printed shall be in sufficient quantities for distribution to the State's enrolled Subscribers, plus fifteen percent (15%) for distribution to new hires.
- p. At the State's request, the Contractor shall attend meetings, workshops, and conferences to discuss and market the Program. Any on-site visits to agencies covered under this plan shall require prior approval by the State.
- q. Prohibition on Promotional Materials: Unless approved in advance and in writing by the State, the Contractor shall not distribute any promotional materials or gifts to employees or plan members, even if such gifts are of a de minimus value (e.g., magnets, pens, etc.).

A.6. Member Identification Cards and Certificates of Coverage

- a. The Contractor shall provide Members with identification (I.D.) cards and Certificates of Coverage following initial enrollment and thereafter only when a change is necessary. The cost of these items shall be borne by the Contractor. The State reserves the authority to review I.D. cards prior to issuance for use. The Contractor shall mail identification cards and Certificates of Coverage to members no later than twenty-one (21) calendar days prior to the go-live date as shown in contract section A.15.e.3. During the benefit year the Contractor shall mail I.D. cards and Certificates of Coverage to new members no later than ten (10) days from receipt of new enrollment and I.D. cards to existing members upon change in enrollment, as indicated in the enrollment information from the State and no later than ten (10) days from receipt of a Member's request for a replacement or duplicate card (at no charge to the member), and 14 days prior to each benefit year if requested by the State.
- b. The Contractor shall have the capability on its website (see Contract Section A.8.k.) to allow members to print out temporary cards.

A.7. Member Handbooks and Provider Directories

- a. The Contractor, following review and approval by the State, shall update, print and distribute, upon the State's request, Member handbooks and shall maintain on its website an up-to-date version of the Member handbook.
- b. The Member handbook shall be specific to the Program and shall detail benefits, premium rates, and provide other information helpful to members.

- c. The Contractor shall distribute the Member handbook with a cover letter, if requested by the State, to every Subscriber no later than twenty-one (21) days prior to the go-live date as shown in contract section A.15.e.3. and thereafter fourteen (14) days prior to the start of each benefit year if requested by the State.
- d. During the benefit year the Contractor shall mail handbooks and provider directories to new members, if requested by the State, no later than ten (10) days from receipt of new enrollment. With the State's approval, electronic means may be utilized to provide the Member handbook and to inform Members of the network of providers.
- e. Upon the State's request, the Contractor shall provide Member handbooks to Agency Benefits Coordinators within fifteen (15) days of the State's request to provide copies.
- f. The Contractor shall provide an electronic copy of the Member handbook to the State for posting on the State's website.
- g. The network provider directory must include provider name, address and phone number and be organized in geographic areas at least as small as counties.

A.8. Website

- a. In addition to the Contractor's own website where plan and member specific information shall be incorporated, the Contractor shall maintain a "splash" page dedicated to and customized for this Contract containing general plan information that does not require a member to login. The design of the splash page, inclusive of the site map, page layout, color/font scheme and branding, static content and any documents which can be accessed via or downloaded from the website, must be prior approved in writing by the State. Additionally, the Contractor shall obtain prior, written approval from the State for any links from the site to an external website/portal or webpage.
- b. The Website shall be fully operational on or before the date specified in contract section A.15.e.13.
- c. The Contractor shall update content and/or documents posted to the website within five (5) business days of the State's approval of changes to said content and/or documents.
- d. In association with the State's Annual Enrollment Period, the Contractor shall provide all information pertinent to each new plan year on the website/portal by the first day of said period.
- e. The Contractor shall submit to the State a website design specifications document, inclusive of a comprehensive site map, page design documentation including "screenshots" of all pages, all links to external sites (governmental and non-governmental) and all static content and documents associated with release #1 of the website for review and approval by the date specified in contract section A.15.e.14.
- f. The Contractor shall host the website/portal on a non-governmental server, which shall be located within the United States.
- g. The Contractor shall ensure that the website/portal meets all of the capacity, availability, performance and security requirements outlined in Contract Sections A.10. and A.11.
- h. The Contractor shall obtain and cover the cost of the domain name for the website/portal.
- i. To ensure accessibility among persons with a disability, the Contractor's website shall comply with Section 508 of the Rehabilitation Act of 1973 (29 USC Section 794d) and implementing regulations at 36 CFR 1194 Parts A-D.

- j. At a minimum the website shall contain a home page with general information and links to additional information including, but not limited to, benefits, frequently asked questions (FAQs), the Member handbook, replacement or temporary id card, forms, and other information as requested by the State.

A.9. Administrative Services

- a. The Contractor, upon request by the State, shall review and comment on proposed revisions to the benefits provisions in the Program. When so requested, the Contractor shall comment in regard to:
 - (1) industry practices;
 - (2) the overall cost impact to the Program;
 - (3) necessary changes in the Contractor's reporting requirements; and/or
 - (4) system changes required to administer any revised Program provisions.
- b. The Contractor shall provide advice, assistance and information to the State regarding applicable existing and proposed Federal and State laws and regulations affecting the Program.
- c. The Contractor shall provide advice and assistance with regard to questions as raised by the State, individual employees/retirees, former Members and others identified by the State.
- d. The Contractor shall refer calls regarding eligibility and premium payment issues to the State.
- e. The Contractor shall respond to all inquiries in writing from the State within three (3) business days after receipt of said inquiry. In cases where additional information to answer the State's inquiry is required, the Contractor shall notify the State within two (2) business days as to when the response can be furnished to the State. For matters designated as urgent by the State, the Contractor shall provide a response to the State within four (4) hours during normal business hours. During non-business hours, the Contractor shall provide a response to urgent matters to the State within twenty-four (24) hours. Staff members, from the applicable business unit, with final decision making authority shall provide responses. Said responses may be communicated through the Account Manager.
- f. The Contractor shall answer, in writing, within five (5) business days, all written inquiries from Members concerning the status of claims submitted, all benefits available through the benefit option, its clarifications and revisions, and other relevant information.
- g. The Contractor shall establish a formal grievance procedure for Members and providers to appeal decisions in regard to administration of the program and to resolve disputes that may arise in the administration of the program. The Contractor shall provide the State with a written copy of this grievance procedure by the date specified on contract section A.15.e.15., and the State reserves the right to require changes in the procedures when appropriate.
- h. To maintain the privacy of personal information, the Contractor shall enable Transport Layer Security (TLS), or other encryption software as directed by the State, on the mail server used for daily communications between the State and the Contractor. TLS, or other protocols that provide data encryption, shall be enabled no later than the go-live

date as listed in contract section A.15.e.16. and shall remain in effect throughout the term of the contract unless otherwise directed by the State.

- i. The Contractor shall meet with representatives of the State periodically, but no less than annually, to discuss programmatic, operational and contractual issues related to the Program. The Contractor shall have in attendance the staff requested by the State, which shall include the Account Manager and representatives from the Contractor's organizational units required to respond to topics indicated by the agenda. These meetings will take place at the State of Tennessee offices in Nashville, TN. Quarterly meetings between the Contractor and the State may also be held upon request by either the Contractor or the State. However, at its discretion, the State may allow the Contractor to participate in quarterly meetings by teleconference.
- j. The Contractor shall perform, following review and approval by the State, annual customer satisfaction surveys. The survey instrument shall be developed and approved by the State by the date specified in Contract Section A.15.e.18. The survey shall be conducted at a time mutually agreed upon by the State and the Contractor and shall involve a statistically valid random sample of State members. Contractor shall guarantee a statistically valid response rate consistent with the sample size. Based upon the results of the survey, the Contractor and the State shall jointly develop an action plan to correct problems or deficiencies identified through this activity.
- k. The Contractor shall not modify the services or benefits provided to Members during the term of this Contract without the prior written consent of the State.
- l. The Contractor shall refer all media and legislative inquiries to the Division of Benefits Administration, which will have the sole and exclusive responsibility to respond to all such queries. However, the Contractor shall respond directly to audit requests from the Comptroller, to audit requests from divisions within the Department of Finance & Administration, and to subpoenas; in all such instances, the Contractor shall copy the Division of Benefits Administration on all correspondence.
- m. Unless prior approved in writing by the State and in compliance with State and Federal law, the Contractor shall not use information gained through this Contract, including but not limited to utilization and pricing information, in marketing or expanding non-State business relationships or for any pecuniary gain.

A.10. Information Systems

- a. The Contractor shall save in its computer system the State's Edison employee identification number for Members and shall include the Edison identification number when communicating with the State about a particular Member.
- b. The Contractor shall for reporting purposes capture in its system the Member's agency of employment as identified in the State's Edison 834 enrollment record.
- c. Call Center Systems Access: The Contractor's call center staff shall have access to systems as necessary to respond to inquiries from Members.
- d. All Contractor systems shall maintain linkages and Subscriber - dependent (e.g., spouse to spouse and parent to child) relationships between initial and related subsequent interactions/transactions/events/activities. Additionally, when the Contractor houses indexed images of documents used by Members and subcontractors to transact with the Contractor, the Contractor shall ensure that these documents maintain logical relationships to certain key data such as member identification and subcontractor identification numbers. The Contractor shall also ensure that records associated with a common event, transaction or customer service issue have a common index that

facilitates search, retrieval and analysis of related activities, e.g., interactions with a particular member about the same matter/problem/issue.

- e. Upon the State's request, the Contractor shall be able to generate a listing of all Members (including each Member's Edison identification number) that were sent a particular document, the date and time that the document was generated, and the date and time that it was sent to particular Members or groups thereof. The Contractor shall also be able to generate a sample of said document.
- f. **Retention and Accessibility of Information**
 - (1) The Contractor shall provide and maintain a comprehensive information retention plan that is in compliance with State and Federal requirements.
 - (2) The Contractor shall maintain information on-line for a minimum of one (1) year, based on the last date of update activity, and update detailed and summary history data for up to two (2) years to reflect adjustments.
 - (3) The Contractor shall provide within three (3) business days turnaround or better on requests for access to information. Such requests for information shall be made by the State or its authorized designee.
 - (4) If an audit or administrative, civil or criminal investigation or prosecution is in progress or audit findings or administrative, civil or criminal investigations or prosecutions are unresolved, information shall be kept in electronic form until all tasks or proceedings are complete.
- g. **Information Ownership.** All information, whether data or documents, and reports that contain or make references to said information, involving or arising out of this Contract is owned by the State. The Contractor is expressly prohibited from sharing or publishing State information and reports or releasing such information to external entities, affiliates, parent company, or subsidiaries without the prior written consent of the State.
 - (1) Upon termination of this Contract and request by the State, the Contractor shall provide to the State or its designated agent, pertinent data identified by the State for Members to effect a transition of the Program from the Contractor. The information shall be furnished in a format and medium as is compatible with the data processing system maintained by the State or its designated agent. Additionally, the Contractor shall provide all information necessary to properly interpret the data supplied. To ensure the continuous operation of the Program and upon 30 days' notice, this information shall be provided to the State or its designated agent at least 45 days prior to the termination date of this Contract; further, the State may require the Contractor to provide this information at various other times prior to or after the termination date of this Contract.
- h. **System Availability, Business Continuity and Disaster Recovery (BC-DR)**
 - (1) The Contractor shall ensure that critical Member and other web-accessible and/or telephone-based functionality and information including the website described in Contract Section A.8. (to be agreed to by the State and the Contractor) are available to the applicable System users twenty-four (24) hours a day, seven (7) days a week, except during periods of scheduled system unavailability agreed upon by the State and the Contractor. Unavailability caused by events outside of the Contractor's span of control is outside of the scope of this requirement. Notification of any scheduled maintenance shall be posted on the member website/portal. The Contractor shall make efforts to minimize any down-time between 5:00 a.m. and 10:00 p.m. Central Time.

- (2) The Contractor shall ensure that the systems within its span of control that support its data exchanges with the State are available and operational according to the specifications and schedule associated with each exchange.
- (3) Regardless of the architecture of its systems, the Contractor shall develop and be continually ready to invoke a business continuity and disaster recovery (BC-DR) plan. The BC-DR plan shall encompass all information systems supporting this Contract. At a minimum the Contractor's BC-DR plan shall address the following scenarios:
 - i. Central and/or satellite data processing, telecommunications, print and mailing facilities and functions therein, hardware and software are destroyed or damaged;
 - ii. System interruption or failure resulting from network, operating hardware, software, communications infrastructure or operational errors that compromise the integrity of transactions that are active in a live system at the time of the outage;
 - iii. System interruption or failure resulting from network, operating hardware, software, communications infrastructure or operational errors that compromise the integrity of data maintained in a live or archival system; and
 - iv. System interruption or failure resulting from network, operating hardware, software, communications infrastructure or operational errors that does not compromise the integrity of transactions or data maintained in a live or archival system but does prevent access to the system.
- (4) The Contractor shall provide the State a written summary of its BC-DR plan and latest test results at least one (1) month prior to the go-live date as shown in contract section A.15.e.19. The Contractor shall provide the State a copy of its BC-DR plan within ten (10) business days of the Contractor's revision of the plan.
- (5) The Contractor shall periodically, but no less than annually, test its BC-DR plan through simulated disasters and lower level failures in order to demonstrate to the State that it can restore system functions. The Contractor shall submit a written summary of its annual BC-DR test results to the State. Contractor will provide to the State at least annually results of the business continuity/disaster recovery plan. The test results will show any identified deficiencies and a remediation plan will be provided within 20 business days. The contractor will show evidence that any deficiencies have been corrected within 45 business days.
- (6) In the event that the Contractor fails to demonstrate in the tests of its BC-DR plan that it can restore system functions per the standards outlined in this Contract, the Contractor shall submit to the State a summary of its BC-DR corrective action plan that describes how the failure will be resolved. The Contractor shall also provide a timeline of how long exposure is and when remediation will be implemented.
- (7) In the event of a declared major failure or disaster, as defined in the Contractor's BC-DR plan the Contractor's critical functionality as discussed in Contract Section A.10. shall be restored within seventy-two (72) hours of the failure's or disaster's occurrence.

- (8) The Contractor shall maintain a duplicate set of all records relating to this Program in electronic medium, usable by the State and the Contractor for the purpose of disaster recovery or data restoration.
- i. Prior to implementing any major modifications to or replacement of the Contractor's core information systems functionality and/or associated operating environment, the Contractor shall notify the State in writing of the change or modification within a reasonable amount of time (commensurate with the nature and effect of the change or modification) if the change or modification; (a) would affect the Contractor's ability to perform one or more of its obligations under this Contract; (b) would be visible to State system users and members; (c) might have the effect of putting the Contractor in noncompliance with the provisions or substantive intent of this Contract; or (d) would materially reduce the coverage amounts payable or services provided to the average member. If so directed by the State, the Contractor shall discuss the proposed change with the State prior to implementing the change. Subsequent to this discussion, the State may require the Contractor to demonstrate the readiness of the impacted systems prior to the effective date of the actual modification or replacement.
- j. System and Information Security and Access Management Requirements
 - (1) The Contractor shall make system information available to duly authorized representatives of the State and other State and Federal agencies to evaluate, through inspections or other means, the quality, appropriateness and timeliness of services performed.
 - (2) The Contractor's systems shall contain controls to maintain information integrity. These controls shall be in place at all appropriate points of processing. The controls shall be tested in periodic and spot audits following a methodology to be mutually agreed upon by the Contractor and the State.
 - (3) Audit trails shall be incorporated into all systems to allow information on source data files and documents to be traced through the processing stages to the point where the information is finally recorded.
 - (4) The Contractor shall provide for the physical safeguarding of its data processing facilities and the systems and information housed therein. The Contractor shall provide the State with access to data facilities upon request. The physical security provisions shall be in effect for the life of this Contract.
 - (5) Unless the State prior-approves in writing the Contractor's use of alternate mitigating controls, the Contractor shall use Federal Information Processing Standard (FIPS) 140-2 compliant technologies to encrypt all member specific information in motion or rest, including back-up media.
- k. The Contractor shall provide requested State employees with access and update authority to the Contractor's eligibility system no later than one (1) week prior to the system go-live date as shown in contract section A.15.e.21. Additional users may be added at any time at the State's request.

A.11. Data Integration and Technical Requirements

- a. The Contractor shall maintain an electronic data interface with the State's Edison System for the purpose of retrieving and processing Member enrollment records and any other files which may be identified and generated by the State. The Contractor shall be responsible for providing and installing the hardware and software necessary. The State requires the use by the Contractor of second level authentication for the exchange of

member personal information. This is accomplished using the State's standard software product, which supports Public Key Infrastructure (PKI). The Contractor shall design a solution, in coordination with the State, to connect to the State's Secure File Transfer Protocol (SFTP) server using a combination of the password and the authentication certificate. The initial sign-on and transmission testing will use a password. Certificate testing may also be performed during the test cycle. Subsequent production sign-on will be done using the authentication certificate. The Contractor will then download the file and decrypt the file in its secure environment. The State of Tennessee uses public key encryption with Advanced Encryption Standard (AES) to encrypt PHI. If the State adopts a different or additional encryption standard or tool in the future, the Contractor shall, with adequate notice, cooperate with the State to maintain the security of protected information according to all applicable State and Federal standards.

- b. Notwithstanding the requirement to maintain enrollment data, the Contractor shall not perform changes to enrollment data without the State's approval. This prohibition shall include, but not be limited to initiation, termination, and/or changes of coverage.
- c. At least two (2) months prior to the go-live date, the Contractor shall complete testing of the transmission, receipt, and loading of the enrollment file from the State.
- d. At least one (1) month prior to the go-live date, the Contractor shall load, test, verify, and make available online for use the State's enrollment information. The Contractor shall certify, in writing, to the State that the Contractor understands and can fully accept and utilize the enrollment files as provided by the State.
- e. The Contractor shall maintain, in its systems, in-force enrollment records of all individuals covered by the Program.
 - (1) Weekly Enrollment Update: To ensure that the State's enrollment records remain accurate and complete, the Contractor shall, unless otherwise directed by the State, retrieve, via secure medium, the weekly enrollment file from the State, in the State's Edison 834 (5010 file format) (see RFP # 31786-00126, Appendix 7.7 for the current file format), which may be revised. Files will include full population records for all members and will be in the format of ANSI ASC X12N, Benefit Enrollment and Maintenance 834 (5010), version 005010X220A1, with several fields customized by the State.
 - (2) The Contractor shall complete and submit to the State a Weekly File Transmission Statistics Report within five (5) business days of receipt of the Weekly Enrollment Update. The Contractor shall submit this report via email to designated State staff. (See Contract Attachment C.)
 - (3) The Contractor and/or its subcontractors shall electronically process one hundred percent (100%) of electronically transmitted enrollment updates, including the resolution of any errors identified during processing, within four (4) business days of receipt of the weekly file. The State and the Contractor shall work to develop a process for responding to invalid or non-processed records.
 - (4) The Contractor and/or its subcontractors shall resolve all enrollment discrepancies as identified by the State or Contractor within one (1) business day of identification.
 - (5) The Contractor and/or its subcontractors, with collaboration from the State, shall resolve associated system errors, as identified through enrollment discrepancy resolution, in a timeframe mutually agreed upon with the State. The Contractor shall document in an eligibility system modification log, the system error details, the proposed solution, and the final solution as agreed upon by the State. The Contractor shall update and submit this log quarterly (refer also to Contract Attachment C, Reporting Requirements). Subsequent errors identical in nature may be subject to Liquidated Damages as specified in Attachment B.

- (6) State Enrollment Data Match: Upon request by the State, not to exceed four (4) times annually, the Contractor shall submit to the State, in a secure manner, its full file of State Members, by which the State may conduct a data match against the State's Edison database. The purpose of this data match will be to determine the extent to which the Contractor is maintaining its database of State members. The State will communicate results of this match to the Contractor, including any Contractor requirements, and associated timeframes, for resolving the discrepancies identified by the data match.
- f. The Contractor shall reconcile, within ten (10) business days of receipt, payment information provided by the State. Upon identification of any discrepancies, the Contractor shall immediately advise the State.
- g. The Contractor's systems shall conform to any future federal and state specific standards for data exchange by the standard's effective date.
- h. The Contractor shall partner with the State and member agencies in the management of current and future data exchange formats and methods and in the development and implementation planning of future data exchange methods not specific to HIPAA or other federal effort.
- i. The Contractor's system(s) shall possess mailing address standardization functionality in accordance with U.S. Postal Service conventions.

A.12. Privacy & Confidentiality

The following privacy and confidentiality standards apply to all forms of assistance that the Contractor provides.

- a. The Contractor shall develop, adopt, and implement standards, which are, at a minimum, compliant with the HIPAA statute and the HIPAA privacy and security rules in Title 45, Part 164, Code of Federal Regulations to safeguard the privacy and confidentiality of all Protected Health Information (PHI) about Members. For example, the Contractor shall ensure that it does not have completed forms sitting in public view, left in unsecured boxes or files, or left unattended in any off-site location (e.g., in an automobile). The Contractor's procedures shall include but not be limited to safeguarding the identity of Members as plan members of the Program and preventing the unauthorized disclosure of PHI. The Contractor shall comply with the HIPAA amendments in the American Recovery and Reinvestment Act, Public Law 111-5, the HITECH Act, and any implementing regulations when they become effective.
- b. The Contractor shall not use or further disclose PHI other than as permitted or required by HIPAA and the Business Associate Agreement; or as required by law. Use of PHI for , treatment, payment, or health care operations may include disclosure only as permitted by HIPAA, including HIPAA's "minimum necessary" standard or. Contractor shall report to the State any unauthorized use or disclosure of PHI as soon as possible. Contractor shall comply with the HIPAA Breach Notification Rules as required by 45 CFR 164.400 et al, and shall cooperate with the State in responding to any unauthorized use or disclosure of PHI related to this contract.
- c. The Contractor shall use appropriate safeguards to prevent the unauthorized use or disclosure of the PHI. The Contractor shall report to the State any unauthorized use or disclosure of the PHI within five (5) business days of any Security Incident of which it becomes aware.

- d. The Contractor shall mitigate, to the extent practicable, any harmful effect that is known to the Contractor of a use or disclosure of PHI by the Contractor in violation of the requirements of the Federal privacy rule.
- e. The Contractor shall provide access to PHI in a "designated record set" in order to meet the requirements under 45 CFR §164.524.
- f. The Contractor shall make any amendment(s) to PHI in a "designated record set" pursuant to 45 CFR §164.526.
- g. The Contractor shall document disclosures of PHI and information related to such disclosures as would be required to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528.
- h. The Contractor shall (i) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that it creates, receives, maintains, or transmits, (ii) report to the State any security incident (within the meaning of 45 CFR § 164.304) of which the Contractor becomes aware, and (iii) ensure that any agent of the Contractor, including any subcontractor, agrees to the same restrictions and conditions that apply to the Contractor with respect to such information.
- i. The Contractor shall not sell Public Sector Plan member information or use member information unless it is aggregated blinded data, which is not identifiable on a member basis.
- j. The Contractor shall not use Public Sector Plan member identified or non-aggregated information for advertising, marketing, promotion or any activity intended to influence sales or market share of any product or service.
- k. The Contractor shall have full financial responsibility for any penalties, fines, or other payments imposed or required as a result of the Contractor's non-compliance with, or violation of, HIPAA or HITECH requirements, and the Contractor shall indemnify the State with respect to any such penalties, fines, or payments.
- l. The Contractor shall assure that all Contractor staff is trained in all HIPAA requirements, as applicable.
- m. At the request of the State, the Contractor shall offer credit protection for those times in which a member's PHI is accidentally or inappropriately disclosed.

A.13. Audits and Quality Assurance

- a. The Contractor shall cooperate fully with audits the State may conduct related to any aspect of the Program the State deems appropriate (at the Contractor's expense). The State may select any qualified persons or organization to conduct the audits. To the extent allowed by applicable law, the State agrees that persons or organizations conducting audits of the Contractor shall be prohibited from disclosing confidential patient records or proprietary or confidential information reasonably designated as such by the Contractor.
- b. The Contractor shall maintain an internal quality assurance plan. If requested by the State, the Contractor shall provide a summary of the internal quality assurance plan indicating areas addressed, established criteria and standards and those methods employed to evaluate results.
- c. The Contractor shall submit to the State, at least one (1) month prior to the go-live date, a summary of its methodology for conducting internal operational audits. The Contractor shall

notify the State in writing at least thirty (30) calendar days in advance of any significant changes to its methodology. The State reserves the authority to review the change and require changes, where appropriate.

A.14. Reporting

- a. As required by this Contract (see Contract Attachment C), the Contractor shall submit reports to the State. Reports shall be submitted electronically, in the format specified by the State (e.g. Excel instead of PDF), and shall be of the type and at the frequency indicated below. The State reserves the right to modify reporting requirements as deemed necessary to monitor the Program. The State will provide the Contractor with at least ninety (90) days' notice prior to implementation of a report modification.

Unless otherwise directed by the State, the Contractor shall submit reports as follows:

- (1) Weekly reports shall be submitted by Tuesday of the following week;
- (2) Monthly reports shall be submitted by the 15th of the following month;
- (3) Quarterly reports shall be submitted by the 20th of the following month;
- (4) Semi-Annual Reports shall be submitted by the 20th of the following month;
- (5) Annual reports shall be submitted within sixty (60) days after the end of the calendar year.

Unless prior approved in writing by the State, each report shall be specific to the Program (not the Contractor's book of business).

- b. The Contractor shall ensure that reports submitted by the Contractor to the State shall meet the following standards:
- (1) The Contractor shall verify the accuracy and completeness of data and other information in reports submitted.
 - (2) The Contractor shall ensure delivery of reports or other required data on or before scheduled due dates.
 - (3) Reports or other required data shall conform to the State's defined written standards.
 - (4) All required information shall be fully disclosed in a manner that is responsive and with no material omission.
 - (5) Each report shall be accompanied by a brief narrative that describes the content of the report and highlights salient findings of the report.
 - (6) As applicable, the Contractor shall analyze the reports for any early patterns of change, identified trend, or outliers and shall submit a written summary with the report including such analysis and interpretation of findings. At a minimum, such analysis shall include the identification of change(s), the potential reasons for change(s), and the proposed action(s).
 - (7) The Contractor shall notify the State regarding any significant changes in its ability to collect information relative to required data or reports.
 - (8) The submission of late, inaccurate or otherwise incomplete reports shall be considered failure to report within the specified timeframe (see Contract Attachment B.7.).

- (9) State requirements regarding reports, report content and frequency of submission may change during the term of the Contract. The Contractor shall have at least forty-five (45) days to comply with changes specified in writing by the State.

A.15. Implementation

- a. Prepaid Dental Program Implementation Plan. General Requirements: The Contractor shall provide to the State a comprehensive Implementation Plan no later than thirty (30) days after the Contract Award Date as specified in Contract Section A.15.e.1. The plan shall outline the steps necessary for the Contractor to submit deliverables by the dates specified in Contract Section A.15.e. for the Contractor to be fully operational by the Program go-live date of January 1, 2016. This plan shall include a detailed timeline description of all work to be performed both by the Contractor and the State. The implementation plan shall also provide specific details on the following:
 - (1) Identification, timing, and assignment of significant responsibilities and tasks;
 - (2) Names and titles of key implementation staff;
 - (3) Identification and timing of the State's responsibilities;
 - (4) Processing of test data for appropriate interpretation of data values;
 - (5) Identification and timing for the testing, acceptance and certification of exchange of data between the Contractor and Edison and other relevant information systems;
 - (6) Member communications and their timing (consistent with Benefits Administration's larger member communication strategy); and
 - (7) Schedule of in-person meetings and conference calls with the State.
- b. The Contractor shall have a designated full-time implementation team to service this account. All of the Contractor's implementation team members shall have participated, as team members, in the implementation of prepaid dental program for at least one other large employer (i.e., an employer plan with at least 5,000 members). The Contractor's implementation team shall include a full-time, designated project manager ready to begin work immediately following the contract signing until thirty (30) days after the go-live date. The team shall also include an Account Manager dedicated to this Contract, who will be the main contact with the State for all of the day-to-day matters relating to the implementation and ongoing operations of this Contract. Also, the Contractor shall assign a backup to the Account Manager. An Information Systems Project Manager shall be part of the implementation team. All implementation team members shall be available as needed during the implementation as well as thirty (30) days after the go-live date.
- c. Staffing Plan:
 - (1) General Requirement. As part of its Project Implementation Plan described above, the Contractor shall submit to the State for review and approval a detailed staffing plan. The Contractor shall submit to the State its Staffing Plan with its Project Implementation Plan by the date specified in Contract Section A.15.e.1.
 - (2) Contents. The staffing plan shall provide staffing estimates for all functions and requirements of the Contract, including:
 - i. Representatives/operators, serving in the Call Center
 - ii. Contractor supervisory/account management staff; and
 - iii. Technical Staff, as required to process the State's program enrollment files from the State's Edison system.
- d. The State may conduct a comprehensive readiness review of the Contractor at least sixty

(60) days prior to January 1, 2016 in order to ensure that the Contractor is able and prepared to perform all functions required by this Contract and to provide high quality services to Members. Such review by the State may include an on-site review of the Contractor's customer service facilities and operation. Contractor shall participate in all readiness review activities conducted by the State staff and/or the State's benefit consultants to ensure the Contractor's operational readiness for all products and services (e.g. eligibility, member services, reporting requirements, Edison interface, etc.) The State will provide the Contractor with a summary of findings that may include areas requiring corrective action prior to January 1, 2016.

e. Due Dates for Project Deliverables/Milestones

Unless otherwise specified in writing by the State, the Contractor shall adhere to the following schedule for the deliverables and milestones for which it is responsible under this Contract:

Deliverables/Milestones:		Contract Reference(s):	Deliverable Due Dates:
Implementation			
1.	Implementation plan, Staffing Plan and timetable	A.15.a. and c.	Within 30 days post Contract Award Date
2.	All Subcontractors approved by State and copies of the executed subcontracts provided, if requested by the State	A.3.i.	Within 45 days post Contract Award Date
3.	Go-Live	A.1.a.	January 1, 2016
4.	Kick-off meeting for all key Contractor staff	A.3.f	No later than 30 days after Contract Award Date
5.	State readiness review if requested by State	A.15.d.	November 1, 2015
Provider Network			
6.	Prepaid Dental Network in place	A.2.a.	September 1, 2015
7.	Prepaid Providers aware of plan provisions	A.2.e.	December 1, 2015
Staffing			
8.	Staff identified and assigned responsibilities	A.3.a.	30 days post Contract Award Date
9.	Account Team Satisfactory Survey	A.3.k.	Within 60 days after Go-Live
Call Center			
10.	Call center open and accepting calls	A.4.a.	September 14, 2015
11.	Call center statistics	A.4.d.	Weekly from December 1, 2015 through February 29, 2016 and thereafter monthly
Member Communications/Materials			

Deliverables/Milestones:		Contract Reference(s):	Deliverable Due Dates:
12.	2016 Member Handbook,	A.5.a.	September 1, 2015
13.	Member ID cards, and Certificate of Coverage mailed to Members	A.5.a.	December 14, 2015
Website			
14.	Web site go-live	A.8.b.	September 1, 2015
15.	State review of web site	A.8.e.	August 17, 2015
Administrative Services			
16.	Grievance procedure description	A.9.g.	December 1, 2015
17.	Transport Layer Security (TLS)	A.9.h.	January 1, 2016
18.	Quarterly meetings with the State	A.9.i.	May 2016
19.	Customer Satisfaction Survey template approved by State	A.9.j.	July 1, 2016
Information Systems			
20.	Business Continuity Disaster Recovery (BC/DR) Results Report	A.10.g.(4)	December 1, 2015
21.	Provide State employees with access and update authority to the Contractor's eligibility system	A.10.j.	November 23, 2015
Data Integration & Technical Requirements			
22.	Completion of enrollment file testing	A.11.c.	November 1, 2015
23.	Edison System Interface/Enrollment file acceptance/Enrollment data online	A.11.d	December 1, 2015
24.	Weekly File Transmission Statistics Report	A.11.e.(2)	Within 5 business days of receipt of enrollment file
Reporting			
25.	Confirm with State the format, data needed, and due dates for each required report	A.14. and Contract Attachment C	November 1, 2015
Quality Assurance			
26.	Copy of internal quality assurance plan	A.13.c.	December 2, 2015
Regulatory Requirements			
27.	Certificate of Coverage	A.16.a.	November 2, 2015

A.16. Regulatory Requirements

- a. The Contractor shall prepare and submit to the State for approval no later than sixty (60) days prior to Program implementation on January 1, 2016, the *Prepaid Dental Certificate*

RFP# 31786-00126

of Coverage approved by the Division of Benefits Administration and the State of Tennessee Department of Commerce and Insurance. Such Certificate shall be added as a Contract Attachment incorporated by reference once approved. The Certificate of Coverage shall include at a minimum the following:

- (1) General Benefit and Eligibility Provisions;
 - (2) Description of Benefits and Claims Process;
 - (3) General Limitations and Exclusions;
 - (4) Optional Services; and
 - (5) Copayment Schedule
- b. The Contractor shall post the most current Certificate of Coverage on its State of Tennessee Member website and provide a copy of the Certificate for the State to post on its website.
- c. The Contractor shall submit to the State a revised Certificate within thirty (30) days of any changes to the benefits, limitations, exclusions or other provisions of the Program which are detailed in the Certificate.
- d. The Contractor shall immediately notify the State of any pending disciplinary action initiated by the State of Tennessee Department of Commerce and Insurance that may materially impact its ability to perform under this Contract.

A.17. Definitions

- a. **Agency Benefits Coordinator:** The individual within each agency or department who is the officially-designated liaison between Benefits Administration and employees/members.
- b. **Average Speed of Answer (ASA):** The mean time between (a) the moment at which a caller to the Contractor's call center first hears an introductory greeting and enters the queue and (b) the time at which a call center representative at the call center answers the call. For this definition, the term "answer" shall mean to begin an uninterrupted dialogue with the caller. If a call center representative asks the caller to hold during the first 60 seconds of the dialogue, the Contractor shall not consider the call to be "answered" for purposes of this definition until the call center representative returns to the caller and begins an uninterrupted dialogue.
- c. **BC/DR:** Business Continuity/Disaster Recovery. Disaster Recovery and its associated planning refer to specific steps that must be undertaken to resume operations in the aftermath of a catastrophic natural disaster or complete technology failure. Business Continuity describes the higher-level processes that must be put in place so that an organization's mission-critical functions can continue during and after a disaster.
- d. **Benefits:** The services available to members and the corresponding amounts that Members and the Contractor will pay for dental services under this contract.
- e. **Benefits Administration:** The division of the Tennessee Department of Finance & Administration that administers the public sector plans.
- f. **Business Days:** Traditional workdays, including Monday, Tuesday, Wednesday, Thursday, and Friday. State Holidays are excluded.
- g. **Calendar Days:** All seven days of the week.

- h. **Compliance with Section 508:** To ensure accessibility among persons with a disability, the Contractor's multimedia/video tools, website content shall comply with Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d) and implementing regulations at 36 CFR 1194 Parts A-D.
- i. **Co-pay:** The amount paid by the Member for service provided to the Member.
- j. **Contract Award Date:** The date on which the Insurance Committees approved entering into a contract with the best evaluated respondent on RFP 31786-00126.
- k. **Days:** Unless otherwise specified, refers to calendar days.
- l. **Deliverable:** A document, manual, or report (in hard copy, electronic format or specific medium as required) that the Contractor submits to the State to fulfill requirements of this Contract.
- m. **Dependent:** A dependent (spouse or child) of a Subscriber.
- n. **Edison:** The State's enterprise resource planning system, which supports human resources, payroll, employee benefits, contracting, procurement and other agency functions.
- o. **Eligible Employees and Dependents:** Employees and their dependents of State, Local Education, and Local Government agencies participating in the Prepaid Dental Program who meet the eligibility requirements as defined in Contract Attachment D.
- p. **Eligible Retirees and Dependents:** Retirees and their dependents meeting the eligibility requirements as defined in Contract Attachment D.
- q. **First Call Resolution:** A member's question(s) is answered during their first call eliminating the need for the Contractor to call back the member.
- r. **Health Insurance Portability and Accountability Act of 1996 (HIPAA):** Title I of HIPAA protects health insurance coverage for workers and their families when they change or lose their jobs. Title II, the Administrative Simplification (AS) provisions, requires the establishment of national standards for electronic healthcare transactions and national identifiers for providers, health insurance plans and employers. The HIPAA Administration Simplification provisions also address the security and privacy of health information.
- s. **Holidays:** Days on which official holidays and commemorations as defined in Tennessee Code Annotated § [15-1-101](#) *et seq.*, are observed.
- t. **Information Technology (IT):** A combination of computing hardware and software that is used in: (a) the capture, storage, manipulation, movement, control, display, interchange and/or transmission of information, i.e. structured data (which may include digitized audio and video) and documents; and/or (b) the processing of such information for the purposes of enabling and/or facilitating a business process or related transaction.
- u. **Local Education Agency (LEA) Plan:** Refers to all group insurance plan options sponsored by the Local Education Insurance Committee
- v. **Local Government Plan:** Refers to all group insurance plan options sponsored by the Local Government Insurance Committee.
- w. **Loss Ratio:** The percentage ratio derived from the sum of total dollars paid by the Contractor divided by the total collected premiums.
- x. **Members:** Eligible employees, retirees and dependents enrolled in the Prepaid Dental Program.
- y. **Network Provider:** A provider that has a provider agreement with the Contractor to provide services according to specific terms and rates.
- z. **Plan Year:** January 1 through December 31 of the same calendar year.

- aa. **Prepaid Dental Program:** Dental Program that provides dental benefits at a fixed Member copay for dental services provided by network providers.
- bb. **Protected Health Information (PHI):** individually identifiable health information that is transmitted by electronic media, maintained in electronic media; or transmitted or maintained in any other form or medium.
- cc. **State, Local Government, and Local Education Insurance Committees:** Policy making bodies for the State, Local Government, and Local Education plans established under Tennessee Code Annotated Title 8; Chapter 27 – 101, 207, and 301 respectively
- dd. **State Plan:** Refers to all group insurance plan options sponsored by the State Insurance Committee.
- ee. **Subscriber:** An employee or retiree enrolled in the Preferred Dental Program.
- ff. **Telecommunication Device for the Deaf (TDD):** Special telephony devices with keyboard attachments for use by individuals with hearing impairments who are unable to use conventional phones. Also known as Teletype (TTY).
- gg. **Week, Calendar:** The traditional seven-day week, Sunday through Saturday.

B. TERM OF CONTRACT:

- B.1. This Contract shall be effective on July 1, 2015, and extend for a period of thirty (30) months after the Effective Date (“Term”). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.
- B.2. **Renewal Options.** This contract may be renewed upon satisfactory completion of the Term. The State reserves the right to execute up to three (3) renewal options under the same terms and conditions for a period not to exceed twelve (12) months each by the State, at the State's sole option. In no event, however, shall the maximum Term, including all renewals or extensions, exceed a total of sixty - six (66) months.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. **Maximum Liability.** In no event shall the maximum liability of the State under this Contract exceed **Written Dollar Amount (\$Number)** (“Maximum Liability”). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.
- C.2. **Compensation Firm.** The payment methodology in Section C.3. of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor.
- C.3. **Payment Methodology.** The Contractor shall be compensated based on the level of coverage in the Prepaid Dental Program elected by Subscribers and the premium rates presented below, in a total amount not to exceed the Contract Maximum Liability established in section C.1.
 - a. The Contractor’s compensation shall be contingent upon the satisfactory completion of services defined in Section A *Pro Forma* Contract.
 - b. The Contractor shall be compensated based upon the following rates:
 - (1) For service performed from January 1, 2016, through December 31, 2017, the following rates shall apply:

Four Tiered Guaranteed Monthly Premiums for Active Subscribers	Calendar Year 2016 1/1/2016 – 12/31/2016	Calendar Year 2017 1/1/2017 – 12/31/2017
Employee	\$ /Active Subscriber	\$ /Active Subscriber
Employee + Spouse	\$ /Active Subscriber	\$ /Active Subscriber
Employee + Child(ren)	\$ /Active Subscriber	\$ /Active Subscriber
Employee + Spouse + Child(ren)	\$ /Active Subscriber	\$ /Active Subscriber
Four Tiered Guaranteed Monthly Premiums for Retiree Subscribers	Calendar Year 2016 1/1/2016 – 12/31/2016	Calendar Year 2017 1/1/2017 – 12/31/2017
Retiree	\$ /Retiree Subscriber	\$ /Retiree Subscriber
Retiree + Spouse	\$ /Retiree Subscriber	\$ /Retiree Subscriber
Retiree + Child(ren)	\$ /Retiree Subscriber	\$ /Retiree Subscriber
Retiree + Spouse + Child(ren)	\$ /Retiree Subscriber	\$ /Retiree Subscriber

- (2) For service performed from January 1, 2018 through December 31, 2018, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1) above but adjusted, if requested by the Contractor, up to a maximum percentage determined by the national trend for dental expenses in the previous calendar year as calculated by the State’s contracted actuarial and benefits consulting firm. In the event the Contractor requests a rate increase; the Contractor must provide any claims history, premium experience information, and/or other data supporting a need to increase the rates. Any rate increase will not exceed the national trend percentage calculated by the State’s actuarial and benefits consulting firm. The Contractor may not appeal the trend rate provided by the State’s consulting firm. The Contractor may reduce the payment rates upon notification to the State.
- (3) For service performed from January 1, 2019 through December 31, 2019, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1) above [as modified in C.3.b.(2)] but adjusted, if requested by the Contractor, up to a maximum percentage determined by the national trend for dental expenses in the previous calendar year as calculated by the State’s contracted actuarial and benefits consulting firm. In the event the Contractor requests a rate increase; the Contractor must provide any claims history, premium experience information, and/or other data

supporting a need to increase the rates. Any rate increase will not exceed the national trend percentage calculated by the State's actuarial and benefits consulting firm. The Contractor may not appeal the trend rate provided by the State's consulting firm. The Contractor may reduce the payment rates upon notification to the State.

- (4) For service performed from January 1, 2020 through December 31, 2020, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1) above [as modified in C.3.b.(2) and (3)] but adjusted, if requested by the Contractor, up to a maximum percentage determined by the national trend for dental expenses in the previous calendar year as calculated by the State's contracted actuarial and benefits consulting firm. In the event the Contractor requests a rate increase; the Contractor must provide any claims history, premium experience information, and/or other data supporting a need to increase the rates. Any rate increase will not exceed the national trend percentage calculated by the State's actuarial and benefits consulting firm. The Contractor may not appeal the trend rate provided by the State's consulting firm. The Contractor may reduce the payment rates upon notification to the State.

c. In order for the Contractor to request a rate increase as described above, the Contractor's premium and capitation experience must reflect a dental loss ratio of 70% or greater based upon premium and capitation experience of the previous calendar year. Any rate escalation requests submitted for the State's consideration must be submitted no later than April 30th of the preceding year.

d. If Member materials containing an error had been approved by the State in writing and the error was detected after the materials have been mailed, the State will reimburse the Contractor the production and postage cost of mailing the corrected version pursuant to Contract Section C.3.d.

e. For mailings above those identified in the contract, the State shall reimburse the Contractor for the following, selected actual costs in the performance of this Contract upon Contractor providing documentation of actual costs incurred.

- (1) Postage. The State shall reimburse the Contractor for the actual cost of postage for mailing materials produced under the terms of this Contract and as directed and authorized by the State.
- (2) Printing/Production. The State shall reimburse the Contractor an amount equal to the actual net cost of document printing/production as required and authorized by the State and as detailed by the Contract Scope of Services.

Notwithstanding the foregoing, the State retains the option to authorize the Contractor to deliver a product to be printed, approve and accept the product but not use the Contractor to print the material. In those situations, the State shall have the discretion to use other printing and production services at its disposal.

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.

C.5. Purchase Order in lieu of Invoicing. The State will generate a monthly purchase order and initiate payment of the purchase order, based upon payroll deduction information provided by the State, utilizing the rates listed above.

C.6. Payment of Purchase Order. A payment by the State shall not prejudice the State's right to object to or question any payment, purchase order, or matter. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount reflected on the purchase order.

- C.7. Payment Reductions. The Contractor's payment shall be subject to reduction for amounts included in any purchase order or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.
- C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee any amounts, which are or shall become due and payable to the State of Tennessee by the Contractor.
- C.9. Prerequisite Documentation. The Contractor shall not be paid by the State under this Contract until the State has received the following documentation properly completed.
- a. The Contractor shall complete, sign, and present to the State an "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once said form is received by the State, all payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee, shall be made by Automated Clearing House.
 - b. The Contractor shall complete, sign, and present to the State a "Substitute W-9 Form" provided by the State. The taxpayer identification number in the Substitute W-9 Form must be the same as the Contractor's Federal Employer Identification Number or Tennessee Edison Registration ID.

D. MANDATORY TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending on the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Sylvia D. Chunn, Procurement and Contracting Manager
Finance and Administration, Division of Benefits Administration
312 Rosa L. Parks Ave, N
WRS Tennessee Tower, 19th floor
Nashville, TN 37243
Sylvia.chunn@tn.gov
Telephone # 615.253.8358
FAX # 615.253.8556

The Contractor:

Contractor Contact Name & Title
Contractor Name

Address
Email Address
Telephone # Number
FAX # Number

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all parties hereto and approved by all applicable State officials.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract upon written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming goods requested and accepted by the State and for all satisfactory and authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount.
- D.5. Termination for Convenience. The State may terminate this Contract without cause and for any reason. The State shall give the Contractor at least thirty (30) days written notice before the termination date. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized service completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate this Contract for convenience relieve the Contractor or any liability to the State for any damages or claims arising under this Contract.
- D.6. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor materially violates any terms of this Contract ("Breach Condition"), the State shall have the right to immediately terminate the Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for breach of this Contract.
- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.
- D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of

Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee

- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment A, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
 - b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
 - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
 - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
 - f. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.
- D. 11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.

- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.
- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless for any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.
- D.17. Limitation of the State's Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for intentional torts, criminal acts, fraudulent conduct, or omissions that result in personal injuries or death.
- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State to enforce the terms of this Contract.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor,

through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

- D.20. HIPAA and HITECH Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health (HITECH) Act under the American Recovery and Reinvestment Act of 2009 (ARRA) and their accompanying regulations, as well as any other relevant laws and regulations regarding privacy.
- a. Contractor warrants to the State that it is familiar with the requirements of HIPAA and HITECH and their accompanying regulations, and shall comply with all applicable HIPAA and HITECH requirements in the course of this Contract including but not limited to the following:
 - (1) Compliance with the Privacy Rule, Security Rule, Notification Rule;
 - (2) The creation of and adherence to sufficient Privacy and Security Safeguards and Policies;
 - (3) Timely Reporting of Violations in Use and Disclosure of PHI; and
 - (4) Time Reporting of Security Incidents.
 - b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and HITECH and its regulations, in the course of performance of the Contract so that both parties will be in compliance with HIPAA and HITECH.
 - c. The Contractor agrees that its duties under this contract qualify it as a “business associate” of the State as that term is defined under HIPAA. Contractor will sign the State’s business associate agreement, which is attached as Attachment E. The State, in its discretion may, accept changes to the business associate agreement if it finds that such changes are appropriate, or may determine that HIPAA does not require a business associate agreement.
 - d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of HIPAA and HITECH as well as any other relevant laws and regulations regarding privacy. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation. The Contractor may also be liable for damages for failure to comply with this section, including any applicable liquidated damages set forth in Attachment B.
- D.21. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 8-36-801, *et seq.*, the law governing the Tennessee Consolidated Retirement System (“TCRS”), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established under Tenn. Code Ann. §§ 8-35-101, *et seq.*, accepts State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of “employee/employer” and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the Term.
- D.22. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.
- D.23. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.
- D.25. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations in the performance of this Contract.
- D.26. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against

the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 407.

- D.27. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.
- D.28. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.29. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.30. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:
- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
 - b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below);
 - c. any clarifications of or addenda to the Contractor's proposal seeking this Contract;
 - d. the State solicitation, as may be amended, requesting responses in competition for this Contract;
 - e. any technical specifications provided to proposers during the procurement process to award this Contract; and,
 - f. the Contractor's response seeking this Contract.
 - g. the Contractor's State of Tennessee Group Prepaid Dental Program Certificate of Coverage (*Prepaid Certificate of Coverage*);
 - h. the Contractor's State of Tennessee Group Prepaid Dental Insurance Program Member Co-pay Schedule.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.
- E.2. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Contractor to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the

confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Contract.

- E.3. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's response to RFP-31786-00127 (RFP Attachment 6.2, Section B.15) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, and Tennessee service-disabled veterans. Such reports shall be provided to the state of Tennessee Governor's Office of Diversity Business Enterprise in the required form and substance.

- E.4. Liquidated Damages. If the Contractor fails to perform in accordance with any term or provision of this contract, only provides partial performance of any term or provision of the Contract, violates any warranty, or any act prohibited or restricted by the Contract occurs, ("Liquidated Damages Event"), the State may assess damages on Contractor ("Liquidated Damages"). The State shall notify the Contractor of amounts to be assessed as Liquidated Damages. The Parties agree that due to the complicated nature of the Contractor's obligations under this Contract it would be difficult to specifically designate a monetary amount for Contractor's failure to fulfill its obligations regarding the Liquidated Damages Event as these amounts are likely to be uncertain and not easily proven. Contractor has carefully reviewed the Liquidated Damages contained in Attachment B and agrees that these amounts represent a reasonable relationship between the amount and what might reasonably be expected in the event of a Liquidated Damages Event, and are a reasonable estimate of the damages that would occur from a Liquidated Damages Event. The Parties agree that the Liquidated Damages represent solely the damages and injuries sustained by the State in losing the benefit of the bargain with Contractor and do not include any injury or damage sustained by a third party. The Contractor agrees that the Liquidated Damages are in addition to any amounts Contractor may owe the State pursuant to the indemnity provision or any other sections of this Contract.

The State is not obligated to assess Liquidated Damages before availing itself of any other remedy. The State may choose to discontinue Liquidated Damages and avail itself of any other remedy available under this Contract or at law or equity.

- E.5. Partial Takeover of Contract. The State may, at its convenience and without cause, exercise a partial takeover of any service that the Contractor is obligated to perform under this Contract, including any service which is the subject of a subcontract between Contractor and a third party (a "Partial Takeover"). A Partial Takeover of this Contract by the State shall not be deemed a breach of contract. The Contractor shall be given at least thirty (30) days prior written notice of a Partial Takeover. The notice shall specify the areas of service the State will assume and the date the State will be assuming. The State's exercise of a Partial Takeover shall not alter the Contractor's other duties and responsibilities under this Contract. The State reserves the right to withhold from the Contractor any amounts the Contractor would have been paid but for the State's exercise of a Partial Takeover. The amounts shall be withheld effective as of the date the State exercises its right to a Partial Takeover. The State's exercise of its right to a Partial Takeover of this Contract shall not entitle the Contractor to any actual, general, special, incidental, consequential, or any other damages irrespective of any description or amount.
- E.6. Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other

applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Contractor shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Contractor shall immediately notify State: (1) of any disclosure or use of any PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to Contractor or its employees, agents and representatives where the purpose of such disclosure is not known to Contractor or its employees, agents and representatives. The State reserves the right to review Contractor's policies and procedures used to maintain the security and confidentiality of PII and Contractor shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify and/or procure that Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Contractor shall immediately return to the State any and all PII which it has received under this Contract and shall destroy all records of such PII.

The Contractor shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Contract or otherwise available at law.

E.7. Insurance. The Contractor shall carry adequate liability and other appropriate forms of insurance.

- a. The Contractor shall maintain, at minimum, the following insurance coverage:
 - (1) Comprehensive Commercial General Liability (including personal injury & property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate.
- b. The Contractor shall provide a valid Certificate of Insurance naming the State as an additional insured and detailing Coverage Description; Insurance Company & Policy Number; Exceptions and Exclusions; Policy Effective Date; Policy Expiration Date; Limit(s) of Liability; and Name and Address of Insured. Contractor shall obtain from Contractor's insurance carrier(s) and will deliver to the State waivers of the subrogation rights under the respective policies. Failure to provide required evidence of insurance coverage shall be a material breach of this Contract.

IN WITNESS WHEREOF,

CONTRACTOR LEGAL ENTITY NAME:

CONTRACTOR SIGNATURE

DATE

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

STATE AGENCY NAME:

NAME & TITLE

DATE

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.

PRINTED NAME AND TITLE OF SIGNATORY

DATE OF ATTESTATION

PERFORMANCE GUARANTEES AND LIQUIDATED DAMAGES

To effectively manage contractual performance, the State has established performance guarantees to evaluate the Contractor's obligations with respect to the Contract. The Contractor is expected to perform according to a certain level of standards. If these standards are not met, the State is entitled to impose liquidated damage assessments. The list of Performance Guarantees and associated Liquidated Damages are included in this Attachment.

1. **Performance Reporting:** The Contractor shall develop a Performance Report Card as a means to measure compliance on a quarterly basis. The Contractor shall provide the quarterly performance report card in a manner acceptable to the State, on or before the 20th day of the month following the reporting quarter. Supporting documentation used to calculate the performance guarantees shall be provided with the Performance Report Card. The Performance Report Card shall include cumulative data over the life of the contract.
2. **Payment of Liquidated Damages:** It is agreed by the State and the Contractor that any liquidated damages assessed by the State shall be due and payable to the State within forty-five (45) calendar days after Contractor receipt of the Invoice containing an assessment of liquidated damages. If payment is not made by the due date, said liquidated damages may be withheld from future payments by the State without further notice.
3. **Maximum Assessment:** The maximum amount of Liquidated Damages payable over any twelve (12) month period shall not exceed five percent (5%) of the annual maximum liability in the Contract at the beginning of the calendar year during which the assessments occurred. In the event that a single occurrence subjects the Contractor to Liquidated Damages in multiple subsections of this provision, the State is entitled to assess a single Liquidated Damage selected at the discretion of the State.
4. **Waiver of Liquidated Damages:** The State, in its sole discretion, may elect not to assess Liquidated Damages against the Contractor in certain instances, including but not limited to the following:
 - a. Where the State determines that only inconsequential damage has occurred, unless the deficiency is part of a recurring or frequent pattern of deficiency, with regard to one (1) or more Contract deliverables or requirements
 - b. For performance measures that are resolved based on the Contractor's corrective action plan
 - c. If the failure is not due to Contractor fault (i.e. caused by factors beyond the reasonable control and without any material error or negligence of the Contractor, its staff or subcontractors)
 - d. Where no damage or injury has been sustained by the State or its Members
 - e. Where the failure does not result in increased Contract management time or expense
 - f. Where the failure results from the State's failure to perform
 - g. For other reasons at the State's sole discretion
5. **General Liquidated Damages:** In the event that the Contractor has failed to meet a performance guarantee that is set out in the Contract, but for which the Liquidated Damage standards are not spelled out in this Attachment, the State may assess liquidated damages under this General Liquidated Damages provision. The liquidated damages may be assessed at the rate of five hundred dollars (\$500.00) per business day until the guarantee has been met.
6. The Contractor shall pay to the State the indicated total dollar assessment upon notification by the State that an amount is due, through the term of this Contract.
7. As prior approved by the State in writing, performance guarantees shall be measured specific to the Public Sector Plans or on the Contractor's book of business.

1. Program Start-up (see Contract Section A.15.e.)	
Guarantee	All services required by this contract between the “contract start date” and the “go-live” date as specified in contract section A.15.e. shall be completed as specified.
Assessment	One thousand dollars (\$1,000.00) for each day beyond the deadline that any service deliverable is not completed.
Measurement	Measured, reported, reconciled, and paid no later than three (3) months after the go-live date.
2. Enrollment Set-Up (see Contract Section A.11.e.)	
Guarantee	Enrollment information shall be loaded, tested, verified and available online for use no later than thirty (30) days prior to the go-live date specified in Contract Section A.15.e.
Assessment	Five hundred (\$500) for each day beyond the date specified in Contract Section A.15.e.
Measurement	Measured, reported, reconciled and paid no later than three (3) months after the go-live date.
3. Enrollment Posting (see Contract Section A.11.e.)	
Guarantee	One hundred percent (100%) of electronically transmitted enrollment updates, including the resolution of any errors identified during processing, shall be processed within four (4) business days of receipt of the weekly file as required in Contract Section A.11.e.
Assessment	One hundred dollars (\$100) per day for the first (1 st) and second (2 nd) business days out of compliance; five hundred dollars (\$500) per business day thereafter.
Measurement	Measured and reported weekly; reconciled and paid quarterly.
4. Enrollment Discrepancies (see Contract A.11.e.)	
Guarantee	Resolve all enrollment discrepancies (any difference of values between the State’s database and the Contractor’s database) as identified within one (1) business day of notification by the State or identification by the Contractor, as required in Contract Section A.11.e.
Assessment	Per discrepancy, one hundred (\$100) per day for the first (1 st) and second (2 nd) business days out of compliance; five hundred (\$500) per business day thereafter.
Measurement	Measured and reported quarterly; reconciled and paid quarterly.
5. Program Go-Live (see Contract Section A.15.)	
Guarantee	All services required by this contract shall take effect (i.e. “go-live”) and be fully operational on January 1, 2016.
Assessment	One thousand dollars (\$1,000.00) for each day beyond the deadline that all services are not fully operational.
Measurement	Measured, reported, reconciled, and paid no later than four (4) months after the go-live date.
6. Approval of Communication Materials (see Contract Section A.5.f.)	
Guarantee	All materials, including but not limited to: ID cards and letters, produced by the Contractor shall be provided to the State for review and prior to planned printing, assembly, and/or distribution, as required in Contract Section A.5.f.
Assessment	One thousand dollars (\$1,000.00) for each occurrence the standard is not met. An occurrence is defined as per mailing and not per mail piece.
Measurement	Reported, reconciled, and paid per occurrence through the duration of the Contract.
7. Tennessee Edison System Interface (see Contract Section A.11.)	
Guarantee	Contractor’s interface with the Edison System shall be fully operational by the date specified in Contract Sections A.15.e.22., and the contractor shall maintain, from January 1, 2016 through the term of the contract, a valid interface with the Edison System.

Assessment	One thousand dollars (\$1,000.00) per day for every day out of compliance.
Measurement	Fully operational shall mean the Edison Certification of Interface Acceptance has been executed and that weekly files obtained by the Contractor from the State's Edison system will be timely and accurately processed and the data loaded directly into the Contractor's production database. Ongoing measurement, reconciled quarterly, and quarterly assessment paid annually.
8. Average Speed of Answer (see Contract Section A.4.)	
Guarantee	The Contractor's call center shall maintain an average speed of answer (ASA) of thirty (30) seconds or less, as required in Contract Section A.4.c.(1).
Assessment	One thousand dollars (\$1,000) for each calendar month that the average speed of answer exceeds the threshold above.
Measurement	The Contractor shall calculate the number of instances during each day during which a caller's time-to-answer exceeds this threshold (based on Contractor's internal telephone support system reports) compared to the total number of calls per day. Measured and reported on a weekly basis during the thirty (30) days prior to the go-live date through sixty (60) days after the go-live date. Thereafter, measured and reported monthly. Reconciliation shall be quarterly and quarterly assessment paid annually.
9. First Call Resolution (see Contract Section A.4.)	
Guarantee	The Contractor's call center shall maintain a monthly average rate of ninety-two percent (92%) for first call resolution, as required in Contract Section A.4.c.(2).
Assessment	One thousand dollars (\$1,000) for each calendar month that the average first call resolution rate exceeds the threshold above.
Measurement	The Contractor shall calculate the number of instances during each day during which a caller's initial call was answered without needing a call back from the Contractor (based on Contractor's internal telephone support system reports) compared to the total number of calls. Measured and reported on a weekly basis during the thirty (30) days prior to the go-live date though sixty (60) days after the go-live date. Thereafter, measured and reported monthly. Reconciliation shall be quarterly and quarterly assessment paid annually.
10. Management Reporting (see Contract Section A.14.)	
Guarantee	All reports shall be delivered as specified in Section A.14, unless otherwise directed by the state.
Assessment	One hundred dollars (\$100.00) for each report not delivered within the time frame specified in the contract.
Measurement	Measured based on report due date (weekly, monthly, quarterly, semi-annually, and annually); Reconciled quarterly and quarterly assessment paid annually.
11. Privacy and Security of Members Information (see Contract Section A.12)	
Guarantee	The Contractor shall not release, intentionally or unintentionally, members' personal information, enrollment information, or claims information to unauthorized parties.
Assessment	For breaches affecting fewer than five hundred (500) members: Two thousand five hundred dollars (\$2,500) for the first violation, five thousand dollars (\$5,000) for the second violation and ten thousand dollars (\$10,000) for the third and any additional violations. For breaches affecting five hundred (500) or more members: Twenty-five thousand dollars (\$25,000) per violation. The assessment will be imposed on a per incident basis and the assessment will be levied on the graduated basis detailed above. ***In the event Contractor is responsible for Federal Penalties related to a Privacy or HIPAA violation, the State may, at its discretion waive any Liquidated Damages due the State in association with the same violation.***
Measurement	Measured, reported, reconciled, and paid per occurrence.
12. Member Satisfaction (see Contract Section A.9.j.)	
Guarantee	The level of overall customer satisfaction, which is measured annually by a State-approved Member Satisfaction Survey, will be eighty-five percent (85%) or greater in the first year of the contract and equal to, or greater than, ninety percent (90%) in all subsequent years of the contract term.
Assessment	Ten thousand dollars (\$10,000.00) for failure to reach the guarantee.
Measurement	Measured, reported, reconciled and paid annually.
13. Provider Network Accessibility (see Contract Section A.2.)	

Guarantee	As measured by the GeoAccess Provider & Facility Network Accessibility Analysis, the Contractor's provider network will assure that Members will have the Access Standard indicated.	
	Provider Type	Access Standard
	General Dentists	Urban 2 providers within 15 miles for 95% of Members Suburban 2 providers within 25 miles for 95% of Members Rural 2 providers within 35 miles for 95% of Members
	Specialist Dentists	Urban 1 provider within 20 miles for 95% of Members Suburban 1 provider within 30 miles for 95% of Members Rural 1 provider within 40 miles for 90% of Members
Assessment	<u>Liquidated damage of five thousand dollars (\$5,000.00)</u> if any of the above standards is not met.	
Measurement	Measured, reported, reconciled and paid annually through the duration of the contract.	
14. Primary Dentist Turnover Rate (see Contract Section A.2.a)		
Guarantee	Total Primary dentists leaving the network, regardless if the action is voluntary or involuntary, will not exceed 15% in any plan year.	
Assessment	Ten thousand dollars (\$10,000.00) if General Dentist turnover rate exceeds 15%.	
Measurement	Calculated by dividing the number of General dentists leaving the network during the plan year, regardless if the action is voluntary or non-voluntary, by the Total number of General dentists at beginning of plan year. Measured, reported, reconciled and paid annually through the duration of the contract.	

REPORTING REQUIREMENTS

As required by Contract Section A.14., the Contractor shall submit Management Reports to the State. The reports shall be used by the State to assess the Prepaid Program costs as well as reconcile the Liquidated Damages. All reports shall be submitted in Microsoft Excel format, unless otherwise specified by the State, and shall be sent to the State via secure email.

- 1) **Liquidated Damages Tracking**, as detailed in Contract Attachment B, each component to be listed with guarantee and actual results, submitted quarterly and annually using the template prior approved in writing by the State; the report shall also include a narrative statement regarding the status of each item
- 2) **Summary Plan Information**: must be submitted quarterly and annually separately for Actives and Retirees; plus an overall summary.

Premium Level	Subscribers	Premium	Capitation	Claims Paid*
Employee				
Employee + Spouse				
Employee + Child(ren)				
Employee + Spouse + Child(ren)				
Total				

* Supplement Payments to Specialists

3) **Dental Loss Ratio**

As defined by Contract Sections A.17.w. Contractor shall quarterly and annually calculate its Dental Loss Ratio (DLR) and submit such calculation and any necessary supporting data to the State.

4) **Network Changes Update Report submitted quarterly, displaying the following:**

- a. Present Network of Participating Providers Specialty
- b. Additions to the Network by Name, Specialty and Location
- c. Terminations to the Network by Name, Specialty and Location
- d. Targeted areas for recruitment
- e. Provider turnover ratio (quarterly and annually)

5) **Call Center Activity Reports**, as detailed in Contract Section A.4.d, submitted weekly, then monthly.

- a. Average Speed of Answer – statistics to support an average speed of answer (ASA) of thirty (30) seconds or less for monthly calls
- b. First Call Resolution – statistics to support a monthly average rate of ninety-two percent (92%) for first call resolution

6) **Member Satisfaction Survey Report**, submitted annually by agreed upon date by secure email using the template prior approved in writing by the State.

7) **Account Team Satisfaction Survey Report**, submitted annually using the template prior approved in writing by the State

- 8) **BC/DR Test Results Report**, submitted annually by email using the template prior approved in writing by the State.
- 9) **Weekly File Transmission Statistics Report**, submitted by secure email within five (5) business days of receipt of the weekly enrollment update file using the template prior approved in writing by the State.
- 10) **Eligibility System Modification Log**, submitted quarterly by secure email using the template prior approved in writing by the State.
- 11) **Claims Experience Report**, submitted upon request by the State to summarize claims experience for Members by employing agency for a specific time period.
- 12) **Rate Escalation Request**, submitted annually if necessary detailing a request from the Contractor to increase the current rates detailed in Contract Section C.
- 13) **AdHoc Reports**, The Contractor shall submit such ad hoc reports as are deemed by the State to be necessary to analyze the Prepaid Dental Program. The exact format, frequency and due dates for such reports shall be mutually agreed upon with the Contractor and shall be submitted at no cost to the State.

The Prepaid Dental Program Benefits in this attachment are current as of the start date of this Contract.

The Program Benefits may be changed if approved by the State. Below is a list of the minimum dental procedure codes to be covered under this Program. Additional dental procedure codes may be covered by the Contractor. The Program Benefits will be kept current in both the Prepaid Dental Certificate of Coverage and this Contract.

BENEFITS AND COVERAGES

PARTICIPATING GENERAL DENTIST. The dental procedures listed in the Prepaid Dental Copayment Schedule will be provided as prescribed and performed by the Member's selected Participating General Dentist. The charges that the Member pays to the Participating General Dentist may not exceed the charges listed on the Copayment schedule bearing the Benefit Code of the dental program.

PARTICIPATING SPECIALISTS. Services provided by a Participating Specialist are subject to the Copayments listed on the Participating Specialist Copayment Schedule. Services received from a Participating Specialist, which are not listed on the Participating Specialist Copayment Schedule, including orthodontic care with no age restrictions or dollar maximums for Members, will be provided at a 25% reduction in the Participating Specialist's usual and customary charge. Services performed by a Non-Participating Specialist are not covered by the program and will be the Member's responsibility.

NON-PARTICIPATING GENERAL DENTIST OR SPECIALISTS. All procedures listed may not be performed by the Member's selected Participating General Dentist. Therefore, Members are encouraged to discuss availability of the scheduled services with their Participating General Dentist. Charges resulting from referrals, for any reason, to Non-Participating General Dentists or Specialists will be that dentist's actual charges. Such charges are not covered by the Program and will be payable by the Member.

EMERGENCY TREATMENT. Temporary emergency treatment may be necessary when the Participating General Dentist selected is not available. In that event, the selected Participating General Dentist will advise the Member of the substitute dentists.

OUT-OF-AREA EMERGENCY CARE. Members who are more than 100 miles away from their Participating Dentist may have emergency care rendered by any licensed Dentist. The Program will reimburse expenses for out-of-area emergency care up to \$25 per occurrence (not to exceed \$50 per Member per year). Bonafide documentation must be received within 30 days of the actual treatment.

EXCLUSIONS AND LIMITATIONS OF BENEFITS

EXCLUSIONS - The Program does not provide coverage for the following services:

1. The cost of hospitalization, pharmaceuticals and general anesthesia.
2. Services which, in the opinion of a Participating General Dentist or Participating Specialist, are not necessary for the patient's dental health, except for those procedures listed on the Copayment Schedule classified as cosmetic procedures.
3. Services which cannot be performed because of the general health of the patient.
4. Treatment which, in the opinion of the Participating General Dentist, must be performed by a Non-Participating Specialist.
5. Any service received from Member's selected Participating General Dentist that is not listed on the General Dentist Copayment Schedule.

LIMITATIONS – The Program benefits are limited as follows:

1. Any limitations are listed below with the description of the covered procedure codes.

Minimum List of Covered American Dental Association Procedure Codes

Code	Procedure Description
120	PERIODIC ORAL EVALUATION
140	LIMITED ORAL EVALUATION-PROBLEM FOCUSED
150	COMPREHENSIVE ORAL EVALUATION - new or established patient
160	DETAILED AND EXTENSIVE ORAL EVALUATION – PROBLEM FOCUSED, BY REPORT
170	RE-EVALUATION-LIMITED, PROBLEM FOCUSED (ESTABLISHED PATIENT; NOT POST-OPERATIVE VISIT)
180	COMPREHENSIVE PERIODONTAL EVALUATION – NEW OR ESTABLISHED PATIENT
210	INTRAORAL-COMPLETE SERIES INCLUDING BITEWINGS
220	INTRAORAL-PERIAPICAL-FIRST FILM
230	INTRAORAL-PERIAPICAL-EACH ADDITIONAL FILM
240	INTRAORAL-OCCLUSAL FILM
250	EXTRAORAL-FIRST FILM
260	EXTRAORAL-EACH ADDITIONAL RADIOGRAPHIC IMAGE
270	BITEWINGS-SINGLE FILM
272	BITEWINGS-TWO FILMS
274	BITEWINGS-FOUR FILMS
277	VERTICAL BITEWINGS-7 TO 8 RADIOGRAPHIC IMAGES
330	PANORAMIC FILM
340	CEPHALOMETRIC FILM
350	ORAL/FACIAL PHOTOGRAPHIC IMAGES
415	COLLECTION OF MICROORGANISMS FOR CULTURE AND SENSITIVITY
425	CARIES SUSCEPTIBILITY TESTS
460	PULP VITALITY TESTS
470	DIAGNOSTIC CASTS
1110	PROPHYLAXIS-ADULT (ONCE EVERY 6 MONTHS)
1120	PROPHYLAXIS-CHILD (ONCE EVERY 6 MONTHS) (CHILD UP TO AGE 19)
1201	TOPICAL APPLIC FLUORIDE PROPHYLAXIS INCLUDED-CHILD UP TO AGE 19
1203	TOPICAL APPLIC FLUORIDE PROPHYLAXIS NOT INCL-CHILD UP TO AGE 19
1204	TOPICAL APPLIC FLUORIDE PROPHYLAXIS NOT INCL-ADULT AGE 55 AND OLDER WITH HISTORY PERIODONTAL SURGERY – ONCE EVERY 12 CONSECUTIVE MONTHS
1208	TOPICAL APPLICATION OF FLUORIDE (PROPHYLAXIS EXCLUDED) – ADULT OR CHILD UP TO AGE 19)
1310	NUTRITIONAL COUNSELING FOR CONTROL OF DENTAL DISEASE
1330	ORAL HYGIENE INSTRUCTIONS
1351	SEALANT-PER TOOTH
1510	SPACE MAINTAINER-FIXED-UNILATERAL
1515	SPACE MAINTAINER-FIXED-BILATERAL
1520	SPACE MAINTAINER-REMOVABLE-UNILATERAL
1525	SPACE MAINTAINER-REMOVABLE-BILATERAL
1550	RE-CEMENTATION OF SPACE MAINTAINER
2140	AMALGAM- ONE SURFACE, PRIMARY OR PERMANENT
2150	AMALGAM-TWO SURFACES, PRIMARY OR PERMANENT
2160	AMALGAM-THREE SURFACES, PRIMARY OR PERMANENT
2161	AMALGAM-FOUR OR MORE SURFACES, PRIMARYPERMANENT
2330	RESIN-ONE SURFACE, ANTERIOR
2331	RESIN-TWO SURFACES, ANTERIOR

2332	RESIN-THREE SURFACES, ANTERIOR
2335	RESIN-FOUR+ SURF OR INVL INCISAL ANGLE(ANTERIOR)
2391	RESIN-BASED COMPOSIT-ONE SURFACE, POSTERIOR
2392	RESIN-BASED COMPOSIT-TWO SURFACE, POSTERIOR
2393	RESIN-BASED COMPOSIT-THREE SURFACE, POSTERIOR
2394	RESIN-BASED COMPOSIT-FOUR OR MORE SURFACE, POSTERIOR
2510	INLAY-METALLIC-ONE SURFACE
2520	INLAY-METALLIC-TWO SURFACES
2530	INLAY-METALLIC-THREE OR MORE SURFACES
2542	ONLAY-METALLIC-TWO SURFACES
2543	ONLAY-METALLIC-THREE SURFACES
2544	ONLAY-METALLIC-FOUR OR MORE SURFACES
2610	INLAY-PORCELAIN/CERAMIC ONE SURFACE
2620	INLAY-PORCELAIN/CERAMIC TWO SURFACES
2630	INLAY-PORCELAIN/CERAMIC THREE OR MORE SURFACES
2740	CROWN-PORCELAIN/CERAMIC SUBSTRATE
2750	CROWN-PORCELAIN FUSED TO HIGH NOBLE METAL
2751	CROWN-PORC FUSED TO PREDOMINANTLY BASE METAL
2752	CROWN-PORCELAIN FUSED TO NOBLE METAL
2790	CROWN-FULL CAST HIGH NOBLE METAL
2791	CROWN-FULL CAST PREDOMINANTLY BASE METAL
2792	CROWN-FULL CAST NOBLE METAL
2799	PROVISIONAL CROWN
2910	RECEMENT INLAY
2920	RECEMENT CROWN
2930	PREFABRICATED STAINLESS STEEL CROWN-PRIMARY
2931	PREFABRICATED STAINLESS STEEL CROWN-PERMANENT
2940	SEDATIVE FILLING
2950	CORE BUILD-UP, INCLUDING ANY PINS
2951	PIN RETENTION/TOOTH, IN ADDITION TO RESTORATION
2952	CAST POST AND CORE IN ADDITION TO CROWN
2954	PREFABRICATED POST AND CORE IN ADDITION TO CROWN
2960	LABIAL VENEER (LAMINATE)-CHAIRSIDE
2962	LABIAL VENEER (PORCELAIN LAMINATE)-LABORATORY
2980	CROWN REPAIR NECESSITATED BY RESTORATIVE MATERIAL FAILURE
3110	PULP CAP-DIRECT (EXCLUDING FINAL RESTORATION)
3120	PULP CAP-INDIRECT (EXCLUDING FINAL RESTORATION)
3220	THERAPEUTIC PULPOTOMY (EXCLUDING FINAL REST)
3310	ROOT CANAL-ANTERIOR(EXCLUDING FINAL RESTORATION)
3320	ROOT CANAL-BICUSPID(EXCLUDING FINAL RESTORATION)
3330	ROOT CANAL-MOLAR (EXCLUDING FINAL RESTORATION)
3346	RETREATMENT OF PREVIOUS ROOT CANAL THERAPY – ANTERIOR
3347	RETREATMENT OF PREVIOUS ROOT CANAL THERAPY – BICUSPID
3348	RETREATMENT OF PREVIOUS ROOT CANAL THERAPY - MOLAR
3410	APICOECTOMY/PERIRADICULAR SURGERY- ANTERIOR
3421	APICOECTOMY/PERIRADICULAR SURGERY- BICUSPID (FIRST ROOT)
3425	APICOECTOMY/PERIRADICULAR SURGERY- MOLAR (FIRST ROOT)
3426	APICOECTOMY/PERIRADICULAR SURGERY- (EACH ADDITIONAL ROOT)
3430	RETROGRADE FILLING – PER ROOT
3450	ROOT AMPUTATION – PER ROOT
3920	HEMISECTION (INCLUDING ANY ROOT REMOVAL), NOT INCLUDING ROOT CANAL THERAPY

4210	GINGIVECTOMY OR GINGIVOPLASTY-PER QUADRANT
4211	GINGIVECTOMY OR GINGIVOPLASTY-PER TOOTH
4240	GINGIVAL FLAP PROCEDURE INCLUDING ROOT PLANING per quadrant
4241	GINGIVAL FLAP PROCEDURE INCLUDING ROOT PLANING per tooth
4260	OSSEOUS SURGERY (INCL FLAP ENTRY/CLOSURE) - 4 OR MORE CONTIGUOUS TEETH OR TOOTH/SPACES/QUAD
4261	OSSEOUS SURGERY (INCL FLAP ENTRY/CLOSURE) – 1 TO 3 CONTIGUOUS TEETH OR TOOTH/SPACES/QUAD
4271	FREE SOFT TISS GRAFT PROC(INCL DONOR SITE SURG)
4320	PROVISIONAL SPLINTING – INTRACORONAL
4321	PROVISIONAL SPLINTING – EXTRACORONAL
4341	PERIO SCALING AND ROOT PLANING-FOUR OR MORE TEETH PER QUADRANT
4342	PERIO SCALING AND ROOT PLANING-ONE TO THREE TEETH PER QUADRANT
4355	FULL MOUTH DEBRIDEMENT TO ENABLE COMPREHENSIVE EVALUATION AND DIAGNOSIS
4381	LOCALIZED DELIVERY OF ANTIMICROBIAL AGENTS VIA A CONTROLLED RELEASE VEHICLE INTO DISEASED CREVICULAR TISSUE, PER TOOTH
4910	PERIODONTAL MAINTENANCE
5110	COMPLETE DENTURE-MAXILLARY
5120	COMPLETE DENTURE-MANDIBULAR
5130	IMMEDIATE DENTURE-MAXILLARY
5140	IMMEDIATE DENTURE-MANDIBULAR
5211	MAXILLARY PART DENTURE-RESIN BASE(CLASP/RESTS)
5212	MANDIBULAR PART DENTURE-RESIN BASE(CLASP/RESTS)
5213	MAXILLARY PART DENTURE-METAL FRAME W/RESIN BASE
5214	MANDIBULAR PART DENTURE-METAL FRAME W/RESIN BASE
5410	ADJUST COMPLETE DENTURE-MAXILLARY
5411	ADJUST COMPLETE DENTURE-MANDIBULAR
5421	ADJUST PARTIAL DENTURE-MAXILLARY
5422	ADJUST PARTIAL DENTURE-MANDIBULAR
5510	REPAIR BROKEN COMPLETE DENTURE BASE
5520	REPLACE MISS/BRKN TEETH-COMPLETE DENTURE/TOOTH
5610	REPAIR RESIN DENTURE BASE
5620	REPAIR CAST FRAMEWORK, PARTIAL DENTURE
5630	REPAIR OR REPLACE BROKEN CLASP, PARTIAL DENTURE
5640	REPLACE BROKEN TEETH-PER TOOTH, PARTIAL DENTURE
5650	ADD TOOTH TO EXISTING PARTIAL DENTURE
5660	ADD CLASP TO EXISTING PARTIAL DENTURE
5710	REBASE COMPLETE MAXILLARY DENTURE
5711	REBASE COMPLETE MANDIBULAR DENTURE
5720	REBASE MAXILLARY PARTIAL DENTURE
5721	REBASE MANDIBULAR PARTIAL DENTURE
5730	RELINE COMPLETE MAXILLARY DENTURE (CHAIRSIDE)
5731	RELINE COMPLETE MANDIBULAR DENTURE (CHAIRSIDE)
5740	RELINE MAXILLARY PARTIAL DENTURE (CHAIRSIDE)
5741	RELINE MANDIBULAR PARTIAL DENTURE (CHAIRSIDE)
5750	RELINE COMPLETE MAXILLARY DENTURE (LABORATORY)
5751	RELINE COMPLETE MANDIBULAR DENTURE (LAB)
5760	RELINE MAXILLARY PARTIAL DENTURE (LABORATORY)
5761	RELINE MANDIBULAR PARTIAL DENTURE (LABORATORY)
5850	TISSUE CONDITIONING, MAXILLARY
5851	TISSUE CONDITIONING, MANDIBULAR
5862	PRECISION ATTACHMENT, BY REPORT
6210	PONTIC-CAST HIGH NOBLE METAL
6211	PONTIC-CAST PREDOMINANTLY BASE METAL

6212	PONTIC-CAST NOBLE METAL
6240	PONTIC-PORCELAIN FUSED TO HIGH NOBLE METAL
6241	PONTIC-PORCELAIN FUSED TO PREDOM. BASE METAL
6242	PONTIC-PORCELAIN FUSED TO NOBLE METAL
6251	PONTIC-RESIN WITH PREDOMINANTLY BASE METAL
6545	RETAINER-CAST METAL FOR RESIN BONDED FIXED PROSTHESIS
6721	CROWN-RESIN WITH PREDOMINANTLY BASE METAL
6750	CROWN-RETAINER-PORCELAIN FUSED HIGH NOBLE METAL
6751	CROWN-RETAINER-PORCELAIN FUSED PRED. BASE METAL
6752	CROWN-RETAINER-PORCELAIN FUSED TO NOBLE METAL
6780	CROWN – ¾ CAST HIGH NOBLE METAL
6790	CROWN-RETAINER-FULL CAST HIGH NOBLE METAL
6791	CROWN-RETAINER-FULL CAST PREDOM. BASE METAL
6792	CROWN-RETAINER-FULL CAST NOBLE METAL
6930	RECEMENT FIXED PARTIAL DENTURE
6940	STRESS BREAKER
6950	PRECISION ATTACHMENT
6980	FIXED PARTIAL DENTURE REPAIR, BY REPORT
7111	EXTRACTION, CORONAL REMNANTS – DECIDUOUS TOOTH
7140	EXTRACTION, ERUPTED TOOTH/EXPOSED ROOT-elevation/forceps
7210	SURG REM ERUP TOOTH REQ FLAP/BONE REM/SEC TOOTH
7220	REMOVAL OF IMPACTED TOOTH-SOFT TISSUE
7230	REMOVAL OF IMPACTED TOOTH-PARTIAL BONY
7240	REMOVAL OF IMPACTED TOOTH-COMPLETE BONY
7241	REM IMPAC. TOOTH-COMP BONY/UNUSUAL COMPLICATIONS
7250	SURG REM OF RESIDUAL TOOTH ROOTS (CUTTING PROC)
7310	ALVEOLOPLASTY IN CONJUNC WITH EXTS-PER QUAD
7510	I & D ABSCESS INTRAORAL-SOFT TISSUE
7270	TOOTH REIMPLANTATION AND/OR STABILIZATION OF ACCIDENTALLY EVULSED OR DISPLACED TOOTH
7280	SURGICAL ACCESS OF AN UNERUPTED TOOTH
7310	ALVEOLOPLASTY IN CONJUNCTION WITH EXTRACTIONS – FOUR OR MORE TEETH OR TOOTH SPACES PER QUAD
7320	ALVEOLOPLASTY NOT IN CONJUNCTION WITH EXTRACTIONS – FOUR OR MORE TEETH OR TOOTH SPACES/QUAD
7510	INCISION AND DRAINAGE OF ABSCESS – INTRAORAL SOFT TISSUE
7960	FRENULECTOMY (FRENECTOMY/FRENOTOMY) SEP. PROC.
9110	PALLIATIVE (ER) TX-DENTAL PAIN-MINOR PROCEDURE
9210	LOCAL ANESTHESIA NOT IN CONJUNC W/OPERATIVE
9215	LOCAL ANESTHESIA
9220	GENERAL ANESTHESIA-FIRST 30 MINUTES
9221	GENERAL ANESTHESIA-EACH ADDITIONAL 15 MINUTES
9230	ANALGESIA,ANXIOLYSIS, INHALATION NITROUS OXIDE
9241	INTRAVENOUS CONSCIOUS SEDATION-FIRST 30 MINUTES
9242	INTRAVENOUS CONSCIOUS SEDATION-FIRST EACH 15 MINUTES
9310	PROF CONSULT (DIAG SERV BY OTHER DENTIST/PHYS)
9430	OFFICE VISIT FOR OBSERVATION-NO SERVICE (REGULAR HOURS)
9440	OFFICE VISIT -AFTER REGULARLY SCHEDULED HOURS
9910	APPLICATION-DESENSITIZING MEDICAMENT
9940	OCCLUSAL GUARD, BY REPORT
9951	OCCLUSION ADJUSTMENT-LIMITED
9952	OCCLUSION ADJUSTMENT-COMPLETE
9972	EXTERNAL BLEACHING - PER ARCH
9973	EXTERNAL BLEACHING - PER TOOTH

	ADDITIONAL PROPHYLAXIS (D1110 OR D1120 FOR PATIENTS WITHOUT PERIODONTAL DISEASE)
	EMERGENCY OFFICE VISIT (IN CONJUNCTION WITH SERVICE)
	MISSED APPOINTMENT (WITHOUT 24 HOUR NOTICE)
	OFFICE VISIT (IN CONJUNCTION WITH SERVICE)
	PERIODONTAL HYGIENE INSTRUCTIONS
	RESIN BONDED BRIDGE PONTIC, PER UNIT
	TEMPORARY FILLING

**HIPAA BUSINESS ASSOCIATE AGREEMENT
COMPLIANCE WITH PRIVACY AND SECURITY RULES**

THIS BUSINESS ASSOCIATE AGREEMENT (hereinafter "Agreement") is between **The State of Tennessee, Finance and Administration, Division of Benefits Administration** (hereinafter "Covered Entity") and _____ (hereinafter "Business Associate"). Covered Entity and Business Associate may be referred to herein individually as "Party" or collectively as "Parties."

BACKGROUND

Parties acknowledge that they are subject to the Privacy and Security Rules (45 CFR Parts 160 and 164) promulgated by the United States Department of Health and Human Services pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191 as amended by Public Law 111-5, Division A, Title XIII (the HITECH Act), in certain aspects of its operations.

Business Associate provides services to Covered Entity pursuant to one or more contractual relationships detailed below and hereinafter referred to as "Service Contracts."

LIST OF AGREEMENTS AFFECTED BY THIS BUSINESS ASSOCIATE AGREEMENT:

Contract Name:

Execution Date:

In the course of executing Service Contracts, Business Associate may come into contact with, use, or disclose Protected Health Information ("PHI"). Said Service Contract(s) are hereby incorporated by reference and shall be taken and considered as a part of this document the same as if fully set out herein.

In accordance with the federal privacy and security regulations set forth at 45 C.F.R. Part 160 and Part 164, Subparts A, C, D and E, which require Covered Entity to have a written memorandum with each of its Business Associates, the Parties wish to establish satisfactory assurances that Business Associate will appropriately safeguard PHI and, therefore, make this Agreement.

DEFINITIONS

Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in 45 CFR §§ 160.103, 164.103, 164.304, 164.402, 164.501, and 164.504.

- 1.1 "Breach of the Security of the [Business Associate's Information] System" shall have the meaning set out in its definition at T.C.A. § 47-18-2107
- 1.2 "Business Associate" shall have the meaning set out in its definition at 45 C.F.R. § 160.103.
- 1.3 "Covered Entity" shall have the meaning set out in its definition at 45 C.F.R. § 160.103.
- 1.4 "Designated Record Set" shall have the meaning set out in its definition at 45 C.F.R. § 164.501.
- 1.5 "Electronic Protected Health Information" shall have the meaning set out in its definition at 45 C.F.R. § 160.103.
- 1.6 "Genetic Information" shall have the meaning set out in its definition at 45 C.F.R. § 160.103.

- 1.7 "Health Care Operations" shall have the meaning set out in its definition at 45 C.F.R. § 164.501.
- 1.8 "Individual" shall have the same meaning as the term "individual" in 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).
- 1.9 "Information Holder" shall have the meaning set out in its definition at T.C.A. § 47-18-2107
- 1.10 "Marketing" shall have the meaning set out in its definition at 45 C.F.R. § 164.501.
- 1.11 "Personal information" shall have the meaning set out in its definition at T.C.A. § 47-18-2107
- 1.12 "Privacy Official" shall have the meaning as set out in its definition at 45 C.F.R. § 164.530(a)(1).
- 1.13 "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, subparts A, and E.
- 1.14 "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- 1.15 "Required by Law" shall have the meaning set forth in 45 CFR § 164.512.
- 1.16 "Security Incident" shall have the meaning set out in its definition at 45 C.F.R. § 164.304.
- 1.17 "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Parts 160 and 164, Subparts A and C.

2. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE (Privacy Rule)

2.1 Business Associate is authorized to use PHI for the purposes of carrying out its duties under the Services Contract. In the course of carrying out these duties, including but not limited to carrying out the Covered Entity's duties under HIPAA, Business Associate shall fully comply with the requirements under the Privacy Rule applicable to "business associates," as that term is defined in the Privacy Rule and not use or further disclose PHI other than as permitted or required by this Agreement, the Service Contracts, or as Required By Law. Business Associate is subject to requirements of the Privacy Rule as required by Public Law 111-5, Section 13404 [designated as 42 U.S.C. 17934] In case of any conflict between this Agreement and the Service Contracts, this Agreement shall govern.

2.2 The Health Information Technology for Economic and Clinical Health Act (HITECH) was adopted as part of the American Recovery and Reinvestment Act of 2009. HITECH and its implementing regulations impose new requirements on Business Associates with respect to privacy, security, and breach notification. Business Associate hereby acknowledges and agrees that to the extent it is functioning as a Business Associate of Covered Entity, Business Associate shall comply with HITECH. Business Associate and the Covered Entity further agree that the provisions of HIPAA and HITECH that apply to business associates and that are required to be incorporated by reference in a business associate agreement have been incorporated into this Agreement between Business Associate and Covered Entity. Should any provision not be set forth specifically, it is as if set forth in this Agreement in its entirety and is effective as of the Applicable Effective Date, and as amended.

2.3 Business Associate shall use appropriate administrative, physical, and technical safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement, Services Contract(s), or as Required By Law. This includes the implementation of Administrative, Physical, and Technical Safeguards to reasonably and appropriately protect the Covered Entity's PHI against any reasonably anticipated threats or hazards, utilizing the technology commercially available to the Business Associate. The Business Associate shall maintain appropriate documentation of its compliance with the Privacy Rule, including, but not limited to, its policies, procedures, records of training and sanctions of members of its Workforce.

2.4 Business Associate shall require any agent, including a subcontractor, to whom it provides PHI received from, maintained, created or received by Business Associate on behalf of Covered Entity or that carries out any

duties for the Business Associate involving the use, custody, disclosure, creation of, or access to PHI or other confidential information, to agree, by written contract with Business Associate, to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

2.5 Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.

2.6 Business Associate shall require its employees, agents, and subcontractors to promptly report, to Business Associate, immediately upon becoming aware of any use or disclosure of PHI in violation of this Agreement. Business Associate shall report to Covered Entity any use or disclosure of the PHI not provided for by this Agreement. Business Associate will also provide additional information reasonably requested by the Covered Entity related to the breach.

2.7 As required by the Breach Notification Rule, Business Associate shall, and shall require its subcontractor(s) to, maintain systems to monitor and detect a Breach of Unsecured PHI, whether in paper or electronic form.

2.7.1 Business Associate shall provide to Covered Entity notice of a Potential or Actual Breach of Unsecured PHI immediately upon becoming aware of the Breach.

2.7.2 Business Associate shall cooperate with Covered Entity in timely providing the appropriate and necessary information to Covered Entity.

2.7.3 Covered Entity shall make the final determination whether the Breach requires notification and whether the notification shall be made by Covered Entity or Business Associate.

2.8 If Business Associate receives PHI from Covered Entity in a Designated Record Set, Business Associate shall provide access, at the request of Covered Entity, to PHI in a Designated Record Set to Covered Entity, in order to meet the requirements under 45 CFR § 164.524, provided that Business Associate shall have at least 30 business days from Covered Entity notice to provide access to, or deliver such information.

2.9 If Business Associate receives PHI from Covered Entity in a Designated Record Set, then Business Associate shall make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to the 45 CFR § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity, provided that Business Associate shall have at least 30 business days from Covered Entity notice to make an amendment.

2.10 Business Associate shall make its internal practices, books, and records including policies and procedures and PHI, relating to the use and disclosure of PHI received from, created by or received by Business Associate on behalf of, Covered Entity available to the Secretary of the United States Department of Health in Human Services or the Secretary's designee, in a time and manner designated by the Secretary, for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule.

2.11 Business Associate shall document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosure of PHI in accordance with 45 CFR § 164.528.

2.12 Business Associate shall provide Covered Entity or an Individual, in time and manner designated by Covered Entity, information collected in accordance with this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528, provided that Business Associate shall have at least 30 business days from Covered Entity notice to provide access to, or deliver such information which shall include, at minimum, (a) date of the disclosure; (b) name of the third party to whom the PHI was disclosed and, if known, the address of the third party; (c) brief description of the disclosed information; and (d) brief explanation of the purpose and basis for such disclosure. Business Associate shall provide an accounting of disclosures directly to an individual when required by section 13405(c) of Public Law 111-5 [designated as 42 U.S.C. 17935(c)].

2.13 Business Associate agrees it must limit any use, disclosure, or request for use or disclosure of PHI to the minimum amount necessary to accomplish the intended purpose of the use, disclosure, or request in accordance with the requirements of the Privacy Rule.

2.13.1 Business Associate represents to Covered Entity that all its uses and disclosures of, or requests for, PHI shall be the minimum necessary in accordance with the Privacy Rule requirements.

2.13.2 Covered Entity may, pursuant to the Privacy Rule, reasonably rely on any requested disclosure as the minimum necessary for the stated purpose when the information is requested by Business Associate.

2.13.3 Business Associate acknowledges that if Business Associate is also a covered entity, as defined by the Privacy Rule, Business Associate is required, independent of Business Associate's obligations under this Memorandum, to comply with the Privacy Rule's minimum necessary requirements when making any request for PHI from Covered Entity.

2.14 Business Associate shall adequately and properly maintain all PHI received from, or created or received on behalf of, Covered Entity

2.15 If Business Associate receives a request from an Individual for a copy of the individual's PHI, and the PHI is in the sole possession of the Business Associate, Business Associate will provide the requested copies to the individual and notify the Covered Entity of such action. If Business Associate receives a request for PHI in the possession of the Covered Entity, or receives a request to exercise other individual rights as set forth in the Privacy Rule, Business Associate shall notify Covered Entity of such request and forward the request to Covered Entity. Business Associate shall then assist Covered Entity in responding to the request.

2.16 Business Associate shall fully cooperate in good faith with and to assist Covered Entity in complying with the requirements of the Privacy Rule.

3 OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE (Security Rule)

3.1 Business Associate shall fully comply with the requirements under the Security Rule applicable to "business associates," as that term is defined in the Security Rule. In case of any conflict between this Agreement and Service Agreements, this Agreement shall govern.

3.2 Business Associate shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that it creates, receives, maintains, or transmits on behalf of the covered entity as required by the Security Rule and Public Law 111-5. This includes specifically, but is not limited to, the utilization of technology commercially available at the time to the Business Associate to protect the Covered Entity's PHI against any reasonably anticipated threats or hazards. The Business Associate understands that it has an affirmative duty to perform a regular review or assessment of security risks, conduct active risk management and supply best efforts to assure that only authorized persons and devices access its computing systems and information storage, and that only authorized transactions are allowed. The Business Associate will maintain appropriate documentation to certify its compliance with the Security Rule.

3.3 Business Associate shall ensure that any agent, including a subcontractor, to whom it provides electronic PHI received from or created for Covered Entity or that carries out any duties for the Business Associate involving the use, custody, disclosure, creation of, or access to PHI supplied by Covered Entity, to agree, by written contract (or the appropriate equivalent if the agent is a government entity) with Business Associate, to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

3.4 Business Associate shall require its employees, agents, and subcontractors to report to Business Associate within five (5) business days, any Security Incident (as that term is defined in 45 CFR § 164.304) of which it becomes aware. 45 CFR 164.314(a)(2)(C) requires that business associate shall report to the covered entity any security incident of which it becomes aware, including breaches of unsecured protected health information as required by 164.410. Business Associate shall promptly report any Security Incident of which it becomes aware

to Covered Entity. Provided however, that such reports are not required for attempted, unsuccessful Security Incidents, including trivial and routine incidents such as port scans, attempts to log-in with an invalid password or user name, denial of service attacks that do not result in a server being taken off-line, malware, and pings or other similar types of events.

3.5 Business Associate shall make its internal practices, books, and records including policies and procedures relating to the security of electronic PHI received from, created by or received by Business Associate on behalf of, Covered Entity available to the Secretary of the United States Department of Health in Human Services or the Secretary's designee, in a time and manner designated by the Secretary, for purposes of determining Covered Entity's or Business Associate's compliance with the Security Rule.

3.6 Business Associate shall fully cooperate in good faith with and to assist Covered Entity in complying with the requirements of the Security Rule.

3.7 Notification for the purposes of Sections 2.8 and 3.4 shall be in writing made by email/fax, certified mail or overnight parcel immediately upon becoming aware of the event, with supplemental notification by facsimile and/or telephone as soon as practicable, to:

State of Tennessee
Benefits Administration
HIPAA Privacy & Security Officer
312 Rosa L. Parks Avenue
1900 W.R.S. Tennessee Towers
Nashville, TN 37243-1102
Phone: (615) 770-6949
Facsimile: (615) 253-8556

With a copy to:

State of Tennessee
Benefits Administration
Contracting and Procurement Manager
312 Rosa L. Parks Avenue
1900 W.R.S. Tennessee Towers
Nashville, TN 37243-1102
Phone: (615) 253-8358
Facsimile: (615) 253-8556

3.8 Business Associate identifies the following key contact persons for all matters relating to this Agreement:

Business Associate shall notify Covered Entity of any change in the key contact during the term of this Agreement in writing within ten (10) business days.

4. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE

4.1 Except as otherwise limited in this Agreement, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in Service Contract(s), provided that such use or disclosure would not violate the Privacy and Security Rule, if done by Covered Entity. Business Associate's disclosure of PHI shall be subject to the limited data set and minimum necessary requirements of Section 13405(b) of Public Law 111-5, [designated as 42 U.S.C. 13735(b)]

4.2 Except as otherwise limited in this Agreement, Business Associate may use PHI as required for Business Associate's proper management and administration or to carry out the legal responsibilities of the Business Associate.

4.3 Except as otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or provided that, if Business Associate discloses any PHI to a third party for such a purpose, Business Associate shall enter into a written agreement with such third party requiring the third party to: (a) maintain the confidentiality, integrity, and availability of PHI and not to use or further disclose such information except as Required By Law or for the purpose for which it was disclosed, and (b) notify Business Associate of any instances in which it becomes aware in which the confidentiality, integrity, and/or availability of the PHI is breached immediately upon becoming aware.

4.4 Except as otherwise limited in this Agreement, Business Associate may use PHI to provide data aggregation services to Covered Entity as permitted by 45 CFR § 164.504(e)(2)(i)(B).

4.5 Business Associate may use PHI to report violations of law to appropriate Federal and State Authorities consistent with 45 CFR 164.502(j)(1).

4.6 Business Associate shall not use or disclose PHI that is Genetic Information for underwriting purposes. Moreover, the sale, marketing or the sharing for commercial use or any purpose construed by Covered Entity as the sale, marketing or commercial use of member's personal or financial information with affiliates, even if such sharing would be permitted by federal or state laws, is prohibited.

4.7 Business Associate shall enter into written agreements that are substantially similar to this Business Associate Agreement with any Subcontractor or agent which Business Associate provides access to Protected Health Information.

4.8 Business Associates shall implement and maintain information security policies that comply with the HIPAA Security Rule.

5. OBLIGATIONS OF COVERED ENTITY

5.1 Covered Entity shall provide Business Associate with the Notice of Privacy Practices that Covered Entity produces in accordance with 45 CFR § 164.520, as well as any changes to such notice. Covered Entity shall notify Business Associate of any limitations in its notice that affect Business Associate's use or disclosure of PHI.

5.2 Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by an Individual to use or disclose PHI, if such changes affect Business Associate's permitted or required uses.

5.3 Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect Business Associate's use of PHI.

6. PERMISSIBLE REQUESTS BY COVERED ENTITY

6.1 Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy or Security Rule, if done by Covered Entity.

7. TERM AND TERMINATION

7.1 Term. This Agreement shall be effective as of the date on which it is signed by both parties and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, Section 7.3. below shall apply.

7.2 Termination for Cause.

7.2.1. This Agreement authorizes and Business Associate acknowledges and agrees Covered Entity shall have the right to immediately terminate this Agreement and Service Contracts in the event Business Associate fails to comply with, or violates a material provision of, requirements of the Privacy and/or Security Rule or this Memorandum.

7.2.2. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

7.2.2.1. Provide a reasonable opportunity for Business Associate to cure the breach or end the violation,
or

7.2.2.2. If Business Associate has breached a material term of this Agreement and cure is not possible or if Business Associate does not cure a curable breach or end the violation within a reasonable time as specified by, and at the sole discretion of, Covered Entity, Covered Entity may immediately terminate this Agreement and the Service Agreement.

7.2.2.3. If neither cure nor termination is feasible, Covered Entity shall report the violation to the Secretary of the United States Department of Health in Human Services or the Secretary's designee.

7.3 Effect of Termination.

7.3.1. Except as provided in Section 7.3.2. below, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of, Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.

7.3.2. In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction unfeasible. Upon mutual agreement of the Parties that return or destruction of PHI is unfeasible, Business Associate shall extend the protections of this Memorandum to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction unfeasible, for so long as Business Associate maintains such PHI.

8. MISCELLANEOUS

8.1 Regulatory Reference. A reference in this Agreement to a section in the Privacy and or Security Rule means the section as in effect or as amended.

8.2 Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Rules and the Health Insurance Portability and Accountability Act, Public Law 104-191, including any amendments required by the United States Department of Health and Human Services to implement the Health Information Technology for Economic and Clinical Health and related regulations upon the effective date of such amendment, regardless of whether this Agreement has been formally amended, including, but not limited to changes required by the American Recovery and Reinvestment Act of 2009, Public Law 111-5.

8.3 Survival. The respective rights and obligations of Business Associate under Section 7.3. of this Memorandum shall survive the termination of this Agreement.

8.4 Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity and the Business Associate to comply with the Privacy and Security Rules.

8.5 Notices and Communications. All instructions, notices, consents, demands, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered by hand, by facsimile

transmission, by overnight courier service, or by first class mail, postage prepaid, addressed to the respective party at the appropriate facsimile number or address as set forth below, or to such other party, facsimile number, or address as may be hereafter specified by written notice.

COVERED ENTITY:

State of Tennessee
Department of Finance and Administration
Benefits Administration
ATTN: Angie Williams
HIPAA Privacy & Security Officer
312 Rosa L. Parks Avenue
1900 W.R.S. Tennessee Towers
Nashville, TN 37243-1102
Phone: (615) 770-6949
Facsimile: (615) 253-8556
E-Mail: angie.williams@tn.gov

BUSINESS ASSOCIATE:

With a copy to:

ATTN: Sylvia Chunn
Procurements & Contracting Manager
At the address listed above
Phone: (615) 253-8358
Facsimile: (615) 253-8556
E-Mail: Sylvia.chunn@tn.gov

A. All instructions, notices, consents, demands, or other communications shall be considered effectively given as of the date of hand delivery; as of the date specified for overnight courier service delivery; as of three (3) business days after the date of mailing; or on the day the facsimile transmission is received mechanically by the facsimile machine at the receiving location and receipt is verbally confirmed by the sender.

8.6 Strict Compliance. No failure by any Party to insist upon strict compliance with any term or provision of this Agreement, to exercise any option, to enforce any right, or to seek any remedy upon any default of any other Party shall affect, or constitute a waiver of, any Party's right to insist upon such strict compliance, exercise that option, enforce that right, or seek that remedy with respect to that default or any prior, contemporaneous, or subsequent default. No custom or practice of the Parties at variance with any provision of this Agreement shall affect, or constitute a waiver of, any Party's right to demand strict compliance with all provisions of this Agreement

8.7 Severability. With respect to any provision of this Agreement finally determined by a court of competent jurisdiction to be unenforceable, such court shall have jurisdiction to reform such provision so that it is enforceable to the maximum extent permitted by applicable law, and the Parties shall abide by such court's determination. In the event that any provision of this Agreement cannot be reformed, such provision shall be deemed to be severed from this Agreement, but every other provision of this Agreement shall remain in full force and effect.

8.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee except to the extent that Tennessee law has been pre-empted by HIPAA.

8.9 Compensation. There shall be **no** remuneration for performance under this Agreement except as specifically provided by, in, and through, existing administrative requirements of Tennessee State government and services contracts referenced herein.

8.10 Security Breach. A violation of HIPAA or the Privacy or Security Rules constitutes a breach of this Business Associate Agreement and a breach of the Service Contract(s) listed on page one of this agreement, and shall be subject to all available remedies for such breach.

IN WITNESS WHEREOF,

Contractor Name and Title

Date:

Larry B. Martin, Commissioner of Finance & Administration

Date: