

**RFP#: 2012-HIX-101, Alabama Dept. of Insurance, Office of the Alabama Health Insurance Exchange (HIX)
RFP Questions, 6/7/2012**

Item	RFP Section	RFP Page	Question	Answer
1			Please provide clarification on the mandatory pre-proposal conference. Are we required to attend in person or may we participate via phone?	In person attendance is required.
2			Does the Department of Insurance (DOI) plan to procure a Quality Assurance/Quality Control (QA/QC) or Independent Verification & Validation (IV&V) vendor separately from the awarded HIX System vendor?	No, not at this time
3			Does DOI plan to issue any other RFPs in the future for HIX-related systems or system components?	No, not at this time.
4	Table 1	9	Please define what is meant by “warranty period” in phase 5.	The warranty period is defined implicitly in this table as being synonymous with Phase 5. See also references to the Warranty Period on pages 22, 34, 35, 40, 41, 156, 210, and 211.
5	Table 1	9	Please explain the role of the vendor beginning 10/1/13 and ending 1/1/15.	The Vendor will be responsible for operating the Exchange under the direction of the HIX during this period with the exception of designated state-specific functions.
6	1.2.3	13	What HIX functionality is/will be included in the MyAlabama.gov portal?	At a minimum, MyAlabama will provide access to the HIX System (“no closed door” approach). For instance, as a part of creating a MyAlabama account, citizens should be able to enter their demographic information in MyAlabama and have this information transmitted to the HIX. The exact sharing of functionality between the HIX System and MyAlabama require design considerations that are expected of the Vendors in their proposals.
7	Milestones	22	Please define the operational services and support services referenced in Phase 3.	These will include the complete operations of all system components developed in Phase 2. These components are described in Section 3.3.
8	Milestones	22	The phase 5 milestone is a readiness review. Does this imply that actual phase 5 operations are independent of this procurement or are state options to be executed at a later date?	Neither. The Vendor will be responsible for operations during Phase 5. State options for operation will apply to Phase 6. See Page 35.
9	3.2.2	25	Please confirm that the Consumer and Small Business Support and Associated Operational Services, are State options that may be responded to, if the vendor desires. Please indicate, with the regards to the defined phased approach, where these services will commence.	The Vendor must respond to the Consumer and Small Business Support described in this section. The word “may” was used in Line 839 not to imply that this functionality was optional, but to suggest an organization for the Vendors’ responses. Phase 2 components are described in Section 3.3. These are not optional services. They must be provided by the vendor effective October 1, 2013.

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10	3.2.2	25	Is the IVR requirement exclusive to the optional functionality envisioned for phase 5? Will there not be a public 800 number for consumers to call for application status, premiums billing, complaints and appeals etc.?	No; vendors are free to and encouraged to propose the consumer support systems that they feel would best accomplish HIX goals. However, at a minimum, the following MUST be supported: Interactive Voice Recognition (IVR) support, email, online chat and walk-ins. This answer also applies to the second part of this question.
11	3.2.2	25	Please confirm that email, text, social media and walk-ins are optional requirements not currently in scope?	This cannot be confirmed because it is not a valid assumption. Vendors are free to and encouraged to propose the consumer support systems that they feel would best accomplish HIX goals.
12	3.2.2	25	Aside from the optional eLearning requirement, will the vendor be tasked with registering, certifying and managing the navigators?	Neither the eLearning requirement nor any of the other requirements within Section 3.2.2. are optional. The word “may” was used only to imply that the Vendor’s response may or may not have subsections to the effect of organizing the response to these requirements in this way. Vendors must propose what they consider as an optimal sharing of responsibilities or registering, certifying and managing the Navigators between the Vendor and HIX.
13	3.6	40	Is there a requirement that the help desks and/or consumer and small business support and associated operational services be located in Alabama?	No, however, they must be located in the U.S.
14	5.2.1	54	Where in the technical proposal should the consumer and small business support and associated operational services be included?	Section 2 of Response Tab 5; See Section 3.2.2.
15	Section 5.2.3, Part 2: Cost Proposal	72-73	(1) Please confirm that the vendor will be required to operate the consumer and small business support and associated operational services under both Tables A & B through 2015. (2) For Table B, please confirm that the vendor shall include transition activities as part of the pricing.	(1) The Vendor will be required to operate the entire Exchange during Phase 5 under both the assumptions of Tables A and B. (2) This is correct; Table B is to include transition activities.
16	5.3.7	80	Will the vendor’s experience and proposed approach to consumer and small business support and associated operational services be evaluated?	Yes.
17	7.1.26	215	Line 7197 uses the term “call center”. Please confirm the State is using call center and help desk synonymously.	Yes, “call center” is synonymous with “help desk.”
18	7.1.26	215	“The state expects to support two help desk systems” – Will the State clarify the intent of the external facing help desk. Is this function to support consumers with application/enrollment/case management functions or to support customers with technical issues (Login, credentialing, permissions)?	It is to support both functions.
19	Form M – Price Schedule VIII	279	Where should the vendor build pricing for the operation of the consumer and small business support and associated operational services?	It must be included in the appropriate categories according to the actual types of expenses incurred.

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20	EL-108	Matrix	Please provide volume information associated with the forecasted enrollment populations? Please provide the number of pieces of mail envisioned per enrollee per year.	Unknown. There are ~ 500,000 individuals who will be eligible to purchase plans in the individual Exchange and ~ 600,000 who will be eligible to purchase through the SHOP exchange. Enrollment estimates may be found at http://insurance.alabama.gov/PDF/Consumers/Exchange%20Financial%20Sustainability%20BMA10T9.pdf . Individuals may “opt out” of having correspondence mailed by requesting to receive notices via email.
21	EL-108	Matrix	Please confirm that all postage associated with this project functions as a pass through to the State.	We are unclear as to what this question is asking. HIX is not responsible for any postage with regard to the proposal.
22	EL-16	Matrix	“Individuals to access in-depth online help” – will the State define “in-depth online help”? Is the State referring to decision aids, FAQs, or more personalized support such as click to chat or co-browsing?	At a minimum, there must be decision support tools, FAQs and chat. If the Vendor has other solutions, these solutions should be addressed in the proposal as well.
23	EL-17	Matrix	The requirement states that the solution must “provide capability” for individuals to request further assistance. Does this requirement refer to the functionality necessary for an end user to request these services from entities such as Navigators or brokers, or does this requirement request that the vendor provide these support services (customer service representative, phone support)?	Both, depending on the most appropriate help source.
24	EL-21	Matrix	(1) Does outbound mail need to have an Alabama postmark? (2) Is there a requirement to accept inbound mail? If so, is an Alabama P.O. BOX required?	(1) No. (2) Yes; We do not anticipate requiring an Alabama post office box at this time.
25	EL-76	Matrix	(1) Does the manual verification process utilize state provided 3rd party data sources in the event that the Federal Data Hub fails to provide accurate information, or does this become a paper verification process? (2) If the latter, is there any way to accept verification documents other than digital upload to the portal?	(1) State databases or “paper” sources (including digital images of customer-supplied documentation) may be used for verification purposes. (2) Yes. U.S. Mail or walk-ins.
26	SH-3	Matrix	Does the portal need to provide a means to connect with secondary support or does this requirement ask that the vendor also provide secondary support?	Both must be proposed, depending on the most appropriate help source.
27	FM-55	Matrix	(1) This requirement requires adjusting of bad checks. Is there a requirement to accept paper checks? (2) If so, is there a lock box requirement for this procurement or is the vendor to work with the State’s preferred banking partner?	(1) Yes. (2) Yes. No preference; Vendors should propose what their experience has shown will work best.
28	FM-20	Matrix	The vendor is required to take credit card payments – will the State limit the credit card payments to Visa and Master card, debit and credit? If not, will merchant fees be a pass through to the State or will the State negotiate merchant fees with each card carrier?	The Vendor must be able to accept credit card payments. Payments will not be limited to Visa and Master Card. It will be up to the Vendor to negotiate and collect merchant fees.
29	General	General	Please provide a Federal Data Hub efficacy rate for the purpose of planning.	Not available.
30	General	General	What is the State’s estimate of percentage of users who will be “self-service” beginning on day one of the exchange?	Not available.

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31	General	General	Does the State expect to pre-market the launch of the exchange or should the vendor plan for a more gradual uptake in enrollments over a period of months?	State will engage in extensive pre-launch marketing. It is anticipated that the highest volumes will be at the beginning of the initial enrollment period, major holidays during this time period and towards the end of the initial enrollment period.
32	General	General	Please indicate the various user types envisioned for this system (i.e. Individuals, Employers, Employees, Navigators, State Case Workers, etc.)?	All of the above.
33	General	General	(1) Will consumers be able to download, print and populate a paper application? (2) If so, will consumers be able to fax or mail their completed application to the vendor?	(1) Yes. (2) Yes.
34	General	General	Assuming there will be a mechanism to accept paper applications, will it be the task of the vendor of this procurement to research missing information and place outbound calls to consumers as necessary?	Yes
35	General	General	Could the State provide more detail concerning the consumer and small business support and associated operational services? At a minimum, please provide anticipated volumes, mailing assumptions, call volume & call duration assumptions.	Unknown.
36	5.2.2.21	69	Per Section 5.2.2.21 (Appendix A – Financial Status), vendors need to provide this information (at least balance sheet and income statement) within the RFP response. Does this apply to subcontractors as well?	Yes.
37	5.2.2.22	69	Per Section 5.2.2.22 (Appendix B – Certificate of Authority), vendors need to provide this information (certifications, ability to conduct business within the State of Alabama) within the RFP response. Does this apply to subcontractors as well, meaning can subcontractors conduct business under the prime contractor’s business license and approval, or does each organization within the response have to obtain a Certificate of Authority?	For purposes of this contract and RFP, any contractor or subcontractor doing business in Alabama must be properly licensed and certified to do so.
38	5.2.5	77	Per Section 5.2.5 (Freedom of Information and Privacy Acts): Will organizations have the opportunity to mark details as confidential or redact copies prior to sharing them publicly? If so, how can we best indicate what areas are to be protected?	Sections 4.19 and 6.1.6 of the RFP address this. Please review these sections of the RFP.
39	5.3.7.1	81	Section 5.3.7.1 References: Clarification. This section refers to references provided for Technical and Business Experience; as a clarification, this information is to be provided only through Form Q (Company business experience) and via Key Personnel qualification references, correct?	Yes.
40	General	N/A	Please confirm that vendors can remove the State’s numbers from along the left side of the forms that are returned in the proposal response.	Yes, it will be acceptable to remove the State’s numbers from along the left side of the forms that are returned in the proposal response.
41	Table 1. Project Timetable	9	Based on the detail required in the proposal response to the RFP and the short time between the date the final answers are received and project due date, would the State consider extending the due date by 30 days to allow vendors to evaluate and respond to the State’s answers to vendor questions?	No extensions are being considered at this time.

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42	3.5.2 Staffing	38	Please clarify if “letters of commitment” are required if key personnel are permanent employees of the primary vender.	From Section 3.5.2: “Letters of commitment are required signed by the proposed Vendor Project Manager and other key personnel stating their commitment to work for the Vendor or appropriate sub-contractor on this project contingent on award of the bid.”
43	3.5.4 Resumes	40	Please clarify what is meant by “...information needed for typical employment reference and background checks.”	Vendors are to use their own best practices along these lines in resolving this issue. Per the RFP, Vendor shall among other criteria, comply with the requirements of the Immigration Reform and Control Act of 1986 regarding employment verification and retention of verification forms for any individuals hired on or after November 6, 1986, who will perform any labor or services under this contract. Vendor further agrees to provide affidavit(s) and furnish documentation that Vendor has enrolled in the E-Verify program operated by the U.S. Department of Homeland Security as required by Section 9 of the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (Ala. Act 2011-535) and any amendments, and to otherwise comply with the applicable requirements of said act during the term of this contract. Vendor shall be responsible for all subcontractor compliance with said act and shall provide documentation of said compliance to the Department.
44	5.2.2 Technical Proposal Format and 5.2.2.15 TAB 10 Operations and Hardware Hosting	56 & 65	The title for TAB 10 in section 5.2.2 differs from the title for TAB 10 in section 5.2.2.15. Please specify which title is correct.	The correct title for Tab 10 is the one given in Section 5.2.2.15, “Operations and Hardware Hosting.”
45	5.2.2.17 (68, lines 2298 to 2309)	68	The types of project team experienced to be described appear to be generic. To avoid repetition, is it acceptable to describe this experience once, rather than for each of the five subsections identified on the previous page of the RFP?	Vendor responses should avoid unnecessary repetition; it is not necessary to repeat the same information in several subsections.

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46	7.1 (113, line 3835)	113	<p>The RFP states: "In order to receive scoring credit, Vendors must cross-reference the numeric project requirement identifier from the vendor project plan back to the System requirement row(s) in the mandatory Requirements Response Matrix provide in a separate document." Please clarify. Does this mean a separate document is to be provided that maps the project plan requirement numbers to the RFP reference numbers that appear in the first column of the table in Appendix J? If a separate document is provided, should that be included as an attachment to Tab 8?</p>	<p>The instructions should read "... in the mandatory Requirements Response Matrix provided in a separate document." The separate document is the Excel spreadsheet that has the Web download button descriptor "Requirements Response Matrix" and the file name "HIXRequirementsMatrix.xlsx" on the DOI webpage http://www.insurance.alabama.gov/consumers/HealthInsReform.aspx. It is the Vendor's responsibility to complete the data requirements of this spreadsheet in order to map the Vendor's project plan section numbers to the requirements in the Requirements Response Matrix. The complete instructions for this process are given in the first sheet of this spreadsheet. The completed Requirements Response Matrix is to be submitted in electronic form and included as Appendix C in the response package. See Section 5.2.2.3 and the instructions given for Form D.</p>
	5.2.2.13 (64)	64	<p>Can the state clarify how the cross reference to the project plan is to be accomplished. Many subsections will describe the various lifecycle methodology approaches to be used in designing, developing, testing, and implementing any given requirement. Should all sections that speak to any part of the DDI approach be referenced?</p>	<p>It is expected that several sections might apply to any given requirement. However, the process can be simplified by gathering the requirements into the respective components that will satisfy them. In most cases, the same project plan numbers for a given component will apply to all of the requirements that are satisfied by that component.</p>

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47	5.2.3 (line 2443-45) and 1.2.2 (line 365)	72	<p>The RFP states on line 2443: “The bottom row cost must include all additional costs that would be required if the currently pending Medicaid development contract fails to produce the expected Eligibility Engine in a timely manner to provide these services to HIX.” Further clarification is on line 365: “However, an additional requirement is included (see Section 3) that specifies an option for a HIX System to provide the MAGI (income-based) eligibility functionality for HIX, Medicaid and CHIP instead of using the new Medicaid Eligibility Determination System. The MAGI based eligibility decision would then be passed to Medicaid and CHIP for completion of eligibility determinations using current Medicaid and CHIP business processes.” We interpret this to mean the following things:</p> <p>1. The state wishes to include, as an option, the relatively simplified MAGI eligibility determination rules in the Exchange System contract, the rules for which may indicate that an individual may be eligible for Medicaid; 2. Business rules for full Alabama Medicaid eligibility determination are out of scope for this contract; 3. As a temporary solution until the eligibility solution is available, if the Exchange determines through MAGI rules that an individual may be eligible for Medicaid, it is permissible to forward that information to the Medicaid and CHIP system where that system would complete the eligibility determination. This would not be considered an enrollment request but rather a request for a full eligibility determination. It is not necessary to provide full Medicaid eligibility determination and enrollment as part of this contract; 4. In either option, the Exchange System would not be considered the eligibility system of record; 5. As a permanent solution, and in keeping with the spirit of “no wrong door,” and to produce the best possible experience for the Alabama consumer, once the pending Medicaid development contract produces the expected eligibility engine, the Exchange contract scope includes evaluation of a more mature, seamless integration of that eligibility engine with the Exchange solution. Please confirm that our understanding is correct.</p>	<p>1. Yes. 2. Yes. However, vendors are encouraged to submit solutions that would allow for the electronic capture of data that would support the Medicaid and/or ALLKids eligibility determination process. 3. See above. 4. The Exchange System will be the eligibility system of record for individuals qualifying for Advanced Tax Credits/Cost Sharing Reductions and small businesses qualifying for tax breaks under the ACA. If Medicaid and/or ALLKids elect to utilize the HIX eligibility engine to make automated eligibility determinations, then the Exchange System would be the eligibility system of record. 5. This is incorrect. Once the pending Medicaid development contract produces the expected eligibility engine, the HIX will use the Medicaid engine to make eligibility determinations. It will not be merely an evaluation of integrating with the engine.</p>
48	1.2 (p12, line 329)	12	<p>The RFP states: “Under Alabama law, only licensed insurance producers can actually provide advice on selecting a specific insurance product.” We understand this to mean that it is the state’s intent that the call center (referenced on line 845) and ancillary functions of the call center requiring response to consumer requests through channels other than telephone calls, be staffed exclusively by insurance producers licensed in the state of Alabama.</p>	<p>Please refer to Alabama law regarding insurance producers. Not all customer service representatives may be required to be licensed as an insurance producer depending upon how the vendor establishes its call center. Call centers may respond via mail, chat, etc. Keep in mind that call center representatives may not advise individuals/SHOP consumers to purchase a specific plan. They may give advice concerning how to use the decision support tools, but may not recommend Plan A v. Plan B.</p>
49	7.1 (pg. 114, line 3831), Table 4	114	<p>The RFP states “The task specifications given in the following subsections do not need to be replicated by Vendors in their proposals. Instead, when a Vendor references a given task by name (including number), this will imply that the vendor agrees with the specification given.” Does the State expect vendors to provide a narrative description of each of these tasks and deliverables as part of the Project Plan V1, or is inclusion of each task within the project plan list of activities and tasks, cross reference to the mandatory requirements matrix, and within the schedule, sufficient?</p>	<p>This is sufficient. It is understood that if any clarifications or changes to the specifications included in Section 7 are necessary, these will be described in the proposal.</p>

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50	N/A		We understand the significant time constraints facing the State in standing up a viable exchange within the mandated deadlines. For us to provide the best possible response, we respectfully request an extension to the due date of three weeks. The additional time will be necessary to fully scope the solution, prepare the detailed responses requested in the RFP, and provide the best possible pricing to the State. We are confident the additional 3 weeks of time will result in a higher quality proposal without any impact on our ability to meet the mandated federal dates for a fully operational HIX in Alabama.	We do not expect to extend the deadline.
51	N/A		Has the state decided if MyAlabama.gov will be the front-end web portal for the HIX?	No. The front-end will be based on the specifications of the UX2014 Program. However, MyAlabama will provide access to the HIX System (“no closed door” approach). For instance, as a part of creating a MyAlabama account, citizens should be able to enter their demographic information in MyAlabama and have this information transmitted to the HIX. The exact sharing of functionality between the HIX System and MyAlabama require design considerations that are expected of the Vendors in their proposals.
52	N/A		Will HIX staff the public help desk or will that be vendor’s staff?	Vendor's staff.
53	N/A		Has the state decided that individual premium payments will be made through the exchange?	It is anticipated that individual payments WILL NOT be made through the Exchange.
54	N/A		Will the exchange determine quality ratings for QHPs or just report such ratings?	Until 2015, the quality ratings as reported by the accreditation entities – e.g. National Committee for Quality Assurance (NCQA), URAQ , Healthcare Effectiveness Data and Information Set (HEDIS), etc. – will be reported.
55	N/A		Will the exchange permit consumers to indicate a preference for a particular doctor to begin shopping for plans?	Yes. This is required.
56	N/A		Will the exchange permit consumers to list a particular prescription drug to shop for plans offering coverage of that drug?	Yes. This is required.
57	N/A		How will information concerning doctor enrollment in plans or coverage for a prescription drug be collected by the exchange?	From the insurance carriers.
58	N/A		You indicate that HIX staff is currently being recruited and assembled. Can you provide job titles and roles and responsibilities to assist in the response to Tab 13—HIX Responsibilities?	Not at this time. The Vendor response should state the positions that will be required by the Vendor in order to fulfill the assumed responsibilities of the Vendor on behalf of the HIX.

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59	3.2.2	25-26	<p>(1) Are the 5 additional business areas listed in section 3.2.2 (e.g., eLearning, appeal etc.) a requirement for vendors to discuss in their proposed solution or are they optional? (2) If we do address them in our solution, how can they be cross-referenced to the requirements matrix?</p>	<p>(1) Neither the eLearning requirement nor any of the other requirements within Section 3.2.2. are optional. The word “may” was used only to imply that the Vendor’s response may or may not have subsections to the effect of organizing the response to these requirements in this way. Vendors must propose what they consider as an optimal sharing of responsibilities or registering, certifying and managing the Navigators between the Vendor and HIX. (2) All HIX System requirements are not included within the Requirements Response Matrix. Vendors need only complete the Requirements Response Matrix for those that are included. However, they must address all items of Section 3.2.2 as well as all other System requirements stated in the RFP in their Solution. Unlike the other business areas, there are not matrix sheets for these additional areas, and we therefore assume these additional areas need not be traced to the matrix.</p>

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60	N/A		<p>1. In PM Matrix, there is a whole series of requirements concerning complaint triage, routing, etc. These are beginning at PM 86 and go through 97. How does the state plan to initially screen complaints to have them routed as mentioned in PM 97? I.e. does the state want complaints to be inputted at one location in the system and then, for purposes of tracking, be routed? 2. Will the Exchange customer service folks do this? 3. Will this include complaints about Medicaid and CHIP? 4. Are "complaint workers" and "complaint managers" employees of the HIX or of the winning vendor?</p>	<p>(1) The requirements discuss system capabilities, rather than procedural issues. The system must be able to access complaints in multiple ways. Per PM-82, Exchange users must log into their account to post a complaint. However, consumers that access HIX through walk-in/call-in centers would still be able to use the walk-in/call-in centers to make a complaint and get resolution. There may be one "screen" where complaints are entered, but there will be multiple ways to get to that screen, depending on who is typing at a keyboard. Per PM-90, the system must have the capability to auto-route complaints based on the input. Customer service personnel may route complaints to specific workers as needed, based on the complaint or caseloads. (2) They will handle any manual routing. (3) Any, Medicaid and CHIP eligibility determinations made through the Exchange System would be covered by these requirements. However, the complaint mechanisms built into the System do not preclude other methods of complaint, such as directly to an issuer, including directly to Medicaid or CHIP. (4) Per the RFP, the customer-facing help desk is an integrated vendor and HIX staff.</p>
61	Requirement Matrix, Individual Enrollment (EN-15)		<p>(1) In the Requirement Matrix, EN-15 alludes to allowing an individual to enroll through a carrier and the carrier to transmit information to "update" the individual's record in the exchange. Will this be for "renewals" only? (2) Can an individual access a QHP through a carrier and receive a Premium Tax Credit and Reduced Cost Sharing without using the Exchange.</p>	<p>(1) No. The carrier must electronically notify the Exchange of a person's initial enrollment/disenrollment/renewal in a plan. (2) No. Because of the validation requirements to determine eligibility individuals must enroll through the Exchange in order to receive a Premium Tax Credit and Reduced Cost Sharing.</p>

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62	3.2.2 Business Areas	25	Is the Vendor expected to staff and operate walk-in centers? Or to provide the capability for users to access the system through a Web portal at external sites, such as a walk-in service center operated by the State, etc.?	<p>Vendors are encouraged to seek the most efficient, practical, and appropriate solutions including partnerships (if feasible and cost effective) for the customer service walk-in centers. The AL Medicaid Agency has three new large operational Customer Service Centers where clients may come in and apply online for Medicaid or CHIP in the front lobby at one of several online application computers with assistance from Medicaid staff. These are located in Birmingham, Mobile, and Huntsville. In addition, Medicaid has nine other District Offices, some of which have application kiosks and interview rooms where clients may apply online. These centers are located in Florence, Decatur, Gadsden, Tuscaloosa, Selma, Montgomery, Opelika, Mobile and Dothan. A new center is planned to open in Foley soon.</p> <p>http://medicaid.alabama.gov/CONTENT/3.0_Apply/3.3.1_Maps_and_Driving_Directions.aspx. The AL Department of Public Health has application kiosks located in many of the county health departments located in every county of the state.</p> <p>http://adph.org/administration/assets/countylist.pdf. There are also Family Resource Centers located in various counties of the state.</p> <p>http://camellia.alabama.gov/doc/AlaFamilyCenters_81110.pdf</p>
63	5.2.2.9 and Appendix J	61 and 257	Section 5.2.2.9 requests the five most recent projects; however, Section 5.2.2.9 of Appendix J requests the ten most recent projects. Please clarify whether five or ten projects are required.	The five most recent projects will be sufficient; Vendors may information on provide additional projects.
64	Table 1	9	Would the Department consider a two week extension to the proposal due date to allow Vendors to identify solutions and partners that are advantageous to Alabama's specific requirements?	No extension is planned at this time.
65	5.1	53	The diversity of RFP requirements and encouraged use of subcontractors may make it difficult for a prime Vendor to achieve the 60 percent threshold of work performed (measured by price). Would the Department consider alternative language used in other Alabama procurements requiring proposals to include: <i>"The percentage of work, as measured by percentage of total contract price, to be performed by the prime Vendor shall be provided. The Proposer shall assume sole and exclusive responsibility for all of the Vendor Responsibilities and work indicated in the RFP"</i> ?	No.

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66	4.24 Vendor's Facility and Equipment Requirements	50	Can the Alabama HIX please explain further as to how the Vendor is to hire and equip a facility at the HIX's direction and to accommodate Department and HIX staff, but not charge the Department for it?	These costs are typically covered in the overhead loaded into the hourly charges of personnel.
67	4.24 Vendor's Facility and Equipment Requirements	50	Is it the Alabama HIX's intention that only a company already located in Montgomery will be selected?	No.
68	3.2.2 Business Areas (Section 2 of Response Tab 5)	25	Please confirm that operational services listed for consumer and small business support includes a call center systems, operations, and staff, as defined in this requirement. Is the call center required to be operational to support the Project Phase 3: Pilot operation? Will the Alabama HIX please provide guidance on how to include the costs for the call center facilities, equipment, and supplies? Considering existing vendor operations and the economies of scale that can bring Alabama cost savings for this project, will the State consider Vendors providing Call Center Operations outside of State of Alabama? Will the Alabama HIX please confirm that call center staffing should be included in FORM K – PRICE SCHEDULE VI?	Operational services listed for consumer and small business support include a call center systems, operations, and staff, as defined on Page 25, Section 3.2.2. The call center is required to be operational to support the Project Phase 3: Pilot operation. As for inclusion of these costs, these costs are typically covered in the overhead loaded into overhead. The call center may be located outside of Alabama, but not outside of the U.S. Call center staffing costs must be included in all forms to which it applies. Call center staffing should be included in FORM K – PRICE SCHEDULE VI.
69	7.1.26 Activity 26: Operations	215	Will the Alabama HIX please confirm that the two help desk systems required by Activity 26: Operations are in addition to the call center operated as part of the Consumer and Small Business Support area (referenced in 3.2.2 on page 25)? Will the Alabama HIX please provide guidance on how to include the costs for the help desk facilities, equipment, and supplies? Considering existing vendor operations and the economies of scale that can bring Alabama cost savings for this project, will the State consider Vendors providing Help Desk Operations outside of State of Alabama? Will the Alabama HIX please confirm that help desk staffing should be included in FORM K – PRICE SCHEDULE VI?	The two help desk systems described in Activity 26 are synonymous with the call center described in Section 3.2.2. Operational services listed for consumer and small business support include a call center systems, operations, and staff, as defined on Page 25, Section 3.2.2. The call center is required to be operational to support the Project Phase 3: Pilot operation. As for inclusion of these costs, these costs are typically covered in the overhead loaded into overhead. The call center may be located outside of Alabama, but not outside of the U.S. Call center staffing costs must be included in all forms to which it applies. Call center staffing should be included in FORM K – PRICE SCHEDULE VI.

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Item	RFP Section	RFP Page	Question	Answer
70	APPENDIX B: HIX GUIDANCE ON HIGH QUALITY RFP RESPONSES	226	Can the HIX please provide additional information on current and anticipated (if available) technology and capabilities of the Alabama eligibility determination system? E.g., is the current system capable of supporting real time transactions via an ESB? How and where should the Vendor include costs for a contingency plan if the new Alabama Medicaid eligibility determination system is unavailable? Should the Vendor assume that the Medicaid eligibility determination system meets all federal and state requirements?	Information regarding the Alabama eligibility determination system is not available. The cost for a contingency plan if the new Alabama Medicaid eligibility determination system is not available is given in the summary tables required under the cost proposal Tab B (see Section 5.2.3). The Medicaid eligibility determination system must meet all federal and state requirements.
71	7.1.13 Activity 13: Master Data Management and Alabama Shared Services	168	To help ensure Vendors have an opportunity to propose cost effective solutions, including interfaces and shared services, can the HIX provide technical information about the Alabama Medicaid Eligibility Determination System; MyAlabama.gov Portal; and Alabama Health Information Exchange (AHIE)?	No additional information will be provided beyond that which is in the RFP.
72	Section 4.16 Granting of Contract (Lines 1658-1662) and Section 6.2 Entire Agreement	48 and 91-92	Would the State clarify whether it intends to negotiate prior to awarding and executing the Contract? Would the State clarify how Vendors are to submit, with the proposal, any "contractual differences", "exceptions" and "variations" to the RFPs terms and conditions that Vendor would like the State to consider for negotiations?	Contract terms and conditions are outlined in the RFP. If there are suggested language revisions to the terms of the contract, the Vendor must include these requests during the question and answer period so all potential Respondents have notice of a possible contractual term modification. If the Vendor includes any assumption that a contract term will be changed or revised in its response, the Vendor's response is at risk of being rejected as noncompliant.
73	Section 6.2 Termination and Section 6.3 Vendor's Duties Upon Expiration/Termination, Section 6.9.1 Liquidated Damages	91-92, 6.3, 93 107-109	Would the State consider adding language compensating contractor for any termination, wind down, unamortized cost, etc.?	Contract terms and conditions are outlined in the RFP. If there are suggested language revisions to the terms of the contract, the Vendor must include these requests during the question and answer period so all potential Respondents have notice of a possible contractual term modification. If the Vendor includes any assumption that a contract term will be changed or revised in its response, the Vendor's response is at risk of being rejected as noncompliant.

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Item	RFP Section	RFP Page	Question	Answer
74	Section 6.2 Termination and Section 6.3 Vendor's Duties Upon Expiration/Termination, Section 6.9.1 Liquidated Damages	91-92, 6.3, 93 107-109	Would the State consider allowing Vendor thirty (30) calendar days to cure any alleged material default instead of ten (10) calendar days? Would the State consider adding cure period and term as above to Section 6.9.1 and the Service Level Agreements, so that Vendor would have an opportunity to cure any deficiencies prior to being assessed liquidated damages?	Due to the severe time constraints for required federal certification of an Exchange, the ten (10) day requirement will not change. Contract terms and conditions are outlined in the RFP. If there are suggested language revisions to the terms of the contract, the Vendor must include these requests during the question and answer period so all potential Respondents have notice of a possible contractual term modification. If the Vendor includes any assumption that a contract term will be changed or revised in its response, the Vendor's response is at risk of being rejected as noncompliant.
75	Section 6.2.3 Termination For Unavailability of Funds	92	Would the State consider adding "stop-work" language that allows Contractor to immediately cease performance under the contract due to unavailability of funds?	Contract terms and conditions are outlined in the RFP. If there are suggested language revisions to the terms of the contract, the Vendor must include these requests during the question and answer period so all potential Respondents have notice of a possible contractual term modification. If the Vendor includes any assumption that a contract term will be changed or revised in its response, the Vendor's response is at risk of being rejected as noncompliant.
76	Section 6.5.13 Indemnification	103-104	Would the State consider the general Contractor liability and indemnification to be limited to the fees paid by the State to Contractor or the annual value of the Contract?	Contract terms and conditions are outlined in the RFP. If there are suggested language revisions to the terms of the contract, the Vendor must include these requests during the question and answer period so all potential Respondents have notice of a possible contractual term modification. If the Vendor includes any assumption that a contract term will be changed or revised in its response, the Vendor's response is at risk of being rejected as noncompliant.
77	Section 6.5.13 Indemnification	103-104	Would the State consider limiting Contractors liability to only direct negligent acts or omissions by Contractor? Would the State consider adding language explicitly removing any incidental, subsequent and consequential damages?	No.

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Item	RFP Section	RFP Page	Question	Answer
78	Section 4.19 RFP Response Material Ownership and Section 6.1.19 Ownership and throughout RFP regarding licenses and ownership of software, work product, services, etc.	49, 90-91	Would the State consider explicitly limiting any licensing of Vendor or third party software only to the term of the resulting contract? Would the State consider explicitly stating that no ownership of any Vendor or third party software, related documentation, code, source code, etc. not specifically developed for the resulting contract remain property of the Vendor or any such third party?	No alterations will be made to those liability specifications given in the RFP.
79	Section 6.7 Records	106	Would the State consider limiting any audit rights or access to data and records by the State and/or its representative only to data and records directly related to the resulting contract?	Based upon the question as phrased, no.
80	General	N/A	In light of the May 31, 2011 guidance from CMS indicating that Software as a Services (SaaS) should be considered a viable option to the build or buy of a system, is the State open to proposals that deliver the same functionality without the State ownership of the application or licenses integral to the operation of solution (excepting ancillary COTS licenses)?	Yes.
81	General	N/A	Per State's responses to questions 18 and 25 from Request for Information Number HIX2012-01, is the State still considering procuring proposals which incorporate Software as a Service (SaaS) that would provide a lower total cost of ownership than a build or enhancement scenario using, in some cases, currently not ACA-compliant components?	No. All software must be ACA compliant.
82	2.3.2 Delivery Review Process	17	How do you propose allowing for changes to deliverable due dates at AL HIX request without any changes to pricing, in the event that the schedule impact results in delays and additional costs to the vendor?	These will be negotiable at that time – this question cannot be answered in the abstract.
83	2.3.3 Deliverable Acceptance Criteria	18	Where is the standard for project plans documented?	The standard for the Project Plan deliverables once the project is initiated has not been resolved. As far as the Project Plan required for the proposal, that is described in Section 7 not as a standard but as a guideline.
84	2.3.3 Deliverable Acceptance Criteria	18	Where are or will the minimum standards for required documentation be located?	The standard for the Project Plan deliverables once the project is initiated has not been resolved. As far as the Project Plan required for the proposal, that is described in Section 7 not as a standard but as a guideline.
85	3.5.3 Resumes	39	Which roles are considered key personnel? The Account Manager and Vendor Project Manager are specifically identified along with other vendor selected key personnel, but other roles such as Implementation Manager seem to imply that they are key as well.	If there is any implication that a position plays a key role in the project, then they should be included; however, HIX reserves the right to make the final determination of key personnel.

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Item	RFP Section	RFP Page	Question	Answer
86	3.6, Vendor Location and Facility Requirements	40	The requirement that all individuals working offsite be available for onsite tasks such as meetings could cause an unpredictable amount of last-minute travel and hardship for non-local resources. Will such requirements to be onsite be planned in advance or managed?	Yes.
87	Section 4.19 (RFP Response Material Ownership)	49	Section 4.19 (RFP Response Material Ownership), states “all products/services produced in response to the contracts resulting from this RFP, including the executed contracts, RFP, and any amendments thereto, shall be the sole property of the Department.” It is further written in Section 6.1.19 (State Ownership) that “the state of Alabama shall have all rights of ownership in software, any modifications thereof, and all associated documentation designed, developed, or enhanced by the Vendor for the HIX System in the performance of its duties under this agreement.” This section goes on to state that “the Vendor shall obtain for the Department any necessary licenses for all commercial or proprietary software not owned by the Vendor that is necessary for the performance of the duties and obligations expressed in this agreement.” “... HHS retains a royalty-free, nonexclusive, irrevocable license to reproduce, publish or otherwise use, for Federal Government purposes, the copyright in any work developed under the grant, or a sub grant or subcontract, and in any rights to a copyright purchased with grant support.” By the language written above, is it the State’s desire to be able to freely modify, copy, further develop, sublicense and distribute its ownership interests to the intellectual property developed for the contract to sub-agencies without having to obtain consent from the Vendor? If so, the joint ownership offered by this organization will give the State such rights without the State incurring potential liability that would accompany sole ownership. In this scenario, the State would be able to promote its objectives from a cost-benefit perspective, while the Vendor would be able to: (i) protect its intellectual property interests; (ii) defend the State against any third-party infringement and misappropriation claims; and (iii) make use of non-proprietary, non-confidential provisions of the development for subsequent work as it competes in the industry. Would the State be amenable to a joint ownership arrangement that fulfilled the State’s mission requirements of this RFP and also provided the Vendor the opportunity to use non-proprietary/non-confidential elements of the developments and deliverables of this contract? Our team will be proposing a solution that makes this ownership a distinct advantage to the State of Alabama.	Contract terms and conditions are outlined in the RFP. If there are suggested language revisions to the terms of the contract, the Vendor must include these requests during the question and answer period so all potential Respondents have notice of a possible contractual term modification. If the Vendor includes any assumption that a contract term will be changed or revised in its response, the Vendor’s response is at risk of being rejected as noncompliant.
88	5.2.2.20, Tab 15 – Lessons Learned	68	Section 5.2.2.20 states “The vendor must provide a discussion of the significant lessons learned from experience at previous eligibility projects.....” Should that section read “lessons learned from experience at previous HIX projects?”	If such projects exist, that would be preferable; but if not, then those that are as close to HIX projects would provide a reasonable response to this proposal requirement.

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Item	RFP Section	RFP Page	Question	Answer
89	6.1.18 Subcontracts	90	Given the desire to procure a COTS solution in support of the Health Insurance Exchange System and the fact that most, if not all bidders, will be required to procure their proposed COTS solution from unrelated third parties, would the State consider a modification to the RFP to allow for software and related hardware procured by the prime Vendor through contractual relationships with third party software and hardware suppliers to be considered as part of the 60% of work required of the prime Vendor?	Contract terms and conditions are outlined in the RFP. If there are suggested language revisions to the terms of the contract, the Vendor must include these requests during the question and answer period so all potential Respondents have notice of a possible contractual term modification. If the Vendor includes any assumption that a contract term will be changed or revised in its response, the Vendor's response is at risk of being rejected as noncompliant.
90	6.5.13	101	At Section 6.5.13 (Indemnification), it is written that "the Vendor agrees to indemnify, defend, and hold harmless the State, the Agency, and their officers, agents and employees (hereinafter collectively referred to as "indemnities"), for all claims, losses, or lawsuits accruing or resulting from the Vendor's performance or non-performance of its duties under these contracts." A later clause in Section 6.5.13 states that "the Vendor shall, in any such suit, satisfy any final judgment for infringement." This clause implies that the State concurs with findings of courts of competent jurisdiction. As such, this organization supports the position that this indemnification provision is based on the principle of negligence and would be enforced only to the extent of Vendor's willful misconduct and/or negligence, as may be determined by a court of competent jurisdiction. Because such clauses, by its very nature relate to third-party claims, it is the Vendor's interpretation that only third-party claims shall apply under this provision, as all other claims would be governed by and covered under the Limitation of Liabilities Provision. Is the State in agreement that the indemnification provision will govern all third-party claims and the Limitation of Liability provision will protect against and govern any/all other kind of claims?	We do not and will not agree to Vendor interpretations/modifications to the contracts layered in the form of a question. Contract terms and conditions are outlined in the RFP. If there are suggested language revisions to the terms of the contract that you feel will clarify your point(s) in this question, the Vendor must include these requests during the question and answer period so all potential Respondents have notice of a possible contractual term modification. If the Vendor includes any assumption that a contract term will be changed or revised in its response, the Vendor's response is at risk of being rejected as noncompliant.
91	6.5.12 Performance Bond	103	Included in this section is a requirement for a performance bond in the amount of fifteen (15) percent of the total contract value. Based on the difficulty and expense of procuring such a performance bond, this requirement may preclude some otherwise qualified companies from being able to bid on this opportunity. This will limit the number of bids and potentially the quality of solutions that are available to the State. Will the State consider removing or reducing this requirement to allow more qualified bidders to respond?	No.
92	7.1 Work Activities, Tasks and Deliverable	114	The Activities, Tasks and Deliverables listed in Table 4 do not match with the deliverables in Activity 13. Please clarify	Vendors should respond under the assumption that the data management requirement will be oriented primarily toward data import as opposed to data conversion.
93	Appendix I	251	4000 concurrent users is the estimated load for the system. Can you tell us how this figure was determined?	Currently there is no empirical data upon which to base this estimate; if Vendors have what they consider to be better estimates, they should be presented and justified, and in that case they can proceed to respond under that modified assumption.

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Item	RFP Section	RFP Page	Question	Answer
94	Appendix I	251	What is a Scheduled Maintenance window defined as? How long and at what times are permitted.	This is defined to be a weekly time when the system is under its least demand. The duration of the scheduled maintenance window is part of the design and must be specified by the Vendor.
95	Appendix I	251	Does unplanned emergency maintenance count as an impacting event to the SLA?	“Unplanned emergency” is ambiguous. However, generally speaking, “Yes.” The system should have sufficient redundancy and disaster recovery protocols that any maintenance of an individual component should not compromise availability.
96	Appendix I	251	Can you further refine the term "any period"?	This is the period of time in which the system is not operational.
97	Appendix I	251	What are the peak and non-peak hours?	This should be determined from the Vendor’s experience. It is anticipated based on survey data that evenings and weekends will constitute peak hours.
98	General		As written, in addition to consulting services (labor), the RFP requires a proposal that includes quotes for hardware and software, software licenses, and software maintenance support (among other things). It is this organization’s belief that the State would better benefit (from both a cost and relation perspective), if it purchased its requirements for hardware and COTS software and associated software licenses directly off its state Enterprise Agreement from your Large Account ReSeller (“LAR”), and any hardware directly from the manufacturer, as implied in Section 5.2.3.1.4 (Price Schedule IV – Software Licenses). This is especially important for the State, as many of the warranties associated with the above hardware and COTS products are governed by the terms and conditions of the applicable manufacturer’s warranty and End User Licensing Agreements that comes with the COTS products. The Vendor would still provide quotes for all of the aforementioned in its proposal, therefore providing the state with total visibility into the price to meet the requirements of this RFP. Is the State in agreement with the Vendor’s observation?	This is acceptable provided it is made clear that the Vendor has access to this information and that these are the assumptions that will be used in the cost proposal.
99	General		Given the magnitude and complexity of the solution that the State is soliciting for its Health Exchange System, would the State be amenable to receiving revised terms and conditions that are associated with the Vendor’s unique proposed solution; or in the alternative, would the State consider conducting discussions and/or negotiations pertaining to the eventual contract terms and conditions with those Vendors ultimately determined to be in the competitive range?	Contract terms and conditions are outlined in the RFP. If there are suggested language revisions to the terms of the contract, the Vendor must include these requests during the question and answer period so all potential Respondents have notice of a possible contractual term modification. If the Vendor includes any assumption that a contract term will be changed or revised in its response, the Vendor’s response is at risk of being rejected as noncompliant.

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Item	RFP Section	RFP Page	Question	Answer
100	General		Are there any technical requirements, including hours of operations and service level agreements, the state is expecting the Vendor to meet for the call center / help desk functions?	All service level agreements are contained in Appendix I. Vendors are to propose staffing and operations for HIX that they consider to be optimal in terms of cost and customer service
101	General		Are there any reports on the call center / help desk that the vendor will be expected to produce? How frequently, and what is the general content of the reports?	Vendors are expected to propose these items as part of their design. Additionally, it is important that the system give state staff the ability to generate customizable reports on an ad hoc basis.
102	5.2.2.3	58	The link provided in the RFP “ http://www.ago.state.al.us/ag_items.cfm?Item=70 ” is not working. Please refer to line number 1968	This link should be: http://www.ago.state.al.us/Page-Vendor-Disclosure-Statement-Information-and-Instructions
103	General		Will the exchange permit global delivery model?	There is nothing in the RFP that precludes this or any other model of delivery. Vendors should propose what they consider will be in the best interests of the State. However, see other questions related to the restriction for any supporting facility to be located within the U.S.
104	Appendix C		Requirement response matrix – Should this be part of the printed version?	The Vendor is correct to observe that the Requirement Response Matrix must be submitted in electronic form in the exact Excel format as provided on the web site. However, a hard copy output of this completed matrix is also required in Section 5.2.2.23: 'The completed Requirements Response Matrix, provide as a separate document, must be placed in this section (e.g., Appendix C) of the Technical Proposal titled “Requirements Response Matrix.” '
105	General		If the pricing is based on assumptions related to % who self service, distribution of channels to access the Exchange, call volumes and call lengths and, for example, a lot more people need call center assistance who were expected to self serve, how will the AL HIX adjust the fixed price for the call center?	This cannot be defined at this point. Vendors should propose the call center volumes that their experience has shown them are best approximations for an Exchange for the size and demographics of Alabama. This could be a point for final negotiations, but that cannot be resolved at this point.
106	General		Would the HIX consider pricing at a variable cost for the transaction based components of the vendor scope, such as # and length of calls, # of mailings?	Not for the proposal. It is essential that all Vendors use the same assumptions for pricing in order that the cost submissions are comparable.

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Item	RFP Section	RFP Page	Question	Answer
107	Q&A #52 & 60		Q52 says the public facing help desk will be staffed by the vendor; Q60 says the consumer facing help desk is an integrated vendor and HIX staff. Which one is correct? If the latter, what role will HIX play in the help desk?	It is anticipated that the vendor will provide consumer support services. HIX personnel would only assist consumers when all escalation procedures within the call center have been exhausted. (e.g. There is a very complex familial situation requiring high-level ACA expertise.) Calls routed to HIX personnel would be analyzed by the vendor and HIX in order to develop new scripts to allow the vendor's call center staff to respond to additional scenarios. The goal is to make sure as many calls as possible are handled by the vendor's staff.
108	5.2.2.13		Please clarify the format in which bidders are to address all of the Activity items in Section 7. Are these to be addressed in narrative and in the project plan or in the project plan alone?	This is explained in Section 5.2.2.13, which describes the expected content under response Tab 8. It will be expected that the narratives of Tab 5 (Proposed Solution), Tab 6 (System Development Lifecycle Approach and Methodology, Tab 7 (Project Management Approach), and other sections as appropriate will make heavy reference to the content within Tab 8.

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Item	RFP Section	RFP Page	Question	Answer
109	Q&A #48		Relative to Question 48, if the CSRs cannot recommend plan A vs plan B, under what circumstances would the CSR have to be a licensed agent?	<p>Chapter 7 of Title 27 of the Code of Alabama, 1975, addresses licensing requirements. We encourage you to review that chapter as you formulate your response to the RFP. Generally, an insurance producer is required to be licensed under the laws of this state to sell, solicit, or negotiate insurance. The pertinent definitions are: NEGOTIATE. The act of conferring directly with or offering advice directly to a purchaser or prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms, or conditions of the contract, provided that the person engaged in that act either sells insurance or obtains insurance from insurers for purchasers.</p> <p>SELL. To exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurance company.</p> <p>SOLICIT. Attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance from a particular company. Depending upon the defined job responsibilities of the customer service representative, so long as they are not soliciting, selling or negotiating as defined under Alabama law, they would not be required to be licensed as an insurance producer. Assisting in the enrollment of a plan at the specific request of a caller, for example, would not be considered one of these actions. Keep in mind that call center representatives may not advise individuals/SHOP consumers to purchase a specific plan. They may give advice concerning how to use the decision support tools, but may not recommend Plan A v. Plan B.</p>

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Item	RFP Section	RFP Page	Question	Answer
110	General		What is the sustainability model for HIX? Are long term costs as important as first year costs in the evaluation?	Based on federal funding expectations, lower long-term sustainability costs are more important to HIX than the a low upfront (i.e., first year) cost. The proposed cost structures should demonstrate an improved sustainability model with each additional year of operation of the Exchange, as one would expect from a continuous quality improvement program that is in effect over multiple years. In addition to the fixed cost structure of the proposal, proposals that include the reduction of long-term risk to the State will be given preference. For example, including as part of the first year cost: (1) enterprise licensure on potentially sharable COTS components, and/or (2) a multiple-year maintenance contracts for the COTS components would both reduce long-term risk to the State, and thus either or both would be greatly favored over spreading these costs over the succeeding years.
111	General		In the date columns of the Excel Requirements Response Matrix (RRM), the column heading is MM/YYYY, but in the instructions given on the first page, the indication is that the response should be MM/YY. Which one of these formats is correct?	MM/YYYY -- this was changed to make it easier for the reviewers to read, and the change was erroneously omitted from Rows 8, 16 and 17 of the Response Definitions Sheet. Please update the MM/YY in those rows to MM/YYYY to make it consistent with the column headings. It should be noted that the entry is in a text format and that this column will not be processed electronically as is true of some of the other columns. The entries here are for the consideration of the reviewers.
112	Q&A #53		Item #53 on the May 25, 2012 RFP Questions document states, " It is anticipated that individual payments WILL NOT be made through the Exchange." May we rely on this with certainty in preparing our firm and fixed pricing?	Yes.
113	General		We anticipate acting as the "merchant" on all electronic payment transactions. May our pricing include an assumption that we will pass through the merchant processing fees including returned item fee incurred to the state at cost?	Yes.

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Item	RFP Section	RFP Page	Question	Answer
114	General		Does the state envision requiring the existing Medicaid population to be processed by the HIX System's MAGI eligibility determination process during Medicaid reenrollment, or would the state consider allowing Medicaid reenrollment to occur without having to be processed through the HIX System?	At this time, it is envisioned that the Exchange will host the MAGI Eligibility Engine that will make the MAGI determination for the Exchange as well as enrollment in CHIP and Medicaid. This means that applications for reenrollment in Medicaid would need to be passed through the MAGI Eligibility Engine hosted by the Exchange. This does not mean that Medicaid applicants necessarily have to be processed through the Exchange portal. However, it is anticipated that the MAGI determination function will be hosted by the Exchange as a shared service.
115	2.3.1		With reference to lines 551-555 in Section 2.3.1: Does the State expect a budget/estimate for IV&V services? Or, is the expectation that the respondent bring to the table a partner firm who will provide IV&V services?	Vendors must provide Independent Verification & Validation (IV&V) for system design, with minimal IV&V performed at major release points, with the requirement of a IV&V before every release to the production environment. This IV&V will be a partner firm that will be a subcontractor to the Vendor. The IV&V must not be performed by a group that is designing, building or supporting the Exchange system build.
116	4.7		As noted in the RFP on page 44 (line 1504), attendance at the Pre-proposal bidders conference is mandatory. This point was reiterated today at the bidders conference. We are seeking clarification that those companies that submitted the Intent to Attend the Pre-Proposal Bidders (Form C) conference but did not participate in person at the May 25th meeting will have the proposals they submit or participate in rejected as stated on page 44 of the RFP. Please confirm these vendors are no longer eligible for award.	This is confirmed.
117	3.2.2 line 869		Does the state have any existing Master data management product?	None should be assumed.
118	3.2.2 line 892-905		How much history data should be brought from existing DW or source systems into new DW?	It is not anticipated that legacy data will be imported into the DW from external systems.
119			Can the state consider to extend the timelines by 3 weeks so that we can build a better response.	No. The Federal time constraints will not allow it.
120	7.1.26 Activity 26: Operations		Please provide the hours of coverage desired for public facing help desk	Currently, we anticipate this capability should exist 24 hours a day, seven days a week.
121	7.1.26 Activity 26: Operations		Please highlight key process issues and key constraints currently faced in the public facing helpdesk scenario?	We do not understand this question.
122	7.1.26 Activity 26: Operations		What all applications/products would be supported?	We do not understand this question.

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Item	RFP Section	RFP Page	Question	Answer
123	7.1.26 Activity 26: Operations		Please provide us the indicative headcount?	Not available. For information about the estimated number of Alabamians who will be eligible to participate (and estimated participation rates) in the individual and SHOP exchanges, please see research documents posted under the "Health Reform" link at www.insurance.alabama.gov .
124	7.1.26 Activity 26: Operations		Do we have multilingual support? If yes, what all language is supported? RFP states Spanish. Are there other languages?	Spanish is the minimal multi-lingual support that must be proposed. Vendors are free to propose other options if they feel this will increase the value of their proposal.
125	7.1.26 Activity 26: Operations		What is the training duration for knowledge related to answering questions from the public?	Unknown. Vendors should build in adequate training time to allow for fully functional call center/chat/email responses by October 1, 2013.
126	7.1.26 Activity 26: Operations		Is there any Certification requirement before a CSR hits the floor?	No certification has yet been established.
127	7.1.26 Activity 26: Operations		What is the desired AHT for call/email/chat?	All Service level Agreements are given in Appendix I.
128	7.1.26 Activity 26: Operations		What is the desired TAT if email support is required?	All Service level Agreements are given in Appendix I.
129	7.1.26 Activity 26: Operations		What is the expected monthly incoming call/email/chat volume?	This has not been determined
130	7.1.26 Activity 26: Operations		What is the expected monthly outbound call volume?	This has not been determined
131	7.1.24,Task 24.1,Line 7031		Does it mean that Vendor is required to take the responsibility of Operations and maintenance of the System only during Phase 5/ Warranty Period . After the warranty period, HIX will take care of the entire Operations and Maintenance of the system, with out any Vendor intervention?	The Vendor will be allowed to bid on extending their operations past Phase 5; however, at the discretion of HIX, another Vendor or HIX personnel (or some combination thereof) may be employed to operate the Exchange.
132	7.1.24,Task 24.1,Line 7031		If the Vendor has to take care of the application support of the system during warranty period, What can be the Vendor location , is it Aalbama or any place in US or outside US?	Any place within the U.S.
133	7.1.24,Task 24.1,Line 7031		Is the application support required only during business hours or after hours support is also required?	All Service level Agreements are given in Appendix I.
134	2.3.1.		Has the State of Alabama passed any of the CMS gates reviews for the Enterprise (Exchange) Life Cycle? If so, which gates have been passed?	Alabama has passed the following establishment reviews: Project Baseline Review and Architecture Review. Please keep in mind that with the release of the Exchange Blueprint, some of these "gate reviews" have changed in scope and design.
135	General		Does the state have access to all payer claims or other data sources to supply provider quality information?	Not at this time.

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136	General		Does the state have a sense for how many payers will participate in the HIX?	This has not been determined
137	General		Does the state have any time constraints related to updating of feedback information for provider or plan information?	All Service level Agreements are given in Appendix I.
138	6.8	107	The required 15% Performance Bond adequately covers Implementation Risk for the Department. Will the Department eliminate the 10% withholding requirement?	There are no plans to do so at this time.
139	6.8	107	(A) The statement “During the life of the Contract for this RFP, payment of 90 percent of the amount proposal per ask/deliverable/requirement will be paid to the Vendor” seems to indicate, by using the term “Life of the Contract”, that a 10% payment withholding policy will continue through base period operations and the three annual extension periods. Reading further in this paragraph, the statement “The 10 percent withholding is payable upon HIX’s acceptance of the system.” seems to indicate that all withheld Vendor funds will be released upon the Department’s acceptance of the system, which will presumably occur shortly after CMS Certification, indicated as 9/30/13 in the Project Timetable. Is it a correct assumption that the Stabilization and Operational periods within the Base Contract and the three annual extension periods do not fall within the Departments 10% withholding policy? Please clarify which contractual periods are affected by the Department’s withhold policy so Vendor’s can plan accordingly.	There have been some modifications to Section 6.8, please review.
140	4.24 and Q&A #66, and #82.	50	In the Department’s response to Q&A #66, it has agreed to pay, indirectly, for the facility through a G&A load on the Vendor pricing. A physical facility is a significant fixed monthly cost, where Vendor’s must enter into a contractual agreement to cover the base and extension years of this contract. Hourly rates and staffing levels are variable and their use as a vehicle for Vendor’s to recover fixed monthly facility expense is not typical within State Government/Medicaid contracts. In the Department’s response to Question #82, the Department reserves the right to change deliverable due dates, which could reduce the anticipated number of billable monthly hours, causing Vendors to not recover the full amount of the monthly fixed Facility expenses. Other one time and monthly fixed, and/or predictable expenses, such as Hardware, Software, and Maintenance, are reflected separately within the Pricing Schedules of the Cost Proposal. Please modify the Pricing Schedules to allow Facility expenses to be reflected appropriately as a known, fixed expense, rather than an allocation to a variable expense with many moving parts, as the Department has clarified in its response to Q&A #66.	This does not appear to be a question. We are unable to meet this request at this time.
141	Q&A #21	1	Often in State Government contracts, when a Vendor is required to mail materials to the population on behalf of the State, States will mandate Vendors to pay postage directly to the USPS on behalf of the State with no markup and outside of the Contractual pricing and maximums between the Vendor and State. This is referred to as ‘Pass Through’. As the RFP is written, any required postage resulting from the requirements of this RFP will be included within the pricing submitted in Price Schedules I – VIII. Please confirm that this is the intent of the Department.	This is confirmed.
142	5.2.1 Proposal Response General	54	Will the state permit page numbering in other locations in the case of pre-formatted PDF documents, such as the 10-K financial statement where the page number is already set?	Yes, this will be allowed provided that the page numbering is clear to the reviewers.

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143	7.1.13	172-174	The deliverables associated with Activity 13: Master Data Management and Alabama Shared Services section on page 172-174, does not agree with the deliverables listed in Table 4 for section 13 or the deliverables listed for section 13 in Form G – Price Schedule II. Will the state please clarify which deliverables are correct?	The more descriptive information in Section 7.1.13 should take priority over the summary information in Form G.
144	6.1.19	90	Will the State consider the following language in lieu of the text of the RFP? The State of Alabama shall have all rights of ownership in software, any modifications thereof, and all associated documentation designed, developed, or enhanced by the Vendor for the HIX System in the performance of its duties under this agreement. The Vendor shall obtain for the Department any necessary licenses for all commercial or proprietary software not owned by the Vendor that are necessary for the performance of the duties and obligations expressed in this agreement. The State shall receive a royalty-free, paid up, non-exclusive, unrestricted, unconditional, irrevocable, perpetual, worldwide right and license for the use of pre-existing software. Federal funds through a cooperative agreement to support the establishment of a state-operated health insurance exchange are the source of funding for this contract. Under 45 CFR 92.34 and the terms of the cooperative agreement, HHS retains a royalty-free, nonexclusive, irrevocable license to reproduce, publish or otherwise use, for Federal Government purposes, the copyright in any work developed under the grant, or a subgrant or subcontract, and in any rights to a copyright purchased with grant support. HHS shall be provided with a working electronic copy of the software (including object source and code) with the right to distribute it to others for Federal purposes consistent with and throughout the execution of the Cooperative Agreement.	No. This section will not be changed.
145	6.2.4	92	Will the State consider the following language in lieu of the text of the RFP? The Department may terminate performance of work under the Contract in whole or in part whenever, for any reason, the Department, in its sole discretion determines that such termination is in the best interest of the State. In the event that the Department elects to terminate the contract pursuant to this provision, it shall so notify the Vendor by certified or registered mail, return receipt requested. The termination shall be effective as of the date specified in 180 days of the notice. In such event, the Vendor will be entitled only to payment for all work satisfactorily completed and for reasonable, documented costs incurred in good faith for work in progress. The Vendor will not be entitled to payment for uncompleted work, or for anticipated profit, unabsorbed over- head, or any other costs.	Section 6.2.4 has been slightly modified, however, this language was not adopted. Please refer to the revised section.
146	Appendix I	252	Will the State consider adding the following language to the text of the RFP? The total capped amount for SLAs shall not exceed the 20% of the monthly amount invoiced.	No.

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147	6.2.3	92	Will the State consider the following language in lieu of the text of the RFP? The source of payment for this contract is federal funds awarded through a cooperative agreement to support establishment of a state-operated health insurance exchange. This contract shall be cancelled or the scope of services modified by the Department by written notice provided thirty (30) days before the cancellation or modification effective date, within such lesser time as may be required by the circumstances, in the event Federal funds designated for this contract are withheld or reduced or are otherwise unavailable for use in whole or in part in connection with this contract, whether as a result of congressional or state legislative action or otherwise. In the event of termination or modification due to lack of funds, the Department shall not be liable to Vendor for any claimed loss or damage resulting from or relating to the termination or modification, provided, however, that Vendor shall be paid for services performed before the termination or modification date and the costs incurred in the performance of the work terminated, including but not limited to start-up costs and preparatory expenses allocable thereto.	No.
148	RFPQandA (RFP Questions, 5/25/2012);	4	Given the importance that the role of Navigators and Brokers is anticipated to bring in assisting individuals within their own communities, does the Alabama HIX anticipate a need for a large number of walk-in service centers? Will the Alabama HIX provide any guidance on the number of walk-in centers that the vendor should provide, including geographic areas or locations, operating hours, etc.? For instance, is it preferred that a walk-in center exist in each of the 12 Medicaid regions? Would 3 walk-in centers (one each for North, Central, and South Alabama) be sufficient?	Vendors must propose the number of walk-in centers that they feel will be optimal for the state. Please see revised answer to question 62.
149	RFPQandA (RFP Questions, 5/25/2012)	4	Given the significant increase in cost that walk-in centers can add to the solution and the variation in walk-in center configuration from multiple vendors, will the State consider separate pricing for walk-in centers?	This can be included as a consideration in the narrative for the budget portion of the proposal.
150	Amendment 1; RFPQandA (RFP Questions, 5/25/2012)	General	Given the scope of requirements added through the Alabama HIX's answers to questions and the amended RFP, and additional questions submitted by vendors, will the Alabama HIX please consider a one week extension so that all vendors can provide the best possible proposal to meet the State's needs?	This question has been asked and answered in previous questions submitted.
151	6.1.18 Subcontracts	90	Will the State please revise these sentences below as follows: "The Vendor shall at all times remain responsible for the performance by any subcontractors approved by the Department. The Vendor's performance bond and Vendor's responsibility for damages shall apply whether to performance or nonperformance was by the Vendor or one of its subcontractors."?	Section 6.1.18 has been revised in the amendment. Please review the section for the new language.

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Item	RFP Section	RFP Page	Question	Answer
152	6.1.19 Ownership	90	<p>Given the SaaS nature of the proposed solution, will the State please revise this section as follow: “The State of Alabama shall have all rights of ownership in software, any modifications thereof, and all associated documentation designed, developed, or enhanced by the Vendor specifically for the HIX System in the performance of its duties under this agreement. The Vendor shall obtain for the Department any and if necessary licenses during the term of the Agreement for all commercial or proprietary software not owned by the Vendor that are necessary for the performance of the duties and obligations expressed in this agreement. Federal funds through a cooperative agreement to support the establishment of a state-operated health insurance exchange are the source of funding for this contract. Under 45 CFR 92.34 and the terms of the cooperative agreement, HHS retains a royalty-free, nonexclusive, irrevocable license to reproduce, publish or otherwise use, for Federal Government purposes, the copyright in any work specifically developed, if any, under the grant, or a subgrant or subcontract, and in any rights to a copyright purchased with grant support. HHS shall be provided with a working electronic copy of the software (including object source and code) with the right to distribute it to others for Federal purposes consistent with and throughout the execution of the Cooperative Agreement and, if such is the case, the State shall provide Contractor and/or its Subcontractors with a perpetual and exclusive license right back to use, copy, distribute, modify, and create derivative works of the customized software for Vendor and/or its Subcontractors.”?</p>	No.
153	Section 6.2 Termination	91	<p>Will the State please add an additional subsection 6.2.5 at the end of Section 6.2 as follows: “6.2.5 Termination by Contractor. If the State materially breaches this Agreement, including the State’s failure to pay Contractor undisputed invoices when due, then the Contractor shall give the State written notice of such default (“Notice of Default”). The State shall correct the default within thirty (30) days of its receipt of the Notice of Default or such longer period as agreed to by the parties. If the default is not corrected, this Agreement may be terminated at the Contractor’s sole discretion, immediately by written notice from the Contractor to the State. The option to terminate shall be at the sole discretion of the Contractor.”?</p>	No. Sole remedy for payment is the Board of Adjustment for the State of Alabama. See Section 6.6.2.
154	Section 6.2.3 Termination for Unavailability of Funds	92	<p>Will the State please revise the sentence below as follows: “In the event of termination or modification due to lack of funds, the Department shall not be liable to Vendor for any claimed loss or damage resulting from or relating to the termination or modification, provided, however, that Vendor shall be paid for services performed before the termination or modification date. the Vendor shall have no obligation to continue performance, from the effective Termination Date, under the Contract and Department shall pay Vendor all fees for Services performed through and including the date of termination; allowable costs incurred or obligated but unbilled as of the date of termination; unamortized costs; costs incurred in the performance of the work terminated, including, but not limited to start-up costs and preparatory expense allocable thereto; the cost of settling and paying termination settlements under terminated subcontracts and leases; accounting, legal, clerical, and other expenses reasonably necessary for the preparation and negotiation of termination settlement proposals and the termination claim; and a fair and reasonable profit on the foregoing costs.”?</p>	No.

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Item	RFP Section	RFP Page	Question	Answer
155	Section 6.2.4 Termination for Convenience	92	Will the State please revise the sentence below as follows: "In such event, the Vendor will be entitled only to payment for all work satisfactorily completed and for reasonable, documented costs incurred in good faith for work in progress. The Vendor will not be entitled to payment for uncompleted work, or for anticipated profit, unabsorbed over- head, or any other costs. all fees for Services performed through and including the date of termination; allowable costs incurred or obligated but unbilled as of the date of termination; unamortized costs; costs incurred in the performance of the work terminated, including, but not limited to start-up costs and preparatory expense allocable thereto; the cost of settling and paying termination settlements under terminated subcontracts and leases; accounting, legal, clerical, and other expenses reasonably necessary for the preparation and negotiation of termination settlement proposals and the termination claim; and a fair and reasonable profit on the foregoing costs."?	No. Another change was made to Section 6.2.4. Please review the amendment.
156	Section 6.4.5.1 Commercial General Liability – Occurrence Form	95	Will the State please revise this section as follows: "Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage. Each Occurrence: \$1,000,000; General Aggregate: \$2,000,000; Products - Completed Operations Aggregate: \$2,000,000; Personal and Advertising Injury: \$1,000,000; Blanket Contractual Liability - Written and Oral: \$1,000,000; and Fire Legal Liability: \$50,000. The policy shall include a provision or be endorsed to include the following additional insured language: "The State of Alabama, its departments, agencies, boards, commissions, universities and its officers, officials, contract related agents, and employees shall be named included as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Vendor." Such additional insured requirement may also be met through a blanket additional insured provision endorsement and referenced on the certificate of insurance. Policy shall contain a waiver of subrogation against the State of Alabama, its departments, agencies, boards, commissions, universities and its officers, officials, contract related agents, and employees for losses arising from work performed by or on behalf of the Vendor except in instances of liability caused by the State of Alabama, its departments, agencies, boards, commissions, universities and its officers, officials, contract related agents, and employees."?	Section 6.4.5.1 was modified slightly. Please review.
157	Section 6.4.5.2 Automobile Liability	95	Will the State please revise this section as follows: "Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this contract by Vendor. Combined Single Limit (CSL): \$1,000,000. The policy shall include a provision or be endorsed to include the following additional insured language: "The State of Alabama, its departments, agencies, boards, commissions, universities and its officers, officials, contract related agents, and employees shall be named included as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Vendor, involving automobiles owned, leased, hired or borrowed by the Vendor."?	Some modifications were made to Section 6.4.5.2. Please review.

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158	Section 6.4.5.3 Umbrella/Excess Liability	95-96	Will the State please revise the section as follows: "Umbrella/Excess liability in the minimum amount of \$10,000,000 (\$5,000,000 for Subcontractors) excess of Commercial General Liability, Automobile Liability and Employers' Liability. The policy shall may be endorsed to include the following additional insured language: "The State of Alabama, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Vendor." Policy shall contain a waiver of subrogation against the State of Alabama, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Vendor a follow form type policy."?	Some modifications were made to Section 6.4.5.3. Please review.

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159	6.4.5.4 Professional Liability (Errors and Omissions Liability)	96-97	<p>Will the State please revise this section as follows: "Each Claim Minimum Limit: \$5,000,000; Annual Aggregate Minimum Limit: \$5,000,000 (\$1,000,000/\$2,000,000 Ag- gregate for subcontractors). In the event that the professional liability insurance required by this contract is written on a claims-made basis, Vendor warrants that any retroactive date under the policy shall precede the effective date of this contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this contract is completed. The policy shall cover Vendors negligent acts, errors or omissions and shall not include an exclusion for professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract. Such coverage to include data breach and cyber risk type exposures. If the Vendor is providing hosting or other network support, they must provide the following insurance coverage: Technology/Network Errors and Omissions Insurance. Each Claim: \$5,000,000; Annual Aggregate \$5,000,000. Coverage to include: Hostile action or a threat of hostile action with the intent to affect, alter, copy, corrupt, destroy, disrupt, damage, or provide unauthorized access/unauthorized use of a com- puter system including exposing or publicizing confidential electronic data or causing electronic data to be inaccessible; Computer viruses, Trojan horses, worms and any other type of malicious or damaging code; Dishonest, fraudulent, malicious, or criminal use of a computer system by a person, whether identified or not, and whether acting alone or in collusion with other persons, to affect, alter, copy corrupt, delete, disrupt, or destroy a computer system or obtain financial benefit for any party or to steal or take electronic data; Denial of service for which the insured is responsible that results in the degradation of or loss of access to internet or network activities or normal use of a computer system; Loss of service for which the insured is responsible that results in the inability of a third party, who is authorized to do so, to gain access to a computer system and conduct normal internet or network activities; Access to a computer system or computer system resources by an unauthorized person or an authorized person in an unauthorized manner; Loss or disclosure of confidential information no matter how it occurs; Systems analysis; Software Design; Systems programming; Software Design; Systems integration; Outsourcing including outsourcing development and design; Systems design, consulting, development and modification; Training services relating to computer software or hardware; Management, repair and maintenance of computer products, networks and systems; Marketing, selling, servicing, distributing, installing and maintaining computer hardware or software; and in the event that the professional liability insurance required by this contract is written on a claims-made basis, Vendor warrants that any retroactive date under the policy shall precede the effective date of this contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this contract is completed. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.</p>	No.
160	6.4.5.7 Builders Risk	98	Will the State please delete this Section?	Yes. Section 6.4.5.7. Builders risk has been deleted in the amendment.

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161	6.4.5.8 Additional Insurance Requirements	98	Will the State please revise this Section as follows: "The policies shall include, or be endorsed to include, the following provisions: The State of Alabama, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Vendor, even if those limits of liability are in excess of those required by this contract. The Vendor's insurance coverage shall be primary insurance with respect to all other available sources. Coverage provided by the Vendor shall not be limited to the liability assumed under the indemnification provisions of this contract."?	This Section, which is now 6.4.5.7 in the amendment, has been modified. Please review.
162	6.4.5.9 Notice of Cancellation	98	Will the State please revise this Section as follows: "Each Either Vendor or its insurance policy required by the insurance provisions of this contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits below the amounts set forth herein except after for thirty (30) days prior written notice of cancellation has been given to the State of Alabama. Such notice shall be sent directly to the Department and shall be sent by certified mail, return receipt requested."?	This Section, which is now 6.4.5.8 in the amendment, has been modified. Please review.
163	6.4.5.11 Verification of Coverage	98	Will the State please revise this Section as follows: "Vendor shall furnish the State of Alabama with certificates of insurance (ACORD form or equivalent) as required by this contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the Department before work commences. Each insurance policy required by this contract must be in effect at or prior to commencement of work under this contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this contract, or to provide evidence of renewal, is a material breach of contract. All certificates required by this contract shall be sent directly to the Department. The State of Alabama project/contract number and project description shall be noted on the certificate of insurance. The Department reserves the right to require complete, certified copies of all insurance policies required by this contract. Certificates of Insurance shall not be sent to the State of Alabama's Risk Management Section."?	This Section, which is now 6.4.5.10 in the amendment, has been modified. Please review.
164	6.4.5.12 Subcontractors	98	Will the State please revise this Section as follows: "Vendors' certificate(s) shall include all subcontractors as insureds under its policies or Vendor shall furnish to the State of Alabama separate certificates and endorsements for from each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above, except for the provisions pertaining to umbrella coverage and fidelity bond or crime insurance."?	This Section, which is now 6.4.5.11 in the amendment, has been modified. Please review.
165	6.4.5.13 Approval	98-99	Will the State please revise this Section as follows: Any modification or variation from the insurance requirements in this contract shall be made by the State of Alabama Risk Management Section, whose decision shall be final. after notifying Vendor of such intent and negotiating with vendor any such modification or variation. Such action will not require a formal contract amendment, but may be made by a written administrative action; provided that Vendor shall have been given a fair and timely opportunity to dispute and/or negotiate any such modification or variation."?	This section has been deleted.

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166	Section 6.5.12 Performance Bond	103	Will the State please add the following sentence at the end of Section 6.5.12: "Such performance bond may be issued on an annually renewable performance bond form provided by Contractor's Surety Bond Broker."?	Section 6.5.12 has been modified. Please review.
167	Section 6.5.13 Indemnification		Will the State please revise this section as follows: "Vendor shall indemnify and hold the Department harmless from all claims, losses, expenses, fees (including attorney's fees and litigation costs), costs and judgments that may be asserted against the Department directly resulting from any negligent or willful misconduct acts or omissions of the Vendor or the Vendor's employees, the Vendor's subcontractors and the Vendor's agents. Without limiting the foregoing paragraph, Vendor shall indemnify and hold the Department harmless from all claims, losses, expenses, fees (including attorney's fees and litigation costs), costs and judgments, but in no event in an amount greater than the annual contract value for the calendar year during which such amounts have been incurred, that may be asserted against the Department for the infringement of any patents, trademark, copyright, proprietary right, or right of privacy arising from the Vendor's or State's use of any equipment, materials, or information prepared or developed in conjunction with performance of the contract. The Vendor shall, in any such suit, satisfy any final judgment for infringement. Any Federal sanction or damages, other than those specified herein, imposed upon the State due to the Vendor's failure to perform its responsibilities under the contract shall be paid by the Vendor; provided that, Vendor has had a fair and timely opportunity to dispute any such alleged failure to perform. This entire indemnification section applies whether or not: 1) the activities involve third-parties or employees, subcontractors or agents of the Vendor or Department, or 2) a claim results in a monetary obligation that exceeds any contractual commitment. This entire indemnification section extends to the successors and assigns of the Vendor, and this indemnification and release survives the termination of this contract and the dissolution or, to the extent allowed by law, the bankruptcy of the Vendor. In the event the Department is named as a defendant in, or made the subject of, a suit or other form of action, the Department has the sole discretion exercisable at any time while the suit or matter is pending to either (1) tender defense of the Department to Vendor, in which case, Vendor shall engage counsel to represent the Department at Vendor's cost and expense, or (2) separately engage counsel for the Department, in which case the cost and expense for such legal representation shall be paid by Vendor upon the Department's demand. No settlement or compromise of any claim, loss, or damage asserted against the Department shall be binding upon the Department unless expressly approved by the Department."?	No.
168	Section 6.9.1 Liquidated Damages	107-108	Will the State please add the following sentence to this Section 6.9: "The State shall, prior to assessment and withholding of any amounts under this Section 6.9, provide Vendor with a timely notice and a fair and timely opportunity for Vendor to dispute and/or correct, as the case may be, any causes, remedies, or deficiencies related to and allegedly arising under this entire Section 6.9 including but not limited to Liquidated Damages, Right to Offset, Right to Assurance, prior to assessment thereof."	No.

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169	Section 6.9.1 Liquidated Damages		Will the State please revise the following sentence as follows: “The Department estimates that any such delay will result in daily damages that shall may exceed \$10,000.001,000.00 As a result, Vendor agrees that liquidated damages of \$10,000.001,000.00 shall may be deducted from Vendor’s compensation for each and every day that the work contemplated in the sections outlined below continues uncompleted beyond those dates; provided that, Vendor has had a fair and timely opportunity to dispute or cure the cause for any such alleged liquidated damage.”?	No.
170	Section 6.10.1 Acceptance	109	Will the State please revise this section as follows: “The State and Vendor shall agree on clearly defined acceptance criteria for all materials and deliverable under to Agreement prior to executing the final Agreement. Materials and deliverables under this contract shall not be deemed accepted by Vendor upon delivery. The Department shall notify Vendor whether such deliverable and/or material have been accepted pursuant to Sections 2.3.2 and 2.3.3.”?	No. Please review the requirements of the RFP. It addresses scope of work and deliverables.
171	Section 6.10.6 Nonconforming Tender		Will the State please revise this Section as follows: “Materials and/or deliverables supplied under this contract shall fully comply with the contract. The delivery of materials or a portion of materials in an installment that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials and/or deliverables, the Department shall promptly notify Vendor and allow Vendor ten (10) business days to re-deliver conforming Materials and/or deliverable, and if Vendor fails to do so, the Department may terminate the contract for default under applicable termination clauses in the contract, exercise any of its rights and remedies or pursue any other right or remedy available to it.”?	Section 6.10.6 has been revised. Please review.
172	Section 6		Would the state consider the following changes to Section 6?	Section 6 has been revised in the RFP amendment dates June 7, 2012. Please review. Note: Due to the format of the file received by the company asking for these revisions, the company’s suggested revisions are in a separate file below the Q&A called, “Question 173 Q&A: Requested revisions to Section 6—company request only. This is not the revised Section 6 as it appears in the Amendment of June 7, 2012. This file is for informational purposes only.”