



## STATE OF ALABAMA

Alabama Department of Insurance  
Office of the Alabama Health Insurance Exchange (HIX)

# Request for Proposal for the Alabama Health Insurance Exchange System

Deliverable  
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## **PREFACE AND PROJECT TIMETABLE**

The following Table 1 represents the State's best estimate of the schedule that must be followed. The deadlines associated with the Vendor question and answer periods, and the proposal due date and the proposal opening date are firm, while the other dates provided in the schedule are estimates and will be impacted by the number of proposals received. Note that if addendums or oral presentations are determined to be required, the dates in Table 1 may need to be updated. The State reserves the right, at its sole discretion, to adjust this schedule as it deems necessary. Notification of any adjustment to Table 1 will be posted under the "health reform link" on the Department of Insurance (DOI) web site at: [www.aldoi.gov](http://www.aldoi.gov).

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**Table 1: Project Timetable**

Activity	Completion	Central Time
Request for Proposal is Issued	May 9, 2012	By 5:00 PM <del>GST</del> CDT
Deadline for Submitting Questions to be Answered at the Pre-Proposal Conference	May 16, 2012	By 5:00 PM <del>GST</del> CDT
Deadline for Submitting Intent to Attend Pre-Proposal Conference Notification	May 16, 2012	By 5:00 PM <del>GST</del> CDT
Mandatory Pre-Proposal Conference	May 25, 2012	10:00 AM <del>GST</del> CDT
Deadline for Submitting Questions after Pre-Proposal Conference	May 31, 2012	By 5:00 PM <del>GST</del> CDT
Answers to Questions to be posted on web site	June 7, 2012	By 5:00 PM <del>GST</del> CDT
Proposal Submission Date	June 11, 2012	By 5:00 PM <del>GST</del> CDT
Opening of Proposal Responses	June 12, 2012	9:00 AM <del>GST</del> CDT
Selection of Apparent Winning Vendor (Estimated)	July 11, 2012	5:00 PM <del>GST</del> CDT
Centers for Medicare & Medicaid Services (CMS) Approval of Contract (Estimated)	July 20, 2012	5:00 PM <del>GST</del> CDT
**Legislative Oversight Committee Review and Governor's Approval of Contract (Estimated)	August 2, 2012	5:00 PM <del>GST</del> CDT
<b>Proposal Award Milestone</b>	August 10, 2012	5:00 PM <del>GST</del> CDT
<b>Project Phase 1:</b> Finalization of project plans and preliminary detailed design for the entire project	--	--
Contractor Begins Work (Estimated)	August 13, 2012	8:00 AM <del>GST</del> CDT
<b>Project Plan Upgrade Milestone</b>	Vendor to Propose	
<b>Preliminary Design Review Milestone</b>	Vendor to Propose	
CMS: Provide preliminary detailed design documentation to CMS for review and approval	September 28, 2012	5:00 PM <del>GST</del> CDT
<b>Project Phase 2: Build phase for Phase 2 System components, with iterative detailed design development for each new component in the proposed solution as given in Section 3.3.</b>	--	--
CMS: Conditional Certification to Operate Exchange	February 28, 2013	TBD
<b>Detailed Design and Operational Review Milestone</b>	Vendor to Propose	
Receive submissions via Portal from issuers seeking to sell products on the HIX System	July 1, 2013	8:00 AM <del>GST</del> CDT
<b>Implementation Readiness Milestone for Phase 3</b>	Vendor to Propose	
<b>Project Phase 3:</b> Pilot operation of all the components developed in Phase 2	--	--
CMS: Full Certification to Operate Exchange	September 30, 2013	TBD
Allow open enrollment for individuals and small businesses	October 1, 2013	12:00 AM <del>GST</del> CDT
<b>Implementation Readiness Milestone for Phase 4</b>	Vendor to Propose	
<b>Project Phase 4:</b> Completion and stabilization of the entire HIX System	January 1, 2014	12:00 AM <del>GST</del> CDT
CMS: Fully operational HIX System	January 1, 2014	12:00 AM <del>GST</del> CDT
<b>Project Phase 5:</b> Operation of the completed System (Warranty Period)	January 1, 2015	12:00 AM <del>GST</del> CDT
<b>Operational Readiness Review (ORR) Milestone</b>	Vendor to Propose	

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<b>Project Phase 6:</b> Operation of the completed System (Post-warranty Period includes annual renewal options)	January 1, 2019	12:00 AM <del>EST</del> CDT
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\* By State law, this contract must be reviewed by the Legislative Contract Review Oversight Committee. This committee meets monthly and can, at its discretion, hold a contract for up to 45 days. The "Contractor Begins Work" date, as shown in the table above, may be impacted by the timing of the contract submission to the committee for review and/or by action of the committee itself.

## FORWARD – RFP ORGANIZATION

This Request for Proposal (RFP) is organized in the following manner:

**Section 1: Purpose and Background:** Contains an explanation of the RFP purpose and background information concerning the Alabama Health Insurance Exchange (HIX) and other items of interest to the Vendor.

**Section 2: Project Scope and Approach:** Contains information about the project goals, key stakeholders, project organization, and a summary of the scope of work.

**Section 3: Project Requirements:** Contains information regarding the specific requirements for the system and expectations of the selected Vendor.

**Section 4: General Administrative Information:** Contains mandatory Vendor qualifications, the Procurement Schedule, and general Vendor instructions. Resources, facilities, and equipment to be provided by the State are also discussed.

**Section 5: Proposal Response Specifications and Format:** Contains mandatory proposal submission information, and instructions concerning how Vendors are to structure and format their proposals. Detailed preparation instructions are given for each section of both the Technical Proposal and the Cost Proposal.

**Section 6: Contract Terms and Conditions:** Contains contract information along with several specific terms and conditions under which the Vendor must perform the contract.

**Section 7: Project Activities, Tasks and Deliverables:** Contains a detailed list of activities, tasks, and deliverables.

**Appendices:** Contains documents referenced from the body of the RFP that are needed to respond to the RFP. Appendix K: Contains the various forms that support the procurement process and the submission of a proposal.

**Additional Documentation:** A mandatory Requirements Response Matrix is provided as a separate document accompanying this RFP. It is described on Form D in Appendix K, and it is extensively referenced in Sections 2, 3 and 5.

## **1 PURPOSE AND BACKGROUND**

### **1.1 Purpose**

The Office of the Alabama Health Insurance Exchange (HIX) is issuing this Request for Proposal (RFP) to obtain competitive responses from qualified organizations to provide and implement the Alabama Health Insurance Exchange System (System), a state-of-the-art automated system that supports HIX in providing all of the functionality described in this RFP.

It is the intent of HIX to provide prospective Vendors with sufficient information to enable them to prepare and submit proposals to Alabama HIX, especially information that is specific to Alabama versus general information available from the Federal Government.

The Vendor may use this information to demonstrate why the Vendor's proposal should be chosen by HIX. It is expected that the Vendor will propose a combination of software and services that together constitute the best "Proposed Solution." As a portion of the Proposed Solution, it is expected that the Vendor will propose (1) the use of Commercial Off-The-Shelf (COTS) components, whether proprietary or open source and/or (2) the design, development and testing of new software components specifically for HIX.

It is the state's desire to obtain a SOA solution that will allow other state agencies to consume centrally hosted services. The vendor selected will not be responsible for integrating services beyond the scope outlined in this RFP. However, licensing costs for components that have broad applicability across agencies – e.g. eligibility engine, address validation tools, business intelligence software, user administration, etc. – should be priced in such a way to allow for extensibility beyond the Exchange System.

### **1.2 Health Benefit Exchange Background Specific to Alabama**

General Terminology for this RFP is contained in the Appendix A: Glossary. However, some terms are determined to represent important Alabama background information.

"Exchange" (when capitalized and not otherwise qualified) means the Alabama implementation of the "American Health Benefit Exchange," including the "Small Business Health Options Program" or "SHOP Exchange," described in Section 1311 of the ACA, to be planned for, created, and implemented by Alabama based, in part, on the Services to be performed under this Contract. The word "Exchange" (capitalized) will be used to emphasize the functionality of the Alabama Health Insurance Exchange, as opposed to its administration, which will be referenced by the HIX acronym. Generally "Exchange" and "HIX System" can be used interchangeably.

"HIX" means the Governor's Office of the Health Insurance Exchange or any similar successor entity created by Executive Order of the Governor or legislation. HIX is not a division or unit within the Alabama Department of Insurance, but HIX is designated by the Department of Insurance to act as its representative for purposes of this RFP.

"System" (when capitalized and not otherwise qualified) is the target product of this RFP. For emphasis, it will often be qualified as the "HIX System." However, "System" and "HIX System" are synonymous.

Under Alabama law, only licensed insurance producers can actually provide advice on selecting a specific insurance product.

In Alabama, the HIX System exists within an ecosystem of organizations and other electronic systems that services about 4 million Alabama residents. The HIX System will be most heavily used during initial implementation and annual enrollment periods. Some additional information regarding some of the most important elements of this ecosystem is provided below for the:

- Office of the Alabama Health Insurance Exchange (HIX)
  - HIX Organizational Status
- Alabama ~~MAGI Medicaid~~ Eligibility Determination System
- MyAlabama.gov Portal
- Alabama Health Information Exchange (AHIE)
- Federal Data Services Hub
- System for Electronic Rate and Form Filing (SERFF)

### 1.2.1 Office of the Alabama Health Insurance Exchange

The Patient Protection and Affordable Care Act of 2010 (ACA) provides for the creation of State-based Health Insurance Exchanges that will allow consumers to access and evaluate health insurance coverage options from commercial insurers, determine eligibility for federal subsidies, and enroll in health insurance coverage of their choice.

Reference: <http://www.healthcare.gov/law/about/index.html>

The Office of the Alabama Health Insurance Exchange is operating through the Alabama Department of Insurance (DOI) to solicit Proposals from interested, qualified vendors (Vendors) in order for HIX to implement the Alabama Insurance Exchange System (HIX System).

### HIX Organizational Status

HIX is a newly created organization within the state of Alabama. Recruitment of new staff by HIX for the implementation of the Exchange is currently in progress. Staff from the Vendor chosen to implement the Exchange will work with new staff recruited by HIX as well as existing staff from multiple agencies within the state of Alabama, especially those related to HIX System integration with other agency systems.

### 1.2.2 Alabama ~~Medicaid~~ MAGI Eligibility Determination System

~~In some states, the HIX System and the Medicaid Eligibility Determination System are one system. In Alabama, the HIX System and the Alabama Medicaid Eligibility Determination System are procured by two different organizations, Alabama HIX and Alabama Medicaid respectively.~~

At this time, it is anticipated that Alabama ~~Medicaid~~ will host procure a new system which will supply the eligibility determination functionality for HIX, Medicaid and CHIP (ALL Kids). ~~If this new Medicaid Eligibility Determination System is ready for the HIX integration in time to meet the timelines in Table 1, optimal integration with the HIX System would occur in the normal se-~~

~~quence of HIX System implementation. However, an additional~~<sup>A</sup> 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~~. As a portion of this Alabama background section, the risk of a "two-step implementation" that includes a "temporary solution" and then an "optimized" integration solution with the Alabama Medicaid Eligibility Determination System is highlighted.

**NOTE: It has now been determined that the proposed HIX System must include an Eligibility Determination System capable of making MAGI determinations for HIX, Medicaid and CHIP programs. Vendors must proceed with the understanding that the proposal HIX System will require must include cost estimates for the entire eligibility function, and that none of this functionality will be provided by the Medicaid Eligibility Determination System. Vendors must not present proposals that assume that another agency will provide this functionality. In the proposed budget, vendors must present a line item price for purchasing and writing the business rules to support the MAGI eligibility determination. The price quoted must also include ongoing operations, maintenance and support costs on an annual basis for the first five years of operation. The price for the up-front and ongoing MAGI eligibility determination component must be included on Form N.**

Section 3 provides more detail regarding the HIX procurement. Alabama agencies are coordinating closely to ensure that:

- A consumer-friendly application process is developed for all health subsidy programs
- Seamless transition is coordinated across health subsidy programs
- Application and renewal processes are minimized by accessing data from other sources
- Transfer of consumer eligibility, enrollment, and disenrollment information between Medicaid and other insurance coverage options, including CHIP, public/private health plans, and other HHS programs, is facilitated

### **1.2.3 MyAlabama.gov Portal**

MyAlabama.gov is the online portal for services provided to Alabama residents from the state of Alabama. MyAlabama.gov Portal puts the power of the state of Alabama government at the fingertips of Alabama residents, 24/7.

The MyAlabama.gov Portal is a result of the My Alabama Project. The Project's focus is to increase health and human service (HHS) outcomes for children and families by building an integrated HHS infrastructure to coordinate technology and business processes of multiple systems that provide services to Alabama clients and families. Initial implementations of MyAlabama.gov Portal included Medicaid and Public Health (e.g., ALLKids, CHIP). Other agencies participating in the Project are the Department of Human Resources (Food Stamps and Temporary Assistance for Needy Families (TANF)), Mental Health (e.g., Mental Retardation Services), and Rehabilitation Services.



In the same way that MyAlabama.gov Portal is an entry point for the stakeholders of the Alabama ~~Medicaid~~-MAGI Eligibility Determination System, MyAlabama.gov Portal will be an entry point for stakeholders of the Alabama Health Insurance Exchange System. Section 3 provides more detail regarding the HIX procurement.

**NOTE: It has now been determined that the proposed HIX System must include an Eligibility Determination component capable of making MAGI determinations for HIX, Medicaid and CHIP programs. Vendors must proceed with the understanding that the proposal must include cost estimates for the entire eligibility function. Vendors must not present proposals that assume that another agency will provide this functionality.**

#### **1.2.4 Alabama Health Information Exchange**

The statewide Alabama Health Information Exchange (AHIE) system infrastructure for physicians, hospitals, mental health providers, other health care organizations, and consumers may carry health information required by consumers and their representatives during their interactions with the HIX System. AHIE is funded by ONC to implement the same standards-based communication interfaces as other states' Health Information Exchanges have implemented. Section 3 provides more detail regarding the HIX procurement.

#### **1.2.5 Federal Data Services Hub**

To ensure reliable, standardized service to Exchanges, Medicaid, and CHIP programs, and in recognition that it is inefficient for State Exchanges and other coverage programs to organize a multiplicity of point-to-point interfaces for the exchange of data and routing of queries, HHS will establish a data services hub. Section 3 provides more detail regarding the HIX procurement.

If this new Federal Hub is ready for the HIX integration in time to meet the timelines in Table 1, optimal integration with the HIX System would occur in the normal sequence of HIX System implementation. However, as a portion of this Alabama background section, the risk of a "two-step implementation" that includes a "temporary solution" and then an "optimized" integration solution with the Federal Hub is highlighted.

#### **1.2.6 System for Electronic Rate and Form Filing (SERFF)**

The original concept for SERFF was developed in the early 1990s by the National Association of Insurance Commissioners (NAIC). The Electronic Filing Submission's intent was to provide a cost-effective method for handling insurance policy rate and form filings between regulators and insurance companies in order for the states to receive, comment on, and approve or reject insurance industry rate and form filings. The SERFF Consortium, an unincorporated group of interested states and companies has been an open, cooperative partnership with the mission to fund and oversee the development of the SERFF application. This partnership has allowed the states and companies to jointly exert a measure of control over a mission-critical function that



otherwise could overwhelm either party's capability to respond to changing process requirements.

SERFF offers a decentralized point-to-point, web-based electronic filing system. SERFF facilitates communication, management, analysis and electronic storage of documents and supporting information. The system is designed to improve the efficiency of the rate and form filing and approval process and to reduce the time and cost involved in making regulatory filings.

Alabama Department of Insurance (DOI) requires all rate and policy submissions from insurance companies of all types to be submitted to the State via SERFF; that is, Alabama DOI does not contain a data system that will act as a data source to HIX. Consequently, all insurance company and health plan information displayed in the HIX System will come either automatically from SERFF or perhaps the Federal Hub. See Section 3 of this RFP document for information related to this HIX System procurement.

If new interfaces from SERFF or the Federal Hub are ready for the HIX integration in time to meet the timelines in Table 1, optimal integration with the HIX System would occur in the normal sequence of HIX System implementation. However, as a portion of this Alabama background section, the risk of a "two-step implementation" that includes a "temporary solution" and then an "optimized" integration solution with SERFF or the Federal Hub is highlighted.

## 2 PROJECT SCOPE AND APPROACH

### 2.1 Project Scope

HIX has described the scope of this project at a detailed level in this RFP in Section 7: Activities, Tasks, and Deliverables. Section 7 also references the detailed functional system requirements described by HIX in the Requirements Response Matrix. Higher preference will be given to software components that comply with guidance from the Centers for Medicare & Medicaid Services (CMS):

[http://cciio.cms.gov/resources/files/exchange\\_medicaid\\_it\\_guidance\\_05312011.pdf](http://cciio.cms.gov/resources/files/exchange_medicaid_it_guidance_05312011.pdf)

The web services and other communication standards specified by the Federal Government for use by Health Insurance Exchanges as well as those specified by the state of Alabama for health information communications are requirements within this project scope, whether specified explicitly within this RFP or are specified by the Federal Government or the state of Alabama during the operation of the HIX system by the selected Vendor. The selected Vendor must meet all Service Level Agreements (SLAs) defined for the HIX System. COTS products that support the adaptive, web service oriented architecture (SOA) design of the system are preferred for the desktop virtualization tier (when appropriate for security), presentation tier, middle tiers, relational database tier, and the server virtualization tier of the HIX System (see Sections 3.2.4, 3.5, 5.2.2.16, 5.2.2.17 and Appendix B of this document).

HIX is seeking a System that will initially be hosted in a private data center by the selected Vendor, but which is able to be subsequently moved to other data centers (e.g., hosted in Alabama data centers or other data centers selected by Alabama and operated by other vendors). For this reason, a rational exit strategy from the Vendor's data center must be described in this RFP response including the movement of existing data and existing software from the Vendor's data center to another data center operated by the state of Alabama or other vendor. The Vendor must describe this hosting exit strategy along with other hosting details in Tab 10 (see Section 5.2.2.15).

The HIX System must include core functionality to allow for adaptation and expanded use of the System to other eligibility programs and insurance exchange services, including those managed and administered outside of HIX. The System must be flexible enough to support a large number of programs and services, each with unique program-level requirements. The System must allow for some shared functionality, such as a common user-interface and database structure, but also serve the unique needs of individual programs. Any web services implemented may/will be used by other programs. Other agencies will be able to build on the System platform to administer means-tested programs. Although the scope of this RFP does not include the additional functionality needed to support other programs, the Vendor's solution must be built with a flexible architecture to support such expansions.

Through this RFP, HIX seeks to buy the best services and products at the most favorable competitive prices, and to give all qualified business entities an opportunity to bid to provide the desired products and services.

## **2.2 Project Organization**

The Vendor must use Tabs 5, 6, 7, 8, and 9 to create an integrated view of both the System Solution and the Project Organization for the implementation of the System Solution. In addition, a tight trace-ability matrix must be created within these tabs by the Vendor to-and-from HIX Section 7 and the Requirements Response Matrix. The Requirement Response Matrix is contained within an Excel file that is an integral part of the RFP, and should have been downloaded along with the RFP PDF. This document will be henceforth referenced as the Requirements Response Matrix, understanding that it is contained within a separate Excel file.

HIX has described the project scope at the detailed level in this RFP in Section 7: Activities, Tasks and Deliverables. In Tab 6 (see Section 5.2.2.11) and Tab 7 (see Section 5.2.2.12), the Vendor must describe the recommended project organization. In Tab 8 (see Section 5.2.2.13) and Tab 9 (see Section 5.2.2.14), the Vendor must numerically identify and describe the specific step in the Project sequence that implements each functional requirement described by HIX in this RFP in the mandatory Requirements Response Matrix document. In addition, the appropriate numeric section in these response tabs must be referenced in the mandatory Requirements Response Matrix.

The Vendor's System Solution for each Functional Requirement must be described by the Vendor in Tab 5 and structured into a logical set of numerically identified sections. The appropriate numeric section in the Tab 5 response must be referenced in the mandatory Requirements Response Matrix. (see Section 5.2.2.10).

## **2.3 General Scope of Work**

### **2.3.1 HIX Approach to Development**

HIX views the development effort holistically, as a system-of-components involving software, hardware, people and processes oriented toward achieving its business needs and service delivery mission. HIX expects the Vendor to regard this development effort in the same way – as a completely integrated and relatively seamless delivery that fully addresses HIX core needs as expressed in the requirements.

HIX recognizes the broad and diverse nature of its System, and the complicating impact that the new technology and applications that are being introduced brings to the development effort. Much of the development will involve low risk workflow and web page development. Some, however, will involve the development of high risk, critically reliable and structurally significant components. HIX wishes to benefit from an iterative, agile-based development approach focused on the delivery of working components, while retaining the ability to address high risk items with a greater level of process discipline when needed. It needs a quality assurance and testing approach that exhibits the same flexible range of rigor in addressing risk. HIX requires that the Vendor provide a system development lifecycle that can accommodate all these needs by balancing agility with traditional process discipline.

At a minimum, HIX is expecting the Vendor's lifecycle development approach to use the CMS Guidance for Exchange and Medicaid Information Technology (IT) Systems v.2.0 and as a basic

System Development Life Cycle (SDLC) process. This model includes life-cycle stages and transition point gate reviews for such items as business service descriptions/definitions, requirements specifications, system design specifications, data models, interface control documents, and integration test cases. Over time, it is expected that the level of integration testing will increase with each iteration until entire subsystems are tested. System testing must verify that system requirements have been satisfied. User Acceptance Testing of the entire System will validate that the expectations of HIX have been met.

Vendor should 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. The IV&V must not be performed by a group that is designing, building nor supporting the Exchange system build.

### 2.3.2 Deliverable Review Process

While the complete process for review of all the System Project deliverables and documents will be developed and agreed upon by HIX and the successful Vendor at the beginning of the project, it is subject to change at the discretion of HIX if the situation warrants. The Vendor proposal document will form the basis for negotiations related to the review process. At a minimum, the Vendor must deliver a draft template with an annotated table of contents that will cover the acceptance criteria for each deliverable. All deliverables submitted to HIX must have, at a minimum, a cover letter outlining contents for delivery approval and a copy of the deliverables in electronic form, as directed by the HIX Project Manager.

Upon receipt of a deliverable, HIX staff will convene, as necessary, a review panel to assess the deliverable. The HIX Project Manager may also request a walkthrough of any deliverable submitted by the Vendor.

The deliverable will be reviewed within an agreed-upon set number working days after the receipt date. **Additional review time may be required at the discretion of the HIX Project Manager, who will notify the Vendor if that is the case.** If the deliverable is determined to be in need of modification, the HIX Project Manager will send written notification to the Vendor outlining the changes and reasons for the changes. The Vendor will make the corrections within 10 working days and resubmit the deliverable to the HIX Project Manager for additional review.

Once sufficient changes have been incorporated and the deliverable is both ready for use and compliant with content requirements, the deliverable will be submitted to HIX for formal acceptance and written approval. An acceptance letter, signed by HIX, will be submitted to the Vendor through the HIX Project Manager.

The Change Control Board for the System Project or its delegated representative must approve all identified deliverables due under this RFP. "Approved deliverables" means that the deliverable is of acceptable quality and content, without any further HIX reviewer recommended changes or unacceptable comments. The HIX Project Manager will be responsible for recording, tracking, and marking HIX accepted deliverables as "APPROVED." **HIX will only pay the Vendor for approved deliverables.**

***Please note that HIX reserves the right to negotiate with the Vendor to reasonably change the deliverable due dates or timeframes as appropriate to assure timely completion of the project without any changes in the Vendor's contracted bid prices.***

### **2.3.3 Deliverable Acceptance Criteria**

The following criteria will be used by HIX to determine acceptance of the services and/or deliverables provided by the Vendor under this RFP:

- All Project Plans must be executed according to a standard dictated by the HIX Project Manager
- All deliverables must document the validity of the requested development process relative to current industry standards
- All documentation and deliverables must conform to the acceptance criteria specified for each of the activities given in Section 7
- All required documentation, as specified by the HIX Project Manager, will be delivered within mutually agreed-upon timeframes
- All required documentation will meet minimum standards for quality as specified by the HIX Project Manager

### **2.3.4 HIX System Project Major Milestones**

This section is set forth to provide Vendors with a concept of the initial thinking of HIX with regard to System Project Major Milestones. **However, it is the Vendor's responsibility to modify or otherwise elaborate on these preliminary milestones in developing their plans.** The following are sections where Milestones are mentioned as requirements of the proposal process:

- Table 1: Project Timetable
- Section 5.2.2.11, response Tab 6, SDLC Approach and Methodology
- Section 5.2.2.13, response Tab 8, Project Plan
- Activity 1 in Section 7, Project Planning, especially Management Approach and Project Schedule

The term 'Milestone' is used for the control points that will apply regardless of the development approach adopted. The Vendor will place these control points into its schedule and incorporate them into its life cycle proposal according to the time constraints of Table 1. Payment will be contingent, in part, upon the approved completion of each of the Milestones. The remainder of this section provides a discussion for each of the preliminary project major Milestones.

#### **Proposal Award Milestone**

HIX selection of a winning proposal, which must address both the requirements of this RFP and the associated deliverables, constitutes the first Vendor milestone. The winning proposal will address as much of the criteria of the Project Plan Upgrade Milestone defined below as possible with the information available prior to contract award. Contract award will signify HIX approval

to proceed to Phase 1 of the project. This Phase of the project and its deliverables are described in Activity 1, Section 7. The planning documentation requirements covered in the proposal must be modified by the Vendor as the result of a deeper understanding of HIX needs and environment at that time as well as the additional time during Phase 1 to accomplish these upgrades.

#### **Project Plan Upgrade Milestone at End of Phase 1**

The requirements given in this RFP are as current as they could be as of its distribution date. A number of changes might become apparent in the interim between this date and the proposal award date. In addition, HIX expects the successful Vendor to bring experience, ideas and concepts to the project that may not be within this current RFP document. For this reason a Phase 1 deliverables have been established that will be the result of the Vendor performing systems analysis, requirements refinement, planning and, to the extent possible, detailed design. The expected deliverable for this phase will consist of the several documents that are described in Activity 1 of Section 7.

#### **Preliminary Design Review Milestone**

The Preliminary Design Review is a major System Project control milestone that is intended to address the system's lifecycle objectives once the requirements are refined and resolved in Phase 1. This milestone will establish that: (1) core operational concepts will be supported, and (2) core requirements will be satisfied. If prototypes are used for demonstration, the approach to be applied to the rest of the Project must either be faithful to the prototypes or an adequate reason for the departure must be documented. The system must be buildable within the budgets and schedules established by the Vendor and approved by HIX, and the design must demonstrate ultimate satisfaction of all requirements.

At this milestone, at a minimum the following will have been accomplished:

- Key validated usage scenarios will be exercised through prototyping or simulation. Critical conceptual risks will be identified and resolved
- An assessment of alternative feasible system concepts and solutions will be completed that will consider the satisfaction of both business and technical stakeholder objectives; Business objectives will be further analyzed for requirements and feasible architectures
- Top-level functions, interfaces, quality attribute levels will be defined, including system growth and priorities, prototypes, and stakeholder concurrence on essentials will be resolved
- The identification and initial specification of the services needed from enabling systems throughout the lifecycle will be accomplished
- The top-level definition of one or more feasible architectures will be determined, including physical and logical relationships, choices of COTS and reusable software components, and the identification of infeasible architecture options
- The top-level lifecycle process model stages and increments will be identified, including the identification and refinement of concepts for execution for each stage
- Risks will be identified and assessed, and mitigation plans will be established for subsequent stages of the lifecycle



- Plans and exit criteria for the Development Phase will be defined and approved by HIX.
- HIX must agree that satisfaction of the criteria for this phase has been accomplished before continuing to the next major milestone

#### **Detailed Design Review Milestone**

The Detailed Design Review is a major System control milestone for the project that is intended to address the system development lifecycle and the system architecture. This milestone is intended to demonstrate the following:

- The elaborated operational concept and system requirements are supported for the agreed upon architecture
- Either the development will be consistent with all previously approved prototypes, or sufficient explanations for deviation will be approved
- The system is buildable within the budgets and schedules established by HIX
- All major risks have been resolved or covered by the risk management plan
- Key stakeholders are committed to support the full lifecycle
- The initial operational requirements can be implemented
- System operation and support plans have been prepared
- Implementation planning has occurred to assure that site preparation and system implementation will be successful
- Plans exist for users, operators, and maintainers to be trained

As the result of the approval of the Detailed Design Review, the Vendor will move on to address the next major milestone.

#### **Detailed Design and Operational Review Milestone**

This milestone will include an Operational Readiness Review, which addresses the system's initial operational capability. At this milestone, at a minimum the following will have been accomplished:

- The system's objectives and operational concepts have been incrementally elaborated. System requirements, budget and schedule baselines, and lifecycle ownership estimates have been evaluated and refined
- A prototype or partial system is built
- Top-level functions, interfaces, quality attributes, and prototypes have been incrementally elaborated. Items not yet addressed are identified
- Stakeholder concurrence on priority concerns is accomplished
- Requirements for enabling systems are refined and base lined. It is confirmed that the system meets all stakeholder and system requirements and is producible, operable, supportable, and is cost effective for stakeholders
- The system and software architecture has been incrementally elaborated. A system architecture comprised of hardware, software and manual business processes and their interfaces (internal and external) exists. Physical and logical components, connectors, configurations, and constraints are identified. COTS and reuse choices are made. Do-

main architecture and architectural styles are determined. Architectural evolution parameters are defined. Technical information exists, including but not limited to:

- Hardware diagrams and models
  - Software design documentation
  - Interface specifications
  - Production plans
  - Operating instructions
  - Training manuals
  - Maintenance procedures
  - Retirement considerations
  - Definition of the enabling services required in subsequent lifecycle stages
- Consistency is assured and has been verified and validated among all elements. Major risks are resolved or covered by a risk management plan. Current risks are identified and mitigated
  - Exit criteria for this stage have been satisfied. Plans and exit criteria for the next stage are approved
  - Approval is obtained to proceed to the next phase

### **Implementation Readiness Milestone for Phase 3**

The Implementation Readiness Milestone is a control milestone that marks the Initial Operating Capability (IOC) of the subsystem (e.g., in this case the deliverables of Phase 2 (see Section 3.3) utilized in Phase 3). It will be used to determine when these components are operationally capable. This milestone will occur prior to the subsystem being deployed operationally for System testing. HIX will expect a staged implementation of the overall system, culminating with an Operational Readiness Review (ORR); see the ORR Milestone below.

The IOC will reflect the earliest time at which the Phase 2 System components are operational, not the time at which it has assumed processing responsibility for the entire Exchange.

The key elements of this milestone for the project are when the following are completed:

- Software preparation, including both operational and support with appropriate documentation
- Data preparation, access, import and conversion (as appropriate)
- The necessary licenses and rights for COTS or reusable software, and appropriate qualification and compliance testing are satisfactorily complete
- The site preparation, including facilities, equipment, supplies, and COTS Vendor support arrangements are ready
- The user, operator, and maintainer preparation (including selection, teambuilding, training, and qualification for familiarization, usage, operations, or maintenance) have been completed, and the system is ready for operation

At this milestone, as a minimum, the following will have been accomplished (the word "system" in the immediate context below refers to the components that were required to be developed during Phase 2 as described in Section 3.3):



- The system capability will be qualified through testing
- Resources, material, services, and system elements have been acquired to support production
- System outcomes are produced according to approved and qualified production information
- Concepts for execution of all succeeding lifecycle stages are updated
- Current risks and mitigating actions are identified
- Experienced personnel competent to operate the system and provide operational services exist
- Trained personnel exist who will maintain and provide support services
- Organizational interfaces between the operating and production organization exist that ensure problem resolution and corrective actions
- System products and services are ready to be maintained through support services, including logistics to operational sites
- All required logistical support, including spare parts inventory capable of satisfying operational availability goals exist
- The system is installed and is capable of being operated and of providing sustainable operational services
- The system is ready to be maintained and to correct design deficiencies as they are identified
- The system has been installed so as to allow the collection of performance and cost monitoring and assessment to confirm conformance to service objectives
- The system has been installed so as to facilitate the identification of problems or deficiencies, informing appropriate organizations (user, development, production, or support) of the need for corrective action
- The system has been installed so as to facilitate system enhancement through stakeholder feedback
- End of stage exit criteria have been satisfied
- Certification is obtained from CMS to operate the Exchange  
(see [https://www.cms.gov/MMIS/09\\_MECT.asp](https://www.cms.gov/MMIS/09_MECT.asp) )
- Approval is granted by the state of Alabama to proceed to the Operations and Maintenance stages

#### **Implementation Readiness Milestone for Phase 5**

This milestone contains all of the requirements of the Phase 3 Implementation Readiness Milestone; however it applies to the deliverables of Phase 4, opposed to Phase 2 as previously described.

#### **Operational Readiness Review (ORR) Milestone**

The ORR is completed near the end of the first year of full operation of the HIX System (the Warranty Period). All of the Implementation Readiness Milestone criteria will be updated as a result of the first year experience with the HIX System and applied to achieve this milestone. These updates to the operational criteria are intended to optimize the support of the HIX System

784 as the Warranty Period transitions to standard maintenance of the HIX System after the first  
785 year of operation.

### 3 REQUIREMENTS

The selected Vendor must be responsible for performance of ***all duties specified*** within this RFP for the amount of compensation quoted in its response to this RFP.

#### 3.1 Functional Requirements

The Functional Requirements known at the time of this publication are listed in a separate Excel spreadsheet accompanying this RFP. The spreadsheet is titled “Requirements Response Matrix” and is organized into “Business Area” sheets within the spreadsheet file. Vendor responses are required for each row in each of the following sheets:

- Individ (Individual) Eligibility
- Individ (Individual) Enrollment
- Plan Management
- SHOP
- Financial Management
- Web Portal
- Administrative

For background information, this Excel spreadsheet collects and reproduces requirements from multiple sheets onto separate summary sheets that organize the duplicated requirements into specific topic areas as “views.” Vendors should only use these summary sheets as a reference. The Vendor should not enter any data on the following sheets:

- Summarized Reporting Reqs (Requirements)
- Summarized Notices Reqs (Requirements)
- Summarized NIEM Reqs (Requirements)

For every row on the business area sheets, the Vendor must enter data in each cell as if the proposed solution were currently (at the time of proposal submission) meeting each requirement in an operational production environment. Detailed ***Response Definitions*** are included on the first tab of the requirements spreadsheet. **This matrix must be completed and returned as the Vendor’s RFP Response: Appendix C – Requirements Response Matrix. See Section 5.2.2.23.**

#### 3.2 System Solution

A great amount of background material related to the HIX System and the project scope was presented in Section 1 and 2 of this RFP. Section 3.2 contains additional specification details for the response required under Tab 5 (reference Section 5.2.2.10). It is presented here to provide an overview of the system proposal expectations.

While the State is requesting a Systems solution to support HIX, the Vendor is reminded again that there are unknown aspects of the scope of work due to, among other things, the lack of finalized regulations and guidance from CMS regarding ACA implementation. The Vendor must

be nimble enough technically within the adaptive web service oriented architecture to incorporate changes required as related regulations and guidance are received from the Federal Government at the lowest possible cost.

The selected Vendor will contract with the state of Alabama to provide and implement the System Solution supporting the following stakeholders:

- Individuals seeking insurance coverage who may or may not be eligible for tax credits and cost sharing; and
- Small employers (50 or less) and their eligible employees who are seeking group coverage through the Exchange.

Wherever possible, the new HIX System must leverage and reuse systems and standards from within the state of Alabama, other states, and the Federal Government. HIX acknowledges that it can benefit substantially from the experience and investments of other states and the Federally Facilitated Exchange through the reuse of components and technologies already developed, consistent with web service oriented architecture, from publicly available, federal data services hub-available or commercially sold components and products, and from the use of cloud technologies to share infrastructure and applications. Throughout this response, the Vendor must identify those components of the solution that are to be reused in the System. Additional credit will be given to such reuse.

For these reasons, Vendors are encouraged to provide solutions incorporating adaptive, commercially or publicly available off-the-shelf or open source solutions, and discuss considerations and plans for cloud computing. Vendors must identify any ground-up development activity within their solution and why this approach has been proposed. HIX prefers a solution requiring as little customization and maintenance cost as possible while still meeting all the requirements identified in this RFP or identified subsequently by the Federal Government.

Vendors must be aware that the following subsections are a specification for the contents of their response under Tab 5, and any departure from the content and **especially the ordering** given immediately below will be considered non-responsive. The numbers in parenthesis after each of the sections below indicate the subdivision number for the Vendor's response under Tab 5.

### **3.2.1 Introduction and/or Overview (Section 1 of Response Tab 5)**

This section will consist of any introductory information that the vendor may choose to include that does not have a more logical location in the categories listed below.

### **3.2.2 Business Areas (Section 2 of Response Tab 5)**

This section of the response references the "Business Areas" noted in Section 3.1, and described as the various "sheets" in the mandatory "Requirements Response Matrix." Each response should create a subsection in Section 2 for each business area, and cross-reference with the identifiers used in the "Requirements Response Matrix." Any special features or innova-

tions that are unique to the solution should be emphasized at this point. Broader support areas addressed in this response may require discussion that crosses multiple business areas. Additional response subsections in Section 2 may be created to include:

- **Consumer and Small Business Support and associated Operational Services:**

The Consumer and Small Business Support area requires HIX to act as the first point of contact, and provide consumer and small business support through multiple, secure channels and mechanisms and includes:

- Operating a call center
- Providing online help and educational materials
- Allowing consumers to seek help through a range of modalities including telephone with Interactive Voice Recognition (IVR) support, email, online chat, text messaging, social media, walk ins, mail and other mechanisms
- Establishing and operating a notification management system that allows electronic and paper notifications to consumers through multiple channels
- Allowing consumers to provide feedback to HIX through multiple mechanisms

- **Complaints, Grievances and Appeals Management:** The Complaints, Grievances and Appeals Management area establishes a process for customers to submit their complaints, grievances or appeals regarding eligibility decisions and other activities related to HIX. This process includes the following components:

- Being the first point of contact for consumers, employers and assistors (Community Assistors, Navigators, Insurance Producers to log their complaints, grievances and appeals
- Providing multiple mechanisms to log complaints
- Providing mechanisms to track the life cycle of complaints and their outcomes
- Providing the ability to attach associated documents, voice, and video recordings related to the complaints in the system
- Establishing notification mechanisms to the appellants through multiple channels such as paper, email, text messaging and more
- Other complaints, grievances and appeals management features as required

- **Master Data Management, Alabama Shared Services and associated HIX Operational Services:** The HIX Master Data Management solution will allow Alabama Shared Services, including those from the HIX System, AHIE, and Medicaid to be reused and enable HIX to uniquely identify data records from multiple systems and provide a single view of data records. (see Section 7.1.13) This solution will allow HIX and its supporting solutions to:

- Consolidate and provide a single view of data across the Exchange and all other solutions HIX will connect to
- Provide standardization and de-duplication of data across the solutions

- Resolve data discrepancies across multiple solutions through the rules set by the State
- Allow easier search and identification of data records with probabilistic and partial match mechanisms
- Manage data through effective and efficient
  - Data Collection
  - Data Aggregation
  - Data Matching
  - Data Transformation and Standardization
  - Data Checking (Quality Assurance)
  - Data Storing
  - Data Sharing
  - Data Imports
- **Reporting and Data Warehouse and associated Operational Services:** The Data Warehouse solution area will allow the State to have the required business intelligence for analyzing the operational impacts and improvements of HIX as well as satisfying the various stakeholders (e.g., federal and state) reporting requirements. The solution will allow HIX to:
  - Consolidate data across the Exchange, and with all other solutions HIX will connect to, for reporting and management purposes
  - Support federal and State reporting requirements and needs
  - Resolve data discrepancies across multiple solutions through the rules set by the State
  - Provide multiple views and dimensions for looking into the data and querying against it
  - Leverage Master Data Management so that the data warehouse can be a data store that is effective and efficient
  - Provide the ability to generate predefined and ad-hoc reports
- **eLearning and associated Operational Services:** The e-Learning solution area will allow the State to support the training and meet educational needs for various HIX users (e.g. consumers, community assistors, employers, navigators and insurance producers ) through customized online e-Learning solutions that will provide, at a minimum, online videos tailored to the functions and features of HIX and its supporting solutions.

### 3.2.3 Conformity with National Standards (Section 3 of Tab 5)

HIX has determined that any solution must fully conform to all national standards named in health-related federal regulation and administrative rule. So that standards-related Vendor documentation only needs to be written and included in this RFP response once, architectural conformance for this section can be documented in Section 3.2.4; references from this Section 3.2.3 to specific functional requirements documented in the Requirements Response Matrix by

the Vendor in other response sections of this RFP is allowed. Specifically indicate how your solution will conform to the following:

- National Information Exchange Model (NIEM), including the use of Information Exchange Package Documentation (IEPD) and plans for conformance testing. NIEM conformance is defined as follows:
  - XML schemas must conform to the NIEM Naming and Design Rules (NDR). XML instances must correctly validate to NIEM-conforming XML schemas, with additional conformance rules specified by the NIEM NDR.
    - <http://reference.niem.gov/niem/specification/naming-and-design-rules/1.3/niem-ndr-1.3.pdf>
  - NIEM IEPDs must conform to the NIEM IEPD specification
    - [http://tools.niem.gov/niemtools/download/org.gtri.niem.web.niemtools/NIEM\\_IEPD\\_Reqs\\_v2-1.doc](http://tools.niem.gov/niemtools/download/org.gtri.niem.web.niemtools/NIEM_IEPD_Reqs_v2-1.doc)
    - or the newer Model Package Description (MPD) <http://reference.niem.gov/niem/specification/model-package-description/1.0/model-package-description-1.0.pdf>
- Exchange Reference Architecture as defined in the Guidance for Exchange and Medicaid Information Technology (IT) Systems [http://cciio.cms.gov/resources/files/exchange\\_medicaid\\_it\\_guidance\\_05312011.pdf](http://cciio.cms.gov/resources/files/exchange_medicaid_it_guidance_05312011.pdf)
  - Collaborative Life Cycle and Governance - Exchange Reference Architecture Document
- Guidance for Exchange and Medicaid Information Technology (IT) System, Version 2.0 [http://cciio.cms.gov/resources/files/exchange\\_medicaid\\_it\\_guidance\\_05312011.pdf](http://cciio.cms.gov/resources/files/exchange_medicaid_it_guidance_05312011.pdf)
  - Financial Management Blueprint – Exchange Business Architecture Supplement
  - Eligibility and Enrollment Blueprint – Exchange Business Architecture Supplement
  - Plan Management Blueprint – Exchange Business Architecture Supplement
- Enhanced Funding Requirements: Seven Conditions and Standards: Medicaid IT Supplement (MITS11-01-v.1.0), April 2011
  - Modularity – the use of modular, flexible approaches to systems development, including the use of open interfaces and exposed application programming interfaces (API)
  - Alignment with the Medicaid Information Technology Architecture (MITA)
  - Alignment with industry standards
  - Leverage – seek the sharing, leverage, and reuse of Medicaid technology systems within and among states
  - Business Results – accurate and timely results from highly automated, customer-service focused processes



- Reporting – systems should produce transaction data, reports, and performance information that contribute to program evaluation, continuous improvement, transparency, and accountability
- Interoperability – solutions must ensure seamless coordination and integration across programs and systems
- Role-based access and authentication through Global Federated Identity and Privilege Management (GFIPM)  
<http://it.ojp.gov/gfipm>
- IRS Publication 70751075 – Tax Information Security Guidelines for Federal, State and Local Agencies
  - IRS rules and regulations for safeguarding FTI, such as Safeguard Procedures Report (SPR),
  - Safeguard Activities Report (SAR), Corrective Action Plan (CAP), Compliance with updates and reporting, logging, secure storage, restricting access, Employee Awareness and Internal Inspections, Computer Security and Disposal
  - Completion and compliance with the latest revisions of the CMS comprehensive system security control requirements for state Exchanges, especially the CMS System Security Plan (SSP), System Security Plan Workbook (SSP Workbook) and Safeguard Procedures Report (SPR). The SSP is a comprehensive system security control requirements for state Exchanges. These information security control requirements have been defined within a comprehensive framework, based off other federal standards and common security standards. This new set of documents is a refined collection of all the federal security requirements that state Exchanges must meet. The new control requirements are documented within the System Security Plan (SSP), System Security Plan Workbook (SSP Workbook) and Safeguard Procedures Report (SPR).
- ~~\_\_\_\_\_~~
- HIT Standards Section 1561 of ACA, Eligibility and Enrollment Blueprint-Exchange Business Architecture Supplement draft, Version 0.5, March 10, 2011
- Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- National Institute of Standards and Technology (NIST) publications pertaining to account security standards and controls
- UX 2014 specifications
- “Consumer Choice of Health Plan Decision Support Rules for the Exchanges,” a project operated by the Pacific Business Group on Health (PBGH)
- CMS Technical Reference Architecture, Version 2.1 (TRA)
  - Harmonized Security and Privacy Framework – Exchange TRA Supplement
  - CMS TRA – Catalog of Minimum Security Controls for States Supplement
- NIST 800-53 Latest Version
  - ~~NIST Special Publication SP800-95 – Guide to Secure Web Services~~
  - ~~NIST Special Publication SP800-57 – Recommendation for Key Management~~
  - ~~NIST Special Publication SP800-115 – Technical Guide to Information~~



- ~~○ Security Testing and Assessment~~
- ~~○ NIST Special Publication SP800-94 – Guide to Intrusion Detection and Prevention Systems (IDPS)~~
- ~~○ NIST Special Publication SP800-92 – Guide to Computer Security Log Management~~
- ~~○ NIST Special Publication SP800-63 – Electronic Authentication Guideline~~
- ~~○ NIST Special Publication SP800-137 – Continuous Monitoring~~
- ~~○ NIST Special Publication SP800-125 – Guide to Security for Full Virtualization Technologies~~
- ~~○ NIST Special Publication SP800-x for Cloud Security upon completion~~
- Web Service Oriented Architecture
  - <http://www.w3.org/>
  - <http://www.oasis-open.org>
  - <http://www.ihe.net>

### 3.2.4 Architecture (Section 4 of Response Tab 5)

The Vendor must provide both a detailed text description and the associated diagrams for the technical architecture of their System Solution, highlighting networks, infrastructure, servers, and security designs. The relationship of Vendor's architecture to the adaptive, standards-based SOA and other standards referenced in Section 3.2.3 must also be included. The architectural diagrams may be provided as an addendum to Tab 5; however, all diagrams must be identified by number and referenced by this number in the narrative portion of the response.

#### General System Architecture

HIX System must provide a web portal for HIX consumers, HIX SHOP users, HIX Navigators and HIX Insurance Producers. The HIX web portal must integrate with an Identity Proofing service. The HIX system must consist of two primary components. The HIX system must be modular and utilize the HIX Common Data Store as the authoritative user source and utilize the HIX Common Data Store for access control to HIX and other interfacing systems as in the following diagram:

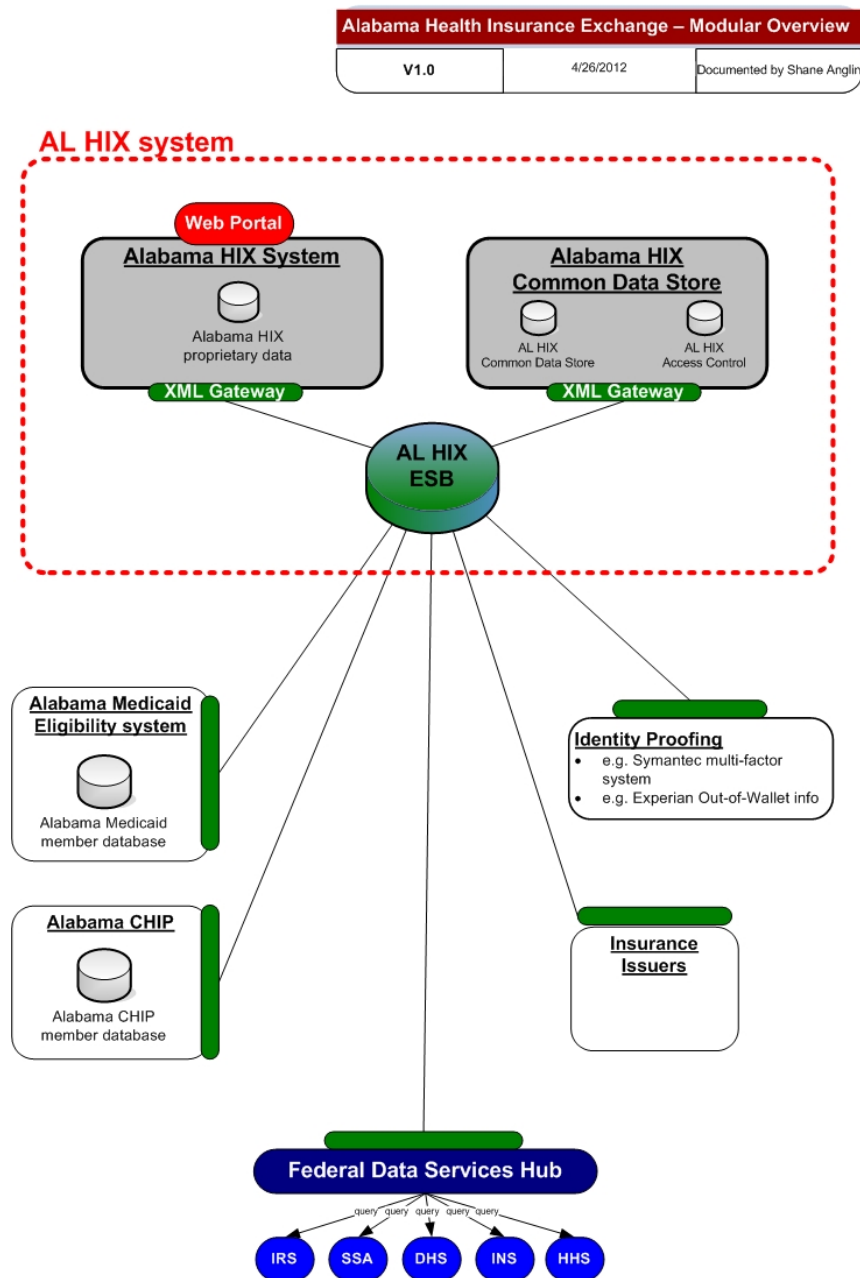


Figure 1: HIX and Other Interfacing Systems

1) The HIX Common Data Store must:

- Contain demographic data (e.g. name, address, etc) as a unique master record for each user
- Be NIEM-compliant
- Contain access control data for controlling access to other modular state, federal, and other external data sources that HIX will need to access on behalf of the user. For example, the HIX common data store must contain identifiable elements that match the

HIX user with a AL Medicaid, AL CHIP, or AL HIX user and define users access levels to those data sources

2) The HIX System must:

- Be HHS NIEM compliant
- Contain proprietary HIX member data, with member record references to HIX Common Data Store
- Service the HIX Exchange using applications and business logic
- Be GFIPM compliant to interface with other systems such as Medicaid, CHIP, etc using the AL HIX Common Data Store as the Authoritative access control system

3) Alabama HHS systems that must be integrated first with the AL HIX are:

- AL Medicaid
- AL CHIP

4) Alabama HIX Enterprise Service Bus (AL HIX ESB) must:

- Be Service-Oriented Architecture (SOA)
- Be GFIPM compliant, using NIEM conformant data

5) The Eligibility engine, MyAlabama.gov, Insurance Carriers, Federal Data Services Hub, etc must communicate with the HIX system using the Alabama HIX Enterprise Service Bus (AL HIX ESB).

6) XML data traversing the AL HIX ESB must be implemented national and state standards for security to ensure confidentiality and integrity.

7) MyAlabama.gov portal must interface via the AL HIX ESB to utilize the unique master records in the AL HIX Common Data Store.

8) The vendor must describe the “Security Blueprint” for the HIX System using controls included within the “CMS Guidance for Exchange and Medicaid IT Systems” document.

9) The vendor must describe the vendor’s Configuration Management Process.

10) The vendor must describe the vendor’s operational event logging procedures.

11) The vendor must describe the vendor’s security event correlation and management procedures.

12) Where Service Oriented Architecture (SOA) is implemented within the HIX solution, the technical solution must meet or exceed the following capabilities for supporting SOA web services:

- SOA endpoint devices
  - SOA XML gateway/endpoint must be FIPS 140-2 certified
  - PKI private keys used for SOA XML transmissions, digital signing, and XML encryption must be protected
  - Support SSL termination and SSL initiation on the SOA endpoint device
  - Support administrative logins using username + password minimally for managing the SOA endpoint devices configurations
- Authentication and Authorization
  - Support server-side and client-side SSL authentication
  - Support HTTP Basic Authentication and HTTP Digest Authentication
  - Support SSL X.509 Certificate Authentication
  - Support Security Assertion Markup Language (SAML)
  - Support WS-Security, such as User Name Token, X.509 Certificates and SAML
  - Support WSDL message level Access Control
  - Support an Internet Protocol (IP) Access Control List (ACL) for ingress client connectivity
- Secure communications
  - SSL transmissions using Public Key Infrastructure (PKI)
- Network level communications
  - Support for HTTP, Tibco EMS, IBM MQ, JMS and FTP
- Message level policies
  - WSDL Operations
  - URI filtering
- XML Web Service specifications
  - Support WSDL, SOAP, XML, XSLT, XSD Schema, DTD, XPath, UDDI
  - XML Digital Signature, XML Encryption, WS-Encryption, WS-Digital Signature; In whole or in part for XML messages
- High Availability capabilities
  - The SOA solution must be fault-tolerant for maximum uptime, using load balancing or active-active clustering to maintain high availability
- Logging and alerting
  - Logging operational and transactional events, specific to the SOA operations
  - Able to alerting of critical operation events

### **3.2.5 Integration and Implementation Services**

The relationship between integration services and all implementation services should be established in Sections 5.2.2.13 (Tab 8) and 5.2.2.14 (Tab 9).

Each vendor must propose a detailed implementation strategy with implementation step identifiers that include the integration of all the system components.

The Vendor must use the term “external integration” to refer to interfaces with other systems outside of the HIX System. The term “internal integration” must be used to describe interfaces between the components of the HIX system.

Vendors must use the information provided throughout this document to help them formulate their integration and implementation strategies. Important aspects of the integration and implementation services strategy and approach include but are not limited to:

- An integration and implementation strategy that maximizes end user productivity and minimizes disruption of work
- A solution where all system users are mentored, building their capacity to utilize and oversee the system
- Demonstration of how User Support staffing will be bolstered during each stage of deployment to provide the extra help needed to facilitate the work to be accomplished
- Software product configuration activity must be completed with HIX personnel actively involved in configuring the system to ensure that knowledge transfer is maximized

### **3.2.6 Operations and Hardware Hosting**

Response to this requirement is discussed in Section 5.2.2.15 (Tab 10).

HIX Performance Expectations and Service Level Agreements (SLA), including liquidated damages are described in Appendix I.

Based upon the vendor’s proposed technical solution, the vendor must provide their own performance expectations and service level agreements (SLA) for the various system components for the HIX system as Vendor appendices referenced from this section.

Areas to include at a minimum are:

- network
- server
- infrastructure
- applications
- telephony
- print services

The statements must address the consumer and hosting provider experience.

Additional Vendor appendices must be referenced from this section and include:

- Samples of existing SLAs for other systems hosted by the hosting Vendor
- The transition plan for the Exit Strategy from the Vendor’s data center should the State of Alabama assume the hosting responsibility for the HIX System
- The number of staff and skill sets that will be necessary to support this proposed HIX System if the state of Alabama assumes hosting responsibility for the HIX System

### **3.3 Requirements by Project Phases**

1197 The following table presents the six phases of the project:

Phase	Phase Definition
1	Finalization of project plans and preliminary detailed design for the entire project
2	Build phase for HIX System with iterative detailed design development for each new component in the proposed solution
3	Pilot operation of all the components developed in Phase 2 as described in Section 3.3
4	Completion and stabilization of the entire System
5	Operation of the completed System (Warranty Period)
6	Operation of the completed System (Post-warranty Period includes annual renewal options)

1198 **Table 2: Project Phases**

1199 The time constraints for each phase are given in Table 1. Vendors must use Table 1 in all se-  
 1200 quence and plan responses. The remainder of this section describes general deliverables that  
 1201 must be available at the end of each of the phases. Note that Phase 1 is more detailed since  
 1202 these deliverables are mandated by CMS as required artifacts for the continuation of funding.

1203  
 1204 **Phase 1:** Finalization of project plans and preliminary detailed design for the entire project

1205  
 1206 Phase 1 is an early detailed design and project planning phase to take many of the design and  
 1207 planning items that are required in the proposal and refine them based on the information that  
 1208 will be available at project initiation. As part of the detailed design, the following documents are  
 1209 required at the end of Phase 1 (see Section 7, Task 1.1):

- 1210
- 1211 • Concept of Operations, including (but not limited to):
    - 1212 ○ High level and technical architectural diagrams
    - 1213 ○ Business Process Model Notation diagrams
  - 1214 • Project Management Plan, including (but not limited to)
    - 1215 ○ Project Organization and Staff Management Plan
    - 1216 ○ Management Approach and Project Schedule
    - 1217 ○ Communications Matrix
    - 1218 ○ Performance Measures
  - 1219 • Quality Management Plan
  - 1220 • Configuration Management Plan
  - 1221 • Issue and Risk Management Plan (including the System Risk Register)
  - 1222 • Training Plan

1223       • Release Plan

1224       • Preliminary Detailed Design

1225       General descriptions of these documents are given in Section 7, Activity 1.1. Specific templates  
1226       for most of the items above will be provided to the successful Vendor at project initiation. All  
1227       plans should be considered as living documents that will be updated throughout the project as  
1228       more information comes to light.

1229

1230       **Phase 2:** Build phase for Phase 2 System components, with iterative detailed design develop-  
1231       ment for each new component in the proposed solution. These components must consist of the  
1232       following:

1233

- 1234       • Components that provide the basic HIX portal capability;
- 1235       • All COTS components that are either available without modification or require minor con-  
1236       figuration;
- 1237       • All components that require minor development that can be feasibly completed within the  
1238       time limitations of Phase 2 in Table 1.

1239

1240       Vendors must provide specific component definitions for those components that will be accom-  
1241       plished during Phase 2.

1242

1243       **Phase 3:** Pilot operation of all the components developed in Phase 2

1244

1245       Pilot operations are designed to provide a friendly, proactive environment for solving early-  
1246       adopter user issues before a large number of users are exposed to the HIX System. Some fea-  
1247       tures may be rolled out incrementally during this period.

1248

1249       **Phase 4:** Completion and stabilization of the entire System

1250

1251       Optimization of the entire HIX System must be completed during Phase 4. Full user loads and  
1252       other stressors on the HIX System are expected to be present during this phase.

1253

1254       **Phase 5:** Operation of the completed System (Warranty Period)

1255

1256       The Warranty Period represents a period when the HIX System is operated in a mode that  
1257       maintains existing function and in a manner that allows HIX to predict the kind of management  
1258       skills needed to keep the HIX System running for many years.

1259

1260       **Phase 6:** Operation of the completed System (e.g., Post-warranty Period includes annual re-  
1261       newal options)

1262

1263       HIX has no reason to predict that any changes will occur regarding operations of the HIX Sys-  
1264       tem as Phase 5 evolves into Phase 6. However, HIX cannot guarantee that changes will not oc-  
1265       cur during these years.



### 3.4 Vendor Requirements

The State is seeking a Vendor that will be responsible for providing a complete software solution and all requested services required for a successful implementation, plus post-implementation (e.g., operations and maintenance) support. The Vendor may team with multiple firms in its proposal, but there can be only one Vendor that will execute the Contract expected to result from this RFP. This does not preclude the State from executing a separate contract with a Software Provider for software licenses and software maintenance. However, the Vendor must be responsible contractually for all services, including those services performed by a subcontracted Software Provider.

The Vendor will coordinate, integrate, and be accountable for all products and services proposed. This excludes an arrangement between vendors of joint venturing or joint response to this RFP as such arrangements will not be allowed. Generally the Vendor may only appear in one proposal submitted in response to this RFP. Subcontractors may be included in more than one proposal. Multiple submissions from a firm that is a Vendor in a proposal or submission of alternative proposals will be grounds for disqualification of such proposals.

This restriction does not apply to products or software. This means that a Software Provider may also offer its services as a Vendor, serving as its own integrator, and another Vendor can offer the same software in another proposal. In this latter case, the affected Software Provider cannot also serve as a Service Provider in any proposal other than the one in which it is the Vendor.

At the sole discretion of the State, submitting multiple proposals in different forms may result in the disqualification of all Vendors knowingly involved.

The Vendor must demonstrate that their company has the relevant experience providing the services defined in this RFP, and that the staff proposed for positions on this Project has the appropriate knowledge and experience obtained on Projects of similar nature, size, and scope. HIX may require substitution/replacement of any key personnel assigned to the Project if it determines that person does not possess the skills necessary to satisfactorily complete the tasks assigned.

The successful Vendor must have a minimum of five prior years of experience in the delivery of services on projects involving the design, development, and implementation of large systems. Experience preferably will be within the last five years, although earlier experience may be submitted if it demonstrates continuity of services over a broad span of years.

Preference will be given to vendors with experience implementing the solution they are proposing. Preference will be given to vendors with experience implementing and/or operating health insurance exchange systems in State government.

Vendors must provide an assurance that they have the staff to produce the Project deliverables. The Vendor will provide an organizational chart and staffing plan of the individuals proposed to work on this Project and provide resumes as detailed in Section 3.5.3.

### 3.5 Vendor Staffing Requirements



Response to the requirements in this section is discussed in Section in Section 5.2.2.16 (Tab 11).

### **General Personnel Information**

This subsection describes Vendor staffing requirements applicable to the Design, Development, and Implementation (DDI) task. These staffing requirements will cover the time period from Contract signing through one year after the system is implemented. The Vendor must provide qualified staff necessary to provide DDI services required for the successful implementation of the System.

The Vendor's response to this RFP must include a staffing plan that details the organization of Project staff, location of Project staff (e.g., onsite or offsite), and clearly defines the strategy for managing communication between local and remote staff. The staffing plan must indicate staffing levels during all phases of the Project.

At a minimum, the Vendor will provide an Account Manager and a Vendor Project Manager who will interact directly with the HIX Project Manager on a regular basis. The Vendor Project Manager will be expected to participate in weekly status meetings with the HIX Project Manager and HIX project team members.

It is strongly believed that a competency in sound project management principles is critical to the success of any project awarded by the State. Therefore, the successful Vendor will demonstrate a competency in this area, including project management methodology, supporting tools, and qualified resources. Vendors must propose staff with experience in projects developing health insurance exchange system components using SOAP and Restful web services, web service orchestrators, enterprise service bus, SOA, SQL, and rules engines.

#### **3.5.1 Organizational Structure**

The proposal must clearly describe the vendor's overall organizational structure and how the System Project will fit into the existing organization of the company. The proposal must also address how the vendor will utilize its existing staff throughout the term of the contract.

Each proposal must also include:

1. A functional organization chart of the System Project, showing main departments and number of staff members with their titles in these departments. The chart must also provide total staffing and Full Time Equivalent (FTE) figures. If the Vendor's organizational structure should change for the different implementation phases, then show the different organizations for each phase.
2. Position Descriptions for positions assigned to this project and the percentage of time these individuals will be dedicated to this contract.
3. A description of how the Vendor's staff will work with HIX staff, both during the development and implementation phases, as well as during the stabilization period. This will include a specification of the proposed HIX staffing requirements for the various phases of the project.

**3.5.2 Staffing**

The Vendor must provide staff to perform all tasks specified in this RFP. The Vendor is responsible for maintaining a level of staffing necessary to perform and carry out all of the functions, requirements, roles, and duties as contained herein, regardless of the level of staffing included in the vendor's proposal. In the event that the Vendor does not maintain a level of staffing sufficient to fully perform the functions, requirements, roles, and duties, the State may impose liquidated damages (see Section 6.9.1). Following is a list of items to be addressed in this section of the proposal:

- The Vendor must describe its staffing plan for the System Project. The proposal must outline how the staffing plan will achieve consistent, dependable service regardless of changes that may directly influence work volume.
- The Vendor must provide a general description of its proposed staff with number of years of experience in the IT field and number of years of experience in developing health insurance exchange systems.
- The Vendor must identify a minimum staffing level defined over time, and maintain that defined minimum staffing level at all times during designated business hours.
- 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.
- The Vendor staff must be available after hours as required by HIX Project Management.
- Individuals in key positions may not be assigned new or additional contract assignments outside the state of Alabama contract, reassigned, replaced, or added during the project without the prior written consent of the HIX Project Manager.
- HIX must have the right to approve or disapprove any key personnel assigned to the project (both primary Vendor and/or subcontractor personnel), to approve or disapprove any proposed changes in key personnel, or to require the removal or reassignment of any key personnel found unacceptable by HIX. HIX must approve, in advance, potential replacements for key staff. HIX must also be offered the opportunity to interview potential replacements for key staff by the Vendor.
- The Vendor must notify the HIX Project Manager in writing of any proposed change in key personnel at least 30 calendar days prior to the change or as soon as change is known. The Vendor will have 30 calendar days in which to fill vacancies of key staff with another employee of acceptable technical experience and skills subject to prior written approval of HIX, such approval not to be unreasonably withheld. Failure to fill vacancies of key staff with another employee of acceptable experience skills may result in damages as defined in Section 6.9.1. The Vendor must at all times maintain the performance standards and meet all functional requirements of the Contracts.

- All Vendor-initiated changes in key personnel must be approved by HIX.
- Each proposal must describe its back up personnel plan, including a discussion of the staffing contingency plan for:
  - The process for replacement of personnel in the event of the loss of key personnel or other personnel before or after signing a contract.
  - Allocation of additional resources to this contract in the event of inability to meet a performance standard.
  - Replacement of staff with key qualifications and experience and new staff with similar qualifications and experience.
  - Method of bringing replacements or additions up-to-date regarding the System Project.

### **3.5.3 Key Personnel**

As noted under the “General Personnel” section above, the Vendor will provide an Account Manager and a Vendor Project Manager. Other Vendor personnel must be proposed by the Vendor in this RFP response.

### **3.5.4 Resumes**

- Vendor Project Manager: The Vendor must provide a resume not to exceed five pages in length for the Vendor Project Manager candidate that must address the stated minimum qualifications, the amount of time the candidate has been employed by the Vendor, and the following:
  - The individual’s project management experience, including project type, size and scope of project types, project role, and duration of assignment
  - Health insurance related experience and experience managing any part of a Medicaid or comparable development project
  - Description of extent of familiarity with systems similar to the HIX solution described above
  - Education and training
- Other Key Personnel: The Vendor must provide a resume not to exceed three pages for each of the other key personnel on the project team. The Vendor is required to demonstrate that their Vendor(s) or employee(s) will have the skills necessary to meet the objectives of this project. Each resume must address at a minimum:
  - Proposed role on project
  - Education and training
  - The individual’s project experience, including project type, project role and the duration of assignment

- 1417                   ○ Recent relevant experience directly related to the key position for which the indi-  
1418                   vidual is proposed (include start and end dates)
- 1419                   ○ Size and scope of projects supported
- 1420                   ○ Description of extent of familiarity with the proposed solution and ancillary pro-  
1421                   cessing systems
- 1422                   ○ Experience in the design, development, testing, and implementation of an MMIS,  
1423                   other medical claims processing, eligibility system or any health insurance ex-  
1424                   change system components
- 1425                   ○ Amount of time the individual has been employed by the Vendor
- 1426                   • Resumes for all key staff must include the information needed for typical employment  
1427                   reference and background checks
- 1428 If any staff member from the Vendor's team requires special accommodations for a disability or  
1429 work limitation, please note such in this section.

### 1430 **3.5.5 Other Personnel**

1431 The proposal must also include a description of the numbers and types of other staff. The Ven-  
1432 dor must propose other personnel staffing positions.

### 1433 **3.6 Vendor Location and Facility Requirements**

1434 HIX requires a strong Vendor presence in Montgomery, Alabama until the system has been fully  
1435 implemented and accepted following the "Final System Turnover Assessment" deliverable.

1436 HIX requires that the Vendor maintain a facility within an hour's drive time to the city limits of  
1437 Montgomery, Alabama in a location approved by HIX. The Vendor must provide adequate work-  
1438 ing space, conference space, and free parking at the local vendor site to accomplish all of the  
1439 project tasks in an efficient and professional manner. Specifically, a large well-equipped confer-  
1440 ence room will be required to accommodate HIX users, consultant staff, and Vendor staff during  
1441 meetings, training sessions, group product reviews, work sessions, test reviews, and other ac-  
1442 tivities during the project.

1443 The Vendor Project Manager and Deputy Vendor Project Manager are required to be onsite at  
1444 the Vendor's facility, full time through the Final System Turnover Assessment. The Vendor Pro-  
1445 ject Manager must remain onsite until the system has become operational and approved by  
1446 CMS.

1447 The Implementation Manager will stay on the project until the end of the Warranty Period  
1448 (Phase 5, see Table 1). Other Key Personnel must be onsite through the Final System Turno-  
1449 ver Assessment. Those individuals who work off-site must be available for onsite tasks when  
1450 contact with HIX is required, such as meetings.

1451 A weekly Work Schedule will be posted on the project portal indicating individuals working for  
1452 that week along with their location. The Vendor must provide sufficient staff to cover the func-

1453 tional areas of data conversion, system testing, quality assurance, and other requirements of  
1454 the RFP through the Warranty Period (Phase 5).

## **4 GENERAL ADMINISTRATIVE INFORMATION**

### **4.1 Introduction**

This Request for Proposal (RFP) provides prospective Vendors with sufficient information to enable them to prepare and submit proposals for consideration by the Alabama Department of Insurance (“Department”)/Governor’s Office of the Health Insurance Exchange (“HIX”) to satisfy the need for expert assistance in the completion of the goals and requirements of this RFP. Instructions governing proposal submission and the material to be included therein, mandatory and other requirements, which shall be met, by the Vendor and their proposal in order to be eligible for consideration are included in this RFP.

The Awarded Vendor shall be solely responsible for the performance of all tasks, meeting all requirements and delivering all deliverables contained or identified within this RFP.

For the purposes of this document

- “ACA” means the Patient Protection and Affordable Care Act, P.L. 11-148, as amended by the Health Care and Education Reconciliation Act of 2010, P.L. 111-152 and any other amendments.
- “Department” is the Alabama Department of Insurance, an agency of the State of Alabama. “Department” is also deemed to include the HIX. The Department designates the HIX as its representative for purposes of facilitating, directing, and monitoring the Vendor’s performance of the Services for contractual purposes.
- “HIX” means the Governor’s Office of the Health Insurance Exchange or any similar successor entity created by Legislation or Executive Order of the Governor. HIX is not a division or unit of the Department but is designated by the Department to act as the Department’s representative for the purposes of this RFP and contract, if any.
- “HIX System” is the Alabama Health Insurance Exchange System, a state-of-the-art automated system that supports HIX in providing all of the functionality described herein.
- “Exchange” is the Alabama Health Insurance Exchange which is the organization and automation necessary to enable individuals or companies to purchase health insurance from a set of state-regulated and standardized health care plans that is eligible for Federal subsidies or small business tax credits. Health insurance exchanges are authorized and funded as part of implementing key elements of the ACA.

### **4.2 Issuing Office**

This RFP is issued under the authority of Ala. Code §§41-16-20 through 41-16-72. The RFP process is a procurement option allowing the award to be based on stated evaluation criteria. The RFP states the relative importance of all evaluation criteria. No other evaluation criteria, other than as outlined in the RFP, will be used. The Department solicits sealed proposals to acquire the professional services of an application systems developer and/or systems integrator for design, development, and implementation (DDI) of a system to support the implementation of the HIX System compliant with federal and state law and regulations.

### 4.3 Invitation to Submit Proposals

All interested Vendors are invited to submit a proposal in accordance with the rules, procedures and dates set forth herein.

The State encourages free and open competition among Vendors. Whenever possible, the State will design specifications, proposal requests, and conditions to accomplish this objective, consistent with the necessity to satisfy the State's need to procure technically sound, cost-effective services.

### 4.4 Inquiries

From the date this RFP is issued until a Vendor is selected and the selection is announced by the Department, all communication must be directed to the HIX Executive Director who is designated to be in charge of this solicitation. Unless otherwise noted, prospective Vendors may make written inquiries concerning this RFP to obtain clarification of requirements. **Telephone or fax inquiries will not be accepted.** No inquiries will be accepted after the deadline for questions as specified in the Table 1 Procurement Timetable in the Preface section of this RFP.

Send all inquiries to: Richard Fiore at the Alabama Health Insurance Exchange at one of the following:

By U. S. Postal Service: Post Office Box 303351, Montgomery, AL 36130-3351

By hand or **commercial** courier: RSA Tower Suite 502, 201 Monroe Street, Montgomery, AL 36104.

Please note: All deliveries by the United States Postal Service are made to an off-site central state government mail facility. Forms of USPS expedited delivery may not be expedited.

We encourage the use of email. The email address for inquiries regarding this RFP shall be directed to: [responses@myalabama.gov](mailto:responses@myalabama.gov).

Vendors shall mark envelope/email subject line "RFP#: 2012-HIX-101".

Specific timelines for submitting questions and responses are identified in Table 1 Procurement Timetable. Questions submitted prior to specified deadlines will be responded to as quickly as possible within five work days.

Any attempt by a Vendor to contact any employee of the Department or HIX regarding this RFP prior to proposal award, other than as specified in this RFP, shall be deemed to be a violation of proposal requirements and shall result in the Vendor's proposal being rejected.

Vendors shall not rely on verbal statements that alter any specifications or other terms or conditions of the RFP.



#### 4.5 The Department Proposal Questions and Contacts

Subsequent to the opening of the sealed proposals, discussions may be conducted by the Department and the Project Manager with Vendors for the purpose of clarification to assure full understanding of and responsiveness to the solicitation requirements. Vendors shall be accorded fair and equal treatment with respect to any opportunity for discussion. In conducting any such discussions, there shall be no disclosure of any information derived from proposals submitted by competing Vendors.

Any questions regarding solicitation requirements for this RFP must be written and submitted by the designated due date and time specified in Table 1 Procurement Timetable to the Project Manager of the HIX System Development Project at the address shown above. Questions will not be addressed over the telephone. Responses to Vendor's questions shall be made available to all Vendors attending the Mandatory Pre-Proposal Conference on the date and time designated in Table 1 Procurement Timetable.

#### 4.6 Addendum or Supplement to RFP

In the event that it becomes necessary to revise any part of this RFP before the mandatory Pre-Proposal conference, an addendum shall be posted to the Department website. It is the responsibility of prospective Vendors to check for any addendum which may be posted. In the event that it becomes necessary to revise any part of this RFP after the mandatory Pre-Proposal Conference, an addendum shall be provided to each Vendor who registered at the Pre-Proposal Conference as well as posted to the website.

A copy of all Addenda, if any, must be signed and returned with the Vendor response.

#### 4.7 Mandatory Pre-Proposal Conference

A mandatory Pre-Proposal Conference will be held on the date and time specified in the Table 1 *Procurement Timetable (refer to the Preface Procurement Timetable)*, at RSA Union Building, 1<sup>st</sup> Floor Auditorium, 100 North Union Street, Montgomery, Alabama. **Attendance at the Pre-Proposal Conference is mandatory for all Vendors who plan to submit proposals. A Vendor's failure to attend the Pre-Proposal Conference will cause its proposal to be rejected.** *Vendors who plan to attend the Pre-Proposal Conference must complete and return the Intent to Attend Pre-Proposal Conference Notification form found in Form C by the date listed in the Table 1 Procurement Timetable (refer to Preface –Procurement Timetable).*

The Pre-Proposal Conference is intended to be an interactive exchange of information. Since impromptu questions shall be permitted and spontaneous answers may be provided, Vendors shall clearly understand that oral answers given at the conference are not binding, but are good faith efforts to give correct useful information. No further questions will be permitted after the date specified in the Table 1 Procurement Timetable. Final and binding answers to all questions whether submitted via email or asked at the Pre-Proposal Conference will be distributed to all conference attendees on the date specified in the Table 1 Procurement Timetable. All answers to questions will be distributed by email to those Vendors in attendance of the Pre-Proposal Conference.

Answers to written questions received by the Project Manager before the Pre-Proposal Conference by the deadline specified in the Table 1 Procurement Timetable shall be distributed at the Pre-Proposal Conference and posted on the website. Prospective Vendors will be given time to review the written questions and answers during the Mandatory Pre-Proposal Conference. An opportunity will be given to ask questions to clarify any uncertainties that may exist.

#### **4.8 Proposal Submission Requirements**

This RFP contains numerous instructions governing proposal submission requirements and the material to be included therein. These are mandatory submission and proposal completion requirements that must be met to be eligible for consideration. Proposal responses shall be submitted consistent with the format and content specified in **Section 5 – Proposal Response Format**.

Failure, in whole or in part, to respond to a specific mandatory requirement shall result in rejection of the Vendor's proposal as non-compliant with the RFP requirements during the evaluation process or at any time that such deficiency is discovered. The Department at its sole discretion reserves the right to waive minor irregularities.

#### **4.9 Proposal Prices**

Vendor shall submit a firm and fixed price for the services described in the RFP. Vendor shall propose a price that reflects any business risk it perceives in the way the proposal specifications are stated. ***Vendor shall not anticipate nor rely on clarifications, discussions, redefinition, or further negotiations with the Department after the contract award to adjust the price that is contained in its proposal for the work required by the RFP. Any efforts by a Vendor to limit, qualify, caveat, restrict, or place conditions upon the price being proposed shall be considered to be a violation of the firm and fixed price submission requirement and shall result in the proposal being rejected as non-responsive.***

#### **4.10 Certification of Independent Price Determination**

The following certifications must be provided by the Vendor:

1. By submission of this proposal each Vendor certifies and in the case of a joint proposal each party thereto certifies as to its own organization that in connection with this procurement the following:
  - a.) The prices in this proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition as to any material relating to such prices with any other Vendor or with any Competitor.
  - b.) Unless otherwise required by law, the prices which have been quoted in this RFP have not been knowingly disclosed by the Vendor and shall not knowingly be disclosed by the Vendor, directly or indirectly, to any other Vendor or to any competitor prior to opening.

c.) No attempt has been made or shall be made by the Vendor to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

2. Each person signing the proposal form certifies that:

a.) He/she is the person in the Vendor's organization responsible within that organization for the decision as to the prices being offered herein and that he/she has not participated, and shall not participate, in any action contrary to 1(a) through 1(c) above: or

b.) He/she is not the person in the Vendor's organization for the decision as to the prices being offered herein but that he/she has been authorized in writing to act as agent for the person(s) responsible for such decision in certifying that such persons including said agents have not and shall not participate in any action contrary to 1(a) through 1(c) above.

3. The certification must include an acknowledgement of Sections 1 and 2 above and include the following language:

"The representations and information in this proposal are true and correct as of the date of this proposal. The submitting person or entity represents that it is ready and able to execute a contract if a contract is awarded based on this proposal. This proposal shall remain firm and be valid through the date of the contract resulting from this RFP if awarded. The submitting person or entity understands that the Department reserves the right to add provisions consistent with the successful Vendor's offer and to negotiate with the successful Vendor other additions to or deletions from, and/or changes in the language in the contract, provided that no such addition, deletion, or change in contract language shall alter the scope of work required and/or the evaluation criteria set forth in the RFP. Additions to, deletions from and/or changes in language of the contract shall not result in additional compensation over and above that proposal by the successful Vendor for the scope of work specified in the RFP, the amendments thereto, the written answers to questions or any clarifications requested during the evaluation process.

"The undersigned represents that the only person or persons, entities, or parties interested in the proposal as principals are named in this proposal. This proposal is made without collusion with any other person, persons, company or parties submitting a proposal. This proposal is in all respects fair and made in good faith without collusion or fraud. If the submitting party is a business entity, the undersigned has full authority to bind the entity in a contract with the Department.

"The submitting person or entity acknowledges that a material false statement in or omission from this proposal and all material submitted with this proposal may cause rejection of the proposal or the withholding of a contract, or may constitute a breach of an awarded contract."

**4.11 Parent Company**

If a Vendor is owned and controlled by a parent company, the main office address and parent company's tax identification number (TIN) shall be provided in the proposal response.

**4.12 Vendor's Submission**

Proposals must be received on or before the deadline in the Table 1 Procurement Timetable. Late proposals shall not be accepted. It is the responsibility of the Vendor to ensure that the proposal is received by the Project Manager in accordance with the Table 1 Procurement Timetable.

The response should be addressed to Richard Fiore at the Alabama Health Insurance Exchange at one of the following:

By U. S. Postal Service: Post Office Box 303351, Montgomery, AL 36130-3351

By hand or commercial courier: RSA Tower Suite 502, 201 Monroe Street, Montgomery, AL 36104.

Please note: All deliveries by the United States Postal Service are made to an off-site central state government mail facility. Forms of USPS expedited delivery may not be expedited.

The State of Alabama RFP Proposal Sheet and all Addenda, if any, must be signed in ink by the Vendor or other entity that is legally authorized to bind the Vendor to the proposal. ***The RFP Proposal Sheet must also be notarized.***

Proposals not meeting these requirements shall not be accepted.

**4.13 Public Opening of Proposals**

A public opening of the proposal will be held as specified in the Table 1 Procurement Timetable, at the Department's offices located at 201 Monroe Street, Montgomery, Alabama. A register of proposals consisting of the names and addresses of Vendors will be prepared and made available for public inspection.

**4.14 Oral Presentations**

The Department reserves the right to request oral presentations during the Evaluation Phase. The purpose of the oral presentation is to allow for interchange between the Vendor, HIX staff and the Evaluation Committee. It shall be HIX's option to determine the schedule and format for oral presentations/demonstrations. Vendors will be notified in advance of the time and location and selected items of any such presentations. Oral presentations are at the option of HIX and not all Vendors may be requested to present.

The oral presentations and demonstrations will provide an opportunity to 1) provide an overview of the merits of the Proposal, 2) answer questions raised by evaluators in the course of reviewing the Proposals, and 3) assist the Evaluation Committee in verifying the capabilities and functionality of the proposed system. The Evaluation Committee shall have the opportunity to ask for

clarification of information in the proposal. No written supplementation of the proposal will be permitted. Responsiveness will be determined on the written proposal.

During the oral presentations, Vendors shall not discuss the merits or qualifications of other Vendors. Failure to observe this proposal requirement shall result in the proposal being rejected as non-compliant.

The Department may, at its discretion, establish such procedures and rules of conduct as it may deem appropriate, and may enforce such procedures and rules of conduct. Failure to observe these procedures and rules of conduct shall result in the proposal being rejected as non-compliant.

#### **4.15 Selection of Proposal**

After review of the Evaluation Committee's recommendation for award, the Commissioner of Insurance in consultation with the HIX Executive Director shall make the final decision on the award of any contract. After selection is made, the Department shall issue a notice of award to the successful Vendor. Contract execution is contingent upon CMS approval of the award, Information Services Division of the Department of Finance approval of the award, review by the Legislative Contract Review Oversight Committee and approval by the Governor.

The Department reserves the right to reject any and all proposals submitted in response to this RFP.

#### **4.16 Granting of Contract**

The contract awarded under this RFP will be made to the Vendor having the highest overall proposal evaluation score indicating value to the State of Alabama.

The Department reserves the right to add provisions consistent with the successful Vendor's offer and to negotiate with the successful Vendor other additions to or deletions from, and/or changes in the language in the contract, provided that no such addition, deletion, or change in contract language shall alter the scope of work required and/or the evaluation criteria set forth herein. Additions to, deletions from and/or changes in language of the contracts shall not result in additional compensation over and above that proposal by the successful Vendor for the scope of work specified in the RFP, the amendments thereto, the written answers to questions or any clarifications requested by the Vendor during the evaluation process.

Prior to finalization of award, the selected Vendor may be required to enter into discussions with the Department to resolve any contractual differences before an award is made. These discussions must be finalized and all exceptions resolved within ten working days of notification of award; if not, the proposal will be rejected and discussions initiated with the Vendor having the next highest proposal evaluation score.

#### **4.17 Acceptance of RFP Terms**

A proposal submitted in response to this RFP shall constitute a binding proposal response. The provisions of this RFP and all attachments constitute contractual terms and conditions. These

provisions, as amended, shall supersede any contradictory or inconsistent language in the successful Vendor's response. In the event of inconsistencies or contradictions between language contained in the RFP and a Vendor's response, the language contained in the RFP will prevail. If the State issues addenda to the original RFP, then said addenda, being more recently issued, would prevail against both the original RFP and the Vendor's proposal in the event of an inconsistency, ambiguity, or conflict.

A submission in response to this RFP acknowledges acceptance by the Vendor of all terms and conditions, including performance and compensation, as set forth in this RFP. The Vendor, by signing the proposal sheet (Form E), certifies that it accepts all of the terms and conditions, including performance and compensation of this RFP in full, without reservations, limitations, assumptions, restrictions, caveats, or any other type of qualification. A response that fails to comply with this condition shall be disqualified as nonresponsive. Further, any amendment to this RFP shall be signed and returned with the proposal or the proposal shall not be considered.

All proposals become the property of the State of Alabama, and may not be returned to the Vendor. Only proposals that conform to the requirements of this solicitation shall be acceptable. The State reserves the right to reject any or all proposals. There is no guarantee a contract shall result from this solicitation. The State accepts no obligation for costs incurred by any Vendor in the preparation of a proposal in response to this RFP.

#### **4.18 Offer in Effect for 90 Days**

A proposal may not be modified, withdrawn or canceled by the Vendor for a 90-day period following the deadline for proposal submission as defined in the Table 1 Procurement Timetable.

#### **4.19 RFP Response Material Ownership**

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. Vendor's response to the RFP, HIX's written responses to prospective Vendors' questions, and Vendor's clarifications as requested by HIX during the evaluation process shall become contractual obligations.

Proposal responses may be reviewed by contacting the HIX General Counsel after the contract has been fully executed by the State. To the extent a Vendor deems any specific portion of its response to include a "trade secret" as defined in Ala. Code § 8-27-2(1), a second electronic copy shall be provided to the Department with such information redacted. The Vendor response which may be made public must be clearly marked as "Public Response" in the Vendor submission. Said designation of a "trade secret" shall not be binding on the Department but the Department will review and consider the designation. Wholesale designation of a response or substantial parts of a response as "trade secrets" shall not be accepted by the Department.

#### **4.20 Incurring Costs**

The State of Alabama is not liable for any cost incurred by Vendors prior to issuance of a fully executed contract.



**4.21 Payment**

The Department will provide payment to the Vendor according to *Section 6 – Contract Terms and Conditions – Section 6.8 – Method of Payment and Invoicing*.

**4.22 Performance Bond**

*Please refer to Section 6 – Contract Terms and Conditions, Section 6.5.17 – Performance Bond.*

**4.23 Bid Guarantee**

Each bid must include an individual bid guarantee in the amount of \$5,000 payable to the Commissioner of Insurance-State of Alabama. This bid guarantee ensures a firm bid for contracting purposes for 90 calendar days after the bid due date. Bid guarantees provided by unsuccessful bidders will be returned after 90 calendar days. The form of the bid guarantee shall be one of the following:

- Cashier's check (personal or company checks are not acceptable)
- Other type of bank or certified check
- Money Order
- Surety guarantee issued by a company authorized to do business in the State of Alabama.
- An irrevocable letter of credit

**4.24 Vendor's Facility and Equipment Requirements**

The Department requires that the Vendor maintain a facility within an hour's drive time to the city limits of Montgomery, Alabama in a location approved by HIX. The Vendor shall provide adequate working space, conference space, and free parking at the local vendor site to accomplish all of the project tasks in an efficient and professional manner. Specifically, a large well-equipped conference room will be required to accommodate Department and HIX users, consultant staff, and Vendor staff during meetings, training sessions, group product reviews, work sessions, test reviews, and other activities during the project. Additional requirements can be found in Section 3.6.

These facilities, equipment, and supplies the Vendor provides for their staff are provided at the Vendor's expense and **are not** expenses chargeable to the Department as part of this RFP.

**4.25 Publicity and Promotion**

The Vendor shall not advertise, promote or publish information for commercial benefit concerning this RFP or any subsequent award without prior written approval of the Department.



**4.26 State's Rights Reserved**

While the State has every intention to award a contract as a result of this RFP, issuance of the RFP in no way constitutes a commitment by the State to award and execute a contract. Upon a determination such actions would be in its best interest, the State, in its sole discretion, reserves the right to:

- Cancel or terminate this RFP at any time, without penalty
- Reject any or all of the proposals submitted in response to this RFP
- Change its decision with respect to the selection and to select another proposal
- Waive any minor irregularity in an otherwise valid proposal which would not jeopardize the overall program and to award a contract on the basis of such a waiver (minor irregularities are those which will not have a significant adverse effect on overall project cost or performance)
- Negotiate with any Vendor whose proposal is within the competitive range with respect to technical plan and cost
- Adopt to its use all, or any part, of a Vendor's proposal and to use any idea or all ideas presented in a proposal
- Amend the RFP (amendments to the RFP will be made by written addendum issued by the State and will be posted on the Department website)
- Not award any contract

**4.27 Disclaimer**

All statistical and fiscal information contained in the RFP and its exhibits, including amendments and modifications thereto, reflect the best and most accurate information available to the Department at the time of RFP preparation. No inaccuracies in such data shall constitute a basis for an increase in payments to the Vendor, a basis for delay in performance, or a basis for legal recovery of any damages.

**Note: That if required, prior to plugging a non-Alabama HIX (e.g., Vendor) computer/laptop into the Alabama HIX network the computer user will have to sign a computer use agreement similar to the sample provided in Appendix C of this document. This is to ensure the Alabama HIX network is safe from harmful computer malware.**

**This individual may also be asked to sign a standard Health Insurance Portability and Accountability Act (HIPAA) agreement similar to the sample provided in Appendix H.**

**4.28 Financial Interests**

Vendor shall represent and warrant that neither Vendor nor any person or entity that will participate financially in the contract has received compensation from the Department for participation in preparation of the RFP or other specifications for this RFP and any resulting contract. In re-

1820 sponding to this RFP, all Vendors must complete the disclosure statement required pursuant to  
1821 Sections 41-16-80, *et seq.*, Code of Alabama, 1975 (Alabama Act 2001-955), which can be ac-  
1822 cessed from the Attorney General's web site at the following address:

1823 <http://www.ago.state.al.us/Page-Vendor-Disclosure-Statement-Information-and-Instructions>

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## 5 PROPOSAL RESPONSE SPECIFICATIONS AND FORMAT

### 5.1 Introduction

This section describes the format and other requirements for the Vendors' proposal submissions. Vendors must build their proposal responses according to the formats, requirements and the order of items as defined in each section below. Each Vendor's proposal response must be divided into two parts as described in Section 5.2.1 Proposal Response General in addition to providing the required number of copies as specified in Section 5.2.2 Technical Response Format.

***Because of the diverse requirements and specifications of this RFP, HIX encourages prospective Vendors to subcontract or partner with other professional entities to acquire additional expertise and resources necessary to successfully address all requirements, specifications, and deliverables of this RFP. HIX seeks to receive as many proposals as possible while ensuring open competition among Vendors.***

In the event of a proposal submitted jointly by more than one organization, one organization must be designated as the prime Vendor and must have responsibility for project management and not less than 60 percent of the work to be performed (as measured by price). All other participants must be designated as subcontractors.

**Disclaimer – Any information or discussion regarding a particular subject that is not included in that subject's section may not be credited during the proposal evaluation; e.g. a description of the "project management approach" in the "proposed solution" section will not be counted toward the project management approach points.**

### 5.2 Proposal Submission Requirements

Proposals submitted, in whole or in part, by modem or fax will be rejected. Late responses will not be accepted.

Proposals must be received by the Project Administrator no later than the date and time specified in Table 1 (see the Preface – Procurement Timetable). **It is the responsibility of the Vendor to ensure the proposal is delivered by the time specified.** Delays in mail delivery or any other means of transmittal will not excuse late proposal submissions.

Proposals received after that time will not be considered. At the State's option, late proposals will be retained unopened in the file or will be destroyed at the State's expense.

Proposals received prior to the Proposal Submission date will be kept secured and sealed until the official Proposal Opening date.

### 5.2.1 Proposal Response General

Proposal Responses are submitted by the Vendor in two parts:

- Part 1—Technical Proposal
- Part 2—Cost Proposal

Proposals will be evaluated based on the written information that is presented in the response. This requirement underscores the importance and the necessity of providing in-depth information in the proposal with all supporting documentation necessary. The Vendor must demonstrate in the proposal a thorough working knowledge of HIX program policy and System requirements as described herein.

Entities that are currently excluded under federal and/or State laws from participation in Medicare/Medicaid or any State's healthcare programs are prohibited from submitting proposals.

The Proposal Response must present a complete and detailed description of the Vendor's qualifications to perform and its approach to carry out the requirements of this RFP. Any deviations in the Vendor's Proposal Response from the outline described below could disqualify that proposal.

Other requirements for the Proposal include the use of:

- 8.5 x 11-inch paper with one inch margins all the way around
- Single-spaced narrative text with a space between paragraphs
- Font size of 11 points or larger must be used, except in tables and charts where a font size of 10 points is acceptable
- Clearly page-numbered on the bottom (center or right) of each page
- Brochures or other presentations, beyond that sufficient to present a complete and effective response, are not desired. Audio and/or videotapes are not allowed. Elaborate artwork or expensive paper is not necessary or desired. While the appearance of proposals and professional presentation is important, the use of non-recyclable or non-recycled glossy paper is discouraged.

**A maximum page limit has been set for some sections of the Proposal Response.** Vendors are required to respect these page limits to facilitate a timely and responsive evaluation. Pages in excess of these limits will be removed during the Proposal Evaluation Process in the evaluation of Mandatory Requirements.

Vendors must submit one original and 15 hard-copy versions of the Technical Proposal Response in binder form plus four electronic versions on Compact Disc (CD or DVD), jump drive, or disk. Vendor submission content ownership is discussed in Section 4.19. **The Requirements Response Matrix must be submitted in electronic form in the identical Excel spreadsheet that was part of the RFP.**

Vendors must submit one original and one hard-copy version of the Cost Proposal in binder form plus two electronic versions on a separate CD from the Technical Proposal.

All copies must be clearly labeled with the Vendor name. The original hard-copy version must be identified as such and must include the transmittal letter with the original signature; the Pricing Sheets, and the RFP proposal sheet (refer to Form E and Forms F through Form M in Appendix K). Electronic versions must be submitted in MS Word 2007 or Adobe Portable Document Format (PDF) version 7 or higher.

The original and each copy of the Vendor's proposal response package must be marked in accordance with the specifications below. Each proposal must be submitted in two parts:

- Technical Proposal and
- Cost Proposal, the format and content of which are specified in the following subsections. Each part (Technical and Cost) must be identified with the cover pages as provided in the following subsections.

**The Cost Proposal including Price Sheets must be in a separately sealed envelope from the Technical Proposal (see Section 5.2.3).**

**The Cost Proposal should be on a separate CD from the Technical Proposal.**

Section 5.2.2 and its subsections specify the format details of the Technical Proposal, while Section 5.2.3 does the same thing for the Cost Proposal.

## **5.2.2 Part 1: Technical Proposal Format**

The first group of documents in the proposal response package must be marked as the “**Technical Proposal.**” Each Vendor's proposal response package submitted for the **Technical Proposal** must contain the items listed below in the order listed and divided using tabs as indicated (A, B, C, D, 1, 2, 3, etc.):

- Cover Page for Technical Proposal
- TAB A – RFP Proposal Sheet
- TAB B –Transmittal Letter
- TAB C – RFP Addenda
- TAB D – Table of Contents
- TAB 1 – Executive Summary
- TAB 2 – Company Overview
- TAB 3 – Use of Subcontractors
- TAB 4 – Relevant Business Experience
- TAB 5 – Proposed Solution
- TAB 6 – System Development Lifecycle Approach and Methodology
- TAB 7 – Project Management Approach

- 1928 • TAB 8 – Project Plan
- 1929 • TAB 9 – Integration and Implementation Services
- 1930 • TAB 10 – Stabilization and Operations
- 1931 • TAB 11 – Proposed Staffing
- 1932 • TAB 12 – Relevant Technical Experience
- 1933 • TAB 13 – HIX Responsibilities
- 1934 • TAB 14 – Vendor Assumptions
- 1935 • TAB 15 – Lessons Learned
- 1936 • Appendix A – Financial Status
- 1937 • Appendix B – Certificate of Authority
- 1938 • Appendix C – Requirements Response Matrix

1939 The following sections provide a description of each of the bulleted items above.

#### 1940 **5.2.2.1 Cover Page for Technical Proposal**

1941 The cover page for the **Technical Proposal** must be a single page formatted and marked ac-  
1942 cording to the technical proposal example provided on the next page. This page must be used  
1943 to identify the Vendor's **Technical Proposal** section of their proposal.

1944 The cover page for the **Technical Proposal** must be a single page and the first page of this  
1945 section marked as follows:

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**Office of the Alabama Health Insurance Exchange**

**Alabama Health Insurance Exchange System**

**TECHNICAL PROPOSAL**

RFP #: 2012-HIX-101

**Opening Date: June 8, 2012**

**Company Submitting the Proposal:** \_\_\_\_\_

**Proposal Submitted By (Company Representative):** \_\_\_\_\_

**Contact Information for Company Representative:** \_\_\_\_\_

**(Address, Phone, Fax and E-mail)**



**5.2.2.2 TAB A – RFP Proposal Sheet**

The Technical Proposal must include the proposal sheet (e.g., Form E in Appendix K) signed in blue ink, notarized, and completed per the Office of the Alabama Health Insurance Exchange specifications and included as the first document of the **original Technical Proposal**. The notary can appear at the bottom of the page. The section for the “Firm and Fixed Priced” must be left blank when accompanying the Technical Proposal. A copy of the original completed Office of the Alabama Health Insurance Exchange RFP Sheet must be included in each required copy in the specified order.

**5.2.2.3 TAB B – Transmittal Letter**

The Transmittal Letter must be submitted on official business letterhead by the prime Vendor and must be signed by an individual authorized to commit the company to the scope of work proposed.

The Transmittal Letter must contain all of the following:

- Brief statement of the Vendor’s understanding of the scope of software and services associated with this RFP.
- Identification of all materials and enclosures being submitted collectively as a response to this RFP.
- Identification of the Vendor who will be the prime Vendor and the name of the corporation or other legal entity submitting the proposal.
- The name, title, address, email address and telephone number of the individual who will function as the main contact for the Vendor.
- A statement identifying any and all subcontractors, if any, who are needed in order to satisfy the requirements of this RFP. The percentage of work, as measured by percentage of total contract price, to be performed by the prime Vendor must be provided. Subcontracted work must not collectively exceed 40 percent of the total contract price. The Vendor must assume sole and exclusive responsibility for all of the Vendor Responsibilities and work indicated in the RFP (including any and all addenda). If no subcontractor is proposed, a statement must be made identifying that fact.
- A statement that the prices proposed were arrived at independently without consultation, communication, or agreement with any other Vendor or competitor for this procurement and that the prices are binding for 90 days.
- A statement that the person signing this proposal is authorized to make decisions on behalf of the Vendor’s organization as to the prices quoted.
- A Disclosure Statement completed and submitted with the proposal required pursuant to Alabama Act 2001-955, located in Form P (Appendix K) – Disclosure Statement or on the Attorney General’s web site at the following address: [http://www.ago.state.al.us/ag\\_items.cfm?Item=70](http://www.ago.state.al.us/ag_items.cfm?Item=70)

Note: Any Subcontractors bid in this proposal must also complete a Disclosure Statement which is to be submitted with the proposal and within this tab.

The Transmittal Letter must be signed by an individual authorized to commit the company to the work proposed. No reference is to be made to any pricing information or elements of cost. ***If any element of cost is referred to in the Transmittal Letter, the Vendor will be disqualified. Note: Inclusion of the percentage of work, as measured by percentage of total contract price, to be performed by the prime Vendor (see bullet 2 above) without reference to any monetary price will not violate the element of cost provision.***

#### **5.2.2.4 TAB C – RFP Addenda**

Vendors must acknowledge receipt of all RFP addenda by listing the addenda and including a signed copy of the front page of each addendum. The signature must be the same as on the Transmittal Letter.

#### **5.2.2.5 TAB D – Table of Contents**

The Technical Proposal must be submitted with a table of contents that clearly identifies and denotes the location of each section and sub-section of the proposal. The electronic copies must have hyperlinks to corresponding sections from the Table of Contents. Each page of the response must be clearly and uniquely numbered. Additionally, the Table of Contents must clearly identify and denote the location of all enclosures and attachments to the proposal.

Title this section as “**Table of Contents**” in the Technical Proposal.

Most of the sections given below have a maximum page limit that will be given in parenthesis within the section title.

#### **5.2.2.6 TAB 1 – Executive Summary (4 pages)**

The Executive Summary will condense and highlight the contents of the Technical Proposal in such a way as to provide the proposal evaluators with an overall understanding of the proposal. Vendors must provide a concise summarization of the proposed products and services, and how these proposed products and services solve the problems presented in the RFP. Vendors must present their planned approach to providing the proposed products and services, and their understanding of the objectives and intended results of the project and the scope of work.

Title this section as “**Executive Summary**” in the Technical Proposal.

#### **5.2.2.7 TAB 2 – Company Overview (8 pages)**

Provide information about the Vendor’s company capabilities to satisfy the requirements of this RFP and why the company should be selected for this project. The overview must describe the kinds of projects the firm typically performs.

The overview must provide a description of the Vendor’s company information including:

- Date established.

- 2052 • Ownership (public company, partnership, subsidiary, etc.): If a Vendor is owned or controlled by a parent company, the name, main office address, and parent company's tax  
2053 identification number must be provided in the proposal.  
2054
- 2055 • Organizational chart depicting the Vendor's organization in relation to any parent, subsidiary, or related organization.  
2056
- 2057 • Identification of whether or not the company is a) a partnership, b) a non-profit corporation, c) Alabama Corporation, d) Non-Alabama Corporation, or e) some other structure.  
2058
- 2059 • State in which the Vendor is incorporated.
- 2060 • Number of employees and resources.
- 2061 • Organizational staffing chart.
- 2062 • Names and resumes of Senior Managers and Partners in regards to this contract.
- 2063 • Office location(s) responsible for the proposed tasks.
- 2064 • Evidence that the Vendor is financially stable and that it has the necessary infrastructure  
2065 to complete this contract as described in the Vendor's proposal. The Vendor must provide  
2066 audited financial statements for the last three years, or similar evidence of financial  
2067 stability for the last three years in Appendix A of the proposal.
- 2068 • Vendor's acknowledgment that the State will not reimburse the Vendor until: (a) the  
2069 State HIX Project Manager has approved the invoice; and (b) HIX has received and approved  
2070 all deliverables covered by the invoice.
- 2071 • Disclosure of any contracts terminated for cause or convenience in the past five years.
- 2072 • Disclosure of any conflict of interest.
- 2073 • Indication if the Vendor is minority-owned.
- 2074 • Number of jobs the Vendor will be creating in the state of Alabama during the project duration.  
2075
- 2076 • Details of any pertinent judgment, criminal conviction, investigation, or litigation pending  
2077 against the Vendor or any of its officers, directors, employees, agents, or subcontractors  
2078 within the last five (5) years related to this RFP, the State or federal government, Medicaid,  
2079 Department of Insurance, any oversight agencies such as Health and Human Services,  
2080 Center for Medicare and Medicaid Services and Office of Inspector General, and eligibility enrollment,  
2081 of which the Vendor has knowledge, or a statement that there are none. HIX reserves the right to reject a proposal solely on the basis of this information. It is recognized that such details may be lengthy, and therefore, this part of the  
2082 response may go into an addendum that will not be counted against the page limit.  
2083  
2084
- 2085 **While the Company Overview must not exceed eight pages, senior staff resumes may be**  
2086 **included in an addendum.**
- 2087 Title this section "**Company Overview**" in the Technical Proposal.
-

The company must have all necessary business licenses, registrations, and professional certifications at the time of the contracting to be able to do business in Alabama. Alabama law provides that a foreign corporation (an out-of-state company/firm) may not transact business in the state of Alabama until it obtains a Certificate of Authority from the Secretary of State, § 10-2B-17.01, et seq., Code of Alabama 1975. To obtain forms for a Certificate of Authority, contact the Secretary of State, Corporations Division, (334) 242-5324, <http://www.sos.state.al.us>. The Certificate of Authority or a letter/form showing application has been made for a Certificate of Authority must be submitted in the proposal in Appendix B.

#### **5.2.2.8 TAB 3 – Use of Subcontractors (4 pages per subcontractor)**

For each proposed subcontractor, provide overview information about the company's plans to use a subcontractor or subcontractors to meet the requirements of this project. The overview must describe what functions or tasks the Subcontractor(s) would perform under this RFP. The same company information listed in the previous section must be provided for each subcontractor.

If subcontractors will not be used on this project, include statements in this section to specify the company's intentions not to use subcontractors.

**The Use of Subcontractors section must not exceed four pages for each subcontractor proposed.**

Title this section as “**Use of Subcontractors**” in the Technical Proposal.

#### **5.2.2.9 TAB 4 – Relevant Business Experience**

Provide a Business Experience Matrix (Form Q in Appendix K) that summarizes relevant projects completed by the company, or the specific organizational unit of the company that will be responsible for work performed in this contract. If Subcontractors are to be used on the project, a Business Experience Matrix must be completed for each Subcontractor proposed. List the 5 most recent projects performed that demonstrate the Vendor's ability to perform the requirements expressed in the RFP. All projects must be listed if the company has less than 5 relevant projects. The matrix must provide all of the information described below. Columns must be used as follows:

*Column A:* Provide the name of the client and a short project name and description.

*Column B:* Indicate if work was performed relative to consulting support and technical assistance for State Government Medicaid Management/Eligibility Information Systems. Indicate Yes or No in the box.

*Column C:* Summary of DDI activities performed on the project. Leave blank if not performed.

*Column D:* For each project, indicate the starting date of the project using Month/Day/Year (MM/DD/YY) format.

*Column E:* For each project, indicate the ending date of the project using Month/Day/Year (MM/DD/YY) format.

2125 *Column F:* Provide a checkmark in this column if the project was completed within the original  
2126 timeframe. Leave blank if not.

2127 *Column G:* Provide a checkmark in this column if the project was completed within the original  
2128 budget. Leave blank if not.

2129 *Column H:* Provide a checkmark in this column if the company was involved in any litigation re-  
2130 lated to this project.

2131 *Column I:* For each project, list names (or initials) of all staff members proposed for the System  
2132 Project that participated on the project referenced in the table.

2133 *Column J:* Provide the name of one client the Proposal Evaluation team may contact about the  
2134 project, with verified telephone numbers (please include fax number and email address if avail-  
2135 able).

HIX reserves the right to contact any former client or employer with which the Vendor is known to have done business, whether or not provided as a reference.

2136 ***Provide details for each project not completed on time or within budget. Also, provide***  
2137 ***the details of any litigation related to the project.***

2138 In addition to this Matrix, the Vendor may provide any additional information about the projects  
2139 listed, such as the purpose, scope, the company's involvement, and the outcome or status of  
2140 the project.

#### 2141 **5.2.2.10 TAB 5 – Proposed Solution (50 pages)**

2142 The Vendor must provide a detailed description of its proposed solution to meet the RFP re-  
2143 quirements, including numerical identifiers for each detailed section, as explained in Section  
2144 3.2.2. These detailed section numbers must be cross-referenced to the appropriate require-  
2145 ment(s) in the mandatory Requirements Response Matrix.

2146 The Vendor must provide convincing evidence that all the requirements in this RFP will be met  
2147 by the proposed solution. The Vendor must identify all known issues with the proposed solution.

2148 For all identifiable COTS or custom-built business applications technology products that are part  
2149 of the solution, provide details including:

- 2150 • Provider
- 2151 • Products
- 2152 • Release level of the products to be used
- 2153 • Next release / version level to be released
- 2154 • Planned release date of the next release / version

2155  
2156 A discussion of the Software Provider's Product Maintenance approach must be included in this  
2157 section.

**REMINDER: Licensing and ongoing cost information must be reflected only in the separate Cost Proposal.**

The Vendor must provide general information of the current overall performance of the proposed solution, including transaction processing times, and average and worst case response times. The Vendor must describe the future direction of the technology and functionality of the proposed products.

Note: As previously indicated in Section 2.1, Vendors must refrain from proposing a software solution that will create a proprietary dependency unless approved by the State. For purposes of transparency, all Vendors are requested to include in their bid a complete list of all software, including COTS products that will be proposed in support of the System. In cases where a software solution could potentially meet the criteria of a proprietary dependency, the Vendor is requested to describe the reason for the need, substitutions that are possible (if any), additional cost if not used and if a substitution is used instead, and if no substitution is available to describe the extent of the dependency.

Title this section of the Technical Proposal as “**Proposed Solution.**”

#### **5.2.2.11 TAB 6 – System Development Lifecycle Approach and Methodology (10 pages)**

Describe the Vendor’s proposed System Development Lifecycle Approach and Methodology toward this project including the phases, objectives, recommended tasks, and a summary of related control objectives for effective management. The Vendor must identify projects where it has been previously successful using the proposed methodology. A description of the Work Breakdown Structure (WBS) necessary to capture and schedule the work, including the milestones and proposed baselines of the project, must be addressed. In addition, an overview of the full scope and timeline of the project must be described. Also to be included in this section are identified risks associated with the proposed lifecycle along with potential mitigation activities.

The proposal must identify certifications the Vendor has received, such as SEI CMMI assessments, ISO 900x certifications, or any other pertinent certifications.

This section must be titled as “**System Development Lifecycle Approach and Methodology**” in the Technical Proposal.

#### **5.2.2.12 TAB 7 – Project Management Approach (6 pages)**

The Vendor must describe its approach to managing the project, including the provision for a full-time, experienced Vendor Project Manager who will be accountable for all services and deliverables provided under the contract resulting from this RFP, and who will work to ensure the on-time delivery and successful deployment of a functioning system that meets HIX’s requirements and the successful ongoing operation of the solution. As part of its project management approach, the Vendor must describe the project management tools, standards, controls, and procedures that will be utilized to create a proven, reliable process to deploy the system



2196 statewide. This section must also include a brief description of the Vendor's approach for man-  
2197 aging the project on a daily basis.

2198 This section must be titled "**Project Management Approach**" in the Technical Proposal.

#### 2199 **5.2.2.13 TAB 8 – Project Plan (40 pages)**

2200 The Vendor must present the Project Plan to be used in completing the project. See the re-  
2201 quirements listed in Phase 1 of Section 3.3, and Section 7, Task 1.1. It is of critical importance  
2202 that the Vendor show competence by completing as much of these planning functions as possi-  
2203 ble since it will be expected that the Vendor will build on these proposal plans to generate the  
2204 deliverables of Phase 1. The time allowed for Phase 1 is one month, and the artifacts of Phase  
2205 1 are essential for CMS approval.

2206 The project plan must effectively synthesize requirements from the Requirements Response  
2207 Matrix, the Activities of Section 7, and the Milestones given in Section 2.3.4. Table 1 must also  
2208 be considered in scheduling and sequencing of activities and tasks.

2209 The Vendor must provide a detailed description of its implementation plan to meet the RFP re-  
2210 quirements, including numerical identifiers for each detailed section within each Project Phase,  
2211 as explained in Section 3.3. These detailed section numbers must be cross-referenced to the  
2212 appropriate requirement(s) in the mandatory Requirements Response Matrix.

2213 The description of the Project Plan must cover the items listed below but are not limited to these  
2214 items.

- 2215 • Proposed Project Plan to include:
  - 2216 ○ List and descriptions of each activity and task of the project.
  - 2217 ○ Overall plan for the completion of each activity and task of the project.
  - 2218 ○ Overall plan for Vendor services.
  - 2219 ○ Project Schedule (Gantt chart) that includes all deliverables listed in Section 7
  - 2220 Work Activities, Tasks, and Deliverables, as well as the requirements given in the
  - 2221 Requirements Response Matrix.
  - 2222 ○ Dependencies, critical paths, estimated work effort, and resources (e.g., vendor
  - 2223 and State).
- 2224 • Description of necessary relationships between the Vendor, subcontractors, and HIX  
2225 personnel to include:
  - 2226 ○ Estimated time requirements for all HIX employees corresponding to the Project
  - 2227 Schedule.
  - 2228 ○ Estimated time requirements of subcontractors corresponding to the Project
  - 2229 Schedule.
- 2230 • Project timelines and milestones, including incidental items, such as
  - 2231 ○ Status Reporting.
  - 2232 ○ Issue Resolution.



- 2233           ○ Action Item Tracking.
- 2234           ○ Project Controls, standards and procedures.
- 2235           • Detailed description of the office automation needed to support the proposed Project  
2236           Team (e.g., computer connections, configuration, etc.).
- 2237           • The response must maintain separation of responsibilities by clearly stating those re-  
2238           sponsibilities of the Vendor and those responsibilities expected of State personnel. HIX  
2239           will expect this section to describe how the Vendor proposed staffing in response to Sec-  
2240           tion 3.5 will be adequate to perform each task.
- 2241   The Vendor must provide the Project Schedule in Microsoft Project in the electronic version.  
2242   Printed copies must include a high-level timeline in Gantt chart format.
- 2243   **The Project Plan section must not exceed 40 pages, not including the Project Schedule**  
2244   **(Gantt chart).**
- 2245   This section must be titled as “**Project Plan**” in the Technical Proposal.
- 2246   **5.2.2.14 TAB 9 – Integration and Implementation Services (20 pages)**
- 2247   The requirements for this tab were described in Section 3.2.5.
- 2248   Describe the Vendor’s approach, methodology, skills, knowledge, ability, and any specialized  
2249   tools that will be used to complete or address the items listed in the Integration and Implementa-  
2250   tion Services section (Section 3.2.5). **The State does not want a "rewrite" of the RFP re-**  
2251   **quirements, since signing and returning the RFP signifies acceptance of the terms and**  
2252   **conditions contained therein.**
- 2253   The following list of items, corresponding to the Integration and Implementation activities and  
2254   tasks identified in Section 7, must be considered in the response:
- 2255           • Task 15.1, System Integration Strategy
- 2256           • Task 15.2, System Integration Plan
- 2257           • Tasks 16.1-16.4, Implementation Activity
- 2258           • Task 17.2, Unit and Integration Test Plan and Documentation
- 2259
- 2260   **The Integration and Implementation Services section must not exceed 20 pages.**
- 2261   Title this section of the Technical Proposal as “**Integration and Implementation Services.**”
- 2262   **5.2.2.15 TAB 10 – Operations and Hardware Hosting (10 pages)**
- 2263   The requirements for this tab were described in Section 3.2.6 and Appendix I: Service Level  
2264   Agreements.
- 2265   The Vendor must provide a description of its strategy and approach for conducting post imple-  
2266   mentation support; including stabilization and ongoing operations once the system has been  
2267   placed into production. This description must include detailed information about the level of  
2268   staffing, the staffing roles, and all activities that are proposed to be conducted by the Vendor.

2269 The description must be comprehensive in nature. Vendors must bear in mind that the bid in this  
2270 area is both comprehensive and fixed price in nature. Therefore, if any necessary service or  
2271 other item or piece of equipment is left out of the proposal, and this service, item, or piece of  
2272 equipment is later deemed by HIX to be necessary and essential to the performance of ongoing  
2273 operations support, then the Vendor will be responsible for providing that service, item, or piece  
2274 of equipment at no additional charge to HIX.

2275 The Vendor response must include consideration for two periods of Stabilization and Operations  
2276 support: one after the end of the Phase 2, and one after the end of Phase 4 (e.g., Phases 3 and  
2277 5, respectively).

2278 Turnover processes are critical to the initial procurement process. Each Vendor must address  
2279 procedures related to turnover at contract end. Recommendations for HIX staffing necessary to  
2280 assume support responsibilities must be identified in this section. The staffing recommendation  
2281 must include a recommendation for staffing levels by position, an organizational chart, and roles  
2282 and responsibilities descriptions for each position.

2283 Each proposal must address any experience the Vendor has with the turnover of a major sys-  
2284 tem to another Vendor or to the client. The Vendor is expected to be a full partner in the turno-  
2285 ver process and has a responsibility to ensure that the HIX System continues to operate  
2286 smoothly during and after the turnover process. As part of this procurement, the Vendor must  
2287 have at least one staff member available to HIX for at least six months following the official turn-  
2288 over date to address concerns.

2289 **This section must not exceed ten pages.**

2290 Title this section of the Technical Proposal as “**Operations and Hardware Hosting.**”

#### 2291 **5.2.2.16 TAB 11 – Proposed Staffing (30 pages)**

2292 The requirements for this tab were described in Section 3.5.

2293 The awarded Vendor must furnish experienced, qualified professionals to ensure the success of  
2294 the project. Accordingly, Vendors must provide a detailed listing of the individuals proposed to  
2295 serve HIX on this assignment, along with a complete description of their roles and responsibili-  
2296 ties and an indication of their planned level of effort.

2297 The Vendor must address each of the requirements listed in Section 3.5. This RFP has provid-  
2298 ed some specific staffing requirements in Section 3.5, but Vendors may propose the number of  
2299 staff positions they need to meet the requirements for each task or deliverable. It is also allow-  
2300 able for the Vendor to submit staff positions equivalent to the staff positions described in Section  
2301 3.5. If equivalent positions are submitted by the Vendor, the proposal must describe in detail  
2302 the staff responsibilities and relevant experience as it relates to their role in the project. HIX will  
2303 expect this section to clearly explain how the proposed staffing will be adequate to fully perform  
2304 each activity/task required in Section 7.

2305 Resumes must be provided for each key individual, and his/her role in the project must be iden-  
2306 tified. Resumes must describe each individual's educational background, experience, other per-  
2307 tinent professional data, and must be sufficiently detailed to demonstrate an individual's qualifi-

2308 cations and experience and must include references. Vendors must furnish staff with experience  
2309 in similar projects (e.g., using SOA, SQL, and rules engines). **HIX retains the right of approv-**  
2310 **al over all proposed personnel, including potential substitutions to those proposed in**  
2311 **response to this RFP.**

2312 It is expected that personnel proposed for the project will be committed and truly engaged with  
2313 the project, and that inexperienced personnel will not be exchanged for them. Should specific  
2314 personnel proposed by the Vendor not be available, or if HIX determines that key personnel are  
2315 not providing an adequate amount of time onsite, HIX reserves the right to cancel the project  
2316 and all prior agreements with the Vendor or make appropriate adjustments to any work plan and  
2317 prices to be paid herein under.

2318 Section 3.6 provides details on offsite facility space and equipment for Vendor and HIX staff.  
2319 This response section must contain acknowledgement that the Vendor understands its obliga-  
2320 tion regarding the establishment of an offsite facility and equipment.

2321 **Additionally, HIX reserves the right to impose liquidated damages of up to 10 percent of**  
2322 **the total project price should specific personnel proposed by the Vendor or HIX ap-**  
2323 **proved substitutions not be available, or become materially absent during the course of**  
2324 **the project.**

2325 **The Proposed Staffing section must not exceed 30 pages. Resumes and Letters of Intent**  
2326 **may be included in an Addendum to this section that will not be counted against the**  
2327 **page limit.**

2328 Title this section of the Technical Proposal as the “**Proposed Staffing.**”

#### 2329 **5.2.2.17 TAB 12 – Relevant Technical Experience (10 pages)**

2330 The requirements for this tab were described in Section 3.4.

2331 Provide the following general metrics:

- 2332 • Total years of experience of key personnel.
- 2333 • Average years of experience per person.
- 2334 • Maximum and minimum years of experience for those included.
- 2335 • Organize the response subsections within this Tab according to the following five clearly  
2336 identified subsections:
- 2337 • General considerations (that do not map specifically to any of the other subsections).
- 2338 • Direct experience in implementing a Health Insurance Exchange.
- 2339 • Direct experience in implementing an Insurance Portal.
- 2340 • Any related experience with Medicaid, Medicare, CHIP, or any other closely related  
2341 health service or health insurance function.
- 2342 • Any other direct or indirect experience on other non-health related functions that would  
2343 contribute to the project.

2344 Within each of the above subsections, describe the Vendor's proposed project team's experi-  
2345 ence with:

- 2346 • Contracts with other State health insurance exchange (or similar) agencies relative to  
2347 system design, development, integration, and implementation.
- 2348 • Working with other Alabama state agencies.
- 2349 • Analysis of comparable "Recipient Subsystems" (e.g., Recipient data, eligibility verifica-  
2350 tion, interfaces, etc.).
- 2351 • Implementation of information systems using database management systems.
- 2352 • Cooperative/distributed processing and client/server architecture.
- 2353 • Web-based development including a list of tools used.
- 2354 • SOA –based distributed, web service processing with Enterprise Application Integration  
2355 (EAI), and ESB, and other middle tier architectures.
- 2356 • Rules engines.
- 2357 • Visio Pro.

2358 Title this section of the Technical Proposal "**Relevant Technical Experience.**"

#### 2359 **5.2.2.18 TAB 13 – HIX Responsibilities (4 pages)**

2360 It is important that there is a clear understanding between HIX and the successful Vendor at the  
2361 outset as to the distinction between the Vendor and HIX responsibilities. This Tab within the  
2362 response must provide the Vendors' understandings of that distinction. Vendors may use broad  
2363 categories in their description. However, the description must be detailed enough to ultimately  
2364 be translated into contract requirements so as to provide the basis for negotiations to this effect.

2365 HIX reserves the right to accept or reject any requirements identified by the Vendor.

2366 Title this section of the Technical Proposal as the "**HIX Responsibilities.**"

#### 2367 **5.2.2.19 TAB 14 – Vendor Assumptions (4 pages)**

2368 The Vendor must document any Vendor assumptions associated with the Technical Proposal.  
2369 While these may have been made in the various sections already documented above, this tab  
2370 will serve as a summary of these assumptions. Reference these assumptions to the particular  
2371 section of the Technical Proposal to which they relate.

2372 **The Vendor Assumptions section must not exceed four pages.**

2373 Title this section of the Technical Proposal as the "**Vendor Assumptions.**"

#### 2374 **5.2.2.20 TAB 15 – Lessons Learned (6 pages)**

2375 The Vendor must provide a discussion of the significant lessons learned from experience at  
2376 previous eligibility projects of similar size and scope, and how the Vendor will apply those les-  
2377 sons to the System Project. "Lessons learned" necessarily implies that some mistakes were  
2378 made either by the Vendor or the Sponsor in a previous project. If this is not the case, then it

2379 should not be documented in this section. The Vendor need not identify the project or the spon-  
2380 sor in this response, but can merely state the lesson learned as advice that will be of benefit to  
2381 the proposed project.

2382 **The Lessons Learned section must not exceed six pages.**

2383 Title this section of the Technical Proposal as the “**Lessons Learned.**”

#### 2384 **5.2.2.21 Appendix A – Financial Status**

2385 Vendors must submit copies of their most recent audited financial statements and report of au-  
2386 dit. These must include at least a balance sheet and income statement. Vendors must also in-  
2387 clude a statement of the Vendor's other contractual obligations which might have an influence  
2388 on the capabilities of the Vendor to perform the conditions of the contract (e.g., shared person-  
2389 nel).

2390 Title this section of the Technical Proposal as the “**Financial Status.**”

#### 2391 **5.2.2.22 Appendix B – Certificate of Authority**

2392 The company must have all necessary business licenses, registrations, and professional certifi-  
2393 cations at the time of the contracting to be able to do business in Alabama. Alabama law pro-  
2394 vides that a foreign corporation (an out-of-state company/firm) may not transact business in the  
2395 state of Alabama until it obtains a Certificate of Authority from the Secretary of State, § 10-2B-  
2396 17.01, et seq., Code of Alabama 1975. To obtain forms for a Certificate of Authority, contact the  
2397 Secretary of State, Corporations Division, (334) 242-5324, <http://www.sos.state.al.us>. The Certif-  
2398 icate of Authority or a letter/form showing application has been made for a Certificate of Authori-  
2399 ty must be placed in this section.

2400 Title this section of the Technical Proposal as the “**Certificate of Authority.**”

#### 2401 **5.2.2.23 Appendix C – Requirements Response Matrix**

2402 In the Requirements Response Matrix, the Vendor must note the degree to which its proposed  
2403 solution currently (at the time of proposal submission) meets each requirement in an operational  
2404 production environment. This matrix must be completed and returned in electronically readable  
2405 form as part of the proposal response. Refer to Appendix K – Form D: Requirements Response  
2406 Matrix for additional details and instructions. Additional requirements for this appendix are de-  
2407 scribed in Section 3.1.

2408 The completed Requirements Response Matrix, provide as a separate document, must be  
2409 placed in this section (e.g., Appendix C) of the Technical Proposal titled “**Requirements Re-**  
2410 **sponse Matrix.**”

### 2411 **5.2.3 Part 2: Cost Proposal**

2412 The second part of the documents that make up the Vendor's proposal response must be  
2413 marked "**Cost Proposal**" per specifications in Section 5.2.1. Each Vendor's proposal response  
2414 package submitted must contain as part of its "**Cost Proposal**" the items listed below in the or-  
2415 der listed:

- 2416 • Cover Page for Cost Proposal, formatted as indicated in Section 5.2.3.1
- 2417 • TAB A – Table of Contents
- 2418 • TAB B – Executive Summary
- 2419 • TAB 1 – Price Schedule I (See Form F)
- 2420 • TAB 2 – Price Schedule II (See Form G)
- 2421 • TAB 3 – Price Schedule III (See Form H)
- 2422 • TAB 4 – Price Schedule IV (see Form I)
- 2423 • TAB 5 – Price Schedule V (see Form J)
- 2424 • TAB 6 – Price Schedule VI (see Form K)
- 2425 • TAB 7 – Price Schedule VII (see Form L)
- 2426 • TAB 8 – Price Schedule VIII (see Form M)

2427 Note all of the forms listed above are found in Appendix K. This current section (Section 5.2.3)  
2428 as well as Section 5.2.3.1 through Section 5.2.3.7 provide a description of each of the above  
2429 bullet items.

2430 The **Cost Proposal** must be submitted in a separately sealed envelope from the Technical Re-  
2431 sponse and provided with the original proposal. The Vendor's name(s) must be clearly identified  
2432 on the envelope and on the Price Schedules.

### 2433 **Cover Page for Cost Proposal**

2434 The cover page for the **Cost Proposal** must be a single page, formatted and marked according  
2435 to the response example provided on the next page. This page must be used to identify the be-  
2436 ginning of the Vendor's Cost Proposal section.

2437 The cover page for the **Cost Proposal** must be a full and first page of this section marked as  
2438 follows:

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**Office of the Alabama Health Insurance Exchange**  
**System**

**COST PROPOSAL**  
**2012-HIX-RFP-01**

**Opening Date:** June 8,2012

**Company Submitting the Proposal:** \_\_\_\_\_  
**Proposal Submitted By (Company Representative):** \_\_\_\_\_



**2468 Tab A – Table of Contents**

2469 The Cost Proposal must be submitted with a table of contents that clearly identifies and denotes  
2470 the location of each section and sub-section of the Cost Proposal. The electronic copy must  
2471 have hyperlinks to the corresponding sections from the Table of Contents. Each page of the re-  
2472 sponse must be clearly and uniquely numbered. Additionally, the Table of Contents must clearly  
2473 identify and denote the location of all enclosures and attachments to the proposal.

**2474 Tab B – Executive Summary**

2475 The Vendor must provide an overview of the Cost Proposal that describes any pricing ap-  
2476 proaches, discounts, and reasons why the Vendor's combined technical and cost approach is  
2477 the best value to HIX.

2478 The Annual Costs to the State of Alabama to be paid to the Vendor must be included in the Ex-  
2479 ecutive Summary for EACH year listed in Table 1, and each Annual Cost must be able to be  
2480 derived by the State of Alabama from the detailed costs in the Price Schedules provided by the  
2481 Vendor. In addition, these Annual Costs, when added together, must equal the Vendor's contri-  
2482 bution to the Total Cost of Ownership for the HIX System included in the Executive Summary.  
2483 As noted in 5.2.4, the State of Alabama, at its option, may request a "Best and Final Offer."

2484 As part of the Executive Summary, Tables A and B must be completed to partially satisfy the  
2485 requirement stated above.

**2486 Cost Executive Summary Response Table A – No Transition**

2012	2013	2014	2015	2016	2017	2018

2487

2488 The content of the Cost Executive Summary Response Table A will be the Vendor's total cost to  
2489 be charged to HIX for all products and services during the respective year. ~~The top row cost~~  
2490 ~~must exclude any additional costs that would be required if the currently pending Medicaid de-~~  
2491 ~~velopment contract results in the development of an Eligibility Engine for Medicaid. The bottom~~  
2492 ~~row cost must include all additional costs that would be required if the currently pending Medi-~~  
2493 ~~caid development contract fails to produce the expected Eligibility Engine in a timely manner to~~  
2494 ~~provide these services to HIX. The development costs of the lower row will be higher than~~  
2495 ~~those of the top row, since a greater development effort will be required.~~ The 2014 year is the  
2496 warranty year in which the successful vendor will operate the Exchange. The costs for years  
2497 2015-2018 represent the per year costs to HIX of the Vendor continuing to be renewed to oper-  
2498 ate the Exchange.

2499 Cost Executive Summary Response Table B below is similar in all respects to the definitions  
2500 given for the table above with the exception that the costs to be entered into this table are to be  
2501 the annual costs that will accrue to HIX if a decision is made sufficiently early in Year 2015 that  
2502 HIX intends to either assume all operational costs or to place this responsibility on another con-  
2503 tractor. This cost must then assume that the Vendor will not only operate the Exchange during

2015 but will also make all provisions for the transition of the system over to another organization. These costs much include all personnel costs, including transition costs, and all software costs. However, hardware costs will be excluded, i.e., no assumptions will need to be made as far as hardware hosting is concerned.

**Cost Executive Summary Response Table B – Transition**

2012	2013	2014	2015

The executive summary must provide adequate narrative to explain all assumptions made in the required tables. In addition, it is imperative that the cost figures given in these tables harmonize with the price sheets required as described in the sections below, and any deviation from this or explanations of the harmonization must be explained.

**The Executive Summary section may be no longer than four pages.**

**5.2.3.1 Tabs 1-8 – Price Sheets**

The Pricing Schedules reflect the State precedent of costing labor separately from deliverables. Price Schedule I is intended to reflect labor hours and Price Schedule II is intended to reflect the cost of deliverables themselves. While the two are clearly related, the State recommends that each Vendor apply a sizing factor to determine the deliverables costs. Vendors must account for labor hours as labor, and determine a cost for deliverables using some factor to distribute a portion of overall costs to the deliverables.

The Office of the Alabama Health Insurance Exchange RFP Proposal Sheet(s) must be signed and completed per the proposal sheets instructions. The RFP Proposal Sheet must be submitted in the separately sealed package with the Pricing Schedules and be notarized as stated in Section 5.2.2.2. The “Firm and Fixed Price for Contract” section on the Proposal Sheet that accompanies the Pricing Schedules must be completed.

**5.2.3.1.1 Tab 1 – Price Schedule I – DDI Labor**

Vendors are to complete this price schedule by entering the following related to Design, Development and Implementation (DDI):

- Staff by Title (Vendor Project Manager, Business Architect, Systems Architect, etc.)
- Number of Staff
- Rate per Hour
- Estimated Hours (project)
- Extended Price

2536       • Grand Total Staff

2537       • Grand Total Hours

2538       • Grand Total Price

2539       The Extended Price must be calculated for each line item listed as the Rate Per Hour times the  
2540       Estimated Hours (Extended Price = Rate Per Hour \* Estimated Hours). The Grand Total Staff is  
2541       the summed total of all staff listed under the # of Staff column. The Grand Total Hours is the  
2542       summed total of all hours listed under the Estimated Hours column. The Grand Total Price is the  
2543       summed total of all prices listed in the Extended Price column. The Grand Total Price must be  
2544       transferred to Price Schedule II and recorded on the proper line as indicted on Schedule II (bot-  
2545       tom of schedule). The Rate per Hour listed on this schedule must be the Rate per Hour charged  
2546       by the Awarded Vendor for the specified staff based on job title. The Awarded Vendor's staff  
2547       Rate per Hour charges must be based on the proposal response "Rate per Hour" in Price  
2548       Schedule I as part of the awarded contract.

2549       This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2550       forms as needed.

2551       Price Schedule I must be signed and dated by a person in the Vendor's organization who can  
2552       legally obligate the Vendor to the conditions of this contract. (See Form F Price Schedule I in  
2553       Appendix K).

#### 2554       **5.2.3.1.2    Tab 2 – Price Schedule II – Deliverables**

2555       Price Schedule II must be completed by the Vendor to list the Fixed Total Price the Vendor must  
2556       charge to deliver HIX approved deliverables along with execution as listed on Price Schedule II.  
2557       After the proposal award, this schedule must be used to determine the amount due for each ap-  
2558       proved deliverable based on the contracted proposal Fixed Total Price. Vendors are to com-  
2559       plete this pricing schedule by entering their prices for each deliverable listed. Vendors may add  
2560       additional pertinent tasks/deliverables/requirements based on the Vendor's Health Insurance  
2561       Exchange components or DDI knowledge and experience within each stage of **Price Schedule**  
2562       **II** as applicable. Should Vendors add to or modify this list with, for instance, deliverables they  
2563       deem necessary, overlooked or innovated, they may make such recommendations in their pro-  
2564       posal by adding the line item(s) to Pricing Schedule II where applicable and assigning an ap-  
2565       propriate line item number based on the schema used in Price Schedule II. The Vendor must  
2566       also provide a clear explanation of the requirements and purpose of any added or modified de-  
2567       liverable in a separate attachment. HIX must determine if any line items added or modified on  
2568       Schedule II by the proposing Vendor are acceptable deliverables under the RFP (see Form G  
2569       Price Schedule II in Appendix K). Payments will only be made on the successful completion and  
2570       approval of a deliverable by HIX as itemized in Price Schedule II under the contract.

2571       Each Vendor must calculate their Fixed Proposal Price for a line item to cover their cost for the  
2572       deliverable to include the use of subcontractors. Elements of price applicable to the contract  
2573       such as travel, clerical support, subsistence, training, etc., must also be considered in calculat-  
2574       ing a deliverable's Fixed Proposal Price. Proposing Vendor staff hours expended to produce a

2575 deliverable must not be used in the overall calculation of the Fixed Proposal Price for a deliver-  
2576 able since staff time is billable at a stated Rate per Hour and can be billed as a separate line  
2577 item.

2578 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2579 forms as needed.

2580 Price Schedule II must be signed and dated by a person in the Vendor's organization who can  
2581 legally obligate the Vendor to the conditions of this contract. The Vendor must fully define any  
2582 commitment of HIX resources not included in the price of the proposal but are necessary to fulfill  
2583 the requirements of the System Project.

#### 2584 **5.2.3.1.3 Tab 3 – Price Schedule III – Hardware and Software**

2585 All third-party products (middleware, database management software, operating system soft-  
2586 ware, compilers, job schedulers, security-related packages, etc.) required to successfully install  
2587 and operate the proposed solution must be identified, describing the cost, quantities, release  
2588 levels, etc., of each of these products.

2589 The Vendor must also list the itemized costs associated with providing the required hardware  
2590 and systems software needed, specifying the required cache servers, web servers, application  
2591 servers, database servers, and all other associated devices and applicable systems software.  
2592 The Contractor is responsible for obtaining and retaining licenses of current HIX-used products  
2593 necessary to complete the scope of work and requirements of this RFP.  
2594  
2595

2596 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2597 forms as needed.

2598 Price Schedule III must be signed and dated by a person in the Vendor's organization who can  
2599 legally obligate the Vendor to the conditions of this contract.

#### 2600 **5.2.3.1.4 Tab 4 – Price Schedule IV – Software Licenses**

2601 The Price Schedule IV must include pricing for any fees related to the licensing of the proposed  
2602 System software product.

- 2603 • The Vendor must provide the licensing cost for each individual application module and  
2604 third-party tool included as part of the proposed software solution. Software components  
2605 that are necessary to operate and maintain the proposed COTS software, State transfer  
2606 system, or combination hybrid, must be included. The costs for each item are to be  
2607 quoted separately unless bundled pricing is offered.
- 2608 • The Vendor is responsible for obtaining and retaining appropriate licenses of any current  
2609 HIX-used products necessary to support the proposed software solution.
- 2610 • The State will pay any required business and technology software license fees separate-  
2611 ly.

2612 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2613 forms as needed.

2614 Price Schedule IV must be signed and dated by a person in the Vendor's organization who can  
2615 legally obligate the Vendor to the conditions of this contract.

2616 **5.2.3.1.5 Tab 5 – Price Schedule V – Software Maintenance Support**

2617 The Price Schedule V must include pricing for the ongoing software annual maintenance fees.

- 2618 • Any fees related to ongoing maintenance of any included software must be provided, as  
2619 well as any discounts offered. The initial basis for annual maintenance fees must be  
2620 based on the negotiated purchase price for the licensed products
- 2621 • The State will pay any ongoing software maintenance support fees separately.

2622 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2623 forms as needed.

2624 Price Schedule V must be signed and dated by a person in the Vendor's organization who can  
2625 legally obligate the Vendor to the conditions of this contract.

2626 **5.2.3.1.6 Tab 6 – Price Schedule VI – Stabilization and Ongoing Operations**

2627 The Price Schedule VI must provide pricing for Stabilization and Ongoing Operations for the an-  
2628 ticipated year following implementation.

2629 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2630 forms as needed.

2631 Price Schedule VI must be signed and dated by a person in the Vendor's organization who can  
2632 legally obligate the Vendor to the conditions of this contract.

2633 **5.2.3.1.7 Tab 7 – Price Schedule VII – Other Implementation Costs**

2634 The Price Schedule VII must provide pricing for Other Implementation Costs by contract year  
2635 (see Table 1).

2636 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2637 forms as needed.

2638 Price Schedule VII must be signed and dated by a person in the Vendor's organization who can  
2639 legally obligate the Vendor to the conditions of this contract.

2640 **5.2.3.1.8 Tab 8 – Price Schedule VIII – Pricing Sheet Summary**

2641 All total costs from the previous pricing sheets must be transferred to Pricing Sheet VIII to de-  
2642 termine the final fixed bid price. The Vendor must ensure that all totals match.

2643 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2644 forms as needed.

2645 Price Schedule VIII must be signed and dated by a person in the Vendor's organization who can  
2646 legally obligate the Vendor to the conditions of this contract.

2647 **5.2.4 Best and Final Offer**

2648 The "Best and Final Offer" is an option available to the State under the RFP process, which  
2649 permits the State to request a "best and final offer" from one or more Vendors if additional in-  
2650 formation is required to make a final decision. Vendors may be contacted asking that they sub-  
2651 mit their "best and final offer," which must include any and all discussed and/or negotiated  
2652 changes. The State reserves the right to request a "best and final offer" for this RFP, based on  
2653 price/cost alone.

2654 **5.2.5 Freedom of Information and Privacy Acts**

2655 Vendors must be aware that all materials associated with the procurement are subject to the  
2656 terms of the Freedom of Information Act (FOIA) and all rules, regulations, and interpretations  
2657 resulting there from including those from the Offices of the Attorney General of the United  
2658 States (US), Health and Human Services (HHS), and Centers for Medicare and Medicaid Ser-  
2659 vices (CMS).

2660 By submission of a proposal, the Vendor agrees that the Privacy Act of 1974, Public Law 93-  
2661 579, and the Regulations and General Instructions issued pursuant thereto are applicable to this  
2662 contract, and to all subcontracts hereunder to the extent that the design, development, opera-  
2663 tion, or maintenance of a system of records as defined in the Privacy Act is involved.

## **5.3 Proposal Evaluation Criteria**

### **5.3.1 Introduction**

The objective of the proposal evaluation process is to determine the Vendor that will provide the most value and functionality in effectively meeting the HIX goals and the requirements of this RFP. A comprehensive, fair, and impartial evaluation of proposals received in response to this procurement effort will be conducted. Award must be made in the best interest of the State as determined by the Proposal Evaluation Committee. Consideration may focus on, but is not limited to:

- Cost. Vendors are not to inflate prices in the initial proposal as cost is a factor in determining who may receive an award or be invited to formal negotiations. The State reserves the right to award to the lowest responsive bid without conducting formal negotiations.
- Adequacy and completeness of proposal
- Vendors' demonstrated understanding of the project
- Compliance with the terms and conditions of the RFP
- Experience in providing like services
- Qualified staff
- Response format as required by this RFP

Proposal Evaluation Committees will conduct the evaluation generally in the following sequence:

1. Receipt of Proposals
2. Removal of non-responsive proposals
3. Review of Mandatory Requirements
4. Committee evaluation and scoring of responsive Technical Proposals
5. Oral Presentations – at the option of HIX
6. Rank Ordering of Vendors based on Technical Proposal Scoring
7. Statistical identification of Top Scoring Vendor Group ( $p < 0.5$ )
8. Auditing of Cost Proposals
9. Application of Cost Ranking to Top Scoring Vendors
10. Reference Checks
11. RFP Apparently Successful Vendor Award Recommendation



**5.3.2 Initial Classification of Proposals as Responsive or Non-Responsive**

All proposals will initially be classified as either “responsive” or “non-responsive.” Proposals may be found non-responsive at any time during the evaluation process or contract negotiation if:

- Any of the required information is not provided;
- The submitted price is found to be excessive or inadequate as measured by criteria stated in the RFP; or
- The proposal is not within the plans and specifications described and required in the RFP. If a proposal is found to be non-responsive, it will not be considered further.

Proposals failing to demonstrate that the Vendor meets the mandatory requirements identified in Appendix J - Mandatory Proposal Requirements will be deemed non-responsive and not considered further in the evaluation process.

**5.3.3 Determination of Responsibility**

The Evaluation Committee will determine whether or not a Vendor has met the standards of responsibility. In determining responsibility, the committee may consider factors such as, but not limited to, the Vendor’s specialized expertise, ability to perform the work, experience, and past performance. Such a determination may be made at any time during the evaluation process and through contract negotiation if information surfaces that would result in a determination of non-responsibility.

**5.3.4 Evaluation of Proposals**

All responsive proposals will be evaluated based on stated evaluation criteria as well as a scored comparative evaluation of all other qualified RFP responses in terms of differing price, quality, and contractual factors. These scores will be used by the Department to determine the most advantageous offering to the State.

**5.3.5 Completeness of Proposals**

Selection and award will be based on the Vendor’s proposal and other items outlined in this RFP. Submitted responses may not include references to information located elsewhere, such as Internet web sites or libraries, unless specifically requested by the State in this RFP. Information or materials presented by Vendors outside the formal response will not be considered, will have no bearing on any award, and may result in the Vendor being disqualified from further consideration.

**5.3.6 Opportunity for Additional Information**

The State reserves the right to contact any Vendor submitting a proposal for the purpose of clarifying issues in that Vendor’s proposal. Vendors must clearly designate in their proposal a point-of-contact for questions or issues that arise in the State’s review of a Vendor’s proposal. Upon

receipt of all proposals, the State will conduct a comprehensive review and evaluation process resulting in a subset of the proposals being designated as “reasonably likely to award.” Vendors whose proposals are determined “reasonably likely to award” may also be required to make an oral presentation in Montgomery, Alabama, to clarify their RFP response or to further define their offer. Oral presentations, if requested, must be at the Vendor’s expense. The State’s intent with regard to the oral presentation is to, among other things; gauge the level of competence of proposed staff. Thus, the presentation must be conducted by the key staff proposed in the Vendor’s proposal.

Those Vendors that have been eliminated for any reason will be notified accordingly in a timely manner.

### **5.3.7 Scoring**

The evaluation process is designed to award the contract to the Vendor that, in the Department’s sole determination, has the necessary combination of attributes based upon the evaluation criteria including, but not limited to, solution, experience, cost, implementation methodology, and staffing. The Vendor’s response will be assessed in two parts: 1) Technical Proposal and 2) Cost Proposal. The Evaluation Committees will first review and evaluate all the Technical Proposals and assign points to each response.

**Table 3: Technical Review Categories and RFP Section References**

Category	Sections of The RFP	Subsections of 5.3.7
<b>Mandatory Proposal Requirements (including Financial)</b>	<b>5 (5.2.2.21)</b>	<b>5.3.7.2</b>
<b>References</b>	<b>5.2.2.9</b>	<b>5.3.7.1</b>
<b>Business Overview and Experience</b>	<b>5.2.2.6 – 5.2.2.9</b>	<b>5.3.7.3</b>
<b>Proposed Solution</b>	<b>5.2.2.10</b>	<b>5.3.7.4.1</b>
<b>System Development Lifecycle Methodology</b>	<b>5.2.2.11</b>	<b>5.3.7.4.2</b>
<b>Project Management Approach</b>	<b>5.2.2.12</b>	<b>5.3.7.4.3</b>
<b>Project Plan/Schedule</b>	<b>5.2.2.13</b>	<b>5.3.7.4.4</b>
<b>Integration and Implementation Services</b>	<b>5.2.2.14</b>	<b>5.3.7.4.5</b>
<b>Operations and Hardware Hosting Services</b>	<b>5.2.2.15</b>	<b>5.3.7.4.6</b>
<b>Proposed Staffing</b>	<b>5.2.2.16</b>	<b>5.3.7.4.7</b>
<b>Technical Experience</b>	<b>5.2.2.17</b>	<b>5.3.7.4.8</b>
<b>Requirements Response Matrix</b>	<b>5.2.2.23</b>	<b>5.3.7.4.9</b>

2750 Following the selection of qualifying Vendors based on the Technical Proposal scoring, the Cost  
2751 Proposals will be used to make the final selection for the Proposal Award.

2752 Table 3 presents the various categories that will organize the proposal technical review process.  
2753 These are discussed further in the subsections below.

#### 2754 **5.3.7.1 References**

2755 Vendors' Technical and Business Experience score will be partially determined by the strength  
2756 of the references provided.

2757 These references may be contacted to verify Vendor's ability to perform the contract. The State  
2758 reserves the right to use any information or additional references deemed necessary to establish  
2759 the ability of the Vendor to perform the conditions of the contract. Negative references may be  
2760 grounds for proposal disqualification.

#### 2761 **5.3.7.2 Mandatory Proposal Requirements (Including Financial)**

2762 The proposal reviewers will determine if a proposal is sufficiently responsive to the RFP's re-  
2763 quirements as stated in Section 5.2.2 and 5.2.3 of the RFP. Appendix J also contains a sum-  
2764 mary listing of Mandatory Proposal Requirements. HIX reserves the right to waive minor vari-  
2765 ances, to reject any and all proposals, and to request clarifications from all Vendors.

2766 The preliminary evaluation will also consider the company's financial stability and the degree of  
2767 corporate, financial, and technical resources at the company's disposal to be drawn upon in  
2768 meeting the objectives of this engagement.

#### 2769 **5.3.7.3 Business Overview and Experience**

2770 Reviewers will be considering the Vendors' responses as given in Section 5.2.2.6 through Sec-  
2771 tion 5.2.2.9 in assessing the following aspects of the response:

- 2772 • The overall summary approach to the project as given in the Executive Summary
- 2773 • The potential for success as given in the Company Overview
- 2774 • The prime contractors use of subcontractors and their specialized expertise
- 2775 • The relevant business experience of the proposed project team.

#### 2776 **5.3.7.4 Technical Proposal Documentation Evaluation**

##### 2777 **5.3.7.4.1 Proposed Solution Documentation**

2778 The Vendor's response to the Proposed Solution will be evaluated based on how well the Ven-  
2779 dor documents information that justifies the Vendor assertions made in the mandatory Require-  
2780 ments Response Matrix. Narrative information provided in this section must be complete and  
2781 comply with industry technical documentation quality standards.

#### 5.3.7.4.2 System Development Lifecycle Approach and Methodology

Each Vendor's response to the System Development Lifecycle Methodology RFP requirements will be evaluated on the SDLC models and methodology proposed, and the management controls identified. The definitions of these words in the current context follow.

**Methodology** – Delineates a logical, clear, and detailed procedure for providing design, development, integration and implementation services for all aspects of the System Project to assure that the requirements for all HIX deliverables are met. Approaches that emphasize thorough analysis and detailed documentation will generally yield additional points. Examples of successful implementation of proposed methodology will be reviewed; as will the potential risks and mitigation activities associated with proposed lifecycle. The timing of the test completion step during the implementation sequence for each requirement listed in the Requirements Response Matrix must be identified and cross-referenced between the Requirements Matrix and the project management plan.

**Controls** – Management controls that are sufficient to ensure successful completion of all requirements. Reviewers will be looking for clear objectives, measurement against those objectives, and corrective actions that will be taken if the measurements indicate that the objectives are not being met in accordance with the project time line. Assumptions and constraints must be openly revealed as well as a discussion of the flexibility to adapt to a changing environment.

#### 5.3.7.4.3 Project Management Approach

The Vendor's response to the Project Management RFP requirements will be evaluated on the degree of understanding of the project and the separation of responsibilities and its demonstrated ability to manage large, complex enterprise software projects in a manner that ensures quality, project success, long-term viability, and lowest cost of ownership. The following provides more specific discussion of terms:

**Understanding of Project** – The degree to which proposals demonstrate an understanding and awareness of the needs and objectives of the State during the System Project and after implementation. The proposal must establish a clear understanding of the scope and complexity of the Project and lay out a strategy for managing the volume of work that will be required to provide DDI services for the Project.

**Responsibilities** – The degree to which proposals demonstrate a clear understanding of Vendor responsibilities as well as the delineation between HIX and Vendor (and subcontractor if applicable) responsibilities.

#### 5.3.7.4.4 Project Plan/Schedule

The Vendor's project plan will be evaluated on both the thoroughness/completeness of the plan as well as the quality.

**Completeness** – The degree to which the proposal completely covers the Vendor's project plan for completing project initiation, execution, management control, etc. The project plan must cover the Vendor's overall intent to provide integration and implementation services for the Sys-

tem. The plan must reflect all of the deliverables and project requirements identified within the RFP within the timeframes identified. The Plan/Schedule must include timeframes, staff assignments, and deliverable review periods. Reviewers will be looking for all items identified in Section 5.2.2.12.

**Quality** – An assessment as to whether or not the plan completely addresses all activities, tasks, deliverables, and phases of the project from initiation through project closeout and turnover to the State. The project plan will also be evaluated based on how realistic the estimated level of effort and timeframes appear.

#### **5.3.7.4.5 Integration and Implementation Services**

The Vendor must address all the activities and tasks referenced in Section 5.2.2.14.

#### **5.3.7.4.6 Operations and Hardware Hosting Services**

The Vendor's response to Operations and Hardware Hosting Services will be evaluated on how well it meets the needs identified in Sections 3.2.6, 5.2.2.15 and 7.1.26.

#### **5.3.7.4.7 Project Staffing**

The Vendor's response to Project Staffing will be evaluated based on requirements identified in Section 3.5. Staff qualifications and experience as well as the organizational structure will be reviewed. The following definitions apply:

**Qualifications and Experience** – An assessment of the Vendor's proposed staff in the areas of education, certifications, and training background will be conducted. Included in the assessment will be a review of Vendor's staff members' recent and sustained design, development, and implementation experience in projects of similar scope. Proposals will be reviewed for instances of project staff member's knowledge and experience with large-scale projects, especially programs and systems with components similar or identical to those required.

**Structure** – An evaluation of the Vendor's approach to project organization and staffing. The quantity and quality of staff proposed will be assessed as well as the appropriateness and value of the role/responsibilities that each staff member is assigned on the project team.

#### **5.3.7.4.8 Technical Experience**

The Vendor's relevant business and technical experience will be evaluated to determine whether or not the Vendor requirements identified in Section 3.4 have been met. This experience will be reviewed regarding the relevance, extent, and qualifications as explained further below:

- **Relevance** – Evaluation of the Vendor's technical experience and its relevance and applicability to the provision of services as described in this RFP.
- **Extent** – Evaluation of the depth of the Vendor's technical experience in the areas described in this RFP.

- **Qualifications** – Evaluation of the Vendor’s technical experience and capability to deliver the quality and timeliness of the performance needed to successfully develop, design, and implement the project as described in this RFP.

#### **5.3.7.4.9 Requirements Response Matrix**

The completed Requirements Response Matrix (reference Form D in Appendix K) will be evaluated as part of this section. The response will be reviewed along with other areas of the proposal to determine the ability of the Vendor to meet all the system requirements identified by the State.

#### **5.3.7.5 Cost Evaluation**

Once those Vendors who demonstrate their superiority in the Part 1: Technical Proposal, a Cost Evaluation step will determine the Vendor that can perform the project in the most cost-effective manner. In order to pass this Cost Evaluation step, the Vendor must meet the cost proposal documentation requirements described within Section 5.2.3 of the Part 2: Cost Proposal.

#### **5.3.8 RFP Award Recommendation**

The RFP Evaluation Committee shall provide a written recommendation to the Commissioner of Insurance on the Vendor whose proposal has been determined to be by the Evaluation Committee the most advantageous to the State. The Commissioner will make the final decision to award the contract based on the recommendations of the Evaluation Committee. If the Vendor selected is unwilling or unable to perform, the performance bond will be forfeited and HIX may award to the next lowest responsible and responsive Vendor most advantageous to the State.

#### **5.3.9 State and Federal Approvals**

State and federal approvals are required before HIX may award a contract. Appendix D contains a copy of the Contract Review Report for Submission to Oversight Committee form that must be signed by the selected Vendor. Other required documents that must be signed by the selected Vendor are located in Appendices.

## **6 CONTRACT TERMS AND CONDITIONS**

### **6.1 General Contract Terms**

This contract is made pursuant to and under the authority of §27-2-10(c), Code of Alabama, 1975.

#### **6.1.1 Terms**

- “ACA” means the Patient Protection and Affordable Care Act, P.L. 11-148, as amended by the Health Care and Education Reconciliation Act of 2010, P.L. 111-152 and any other amendments.
- “Department” is the Alabama Department of Insurance, an agency of the State of Alabama. “Department” is also deemed to include the HIX. The Department designates the HIX as its representative for purposes of facilitating, directing, and monitoring the Vendor’s performance of the Services for the contract.
- “HIX” means the Governor’s Office of the Health Insurance Exchange or any similar successor entity created by Legislation or Executive Order of the Governor. HIX is not a division or unit of the Department but is designated by the Department to act as the Department’s representative for the purposes of this RFP and contract, if any.
- “HIX System” is the Alabama Health Insurance Exchange System, a state-of-the-art automated system that supports HIX in providing all of the functionality described herein.
- “Exchange” is the Alabama Health Insurance Exchange which is the organization and automation necessary to enable individuals or companies to purchase health insurance from a set of state-regulated and standardized health care plans that is eligible for Federal subsidies or small business tax credits. Health insurance exchanges are authorized and funded as part of implementing key elements of the ACA.

#### **6.1.2 Entire Agreement**

This RFP and the Vendor's response thereto shall be incorporated into a contract by the execution of a formal agreement. No alteration or variation of the terms of these contracts shall be valid unless made in writing and duly signed by the parties thereto. Oral understandings of this agreement are not incorporated therein and no alterations or variations of the terms thereof shall be binding on any of the parties unless made in writing between the parties. The contract shall be amended by written agreement duly executed by the parties; every such amendment shall specify the date of its provisions and shall be effective as agreed to by the parties. The contracts and amendments, if any, are subject to approval by the CMS, approval by the Information Services Division of the Department of Finance, review by the Legislative Contract Review Oversight Committee, and approval by the Governor of the State of Alabama.

Execution of the contract and posting of the performance bond shall authorize the Vendor to undertake performance of the contract and shall entitle Vendor to be reimbursed for costs incurred in such performance, subject to all terms and conditions of the contract.



**2918 6.1.3 Notice to Parties**

2919 Any notice to the Department under the contract shall be sufficient when mailed to the Commis-  
2920 sioner of Insurance c/o Legal Division, Post Office Box 303351, Montgomery, AL 36130-3351.  
2921 Any notice to the Vendor shall be sufficient when mailed to the Vendor at the address given on  
2922 the return receipt from this RFP or on the contract after signing. All notices shall be given by  
2923 certified mail, return receipt requested.

**2924 6.1.4 Headings and Titles**

2925 Any headings or titles used to help identify any part of this RFP or any contract upon which it is  
2926 based are for reference purposes only and shall not be deemed as controlling the interpretation  
2927 or meaning of any provision of this RFP or any contract upon which it shall be based.

**2928 6.1.5 Compliance with Federal and State Requirements**

2929 The Vendor shall perform all services under these contracts in accordance with applicable Fed-  
2930 eral and State statutes, regulations and other guidance issued. HIX retains full operational and  
2931 administrative authority and responsibility over the Alabama Exchange in accordance with the  
2932 requirements of the Federal and State statutes and regulations.

**2933 6.1.6 Contract a Public Record; Public Information**

2934 Once fully executed, this contract shall become a public record under Alabama state law.  
2935 All information received in response to this RFP, including copyrighted material, is deemed pub-  
2936 lic information and become a public record subject to review and copying. The sole exceptions  
2937 are trade secrets as defined in Ala. Code § 8-27-2(1), that have been properly marked, separat-  
2938 ed, and documented.

**2939 6.1.7 Beginning Work under Contract**

2940 The effective date of this contract is the date on which it has been fully executed by signature of  
2941 the Governor of Alabama. The Vendor shall not commence work under this contract until such  
2942 time and agrees that it cannot claim, and shall not be entitled to, payment for the services per-  
2943 formed or expenses incurred before the effective date.

**2944 6.1.8 Cooperation with Other Contractors/Vendors**

2945 The State may award other contracts for additional work related to this contract and Vendor  
2946 shall fully cooperate with such other contractors and State employees or designated agents,  
2947 and fit its own work to such other contractor's work. Vendor shall not commit or permit any act  
2948 which will interfere with the performance of work by any other contractor or by State employees  
2949 or designated agents.

2950

**6.1.9 Term of the Contract**

This contract shall begin on the date of award and shall terminate upon December 31, 2014, contingent upon the continued availability of federal funding and the exercise of any renewal options. As part of the contract, the Department shall have three one-year renewal options to address tasks such as remaining design, development and implementation (DDI) phases, a one-year period for stabilization following the initial operational capability (IOC) and additional optional maintenance support. Within ninety (90) days prior to the end of the initial contract period, the Department may at its discretion, exercise the extension option and allow the period of performance to be extended at the rate indicated on the price sheet contained in the RFP. The Vendor will provide pricing for each year of the contract, including any extensions. The Vendor agrees that if the Department exercises the renewal options that the Vendor is required to perform the services pursuant to this RFP for the renewal period for the rate indicated on the price sheet of the RFP.

**6.1.10 Contract Content and Other Priority Documents**

This RFP and the Vendor's response shall be incorporated into a contract by the execution of a formal agreement. The contract and amendments, if any, are subject to approval by CMS, approval by the Information Services Division of the Department of Finance, review by the Legislative Contract Review Oversight Committee and approval by the Governor of the State of Alabama.

The contract shall include the following:

- Executed contract
- RFP, and any addenda or amendments thereto
- Vendor's response to the RFP

The contracts shall be construed in accordance with and in the order of the applicable provisions of:

- Applicable Federal statutes and regulations, including the ACA, subsequent regulations and guidance
- Alabama state law and applicable regulations
- The statutory and case law of the State of Alabama
- HIX's written responses to prospective Vendors' questions

**6.1.11 Contract Amendments**

The contract shall be deemed to include all applicable provisions of the ACA and of all State and Federal laws and regulations applicable to the Exchange, as they may be amended. In the event of any change in the ACA, laws, or regulations, which materially affect the operation of the Exchange, or the costs of administering such program, either party, after written notice and before performance of any related work, may apply in writing to the other for an equitable adjust-

2987 ment in compensation caused by such material change. In no event shall the contract be  
2988 amended unless it is in writing and signed by duly authorized representatives of the Vendor and  
2989 the Department.

#### 2990 **6.1.12 Changes to the Statement of Work**

2991 During the contract period, if the Vendor considers any written or oral communication, including  
2992 any order, direction, instruction, interpretation, or determination, received from the Project Man-  
2993 ager or any other authorized Department representative, or any other act or omission of the De-  
2994 partment (an "Event") constitutes a change to the scope of the Statement of Work of this RFP  
2995 but is not plainly identified, labeled, or titled as such, the Vendor shall advise the designated  
2996 Department contact person in writing within 10 business days of the Event and shall request  
2997 written confirmation of the Event. The notice shall state:

- 2998 • The nature and pertinent circumstances of the communication, act, or omission regarded  
2999 as a change in scope of the Statement of Work by the Vendor
- 3000 • The date of the communication, act, or omission, and the identification of each individual  
3001 involved in such communication, act, or omission, listing his or her name and function
- 3002 • The identification of the documents involved
- 3003 • The substance of any oral communications
- 3004 • The particular technical requirements or contract requirements regarded as changed
- 3005 • The direct and foreseeable consequential effect of the communication, act, or omission  
3006 regarded as a change to the scope of the Statement of Work, including the number of  
3007 hours required from the staff to accomplish the change and the manner and sequence of  
3008 performance or delivery of supplies or services, identifying which supplies or services  
3009 are or shall be affected

3010 The Department shall respond within 10 days of receipt of the Vendor's notice, either:

- 3011 • To countermand the action or communications regarded as an Event
- 3012 • To deny that the Event is a change in the scope of the Statement of Work
- 3013 • To confirm that the Event is a change to the scope of the Statement of Work by issuance  
3014 of a written notice
- 3015 • If the information in the Vendor's notice is inadequate to permit a decision to be made,  
3016 advise the Vendor as to what additional information is required and establish the date by  
3017 which this information shall be furnished

3018 If the Vendor complies with any order, direction, interpretation, or determination, written or oral,  
3019 without providing the notice, in accordance with this section, the Department shall not be liable  
3020 for any increased price, delay in performance, or contract nonconformance by the Vendor.

3021 If the Vendor does not agree with the decision of the Department designee, the Vendor has 30  
3022 days to appeal the decision to the Commissioner of Insurance.

**3023 6.1.13 Additions to Permanent Staff**

3024 Both the Vendor and the Department must agree upon additions to contract-required staff or key  
3025 personnel. The reimbursement of the staff cannot exceed the current Vendor rate being paid for  
3026 equivalent staff.

**3027 6.1.14 Force Majeure**

3028 Neither party to this contract shall be responsible for delays or failures in performance resulting  
3029 from acts beyond the control of such party. Such acts shall include, but not be limited to, acts of  
3030 God, strikes, riots, lockouts, and acts of war, epidemics, fire, earthquakes, or other disasters  
3031 natural or man-made.

**3032 6.1.15 Not a Debt of the State**

3033 It is agreed that the terms and commitments contained herein shall not be constituted as a debt  
3034 of the State of Alabama in violation of Art. XI, § 213, Ala. Const. 1901 (Recomp.). It is further  
3035 agreed that if any provision of this contract shall contravene any statute or Constitutional provi-  
3036 sion or amendment, either now in effect or which may, during the course of these contracts, be  
3037 enacted, then that conflicting provision in the contract shall be deemed null and void. The Ven-  
3038 dor's sole remedy for the settlement of any and all disputes arising under the terms of these  
3039 contracts shall be limited to the filing of a claim with the Board of Adjustment for the State of Al-  
3040 abama as provided in Ala. Code §§ 41-9-60 *et seq.*

**3041 6.1.16 Use of Federal Cost Principles**

3042 For any terms of the contract which allow reimbursement for the cost of procuring goods, mate-  
3043 rials, supplies, equipment, or services, such procurement shall be made on a competitive basis  
3044 (including the use of competitive bidding procedures) where practicable, and reimbursement for  
3045 such cost under these contracts shall be in accordance with federal cost principles. If such re-  
3046 imbursement is to be made with funds derived wholly or partially from Federal sources, such  
3047 reimbursement shall be subject to Vendor's compliance with applicable Federal procurement  
3048 requirements, Office of Management and Budget (OMB) Circular A-87, and the determination of  
3049 costs shall be governed by Federal cost principles.

**3050 6.1.17 Non-assignment**

3051 Vendor may not assign its interest in or obligations under this contract without the express writ-  
3052 ten consent of the Department, which consent will be granted or withheld in the sole discretion  
3053 of the Department. The Department reserves the right to assign its rights and obligations under  
3054 the contract to the HIX should it become a legal entity by legislation or executive order of the  
3055 Governor.

3056

**6.1.18 Subcontracts**

The Vendor may subcontract for any services necessary to the completion and maintenance of this contract and to the performance of its duties under this contract with advance written approval by the Department of both the subcontracted function and the subcontractor. Subcontractors include those whose services shall be purchased or software licensed by the Vendor, and any business partnerships between the Vendor and others. Subcontractors shall demonstrate the capability to perform the function to be subcontracted at a level equal or superior to that of the Vendor. All subcontracts shall be in writing, with the subcontractor functions and duties clearly identified, and shall require the subcontractor to comply with all applicable provisions of this RFP. 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 performance or nonperformance was by the Vendor or one of its subcontractors. The Department shall not release the Vendor from any claims or defaults of this contract, which are predicated upon any action or inaction or default by any subcontractor of the Vendor, even if such subcontractor was approved by HIX as provided above. The Vendor shall give the Department notice in writing by certified or registered mail of any action or suit filed against it by any subcontractor. The Vendor shall give the Department immediate written notice of any claim made against the Vendor by any subcontractor or Vendor, which in the opinion of the Vendor, may result in litigation related in any way to this contract with the State of Alabama.

Payments to any subcontractor for the performance of this contract, including, without limitation, expenses or disbursements incurred by the subcontractor, is strictly between Vendor and subcontractor, and subcontractor shall have no claim as against the Department for any payments for work performed and expenses or disbursement incurred by Subcontractor relative to this contract. If requested by the Department, Vendor will provide the Department with appropriate documentation that all amounts due to subcontractor have been paid by Vendor.

In the event of a proposal submitted jointly by more than one organization, one organization must be designated as the prime Vendor and must have responsibility for the project management and not less than 60 percent of the work to be performed (as measured by price). All other participants shall be designated as subcontractors. The State encourages Vendors to consider the use of minority and small business firms as subcontractors.

**6.1.19 Ownership**

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. 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, nonexclu-

3097 sive, irrevocable license to reproduce, publish or otherwise use, for Federal Government pur-  
3098 poses, the copyright in any work developed under the grant, or a subgrant or subcontract, and  
3099 in any rights to a copyright purchased with grant support. HHS shall be provided with a working  
3100 electronic copy of the software (including object source and code) with the right to distribute it to  
3101 others for Federal purposes consistent with and throughout the execution of the Cooperative  
3102 Agreement.

#### 3103 **6.1.20 Firm and Fixed Price**

3104 Refer to Section 4.9 Proposal Prices.

#### 3105 **6.1.21 Relationship of Parties**

3106 The relationship created by the contract is strictly that of independent contractor and not a rela-  
3107 tionship of employer/employee, principal/agent, partnership or joint venture. Under no circum-  
3108 stances shall the Vendor or any subcontractor be entitled to receive the benefits guaranteed to  
3109 State employees under the Merit System Act.

#### 3110 **6.1.22 Conservation of Resources**

3111 To the extent practicable and economically feasible, the Vendor shall utilize products and ser-  
3112 vices that conserve natural resources and protect the environment and are energy efficient.

### 3113 **6.2 Termination**

3114 This Contract may be terminated by the Department for any and all of the following reasons:

- 3115 • In the event of the insolvency of or declaration of bankruptcy by the Vendor
- 3116 • For any default by the Vendor
- 3117 • In the event sufficient appropriated, obligated funds from either State or Federal sources  
3118 are withheld, reduced or are otherwise unavailable for use in whole or in part in connec-  
3119 tion with this contract, whether as a result of Congressional or state legislative action or  
3120 otherwise
- 3121 • For the convenience of the Department

3122 Each of these is described in the following subsections.

#### 3123 **6.2.1 Termination for Bankruptcy**

3124 The filing of a petition for voluntary or involuntary bankruptcy or a company or corporate reor-  
3125 ganization pursuant to the Bankruptcy Act shall, at the option of the Department, constitute de-  
3126 fault by the Vendor effective the date of such filing. The Vendor shall inform the Department in  
3127 writing of any such action(s) immediately upon occurrence.

3128



**6.2.2 Termination for Default**

The Department may, by written notice, terminate performance under the contract, in whole or in part, for failure of the Vendor to perform any of the material contract provisions. In the event the Vendor defaults in the performance of any of the Vendor's material duties and obligations, written notice shall be given to the Vendor specifying the default. A copy of the written notice shall be sent to the Surety for the Vendor's Performance Bond.

The Vendor shall have ten (10) calendar days, or such additional time as agreed to in writing by the Department, after the mailing of such notice to cure any default. In the event the Vendor does not cure a default within ten (10) calendar days, or such additional time allowed by the Department, the Department at its option may notify the Vendor in writing that performance under the contract is terminated and proceed to seek appropriate relief from the Vendor and Surety. If it is determined, after notice of termination for default, that the Vendor's failure was due to causes beyond the control of and without error or negligence of the Vendor, the termination shall be deemed a termination for convenience under Section 6.2.4.

**6.2.3 Termination for Unavailability of Funds**

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.

**6.2.4 Termination for Convenience**

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 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 overhead, or any other costs.



## **6.3 The Vendor's Duties Upon Expiration/Termination**

### **6.3.1 Procedure for Termination**

Prior to the conclusion of the contract, the Vendor shall provide, at no extra charge, full support and assistance in turning over the complete and current deliverables to the Department or its agent. Specific objectives are to provide for an orderly, complete, and controlled transition to a successor Vendor and to minimize any disruption of processing and services provided.

The Vendor must:

- Stop work under the contract on the date and to the extent specified in the notice of termination
- Place no further orders or subcontracts for materials or services, except as may be necessary for completion of such portion of work under the contract as is not terminated
- Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination
- Assign to the Department, in the manner and to the extent directed by the Department, all of the rights, title, and interest of the Vendor under the orders or subcontracts so terminated, in which case the Department shall have the right, in its discretion, to settle, pay, or deny any or all claims arising out of the termination of such orders and subcontracts
- With the prior approval or ratification of the Department, settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, the cost of which would be reimbursable in whole or in part, in accordance with the provisions of these contracts. Failure to obtain prior approval shall result in loss of the Department reimbursement.
- Complete the performance of such part of the work as shall not have been terminated by the notice of termination
- Take such action as shall be necessary, or as the Department shall direct, for the protection and preservation of any and all property or information related to these contracts which is in the possession of the Vendor and in which the Department has or shall acquire an interest

### **6.3.2 Termination Claims**

After receipt of a notice of termination, Vendor must submit to the Project Manager and the Department any termination claim in the form and with the certification prescribed by the Project Manager and the Department. In no event shall such claim be submitted later than sixty (60) days from the effective date of termination. Upon failure of the Vendor to submit its termination claim within the time allowed, the Project Manager and the Commissioner of Insurance may, subject to any review required by the State procedures in effect as of the date of execution of the contract, determine, on the basis of information available, the amount, if any, due to the

3203 Vendor by reason of the termination and shall thereupon cause to be paid to the Vendor the  
3204 amount so determined.

3205 Upon receipt of notice of termination, Vendor must have no entitlement to receive any amount  
3206 for lost revenues or anticipated profits or for expenditures associated with this or in any other  
3207 contract. Vendor shall be paid only by the following upon termination:

- 3208 • At the contract price(s) for completed deliverables and services delivered to and accept-  
3209 ed by the Department

- 3210 • At a price mutually agreed upon by the Vendor and the Department for partially complet-  
3211 ed deliverables

3212 In the event of the failure of the Vendor and the Department to agree in whole or in part as to  
3213 the amounts with respect to costs to be paid to the Vendor in connection with the total or partial  
3214 termination of work pursuant to this article, the Department shall determine on the basis of in-  
3215 formation available the amount, if any, due to the Vendor by reason of termination and shall pay  
3216 to the Vendor the amount so determined.

## 3217 **6.4 Employment**

### 3218 **6.4.1 Nondiscrimination Compliance**

3219 The Vendor shall comply with Title VII of the Civil Rights Act of 1964, Section 504 of the Reha-  
3220 bilitation Act of 1973, the Age Discrimination Act of 1975, Executive Order No. 11246, as  
3221 amended by Executive Order No. 11375, both issued by the President of the United States, the  
3222 Americans with Disabilities Act of 1990, and with all applicable Federal and State laws, rules  
3223 and regulations implementing the foregoing statutes with respect to nondiscrimination in em-  
3224 ployment. The Vendor shall not discriminate against any employee or applicant for employment  
3225 because of a physical or mental disability in regard to any position for which the employee or  
3226 applicant is qualified. The Vendor agrees to take affirmative action to employ, advance in em-  
3227 ployment, and otherwise treat qualified disabled individuals without discrimination based on their  
3228 physical or mental disability in all employment practices.

### 3229 **6.4.2 Immigration**

3230 Vendor shall comply with the requirements of the Immigration Reform and Control Act of 1986  
3231 regarding employment verification and retention of verification forms for any individuals hired on  
3232 or after November 6, 1986, who will perform any labor or services under this contract. Vendor  
3233 further agrees to provide affidavit(s) and furnish documentation that Vendor has enrolled in the  
3234 E-Verify program operated by the U.S. Department of Homeland Security as required by Sec-  
3235 tion 9 of the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (Ala. Act 2011-  
3236 535) and any amendments, and to otherwise comply with the applicable requirements of said  
3237 act during the term of this contract. Vendor shall be responsible for all subcontractor compliance  
3238 with said act and shall provide documentation of said compliance to the Department.

**6.4.3 Small Businesses, Minority-Owned Firms, and Women's Business Enterprises Utilization**

In accordance with the provisions of 45 CFR Part 74 and Office of Management and Budget (OMB) Circular A-102, affirmative steps shall be taken to assure that small businesses, minority-owned firms and women's business enterprises are utilized when possible as sources of supplies, equipment, construction, and services.

**6.4.4 Worker's Compensation**

At all times during the contract, the Vendor shall at its sole costs and expense maintain in force worker's compensation insurance for those employees of Vendor performing work under this contract who are subject to workers compensation laws. In the event any work is subcontracted, the Vendor must require any subcontractor similarly to provide worker's compensation insurance for all the latter's employees working as a part of this contract. Upon the Department request, Vendor shall provide a certificate of insurance evidencing such insurance is in effect.

**6.4.5 Other Insurance**

Vendor shall provide coverage with limits of liability not less than those stated below.

**6.4.5.1 Commercial General Liability – Occurrence Form.** 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 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 except in instances of liability caused by the State of Alabama, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees.

**6.4.5.2 Automobile Liability.** Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this contract. Combined Single Limit (CSL): \$1,000,000. The policy shall 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, involving automobiles owned, leased, hired or borrowed by the Vendor."

**6.4.5.3 Umbrella/Excess Liability.** Umbrella/Excess liability in the minimum amount of \$10,000,000 (\$5,000,000 for Subcontractors) excess of Commercial General Liability, Auto-

bile Liability and Employers' Liability. The policy shall 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.

**6.4.5.4 Professional Liability (Errors and Omissions Liability).** Each Claim Minimum Limit: \$5,000,000; Annual Aggregate Minimum Limit: \$5,000,000 (\$1,000,000/\$2,000,000 Aggregate 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 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.

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 computer 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;

- 3310 • Loss of service for which the insured is responsible that results in the inability of a third  
3311 party, who is authorized to do so, to gain access to a computer system and conduct  
3312 normal internet or network activities;
- 3313 • Access to a computer system or computer system resources by an unauthorized person  
3314 or an authorized person in an unauthorized manner;
- 3315 • Loss or disclosure of confidential information no matter how it occurs;
- 3316 • Systems analysis;
- 3317 • Software Design;
- 3318 • Systems programming;
- 3319 • Data processing;
- 3320 • Systems integration;
- 3321 • Outsourcing including outsourcing development and design;
- 3322 • Systems design, consulting, development and modification;
- 3323 • Training services relating to computer software or hardware;
- 3324 • Management, repair and maintenance of computer products, networks and systems;
- 3325 • Marketing, selling, servicing, distributing, installing and maintaining computer hardware  
3326 or software; and
- 3327 • In the event that the professional liability insurance required by this contract is written on  
3328 a claims-made basis, Vendor warrants that any retroactive date under the policy shall  
3329 precede the effective date of this contract; and that either continuous coverage will be  
3330 maintained or an extended discovery period will be exercised for a period of two (2)  
3331 years beginning at the time work under this contract is completed. The policy shall cover  
3332 professional misconduct or lack of ordinary skill for those positions defined in the Scope  
3333 of Work of this contract.

3334 **6.4.5.5 Fidelity Bond or Crime Insurance.** Fidelity Bond or Crime Insurance in the min-  
3335 imum amount of \$2,000,000. The bond or policy shall include coverage for third party fidelity.  
3336 The bond or policy shall include coverage for theft and mysterious disappearance. The bond or  
3337 policy shall contain no requirement for arrest and conviction. The bond or policy shall cover loss  
3338 outside the premises of the Named Insured.

3339 **6.4.5.6 Property Coverage.** Property Coverage to insure property under the care custo-  
3340 dy and control of the Vendor for this contract for full replacement value on an all risk basis.

3341 **6.4.5.7 Builders Risk.** Builders Risk to insure all equipment and installations under this  
3342 contract for 100% of value of the installation.

3343 **6.4.5.8 Additional Insurance Requirements.** The policies shall include, or be endorsed  
3344 to include, the following provisions: The State of Alabama, its departments, agencies, boards,  
3345 commissions, universities and its officers, officials, agents, and employees wherever additional  
3346 insured status is required such additional insured shall be covered to the full limits of liability  
3347 purchased by the Vendor, even if those limits of liability are in excess of those required by this  
3348 contract. The Vendor's insurance coverage shall be primary insurance with respect to all other  
3349 available sources. Coverage provided by the Vendor shall not be limited to the liability assumed  
3350 under the indemnification provisions of this contract.

3351 **6.4.5.9 Notice of Cancellation.** Each insurance policy required by the insurance provi-  
3352 sions of this contract shall provide the required coverage and shall not be suspended, voided,  
3353 canceled, or reduced in coverage or in limits below the amounts set forth herein except after  
3354 thirty (30) days prior written notice has been given to the State of Alabama. Such notice shall be  
3355 sent directly to the Department and shall be sent by certified mail, return receipt requested.

3356 **6.4.5.10 Acceptability of Insurers.** Insurance is to be placed with admitted or approved  
3357 non-admitted insurers in the state of Alabama with an "A.M. Best" rating of not less than A- VII.  
3358 The State of Alabama in no way warrants that the above-required minimum insurer rating is suf-  
3359 ficient to protect the Vendor from potential insurer insolvency.

3360 **6.4.5.11 Verification of Coverage.** Vendor shall furnish the State of Alabama with certifi-  
3361 cates of insurance (ACORD form or equivalent) as required by this contract. The certificates for  
3362 each insurance policy are to be signed by a person authorized by that insurer to bind coverage  
3363 on its behalf. All certificates and endorsements are to be received and approved by the Depart-  
3364 ment before work commences. Each insurance policy required by this contract must be in effect  
3365 at or prior to commencement of work under this contract and remain in effect for the duration of  
3366 the project. Failure to maintain the insurance policies as required by this contract, or to provide  
3367 evidence of renewal, is a material breach of contract. All certificates required by this contract  
3368 shall be sent directly to the Department. The State of Alabama project/contract number and pro-  
3369 ject description shall be noted on the certificate of insurance. The Department reserves the right  
3370 to require complete, certified copies of all insurance policies required by this contract. Certifi-  
3371 cates of Insurance shall not be sent to the State of Alabama's Risk Management Section.

3372 **6.4.5.12 Subcontractors.** Vendors' certificate(s) shall include all subcontractors as in-  
3373 sureds under its policies or Vendor shall furnish to the State of Alabama separate certificates  
3374 and endorsements for each subcontractor. All coverages for subcontractors shall be subject to  
3375 the minimum requirements identified above, except for the provisions pertaining to umbrella  
3376 coverage and fidelity bond or crime insurance.

3377 **6.4.5.13 Approval.** Any modification or variation from the insurance requirements in this  
3378 contract shall be made by the State of Alabama Risk Management Section, whose decision



3379 shall be final. Such action will not require a formal contract amendment, but may be made by  
3380 administrative action.

3381 **6.4.5.14 Exceptions.** If the Vendor or sub-contractor(s) is/are a State of Alabama agency,  
3382 board, commission, or university, none of the above shall apply.

3383 **6.4.6 Employment of State Staff**

3384 To ensure compliance with the Alabama Code of Ethics, Ala. Code §36-25-1, et seq. the Vendor  
3385 shall not knowingly engage on a full-time, part-time, or other basis during the period of these  
3386 contracts, any professional or technical personnel who is or has been in the employ of the State  
3387 of Alabama during the previous 24 months, without first acquiring an Ethics Opinion from the  
3388 Alabama Ethics Commission. The web site for the Ethics Commission  
3389 is: <http://ethics.alabama.gov/default2.aspx>

3390 **6.4.7 Additional Terms and Conditions For Vendor's Personnel**

3391 The Vendor warrants and represents that all persons including independent Vendors and Ven-  
3392 dors assigned by it to the performance of this contract shall be agents of the Vendor and shall  
3393 be fully qualified to perform the work required herein. The Vendor must include a similar provi-  
3394 sion in any contract with any subcontractor selected to perform work there under.

3395 The Department shall have the absolute right to approve or disapprove Vendor's staff assigned  
3396 to this contract, to approve or disapprove any proposed changes in staff, and to require the re-  
3397 moval or reassignment of any Vendor employee or subcontractor employee found unacceptable  
3398 by the Department. The Vendor may terminate any of its personnel assigned to the project for a  
3399 violation of law or company policy without the Department prior approval. Upon request, Vendor  
3400 must provide the Department with a resume of any member of its staff or its subcontractor's staff  
3401 assigned to or proposed to be assigned to any aspect of the performance of this contract.

3402 Personnel commitments made in Vendor's proposal shall not be changed except as here-  
3403 inabove provided, or due to a resignation of any named individual. Vendor staffing will include  
3404 the named individuals at the levels of effort proposed in the Vendor's proposal. Replacement of  
3405 any personnel will be with personnel of equal ability and qualifications as determined by the De-  
3406 partment. No diversion of staffing will be made by the Vendor without prior written consent of the  
3407 Department.

3408 The Vendor must provide staff to perform all tasks specified as the Vendor's responsibilities in  
3409 this RFP. The staff level must be maintained at the level stated in the proposal or as authorized  
3410 in writing by the Department for the duration of the contract.

3411 Failure of the Vendor to provide staffing at the contracted and Department approved level may  
3412 result in liquidated damages.

3413 The Vendor will commit all personnel specified in its proposal to this contract unless the De-  
3414 partment exercises its option to have a staff person removed. The Department will be provided  
3415 unrestricted access to appropriate Vendor personnel for discussion of problems or concerns.



**6.4.8 Federal Involvement Practices Requirements**

The Vendor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, marital status, political affiliation, or disability. The Vendor will take affirmative action to employ and treat employees during employment without discrimination due to their race, color, religion, sex, national origin, age, marital status, political affiliation, or disability. Such action will include, but will not be limited to, the following:

- Employment
- Upgrade
- Promotion
- Demotion
- Transfer
- Recruitment
- Advertisement for Recruitment
- Layoff
- Termination
- Rates of pay or other compensation
- Selection for training (including apprenticeship)

The Vendor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth these provisions.

The Vendor will in all solicitations or advertisements for employees, placed by or on behalf of the Vendor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, age, marital status, political affiliation, or disability except where it relates to a bona fide occupational qualification.

**6.5 Guarantees, Warranties, and Certifications****6.5.1 Taxes**

Vendor shall account for and remit all taxes relating to its performance under this contract, including but not limited to, state, federal, foreign or local taxes, including income tax, withholding tax, Social Security tax, pension contributions, and any other form of payroll or other taxes, for all Vendor employees. Vendor is solely responsible for any benefit plans Vendor may provide for its employees.

**6.5.2 Licenses**

Vendor shall maintain in current status all federal, state, and local licenses and permits required for the operation of a business conducted by Vendor.

**3449 6.5.3 Lobbying**

3450 No funds paid to the Vendor shall be used for the purpose of influencing or attempting to influ-  
3451 ence an officer or employee of any federal or state agency, a member of the United States  
3452 Congress or State legislature in connection with the awarding of any state or federal contract,  
3453 the making of any state or federal grant, the making of any state or federal loan, the entering  
3454 into of any cooperative agreement, and the extension, continuation, renewal, amendment or  
3455 modification of any state or federal contract, grant, loan, or cooperative agreement. Vendor shall  
3456 disclose if any funds other than those paid to Vendor by the Department have been used or will  
3457 be used to influence the persons and entities above and will assist in making such disclosures  
3458 to the U.S. Department of Health and Human Services.

**3459 6.5.4 No Guaranteed Quantities/Non-exclusive Contract**

3460 The Department does not guarantee Vendor any minimum or maximum quantity of services or  
3461 goods to be provided under this contract.

3462 Any contract resulting from the RFP shall be awarded with the understanding and agreement  
3463 that it is for the sole convenience of the State of Alabama. The Department reserves the right to  
3464 obtain like goods or services from another source when necessary.

**3465 6.5.5 Security and Release of Information**

3466 The Vendor shall take all reasonable precautions to ensure the safety and security of all infor-  
3467 mation, data, procedures, methods, and funds involved in the performance under these con-  
3468 tracts, and shall require the same from all employees so involved. In compliance with 42 CFR  
3469 §431.300 et seq., the Vendor shall conform to the requirements of Federal and State regulations  
3470 regarding confidentiality of information about eligible beneficiaries. The Vendor shall not release  
3471 any data or other information relating to the HIX System without prior written consent of HIX.  
3472 This provision covers both general summary data as well as detailed, specific data. The Vendor  
3473 shall not be entitled to use of HIX data in its other business dealings without prior written con-  
3474 sent of HIX. All requests for program data shall be referred to the HIX Executive Director for re-  
3475 sponse.

3476 The Vendor must treat all information, including that relating to beneficiaries and providers,  
3477 which is obtained by the Vendor through his/her performance under the contract as confidential  
3478 information, and shall not use any information so obtained in any manner except as necessary  
3479 for the proper discharge of its obligations and securement of its rights herein, or as otherwise  
3480 provided for herein. The Department, the Attorney General, Federal officials as authorized by  
3481 Federal law or regulations, or the authorized representatives of these parties shall have access  
3482 to all confidential information in accordance with the requirements of State and Federal laws  
3483 and regulations. Any other party will be granted access to confidential information only after  
3484 complying with requirements of State and Federal laws and regulations pertaining to such ac-  
3485 cess. The Department shall have absolute authority to determine if any other party has properly  
3486 obtained the right to have access to this confidential information.

**3487 6.5.6 Federal Nondisclosure Requirements**

3488 Each officer or employee of any person to whom Social Security information is or may be dis-  
3489 closed shall be notified in writing by such person that Social Security information disclosed to  
3490 such officer or employee can be only used for authorized purposes and to that extent and any  
3491 other unauthorized use herein constitutes a felony punishable upon conviction by a fine of as  
3492 much as five thousand dollars (\$5,000.00) or imprisonment for as long as five years, or both,  
3493 together with the cost of prosecution. Such person shall also notify each such officer or employ-  
3494 ee that any such unauthorized further disclosure of Social Security information may also result  
3495 in an award of civil damages against the officer or employee in an amount not less than one  
3496 thousand dollars (\$1,000.00) with respect to each instance of unauthorized disclosure. These  
3497 penalties are prescribed by IRC Sections 7213 and 7431 and set forth at 26 CFR 301.6103(n).

3498 Additionally, it is incumbent upon the Vendor to inform its officers and employees of penalties  
3499 for improper disclosure implied by the Privacy Act of 1974, 5 USC 552a. Specifically, 5 USC  
3500 552a (1) (1), which is made applicable to the Vendors by 5 USC 552a (m) (1), provides that any  
3501 officer or employee of the Vendor who, by virtue of his/her employment or official position, has  
3502 possession of or access to Agency records which contain individually identifiable information,  
3503 the disclosure of which is prohibited by the Privacy Act or regulations established there under,  
3504 and who knowing that disclosure of the specific material is prohibited, willfully discloses that ma-  
3505 terial in any manner to any person or agency not entitled to receive it, shall be guilty of a mis-  
3506 demeanor and fined not more than five thousand dollars (\$5,000.00).

**3507 6.5.7 Health Insurance Portability and Accountability Act of 1996 Requirements**

3508 All parties shall comply with the provisions of the Health Insurance Portability and Accountability  
3509 Act of 1996 (HIPAA) and any implementing regulations as adopted.

**3510 6.5.8 Share of Contract**

3511 No official or employee of the State of Alabama shall be permitted any share of these contracts  
3512 or any benefit that may arise there from.

**3513 6.5.9 Provision of Gratuities**

3514 Neither the Vendor nor any person, firm, or corporation employed by the Vendor in the perfor-  
3515 mance of these contracts shall offer or give, directly or indirectly, to any employee or agent of  
3516 the State, any gift, money or anything of value, or any promise, obligation or contract for future  
3517 reward or compensation at any time during the term of these contracts.

**3518 6.5.10 Conflict of Interest**

3519 The Vendor covenants that it presently has no interest and shall not acquire any interest, direct  
3520 or indirect, which would conflict in any manner or degree with the performance of its services  
3521 hinder the contract. The Vendor further covenants that in the performance of these contracts no  
3522 person having any such known interests shall be employed by the Vendor.

**6.5.11 Debarment**

The Vendor certifies that neither it nor its principals (officers, directors, owners, subcontractors, partners) are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in federal programs or programs support in whole or in part by federal funds.

**6.5.12 Performance Bond**

In order to assure full performance of all obligations imposed on a Vendor contracting with the State of Alabama, the Vendor will be required to provide a performance bond in the amount of fifteen (15) percent of the total contract value as a guarantee for the delivery and acceptance of the services in accordance with the specifications and requirements of this RFP and contract. The performance bond must be submitted by the Vendor at least ten (10) calendar days prior to the start of the contract date. The form of security guarantee shall be one of the following:

- Cashier's check (personal or company checks are not acceptable);
- Other type of bank certified check;
- Money order;
- Surety bond issued by a company authorized to do business in the State of Alabama.

The bond shall be in force from that date through the term of operations contract and ninety (90) calendar days beyond and shall be condition on faithful performance of all contractual obligations. Failure of the Vendor to perform satisfactorily shall cause the performance bond to become due and payable to the State of Alabama. The Commissioner of Insurance shall be custodian of the performance bond which shall be made payable to the Commissioner of Insurance. Said bond shall be extended in the event the Department exercises its option to extend the operational contract. In the event the Vendor fails to deliver or perform to the satisfaction of the Department, the Department reserves the right to proceed against the performance bond and to terminate any contracts without any resulting liability to the State.

**6.5.13 Indemnification**

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 resulting from any acts or omissions of the Vendor, 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 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.

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.

#### **6.5.14 Compliance with Environmental Standards**

The Vendor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act, 42 U.S.C. 7401 et seq. and the Federal Water Pollution Control Act, as amended 33 U.S.C. 1251 et seq., Executive Order 11738, and other Environmental Protection Agency (EPA) regulations.

#### **6.5.15 Waiver**

No covenant, condition, duty, obligation, or undertaking contained in or made a part of the contract shall be waived except by written agreement of the parties expressly acknowledging this waiver as a modification of the contract.

#### **6.5.16 Warranties Against Broker's Fees**

The Vendor warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees. For breach of this warranty, the Department shall have the right to terminate the contract without liability to the Department.

#### **6.5.17 Novation**

In the event of a change in the corporate or company ownership of the Vendor, the Department may, subject to approval by HHS and a determination by the Department that the successor can meet the needs of the Department, recognize the successor's interest in the transfer of the contract. The new corporate or company entity shall agree to the terms of the original contract and any amendments thereto. During the interim between legal recognition of the new entity and the

Department's execution of the novation agreement, a valid contract shall continue to exist between the Department and the original Vendor. When the Department, in its sole discretion determines sufficient assets necessary for the performance of these contracts have been transferred from the original Vendor, the Department shall approve the novation agreement.

## **6.6 Disputes and Litigation**

### **6.6.1 Attorney's Fees**

In the event that the State shall prevail in any legal action arising out of the performance or non-performance of this Contract, the Vendor must pay, in addition to any damages, all expenses of such action including reasonable attorney's fees and costs. This requirement applies regardless of whether the Department is represented by staff counsel or outside counsel. Fees and costs of defense shall be deemed to include administrative proceedings of all kinds, as well as all actions at law or equity.

### **6.6.2 Disputes**

Except in those cases where the proposal response exceeds the requirements of the RFP, any conflict between the proposal response of the Vendor and the RFP shall be controlled by the provisions of the RFP.

Vendor acknowledges that, as a department of State government, the Department is immune from being made a defendant in any court of law or equity by operation of Art. I, § 14, Ala. Const. 1901 (Official Recompilation), which immunity is not waivable.

For any and all disputes arising under the terms of this contract, the Vendor and the Department agree to first utilize appropriate forms of non-binding alternative dispute resolution, including, but not limited to, mediation.

The Vendor's sole remedy for the settlement of any and all disputes arising under the terms of this contract concerning compensation claimed to be due and payable to the Vendor, or any aspect of the performance of duties by the Vendor shall be limited to the filing of a claim with the Board of Adjustment for the State of Alabama.

### **6.6.3 Litigation**

Any litigation brought by the Department or the Vendor regarding any provision of the contract shall be brought in either the Circuit Court of Montgomery County, Alabama, or the United States District Court for the Middle District of Alabama, Northern Division, according to the jurisdictions of these courts. This provision is not intended to, nor shall it operate to, enlarge the jurisdiction of either of said courts, but is merely an agreement and stipulation as to venue.



**3630 6.7 Records****3631 6.7.1 Records Retention and Storage**

3632 The Vendor will maintain all books, documents, payroll papers, financial records, statistical rec-  
3633 ords, accounting records and other evidence pertaining to amounts invoiced to the Department  
3634 under this contract for inspection by any authorized representative of the state or the federal  
3635 government and make them available at reasonable times during the period of the contract and  
3636 for three years after the date of the final payment by the Department to the Vendor under this  
3637 contract. If any litigation, claim, or audit is commenced before the expiration of the three year  
3638 period, the records shall be retained until all litigation, claims or audit findings involved the rec-  
3639 ords have been resolved.

**3640 6.7.2 Inspection of Records**

3641 The Vendor agrees that representatives of the Comptroller General, HHS, the General Account-  
3642 ing Office, the State of Alabama Department of Examiners of Public Accounts, The Department,  
3643 and their authorized representatives shall have the right during business hours to inspect and  
3644 copy the Vendor's books and records pertaining to contract performance and costs thereof. The  
3645 Vendor shall cooperate fully with requests from any of the agencies listed above and shall fur-  
3646 nish free of charge copies of all requested records. The Vendor may require that a receipt be  
3647 given for any original record removed from the Vendor's premises.

3648 The Vendor agrees to make available at its central business office at all reasonable times during  
3649 the period set forth below any of the records of the contracted work for inspection or audit by  
3650 any authorized representative of the Department or their duly authorized representative.

3651 A file and report retention schedule shall be developed by the Vendor and approved by the De-  
3652 partment. The Vendor shall maintain the schedule and the Department will approve all changes.

**3653 6.7.3 System Documentation**

3654 The awarded Vendor shall establish and utilize documentation update procedures, including  
3655 status report meetings with HIX, to ensure that the HIX System documentation remains current  
3656 at all times. The Vendor shall maintain the master copy of all HIX System documentation and  
3657 shall furnish the Department with one complete copy by start of operations, and one copy of  
3658 each update. The Vendor shall provide the Project Manager with a complete copy of all system  
3659 documentation (e.g., all detailed system designs, data element dictionary, systems manuals,  
3660 user manuals, provider manuals, etc.) prior to going live. The Vendor shall incorporate any re-  
3661 quirement change into all necessary documentation within five days of implementation.

**3662 6.8 Method of Payment and Invoicing**

3663 The Department shall provide payment to the Vendor in accordance with the Vendor's proposal  
3664 sheet and the Pricing Schedules in Forms F through M in Appendix K of this RFP.



Payment shall be made monthly for the Department-approved Vendor staff hours worked and tasks/deliverables/requirements received and approved (as specified in Price Schedule II).

The Vendor shall submit one invoice to the Project Manager and one invoice to Tisha Johnson, Department Accountant, on a monthly basis for approved services and deliverables rendered to the Department in the previous month. Each monthly invoice shall have a cover letter/memo addressed to the Project Manager printed on the Vendor's company letterhead. Attached to the Vendor's letter/memo shall be the Vendor's invoice. The invoice shall contain summary level descriptions of each invoiced line item. All Vendor staff signed timesheets for the billing period must be attached to the invoice. The Vendor's staff resource and the Vendor's Project Lead must sign each Vendor staff's timesheet. Items appearing on the monthly Vendor's invoice must be line items identified as part of this contract, invoiced according to the Vendor's fixed quoted price for deliverables and a computed summary level cost for the Vendor's staff hours worked based upon the Vendor's quoted Rate Per Hour for each staff member multiplied by the actual hours worked. ***The total accumulated hours for each Vendor staff resource must not exceed the total hours quoted for each staff resource by the Vendor in their proposal response.*** One full copy of the invoice documentation (cover letter, invoice, and timesheets) shall also be provided to the Project Manager.

During the life of the Contract for this RFP, payment of 90 percent of the amount proposal per task/deliverable/requirement will be paid to the Vendor following HIX's approval of tasks/deliverables/requirements for services rendered with the exceptions noted below. The Department will retain an amount equal to 10 percent of each task/deliverable/requirement cost (withholding) which will be paid to the Vendor at the successful completion of all tasks. The Awarded Vendor's monthly invoices must show the 10 percent withholding amount for task/deliverables/requirements deducted from the total amount of the invoice. The 10 percent withholding is payable upon HIX's acceptance of the system. ***The total amount billed under this RFP by the Vendor, including the 10 percent withholding, shall and cannot exceed the total fixed price agreed to under this contract.***

## **6.9 Damages**

### **6.9.1 Liquidated Damages**

Vendor understands that the U.S. Department of Health and Human Services has placed strict time constraints on the Department in implementing this project. The firm, critical deadlines that currently exist are set out within in the following sections:

- Table 1: Project Timetable
- Section 5.2.2.11, response Tab 6, SDLC Approach and Methodology
- Section 5.2.2.13, response Tab 8, Project Plan
- Staffing requirements as outlined Section 3.5.2, Staffing

Vendor understands that meeting deadlines are crucial, and that failing to meet these deadlines will cause the State substantial monetary and non-monetary damages. It is agreed by the De-

partment and the Vendor that, in the event of a failure to meet the contract requirements, damage shall be sustained by the Department, and that it is and shall be impractical and extremely difficult to ascertain and determine the actual damages which the Department shall sustain in the event of, and by reason of, such failure. Due to the unknown nature of the acts necessary to be undertaken in the event a deadline is not met, the exact cost of such a contingency is impossible to calculate with mathematical exactness. The Department estimates that any such delay will result in daily damages that will exceed \$10,000.00 As a result, Vendor agrees that liquidated damages of \$10,000.00 shall 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:

- Table 1: Project Timetable
- Section 5.2.2.11, response Tab 6, SDLC Approach and Methodology
- Section 5.2.2.13, response Tab 8, Project Plan
- Staffing requirements as outlined in Section 3.5.2, Staffing

Vendor understands that the Department has outlined requirements of performance expectations and service level agreements in Appendix I. Liquidated damages shall also be assessed at the rates in Appendix I for such performance expectations and service level agreements.

The imposition of liquidated damages is not in lieu of any other remedy available to the Department. The Department shall withhold from the Vendor reimbursements amounts necessary to satisfy any damages imposed.

A decision by the Department not to exercise this damage clause in a particular instance shall not be construed as a waiver of the Department's right to pursue future assessment of that performance requirement and associated damages. The Department may, at its sole discretion, return all or a portion of any liquidated damages collected, as an incentive to the Vendor for prompt and lasting correction of performance problems.

#### **6.9.2 Payment of Damages**

Amounts owed the Department due to liquidated damages shall be deducted by the Department from any money payable to the Vendor pursuant to this Contract. These amounts may be deducted from any actual damages claimed by the Department in the event of litigation for non-compliance and default.

#### **6.9.3 Right of Offset**

The Department shall be entitled to offset against any amounts due the Vendor any expenses or costs incurred by the Department concerning the Vendor's nonconforming performance or failure to perform the contract, including expenses, costs and damages described in this contract.

#### **6.9.4 Right to Assurance**

If the Department, in good faith, has reason to believe that the Vendor does not intend to perform or continue performing this contract, the Department may demand in writing that the Vendor give a written assurance of intent to perform. The demand shall be sent to the Vendor by certified mail, return receipt requested. Failure by the Vendor to provide written assurance within the number of days specified in the demand may, solely at the Department's option, be the basis for terminating the contract.

## **6.10 Delivery**

### **6.10.1 Acceptance**

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.

### **6.10.2 Inspection/Testing**

The Vendor agrees to permit access to its facilities and subcontractor facilities, at reasonable times for inspection of the deliverables under this contract. The Department shall have the right to test at its own cost the deliverables to be supplied under this contract. Testing shall not constitute final acceptance of the deliverables. If the Department determines non-compliance of the deliverables, the Vendor shall be responsible for the payment of all costs incurred by the State for testing and inspection.

### **6.10.3 Liens**

The Vendor warrants that the materials and/or deliverables supplied under this contract are free of liens.

### **6.10.4 Fitness**

The Vendor warrants that any deliverable supplied to the Department shall fully conform to all requirements of the contract and all representations of the Vendor, and shall be fit for all purposes and uses required by the contract.

### **6.10.5 Delivery/Risk of Loss**

Unless stated otherwise in this contract, all prices shall be F.O.B. Destination and shall include all delivery and unloading at destination. The Vendor shall bear all loss of conforming materials and/or deliverables covered under this contract until received by authorized personnel at the Department. Mere receipt does not constitute acceptance. The risk of loss for nonconforming materials shall remain with the Vendor regardless of receipt.

### **6.10.6 Nonconforming Tender**

3771 Materials and/or deliverables supplied under this contract shall fully comply with the contract.  
3772 The delivery of materials or a portion of materials in an installment that do not fully comply con-  
3773 stitutes a breach of contract. On delivery of nonconforming materials and/or deliverables, the  
3774 Department may terminate the contract for default under applicable termination clauses in the  
3775 contract, exercise any of its rights and remedies or pursue any other right or remedy available to  
3776 it.

3777

#### 3778 **6.10.7 Warranty of Services**

3779 The Vendor warrants that all services provided under this contract will conform to the require-  
3780 ments stated herein for the duration of the contract. The Department's acceptance of services  
3781 provided by the Vendor shall not relieve the Vendor from its obligations under this warranty. In  
3782 addition to its other remedies, the Project Manager may, at the Vendor's expense, require  
3783 prompt correction of any services failing to meet Vendor's warranty herein. Services corrected  
3784 by Vendor shall be subject to all of the provisions of this contract in the manner and to the same  
3785 extent as the services originally furnished.

#### 3786 **6.10.8 Exclusions**

3787 Except as otherwise set forth in this contract, there are no express or implied warranties of mer-  
3788 chantability or fitness.

#### 3789 **6.11 Other Requirements**

##### 3790 **6.11.1 The Vendor's Liaison**

3791 The Vendor's Account Manager shall serve as liaison and shall be available and responsible, as  
3792 the need arises, for consultation and assistance with the Department personnel; he/she shall  
3793 attend, upon request, Department meetings, meetings and hearings of legislative committees  
3794 and interested governmental bodies, agencies, and officers; and he/she shall provide timely and  
3795 informed responses to operational and administrative problems whenever arising in administra-  
3796 tion of the HIX System . Whenever the Account Manager is not available, the Vendor shall pro-  
3797 vide a designated alternate that is fully capable of meeting the requirements of this section.

##### 3798 **6.11.2 HIX System Project Manager**

3799 The Department's Project Manager shall be responsible for coordination of implementation ac-  
3800 tivities with the Vendor. Said Project Manager, his/her designee(s), and Department HIX im-  
3801 plementation personnel shall have reasonable access to the Vendor's project personnel, facili-  
3802 ties, and records for evaluating the quality, appropriateness, and timeliness of deliverables. The  
3803 Project Manager shall have authority on a reasonable basis to call meetings with the Vendor's  
3804 Account Manager or designee and project personnel, as required, and to assign appropriate  
3805 technical personnel of HIX to work with designated staff of the Vendor.

**3806 6.11.3 Financial Disclosure Statement**

3807 The successful Vendor shall be required to complete a financial disclosure statement with the  
3808 executed contract.

**3809 6.11.4 Inspection of Work Performed**

3810 The Department or its authorized representative shall have the right to enter into the premises  
3811 of the Vendor and all subcontractors, or such other places where duties under the contract are  
3812 being performed, to inspect, monitor or otherwise the work being performed. All inspections and  
3813 evaluations shall be performed in such a manner as will not unduly delay work.

**3814 6.11.5 Survival**

3815 The terms, provisions, representatives, and warranties contained in the contract shall survive  
3816 the development and submission of all required deliverables and the payment of the purchase  
3817 price thereof.

**3818 6.11.6 Amendments in Writing**

3819 After the award of the contract, no amendment to this contract shall be effective unless it is in  
3820 writing and signed by duly authorized representatives of the Vendor and the Department.

**3821 6.11.7 Severability**

3822 If any provision of the contract (including terms incorporated by reference) is declared or found  
3823 to be illegal, unenforceable, or void, then both the Department and the Vendor must be relieved  
3824 of all obligations arising under such provision; if the remainder of the contract is capable of per-  
3825 formance, it shall not, at the sole option of the Department, be affected by such declaration or  
3826 finding and shall be fully performed.

**3827 6.11.8 Choice of Law**

3828 The construction, interpretation, and enforcement of this contract shall be governed by the sub-  
3829 stantive contract law of the State of Alabama without regard to its conflict of law provisions. In  
3830 the event any provision of this contract is unenforceable as a matter of law, the remaining provi-  
3831 sions will remain in full force and effect.

**3832 6.11.9 Effective Date**

3833 Vendor acknowledges and understands that this contract is not effective until it has received all  
3834 requisite State and Federal government approvals and Vendor shall not begin performing work  
3835 under this contract until notified to do so by the Department. Vendor is entitled to no compensa-  
3836 tion for work performed prior to the effective date of this contract.

3837 **6.11.10 Authority**

3838 Each party has full power and authority to enter into and perform this contract, and the person  
3839 signing this agreement has been properly authorized and empowered to enter into this contract.

3840 Each party further acknowledges that it has read this contract, understands it, and agrees to be  
3841 bound by it.

3842

## 7 PROJECT ACTIVITIES, TASKS AND DELIVERABLES

### 7.1 Work Activities, Tasks and Deliverables

This section is referenced in Sections 3.2.5, 5.2.2.13, 5.2.2.14, 5.2.2.16, and 5.2.2.18.

This section is presented as a mandatory guide that assists Vendors in responding to the above sections of the RFP. Generally, the following tasks and deliverables are required in all accepted software engineering methodologies for large software development projects. **However, Vendors are encouraged to propose a plan (see Section 5.2.2.13) that they feel might improve upon that given in this appendix.** These work activities apply as well to configuring COTS components for the purpose of constructing sophisticated systems.

While the activities, tasks and deliverables given below are presented in the general chronological order in which they are normally applied, Vendors are reminded that they must conform to the project phasing that has been imposed upon HIX by HHS. The time constraints for each phase are given in Table 1 (Project Timetable) and described in detail following Table 2 (Project Phases). Vendors must use Table 1 in all sequence and plan responses. More detail on project phases is presented in Section 3.3 and Table 2.

Vendors must map the activities, tasks and deliverables discussed in the respective subsections of this section to the time and activities described in Table 1. A sequential performance of the activities will not satisfy this requirement. For example, only one month is given for the completion of Phase 1. Vendors should take into consideration the time and content constraints that are imposed by the project phases in developing their plans.

This project consists of many activities, and for each activity there are several tasks that need to be performed or completed by the selected Vendor. Generally, these tasks have deliverables closely associated with them, and thus the two words are often used interchangeably, since the task name is often a descriptor for the deliverable associated with that task. A summary of the activities and related tasks to be completed appears in Table 4.

Once the project is underway, the accomplishment of the tasks, as given in the approved Vendor's plan, will be the basis against which the Vendor's performance will be measured and reimbursement for services will be made.

**Each task listed in the table (and corresponding sections) below describes a project requirement that must be addressed in the Vendor's proposed Project Work Plan. A comprehensive initial Project Work Plan is a major required component for responding to Section 5.2.2.13 of the RFP. 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. Any deviation from these specifications, including additions and omissions of particular tasks, must be noted in the Vendor's project plan. In order to receive scoring credit, Vendors must cross-reference the numeric project requirement**



3885 **identifier from the vendor project plan back to the System requirement row(s) in the**  
3886 **mandatory Requirements Response Matrix provide in a separate document.**

3887 **Table 4: Project Activities, Tasks and Deliverables**

Activities	Tasks and Deliverables
Project Planning	1.1: Project Plan V1 Review
Project Planning	1.2: Updated Project Plan
Project Assessment and Control	2.1: Weekly Project Status Reports
Project Assessment and Control	2.2: Corrective Action Plan Methodology
Decision Management	3.1: Decision Management Plan
Decision Management	3.2: Decision Outcomes
Risk Management	4.1: Risk Management Plan
Risk Management	4.2: Lessons Learned
Configuration Management	5.1: Configuration Management Plan
Requirements Analysis and Management	6.1: Requirements Documentation
Requirements Analysis and Management	6.2: Requirements Validation and Traceability Plan
Requirements Analysis and Management	6.3 Requirement Change Control Plan
Conceptual Architectural Design	7.1: Conceptual Architectural Design Methodology
Conceptual Architectural Design	7.2: Conceptual Architectural System Design
Conceptual Architectural Design	7.3: Business Rules Plan
Conceptual Architectural Design	7.4: Workflow Plan
Detail Design	8.1: Detail System Design Session Plan
Detail Design	8.2: Detail System Design Document
Detail Design	8.3: Business Rules Design
Detail Design	8.4: Interface Detail Design
Detail Design	8.5: Forms, Templates, and Notices Detail Design
Detail Design	8.6: Alerts Detail Design
Detail Design	8.7: Reports Detail Design
Security	9.1: Security Design Document
Security	9.2: User Access Security Plan
Continuity of Operations	10.1: Disaster Recovery Plan
Knowledge Management	11.1: Knowledge Management Strategy
Knowledge Management	11.2: Comprehensive Knowledge Management Plan
Knowledge Management	11.3: End User Environment(s)
Knowledge Management	11.4: Instructional Materials V1 and *V2
Knowledge Management	11.5: Online User Aids
Knowledge Management	11.6: Knowledge Management Progress Report
Knowledge Management	11.7: Knowledge Management Final Report
Knowledge Management	11.8: Project Staff Preparation Plan

Activities	Tasks and Deliverables
Implementation Management	12.1 Comprehensive Implementation Management and Communication Plan
Data Import	13.1: Data Import Strategy
Data Import	13.2: Data Import Plan
Data Import	13.3: Data Cleanup Plan
Data Import	13.4: Data Import
Development	14.1: Software Development Plan including coding standard
Development	14.2: Weekly Construction Summary Report
Development	14.3: Development Library
System Integration	15.1: System Integration Strategy
System Integration	15.2: System Integration Plan
System Implementation	16.1: Hardware and Software Plan
System Implementation	16.2: Statewide Implementation Plan
System Implementation	16.3: Network, Desktop and Production Requirements
System Implementation	16.4: Final Readiness Assessment
Testing	17.1: Master Test Plan
Testing	17.2: Unit and Integration Test Plan and Documentation
Testing	17.3: System Test Plan
Testing	17.4: Interface Test Plan
Testing	17.5: Performance, Volume and Stress Test Plan
Testing	17.6: Import Test Plan
Testing	17.7: System Test Scripts
Testing	17.8: Import Test Results Report
Testing	17.9: Performance Monitoring Plan and Weekly Report
Testing	17.10: Operational Readiness Report
Quality Assurance	18.1: Quality Assurance Plan
Quality Assurance	18.2: Quality Assurance Reviews
Software Verification	19.0: No associated deliverable
Software Validation	20.0: No associated deliverable
Software Reviews	21.0: Completion of successful security review
Software Problem Resolution Process	22.1: Software Resolution Plan
User Acceptance Testing (UAT)	23.1: UAT Test Environment and Tools
User Acceptance Testing	23.2: Weekly UAT Status Reports
User Acceptance Testing	23.3: Operational Readiness Report
Transition to Operations	24.1: Transition Plan
Transition to Operations	24.2: Post-Implementation Evaluations
Transition to Operations	24.3: Updated System Documentation
Documentation Management	25.1: Document Management Plan

Activities	Tasks and Deliverables
Operations	26.1: Operating Procedures
Operations	26.2: Help Desk Transition Plan
Operations	26.3: Help Desk Plan, Public Facing Help Desk Plan
Operations	26.4: Help Desk Procedures Manual
Federal Review and Certification	27.1: Assist with Federal Review

3888

### 3889 **Proposal Response for Specific Components and COTS**

3890 During project planning (starting with the planning done for the proposal), the Vendor must sub-  
 3891 divide each of the Phases into the specific functional components required within each phase.  
 3892 The Vendor will generally propose to develop some of these components from scratch, while  
 3893 others might be satisfied by COTS with very little configuration. For COTS components, the  
 3894 Vendor must provide a brief narrative/justification relative to how the COTS component is suited  
 3895 to support Alabama's HIX System. It is recognized that anything in between is also possible,  
 3896 e.g., COTS with major configurations. Multiple COTS products may be installed at one time in  
 3897 order to support a given requirement. In this case, the multiple COTS products can be defined  
 3898 as a "component aggregation." The plan should describe the major component breakdown of  
 3899 the System by *component aggregations* as organized by what the Vendor considers to be an  
 3900 optimal sequence of tasks within each Phase. A *component aggregation* is a set of components  
 3901 that can be described collectively in the planning process. Thus, the detailed plan does not  
 3902 have to be broken down to the specific component level, but to the component aggregate level,  
 3903 and each component aggregate must be assigned a name and a list of included components.  
 3904 The component aggregates must also trace to the functional requirement in the Requirements  
 3905 Response matrix, in order to facilitate tracking of the requirements. Finally, the degree to which  
 3906 any component aggregate will require design/development as opposed to being implemented by  
 3907 an individual COTS component must be described.

### 3908 **HIX Role in the Project**

3909 HIX is to be considered as a full partner throughout the entire project, including both the system  
 3910 development and implementation lifecycles. HIX reserves the right to augment Vendor project  
 3911 efforts with HIX staff personnel or other contract personnel. In addition, the accomplishment all  
 3912 Activities, Tasks and Deliverables described in this appendix must be approved by HIX prior to  
 3913 reimbursement for their accomplishment.

### 3914 **"Plan" Deliverables and Task Action Implications**

3915 All deliverables below that are described as *plans* must be considered "living documents" in the  
 3916 sense that they are not just developed and used for implementation as is true of many plan  
 3917 documents. In many cases, these plan document deliverables require actions that are beyond  
 3918 just updating the documents themselves as the project progresses. In all cases, both the de-  
 3919 termination of the content for updates and the execution of the plans are required. The refer-  
 3920 ence of any of these (or any other) tasks/deliverables in the Vendor proposal necessarily implies

that the Vendor accepts the complete specification of the task and the deliverables contained below. Any deviation of this must be documented as indicated in the response described in Section 5.2.2.13.

### **7.1.1 Activity 1: Project Planning**

#### **Objective**

The objective of project planning is to ensure that the HIX System meets Alabama's specific requirements within the specified time and budget constraints. This task will update the approved Version 1 (V1) project plan contained in the successful proposal.

#### **Description**

This process determines the scope of the project management and technical activities; identifies process outputs, project tasks, and deliverables; and establishes schedules for project tasks, including achievement criteria and required resources to accomplish project tasks.

As a result of successful implementation of the project planning process:

- The scope of the work of the project is defined
- The feasibility of achieving the goals of the project with available resources and constraints is evaluated
- The documentation required is identified
- The tasks and resources necessary to complete the work are sized and estimated
- Interfaces between components in the project, and with other project and organizational units, are defined
- Plans for the execution of the project are developed
- Plans for the execution of the project are activated

The project planning activity must make provisions to ensure that the project progresses according to the Project Plan that is approved. The project management activity spans the duration of the project and the Project Plan is a primary control element of the project. Once the Project Plan is approved by HIX, the selected Vendor must maintain and modify the approved Project Plan throughout the project, with the approval of HIX, by updating it to reflect the evolving schedule, priorities, and resources (i.e., it is a "living document"). This Project Plan must also include a high-level description of other activities, tasks, and deliverables such as project assessment and control, configuration management, risk management, etc. that are defined later in this appendix, each of which will have a separate plan. All of the tasks and deliverables in this activity contribute to the effective management of the project.

The Vendor plans for the execution of the project must contain descriptions of the associated activities and tasks that include, but are not limited to, the following:

- Schedules for the timely completion of tasks

- 3956 • Estimation of effort
- 3957 • Resources needed to adequately execute the tasks
- 3958 • Allocation of tasks
- 3959 • Assignment of responsibilities
- 3960 • Quantifications of risks associated with tasks or the process itself
- 3961 • Quality assurance measures to be employed throughout the project
- 3962 • Costs or resource hours associated with process execution
- 3963 • Provision of environment and infrastructure
- 3964 • Definition and maintenance of a lifecycle model that is comprised of stages using the
- 3965 Vendor's defined lifecycle model(s), and which includes the tasks organized by the
- 3966 Phases given above.

3967 • **Deliverables**

3968 The following lists the deliverables for the Project Planning activity:

- 3969 • 1.1: Project Plan Review V1 Review and Augmentation
- 3970 • 1.2: Updated Project Plan

3971 The V1 indicator in the name of the Project Plan designates the first version of the Project Plan;  
3972 **Project Plan V1 must be included in the proposal.** The selected Vendor will continue to up-  
3973 date the Project Plan throughout the life of the project.

3974 **Task 1.1: Project Plan V1 Review and Augmentation**

3975 The Project Plan task is for development and execution of the Work Breakdown Structure  
3976 (WBS) and Schedule that describe the Vendor's plans for managing the project. The Project  
3977 Plan creates a consistent, coherent document that is used to guide both Project execution and  
3978 Project control. It will be identified as the baseline plan for future use in comparing current plans  
3979 throughout the life of the project to assess progress. This task will review the V1 plan that was  
3980 provided in the proposal and correct any deficiencies in it that have come to light subsequent to  
3981 its creation. It will also augment the Plan to assure that the documents described below are of  
3982 adequate completeness and quality to be submitted to CMS for approval of continued funding.

3983 At a minimum, the Project Plan must include a high level description of the Vendor's:

- 3984 • Concept of Operations (CONOPS), including (but not limited to):
  - 3985 ○ High level and technical architectural diagrams
  - 3986 ○ Business Process Model Notation (BPMN) diagrams
- 3987 • Project Management Plan (PMP), including (but not limited to):
  - 3988 ○ Project Organization and Staff Management Plan

- 3989           ○ Management Approach and Project Schedule
- 3990           ○ Communications Matrix
- 3991           ○ Performance Measures
- 3992       • Quality Management Plan
- 3993       • Configuration Management Plan
- 3994       • Issue and Risk Management Plan (including the System Risk Register)
- 3995       • Training Plan
- 3996       • Release Plan
- 3997       • Preliminary Detailed Design including the GUI design

3998   More details of these plans are identified later in this document as separate deliverables below.  
3999   The following provides an initial working definition of the terms used above:

- 4000       • **Concept of Operations (CONOPS)** must provide a high level view of the system opera-  
4001       tions, its target environment and the Vendor's approach toward bringing the System into  
4002       existence. This is documented by a statement of System goals, objectives and rational  
4003       for developing the System. It must contain a general statement of the system scope, the  
4004       *business process models* (see below), and the high level functional requirements. Any  
4005       significant dependencies or constraints must be enumerated. Various levels of *architec-*  
4006       *tural diagrams* (see below) must be included. It must also contain any operational or or-  
4007       ganizational impacts that the project or its end result will have. Issues and risks may be  
4008       enumerated or referenced to the *Issue and Risk Management Plan* (see below).
- 4009       • **Architectural Diagrams** must be included in the CONOPS document. These will tell  
4010       how the system will satisfy its functional requirements. Suggested levels for the dia-  
4011       grams include overview, application, information, interface, technology and security and  
4012       privacy levels.
- 4013       • **Business Process Models** must be included in the CONOPS document, and contain a  
4014       sufficient number of Business Process Model Notation diagrams to cover the various  
4015       business processes that will be performed or supported by the System. Generally dia-  
4016       grams of the business process are more informative than text in modeling the target sys-  
4017       tem and its interactions with its environment (including other systems).
- 4018       • **Project Management Plan (PMP)** must describe plans for the management of multiple  
4019       aspects of the project. In addition to the four items described immediately below, plans  
4020       for the management of the following must be included: schedules, personnel, finances,  
4021       performance, risk, quality, change requirements, records, procurement, subcontractors,  
4022       and any other aspect of the project that requires management.
- 4023       • **Project Organization and Staff Management Plan** must be included in the PMP to de-  
4024       scribe the organizational structure, roles, and responsibilities of personnel, staffing lev-  
4025       els, and other resources that will be utilized to provide successful project management.



A description of the criteria and process used to develop the staffing estimates, criteria, and process used to determine staffing qualifications, detailed organizational charts, and a resource-loading chart must be included. The organizational structure must identify key personnel by name, title and job function, the percentage of time onsite, and whether each position will be filled by a Vendor employee or a subcontractor to the Vendor.

- **Management Approach and Project Schedule** must be included in the PMP to describe the Vendor's approach to management and provide a preliminary list of assumptions, list of required documentation, and master schedule of milestone activities, tasks, and deliverables.
- **Communications Matrix** must be included in the PMP to summarize the communications planning effort. It can apply to either meetings (e.g., team progress updates, monthly project status summary, project status updates, all-hands meeting, etc.) or to written documents (monthly updates, e-mail postings, SharePoint access, etc.). The particular communication vehicles are listed in the first column, and a number of aspects of the event or document are documented in their appropriate columns (e.g., target audience, message objective, timing, media to be used, responsible sender, feedback mechanisms, etc.). The initial matrix set-up is the result of the communications planning process; however, versions of the matrix provide living documentation of communications as the project proceeds.
- **Performance Measurement** considerations must be included in the PMP to reflect the overall control of the project in reaching its intermediate objectives and its ultimate goal. Measures must be established that adequately provide one of the three essential elements of any control process: (1) objectives, (2) measurement against these objectives, and (3) an effective correction capability when the measurements indicate that there is deviation from the timely accomplishment of the objectives. This part of the PMP should not just state that a control process is in effect, it must also describe the data that will be collected, where it will be stored, and the approach for analyzing the data. Include a description of the approach for reporting metrics and for identifying and addressing deficiencies.
- **Quality Management Plan** must describe the Vendor's internal quality processes.
- **Configuration Management Plan** must describe the administrative and technical procedures to be used throughout the project lifecycle to control system and project artifacts. The Vendor must specify a tool for monitoring the processes to be followed for change and version control, the methods and tools to be used, and the approach to be followed. At a minimum, the plan shall describe the approach and scope. The approach includes explaining the methodology, integration and configuration management. The scope will describe the tasks and activities that will be performed as part of project configuration management, including configuration identification, system release management, version control, audit control, and roles and responsibilities of personnel/resources.



- **Issue and Risk Management Plan** must describe the approach for issue/problem and risk/mitigation identification, tracking, reporting, assignment, resolution, and escalation. The plan must include a description of the automated tracking and management system(s) for capturing and tracking all issues/problems, action items, and risk/mitigation information.
- **Risk Register** is a required part of the Issue and Risk Management Plan, and should be populated with all known risks to the extent that they are recognized at any stage of the project. Typically it is in tabular format showing for each risk the following: risk category, risk description, an assigned unique number, estimated relative probability of occurrence, estimated relative impact if it occurs, risk score (product of the former two estimates), mitigation, and responsible individual for any actions requiring decisions.
- **Training Plan** is required to augment the Staff Management Plan and to provide essential information on the training of system users. Identify the staff (government and contractor) needing training and the specific training that is needed to close any skill gap to bring personnel to an appropriate competency level to perform their duties on the project. For example, this may include technical training in a specific development tool. Similarly, training of non-technical users of the system will require similar documentation. Identify the timeframe when the required training is needed, the method for providing the training, potential vendors or sources for the training, the anticipated cost for the training, and if there are any prerequisites.
- **Release Plan** details the events that need to take place for various system releases. Two major releases are required, one at the end of Phase 2 and the other at the end of Phase 4 (see Table 1). However, there may be other releases that are expedient as the project progresses for system enhancement. The Release Plan must provide an overall explanation as to the release approach. This will consist of a rationale and a strategy. The rationale provides the justification for the strategy to be employed. The strategy explains the release content, schedule, impacts and notifications.
- **Preliminary Detailed Design** – See Task 8 for specifications of the Detailed Design task. This document will be the first draft of the ultimate Detailed Design that will be the deliverable of Task 8. The Detailed Design must provide the information needed for a system development team to actually build and integrate the hardware components, code and integrate the software components, and integrate the hardware and software segments into a functional product. Additionally, the detailed procedures for combining separate COTS packages into a single system must be addressed.

HIX has developed an initial set of project time constraints given in Table 1. These are rigid constraints imposed by ACA and all planning must conform to these constraints.

#### **Vendor Responsibility**

- Create and submit Project Plan V1 as part of the proposal
- Correct any issues identified by HIX or discovered by the Vendor prior to initiating the general Project Plan Update (Task 1.2)

- 4106
- Augment the Plan for approval as indicated in Section 3.3

- 4107
- Review State policies prior to creating the updated plan

4108 **Acceptance Criteria**

- 4109
- 1.1: Project Plan V1

- 4110
- Documentation of the Project Plan V1 as described in this RFP

- 4111
- Inclusion of a WBS that details each deliverable in this RFP and other tasks and products needed for successful design development and implementation of the HIX System
- 4112

4113 **Task 1.2: Updated Project Plan**

4114 This task addresses subsequent versions of the Project Plan. As stated previously, an initial  
4115 Project Plan must be submitted with the Proposal. At a minimum, on a weekly basis, the Vendor  
4116 must submit updates to the Project Schedule. Updates to the Project Plan will be made as  
4117 needed with a formal review at least quarterly. Updates to the Project Plan and/or Schedule  
4118 must be made on and posted to a centralized location to be defined by HIX. HIX considers the  
4119 Project Plan to be a living document and requires it to be current and immediately accessible.  
4120 When updates are made the Vendor must post a summary or explanation of changes for historical  
4121 purposes.

4122 **Vendor Responsibility**

- 4123
- Update plan as needed to accommodate changes in scope
- 4124
- At a minimum, present changes to the plan on a quarterly basis
- 4125

4126 **Acceptance Criteria**

- 4127
- 1.2: Updated Project Plan

- 4128
- Documentation of the Project Plan as described in this RFP

- 4129
- Inclusion of a WBS that details each deliverable in this RFP and other tasks and products needed for successful design, development and implementation of the HIX System
- 4130

- 4131
- Clear description of what was changed in the plan including GUI updates

4132 **7.1.2 Activity 2: Project Assessment and Control**

4133 **Objective**

4134 The objective of project assessment and control is to monitor the status of project activities and  
4135 take corrective action when required in order to ensure successful delivery of the HIX System.

4136 **Description**

4137 The purposes of project assessment control processes are to determine the status of the project  
4138 and ensure that the project progresses according to plans, schedules, and projected budgets,  
4139 and that it satisfies all technical objectives. This process includes redirecting the project activi-

4140 ties, as appropriate, to correct identified deviations and variations. Redirection may include re-  
4141 planning as appropriate.

4142 As a result of the successful implementation of the project assessment and control process:

- 4143 • Progress of the project is monitored and reported
- 4144 • Interfaces between project elements and with other project and organizational units are  
4145 monitored
- 4146 • Actions to correct deviations from the plan and to prevent reoccurrence of problems  
4147 identified in the project are taken when project targets are not achieved
- 4148 • Project objectives are achieved and recorded
- 4149 • The Vendor Project Manager (VPM) must monitor the execution of the project, providing  
4150 both internal reporting of the project progress and external reporting to HIX
- 4151 • The VPM must investigate, analyze, and resolve problems discovered during the execu-  
4152 tion of the project. The resolution of problems may result in changes to plans. It is the  
4153 VPM's responsibility to ensure that the impact of any change is determined, controlled,  
4154 and monitored. Problems and their resolution must be documented. The VPM must re-  
4155 port, at agreed points, the progress of the project, declaring adherence to the plans and  
4156 resolving instances where progress lags. This includes internal and external reporting as  
4157 required by the organizational procedures and the contract.
- 4158 • The VPM must ensure that the software products and plans are evaluated for satisfac-  
4159 tion of requirements. The VPM must assist the evaluation of the results of software  
4160 products, activities, and tasks completed during the execution of the project for  
4161 achievement of the objectives and completion of the plans.

4162 To accomplish the necessary control in the project, measurement processes will be used to col-  
4163 lect, analyze, and report data relating to the products developed and processes implemented  
4164 within the organizational unit, to support effective management of processes, and to objectively  
4165 demonstrate the quality of the products.

4166 As a result of successful implementation of the measurement process:

- 4167 • The information needs of technical and management processes are identified
- 4168 • An appropriate set of measures, driven by the information needs, are identified and/or  
4169 developed
- 4170 • Measurement activities are defined in the plan
- 4171 • The required data is collected, stored, analyzed and the results interpreted
- 4172 • Information products are used to support decisions and provide an objective basis for  
4173 communication
- 4174 • The measurement processes and measures are evaluated
- 4175 • Improvements are communicated to the measurement process owner

**4176 Deliverables**

4177 The following lists the deliverables for the Project Assessment and Control activity:

- 4178     • 2.1: Weekly Project Status Reports
- 4179     • 2.2: Corrective Action Plan Methodology

**4180 Task 2.1: Weekly Project Status Reports**

4181 This task covers the production of the Weekly Project Status Reports by the Vendor. At a mini-  
4182 mum, the Project Status Report will include accomplishments, critical issues, personnel utilized,  
4183 activity, tasks, defect reporting (as appropriate during the testing and validation tasks) and de-  
4184 liverable status, budget status, and items planned for the next reporting period. It will also sum-  
4185 marize schedule performance and budget performance to compare actual project performance  
4186 with plan(s).

**4187 Vendor Responsibility**

- 4188     • Obtain approval for report format
- 4189     • Complete Weekly Project Status Report
- 4190     • Acceptance Criteria
- 4191     • 2.1: Weekly Project Status Reports
- 4192     • Use of approved format
- 4193     • Inclusion of accomplishments, critical issues, personnel utilized, and items planned for  
4194 the next reporting period
- 4195     • Reporting of identified issues, risks, defects and associated mitigation strategies
- 4196     • Comparison of schedule and budget performance to actual project plan
- 4197     • Provide input and clarifications to the Vendor as needed
- 4198     • Obtain final approval from HIX on all tools that Vendor will use on the project

**4199 Task 2.2 Corrective Action Plan Methodology**

4200 Corrective action plans must address a practical strategy to resolve any impediments, the action  
4201 to be taken, and how it will be carried out. The plan must be organized, purposeful, accountable,  
4202 and measurable. The methodology must provide a template of how the item in need of correc-  
4203 tion will be documented. The template must include a description of the problem to correct, the  
4204 owner accountable for the problem and specify what will be the outcome and how it can be  
4205 measured.

**4206 Vendor Responsibility**

- 4207     • Obtain consensus of corrective action plan template
- 4208     • Use approved corrective action plan template

- 4209       • Conduct analysis of impediment in need of corrective action
- 4210       • Monitor, document and report on status of corrective action
- 4211       • Participate in resolution, and when applicable, involve HIX in the resolution

4212   **Acceptance Criteria**

- 4213       • Task 2.2: Corrective Action Plan Methodology
- 4214       • Inclusion of a corrective action plan template that is acceptable to HIX
- 4215       • Inclusion of measurable actions to gauge success
- 4216       • Inclusion of specific steps to manage the corrective action plan process to acceptable
- 4217       resolution

4218   **7.1.3   Activity 3: Decision Management**

4219   **Objective**

4220   To promote effective decision-making in a timely fashion that considers all of the variables that  
4221   may be impacted.

4222   **Description**

4223   The Vendor must define a decision making strategy that is capable of addressing complex deci-  
4224   sions expected to be required during development. This strategy must be part of the overall  
4225   project management approach. The Vendor must involve relevant parties in decision-making in  
4226   order to draw on experience and knowledge. Circumstances requiring a decision must be iden-  
4227   tified. The Vendor must select and declare the decision making strategy for each decision situa-  
4228   tion. The Vendor must identify desired outcomes and measurable success criteria.

4229   The Vendor must evaluate and balance the consequences of alternative actions, using the de-  
4230   fined decision-making strategy, to arrive at an optimization of, or improvement in, an identified  
4231   decision situation.

4232   The Vendor must record, track, evaluate and report decision-making outcomes to confirm that  
4233   problems have been effectively resolved, adverse trends have been reversed, and advantage  
4234   has been taken of opportunities. The Vendor must maintain records of problems and opportuni-  
4235   ties and their disposition in a manner that permits auditing and learning from experience.

4236   **Deliverables**

4237   The following lists the deliverables for the Decision Management activity:

- 4238       • 3.1: Decision Management Plan
- 4239       • 3.2: Decision Outcomes

**4240 Task 3.1: Decision Management Plan**

4241 Decision management plans must address a practical strategy for decision-making, actions to  
4242 be taken, and implementation approaches. The plan must be organized, purposeful, accounta-  
4243 ble, and measurable. The plan must provide a template of how the item in need of a decision  
4244 will be documented. The template must include a description of the decision to be made,  
4245 stakeholders, pros and cons to each decision considered, actions, deadlines, and must specify  
4246 what will be the outcome and who is responsible. The plan must also address how the decision  
4247 outcomes will be maintained and traced to other decisions that have been made.

**4248 Vendor Responsibility**

- 4249 • Obtain consensus on decision management plan template
- 4250 • Use approved decision management plan template
- 4251 • Conduct analysis of decisions to be made
- 4252 • Monitor, document, and report on status of decision-making
- 4253 • Own or participate in resolution when applicable
- 4254 • Widely communicate decisions made unless a decision is made to restrict communica-  
4255 tion of outcome by the System Project Manager

**4256 Acceptance Criteria**

- 4257 • Task 3.1: Decision Management Plan
- 4258 • Inclusion of a decision management plan that is acceptable to HIX
- 4259 • Inclusion of measurable actions to gauge timeliness of decision making
- 4260 • Inclusion of specific steps to manage the decision management process to acceptable  
4261 resolution

**4262 Task 3.2: Decision Outcomes**

4263 Decision outcomes must be documented and maintained in a central location for easy access.  
4264 The Vendor must describe how they plan to document and communicate decisions.

**4265 Vendor Responsibility**

- 4266 • Obtain consensus of decision outcomes plan
- 4267 • Follow decision outcomes process

**4268 Acceptance Criteria**

- 4269 • Task 3.2: Decision Outcomes
- 4270 • Inclusion of a decision outcomes plan that is acceptable to HIX

4271

#### 7.1.4 Activity 4: Risk Management

##### Objective

To identify, analyze, treat, and monitor risks continuously in order to systematically address risk throughout the lifecycle of the System, software product, or service. It is inclusive of risks related to the acquisition, development, maintenance, and operation of all components within the System.

##### Description

As a result of successful implementation of the risk management process:

- The scope of risk management to be performed is determined
- Appropriate risk management strategies are defined and implemented
- Risks are identified as they develop during the course of the project
- Risks are analyzed to determine the priority in which to apply resources to address risk abatement
- Appropriate treatment is taken to correct or avoid the risk of impact based on its priority, probability, and consequence or other defined risk threshold
- Risk metrics are defined, applied, and assessed to determine changes in the risk status and the progress of the appropriate treatment
- Serious risks are identified and mitigated as early in the life cycle as possible. This may involve prototyping or limited development as early as the start of the project.

The context of the risk management process must be defined and documented, including a description of stakeholder perspective, risk categories, and a description (perhaps by reference) of the technical and managerial objectives, assumptions and constraints. Risk thresholds, defining the conditions under which a level of risk may be accepted, must be documented. A risk profile must be established and maintained. The relevant risk profile must be communicated periodically to stakeholders based on their needs.

The risks must be identified by categories defined by the Vendor and approved by HIX. The probability of occurrence and consequences of each risk must be estimated. Each risk must be evaluated against a set risk threshold for that category. For each risk that is above its risk threshold, a recommended treatment strategy must be defined and documented. Measures indicating the effectiveness of the treatment strategy applied must also be defined and documented. (Risk treatment strategies include, but are not limited to, eliminating the risk, reducing its probability of occurrence or severity of consequence, or accepting the risk).

The Vendor must provide HIX with alternatives for risk treatment and risk action requests. If HIX determines that actions must be taken to make a risk acceptable, the appropriate risk treatment alternative must be implemented. If HIX accepts the risk that exceeds a threshold, it must be considered a high priority and monitored continuously to determine if any further risk treatment actions are necessary.



4309 All risks and the risk management process must be continuously monitored for changes. Risks  
4310 whose status has changed must undergo risk evaluation. Measures must be implemented and  
4311 monitored to evaluate the effectiveness of risk treatments. The Vendor must continuously moni-  
4312 tor for new risks throughout the project lifecycle.

4313 Information must be collected throughout the project lifecycle for purposes of improving the risk  
4314 management process and generating lessons learned. The risk management process must be  
4315 periodically reviewed for its effectiveness and efficiency. Information on the risks identified, their  
4316 treatment, and the success of treatments must be reviewed periodically for the purpose of iden-  
4317 tifying systemic project and organizational risks.

#### 4318 **Deliverables**

- 4319       • 4.1: Risk Management Plan
- 4320       • 4.2: Lessons Learned

#### 4321 **Task 4.1 Risk Management Plan**

4322 The Risk Management Plan documents the Vendor's approach to administering the risk man-  
4323 agement process to include identification, evaluation methodology, treatment, monitoring, and  
4324 evaluation of the risk management process. The plan must include any software tools that the  
4325 Vendor will use to log risks and track them to resolution. The plan must include:

- 4326       • Risk management policies describing the guidelines under which risk management is to  
4327       be performed
- 4328       • Risk management process to be implemented
- 4329       • Responsible parties
- 4330       • Continuous improvement process for risk avoidance
- 4331       • Risk categories and profiles
- 4332       • Risk analysis to include probability and consequences
- 4333       • Treatment and monitoring

#### 4334 **Vendor Responsibility**

- 4335       • Document the Risk Management Plan
- 4336       • Implement the Risk Management Plan
- 4337       • Conduct analysis of risks
- 4338       • Monitor, document and report on status of risks
- 4339       • Own or participate in the risk management process when applicable
- 4340       • Involve HIX personnel at the appropriate level in the risk management process so that  
4341       they are totally aware of and able to participate in the response to all risks encountered

**Acceptance Criteria**

- Task 4.1: Risk Management Plan
- Scope of risk management is determined
- Appropriate risk management strategies are defined and implemented
- Steps to identify risks that develop during the project are documented
- Methods to analyze and determine priority of risks are included.
- Identification of what resources must be applied to the process
- Risk measures are defined as to how they will be applied, and assessed in order to determine whether or not there is a change in the status of risk and the progress of the ongoing treatment activities

**Task 4.2 Lessons Learned**

For this task, the Vendor must collect information regarding Lessons Learned from stakeholders after each major milestone. Information collected must be documented in a database and reported. The report must evaluate the lessons learned; evaluate and describe ways to improve in future tasks; and identify responsible parties for implementation of the future improvements.

**Vendor Responsibility**

- Provide Vendor documented perspective of lessons learned
- Continually integrate lessons learned into future project activities

**Acceptance Criteria**

- 4.2 Lessons Learned
- Incorporation of lessons learned at each major milestone into a report for HIX distribution
- Evaluation of lessons learned, including suggestions for improvement
- Suggestions for improvement are implemented when there is a general consensus as to their value

**7.1.5 Activity 5: Configuration Management****Objective**

The objective of Configuration Management is to establish and maintain the integrity of all identified versions of the System (i.e., all component) artifacts throughout the lifecycle of the project, and to make them available for reference purposes (e.g., for system backup, rollback and recovery, and problem identification and resolution).

**Description**

As a result of the successful implementation of the configuration management process:

- 4374 • Configuration management strategies are defined
  - 4375 • Roles and responsibilities are defined
  - 4376 • Items requiring configuration management are defined
  - 4377 • Configuration baselines are established
  - 4378 • Changes to items under configuration management are controlled
  - 4379 • Configuration of released items is controlled
  - 4380 • Status of items under configuration management is made available throughout the
  - 4381 lifecycle
  - 4382 • Information on configurations is maintained with an appropriate level of integrity and se-
  - 4383 curity
  - 4384 • Changes to configuration baselines are properly identified, recorded, evaluated, ap-
  - 4385 proved, incorporated and verified
- 4386 The configuration management plan must describe the configuration management activities;  
4387 procedures and schedule for performing these activities; the organizations responsible for per-  
4388 forming these activities; and relationship with other organizations such as software development  
4389 or maintenance. A scheme must be established for the evolution of improved software compo-  
4390 nents and their versions to be controlled for the project. For each software component and its  
4391 versions, the following must be identified: the documentation that establishes a baseline, the  
4392 version references, and any other identification details.
- 4393 The following must be performed:
- 4394 • Identification and recording of change requests
  - 4395 • Analysis and evaluation of the changes
  - 4396 • Approval or disapproval of the request
  - 4397 • Implementation, verification, and release of the modified software component
  - 4398 • An audit trail must exist, whereby each modification, the reason for the modification, and
  - 4399 authorization for the modification can be traced. Control and audit of all processes to
  - 4400 software controlled items that handle safety- or security-critical functions must be per-
  - 4401 formed.
- 4402 Management records and status reports that show the status and history of controlled software  
4403 components, including baselines, must be prepared. Status reports must include the number of  
4404 changes for project, the software component versions, release identifiers, the number of releas-  
4405 es, and comparison of releases.
- 4406 The functional completeness of the software components against their requirements must be  
4407 assured. This includes an assurance of the physical completeness of the software components  
4408 (e.g., whether their design and code reflect an up-to-date technical description).

4409 The release and delivery of software products and documentation must be formally controlled.  
4410 Master copies of code and documentation must be maintained for the life of the System.

4411 **Deliverables**

4412 The following lists the deliverables for the Configuration Management activity:

- 4413     • 5.1: Configuration Management Plan

4414 **Task 5.1 Configuration Management Plan**

4415 The configuration management plan must define a strategy for the disposition, access, release  
4416 and control of changes to the items that are subject to configuration control. Although ad-  
4417 dressed at a high level in the project plan deliverable, the Vendor must provide the specifics of  
4418 the strategy in its Configuration Management Plan. Items must be identified that are subject to  
4419 configuration control and ensure that the execution is recorded, evaluated, approved, incorpo-  
4420 rated, and verified.

4421 **Vendor Responsibility**

- 4422     • Document Configuration Management Plan  
4423     • Implement Configuration Management Plan  
4424     • Internally audit adherence to Configuration Management Plan and report findings to HIX

4425 **Acceptance Criteria**

- 4426     • 5.1: Configuration Management Plan  
4427     • A configuration management strategy is defined  
4428     • Items requiring configuration management are defined  
4429     • Configuration baselines are established  
4430     • Changes to items under configuration management are controlled  
4431     • The configuration of released items is controlled  
4432     • Environments are defined including, at a minimum, development, test, UAT, training,  
4433     staging and production environments  
4434     • The status of items under configuration management are made available throughout the  
4435     System lifecycle

4436 **7.1.6 Activity 6: Requirements Analysis and Management**

4437 **Objective**

4438 To define, analyze, and maintain traceability of system requirements throughout the lifecycle of  
4439 the System.

4440 **Description**

4441 The purpose of the Requirements Analysis and Management process is to ensure that require-  
4442 ments for the System are validated through user acceptance testing by stakeholders.

4443 The vendor must define a representative set of activity sequences to identify all required ser-  
4444 vices that correspond to anticipated operational and support scenarios and environment. The  
4445 vendor must identify the interaction between users and the System, taking into account human  
4446 capabilities and skill limitations. The vendor must analyze the complete set of requirements. The  
4447 vendor, in conjunction with the project's governance system, must resolve requirement prob-  
4448 lems.

4449 The purpose of system requirements analysis is to transform the defined requirements into a set  
4450 of desired system technical requirements that will guide the design of the System to meet the  
4451 needs of stakeholders. It is recognized that the final System description will include functional  
4452 contributions from both aggregated COTS components and custom components. As a result of  
4453 successful implementation of system requirements analysis:

- 4454 • A defined set of system requirements describing the System to be developed are estab-  
4455 lished
- 4456 • The appropriate techniques are performed to optimize the preferred project solution
- 4457 • System requirements are analyzed for correctness and testability
- 4458 • The impact of system requirements on the operating environment are understood
- 4459 • The requirements are prioritized, sequenced, approved and updated as needed
- 4460 • Consistency and traceability are established between system requirements and re-  
4461 quirements baseline of HIX
- 4462 • Changes to the baseline are evaluated for cost, schedule and technical impact
- 4463 • The system requirements are communicated to all affected parties and baselined

4464 The specific intended use of the System to be developed must be analyzed to specify system  
4465 requirements. The documented system requirement specification must include:

- 4466 • Functions and capabilities of the System
- 4467 • Business, organizational and user requirements
- 4468 • Safety, security, human-factors engineering (ergonomics), interface, operations, and  
4469 maintenance requirements
- 4470 • Design constraints and qualification requirements

4471 The system requirements must be evaluated considering the criteria listed below. The results of  
4472 evaluations must be documented:

- 4473 • Traceability to HIX needs
- 4474 • Consistency with HIX needs
- 4475 • Testability

4476 Software Requirements must be established for the software components of the System. As a  
4477 result:

- 4478 • Requirements allocated to the software components of the System and their interfaces  
4479 are defined
- 4480 • Software requirements are analyzed for correctness and testability
- 4481 • Impacts of software requirements on the operating environment are understood
- 4482 • Consistency and traceability are established between the software requirements and  
4483 system requirements
- 4484 • Prioritization for implementing the software requirements is defined
- 4485 • Software requirements are approved and updated as needed
- 4486 • Changes to the software requirements are evaluated for cost, schedule and technical  
4487 impact
- 4488 • Software requirements are base-lined and communicated to all affected parties

4489 For each software component the Vendor must establish and document software requirements  
4490 (including the quality characteristics specifications) described below:

- 4491 • Functional capability specifications, including performance, physical characteristics, and  
4492 environmental conditions under which the software component is to perform
- 4493 • Interfaces between software components within the HIX System
- 4494 • Interfaces external to the HIX System representing communications to and from the  
4495 software systems of other organizations
- 4496 • Qualification requirements
- 4497 • Safety specifications, including those related to methods of operation and maintenance,  
4498 environmental influences, and stakeholder risk
- 4499 • Security specifications, including those related to compromise of sensitive information
- 4500 • Human factor engineering (ergonomics) specifications, including those related to manual  
4501 operations, human equipment interactions, constraints on personnel, and areas needing  
4502 concentrated human attention, that are sensitive to human errors and training
- 4503 • Data definition and database requirements
- 4504 • Communication specifications, such as web service interface specifications and stand-  
4505 ards-based communication content specifications
- 4506 • Installation and acceptance requirements of the delivered software product at the opera-  
4507 tion and maintenance side
- 4508 • User documentation requirements
- 4509 • User operation and execution requirements

- 4510 • User maintenance requirements

4511 The Vendor must evaluate the software requirements according to the criteria listed below:

- 4512 • Bi-directional traceability (to and from) of system requirements to/from design and  
4513 to/from test scripts
- 4514 • External consistency with system requirements
- 4515 • Internal consistency
- 4516 • Testability, including testing of both user-based scenarios and standards-based transac-  
4517 tion testing with other software Systems
- 4518 • Feasibility of software design
- 4519 • Feasibility of operation and maintenance
- 4520 • The results of the evaluation must be documented.

#### 4521 **Deliverables**

4522 The following lists the deliverables for the Requirements Management activity:

- 4523 • 6.1: Requirements Documentation
- 4524 • 6.2: Requirements Validation and Traceability Plan
- 4525 • 6.3: Requirement Change Control Plan

#### 4526 **Task 6.1: Requirements Documentation**

4527 An initial set of HIX System requirements are referenced in Section 3 and in the Requirements  
4528 Response Matrix (reference Form D in Appendix K).

4529 This activity requires the Vendor to analyze and refine the baseline requirements previously  
4530 identified, and to finalize the functional and technical specifications that will be included in the  
4531 HIX System. The validated set of requirements will be updated as subsequent tasks are com-  
4532 pleted. Additionally, the requirements will be used to build test scripts and scenarios, and will be  
4533 fully tested during user acceptance testing. This task must include at a minimum:

- 4534 • Identification and understanding of all requirements
- 4535 • Facilitation of design meetings to confirm and capture all requirements
- 4536 • Validated set of final requirements that are unique, verifiable (testable), bounded and  
4537 where all relationships and interfaces are defined

#### 4538 **Vendor Responsibility**

- 4539 • Review documentation provided by the State pertaining to the HIX System
- 4540 • Conduct in-depth analysis of existing business, system, and user requirements
- 4541 • Plan, schedule, and conduct requirements analysis meetings with appropriate HIX staff



- 4542 • Document findings of these meetings and prepare draft reports for review and comment
- 4543 by HIX staff
- 4544 • Document a final set of requirements in narrative format
- 4545 • Conduct a walkthrough of the final set of requirements with appropriate HIX staff
- 4546 • Prepare a detailed requirements deliverable that must be used to guide work to be per-
- 4547 formed in subsequent project tasks
- 4548 • Participate in the Requirements Change Control Board process as needed

4549 **Acceptance Criteria**

- 4550 • 6.1: Requirements Documentation
- 4551 • Plan addresses the identification and understanding of requirements throughout the
- 4552 conceptual architectural design, detail design, and testing documentation activities
- 4553 • Inclusion of changes to requirements that HIX approves
- 4554 • Documentation of the Requirements as described in this RFP
- 4555 • Resolution of all outstanding issues related to the requirements

4556 **Task 6.2: Requirements Validation and Traceability Plan**

4557 The Requirements Validation and Traceability Plan documents the Vendor's approach to ensur-  
4558 ing that all requirements are captured and met. The purpose of this task is to describe the Ven-  
4559 dor's approach to review, analyze, and validate requirements throughout the life of the project.  
4560 This task must include at a minimum:

- 4561 • Approach to review and analyze all requirements during design sessions
- 4562 • Approach to validate a common understanding of all requirements during conceptual ar-
- 4563 chitectural design sessions
- 4564 • Strategy for maintaining requirement traceability in all documentation

4565 **Vendor Responsibility**

- 4566 • Validate an approach to obtain common understanding of the requirements in this RFP
- 4567 • Document the process to add and remove requirements that HIX approves via the
- 4568 change control process
- 4569 • Collaborate with HIX for the tool that will create traceability from RFP through operations

4570 **Acceptance Criteria**

- 4571 • 6.2: Requirements Validation and Traceability Plan
- 4572 • Plan addresses the validation of requirements throughout the architectural design, detail
- 4573 design, and testing documentation activities

- 4574 • Inclusion of requirement changes that HIX approves in the change control process
- 4575 • Documentation of the Requirements Validation and Traceability Plan as described in this
- 4576 RFP
- 4577 • Documentation of the tool for tracking requirements

### 4578 **Task 6.3: Requirement Change Control Plan**

4579 The Requirement Change Control Plan describes the Vendor's approach to requirement change  
4580 control, including the tracking of requirements, software used to track all requirements, reporting  
4581 of requirements, assignment, resolution, and escalation of requirement change control requests.  
4582 This plan will be consistent with the vendor's configuration control approach.

### 4583 **Vendor Responsibility**

- 4584 • Create Requirement Change Control Plan
- 4585 • Apply changes as requested
- 4586 • Collaborate with HIX on the tool's user access and reporting requirements

### 4587 **Acceptance Criteria**

- 4588 • 6.3: Requirement Change Control Plan
- 4589 • Provision of a change request form for project staff to complete when a change to a re-
- 4590 quirement is identified
- 4591 • Documentation of the methodology for change requests, review and approval of the re-
- 4592 quests, committee for acceptance or denial of the request, costs associated with the re-
- 4593 quest, resolution, and escalation of the request

## 4594 **7.1.7 Activity 7: Conceptual Architectural Design**

### 4595 **Objective**

4596 To build the basic foundation that defines the structure of the HIX System, including the func-  
4597 tional components, their relationships and interfaces, and the system behavior.

### 4598 **Description**

4599 The system conceptual architectural design activity will identify which system requirement must  
4600 be allocated to which components of the system. As a result of the successful implementation of  
4601 the system conceptual architectural design process:

- 4602 • System architecture design is defined that identifies component aggregations, compo-
- 4603 nents, and subcomponents of the HIX System that meets the defined requirements
- 4604 • The System requirements are addressed
- 4605 • The requirements are allocated to the components of the System
- 4606 • Internal and external interfaces of each system component are defined

- 4607       • Verification is performed between the system requirements and the system architectures
- 4608       • The requirements allocated to the system components and their interfaces are traceable
- 4609       to the requirement baseline of HIX
- 4610       • Consistency and traceability between system requirements and system architecture de-
- 4611       sign are maintained
- 4612       • The system requirements, the system architecture design, and their relationships are
- 4613       base-lined and communicated to all affected parties
- 4614       • Interfaces with other systems are defined
- 4615       • Human factors and ergonomics knowledge and techniques are incorporated in the sys-
- 4616       tem design
- 4617       • Human centered design activities are identified and performed
- 4618       A top-level architecture of the System must be established. The architecture must identify items
- 4619       of hardware, software, operating systems, memory, service packs, product keys and manual
- 4620       operations. Hardware configuration items, software configuration items, and manual operations
- 4621       must be subsequently identified from these items. The system architecture and system require-
- 4622       ments allocated to the items must be documented.
- 4623       The system architecture and the requirements for the items must be evaluated considering the
- 4624       criteria listed below. The results of the evaluations must be documented:
- 4625       • Traceability to system requirements
- 4626       • Consistency with system requirements
- 4627       • Appropriateness of design standards and methods used
- 4628       • Feasibility of the software components to fill their allocated requirements
- 4629       • Feasibility of operations and maintenance
- 4630       The purpose of the software conceptual architectural design process is to provide a design for
- 4631       the software that implements the software component and can be verified against the require-
- 4632       ments. As a result of successful implementation of the software conceptual architectural design
- 4633       process:
- 4634       • A software conceptual architectural design is developed and base-lined that describes
- 4635       the software components that will implement the software requirements
- 4636       • Internal and external interfaces of each software component are defined
- 4637       • Consistency and traceability are established between software requirements and soft-
- 4638       ware design
- 4639       • The requirements for the HIX System have been transformed into an architecture that
- 4640       describes the System's top level structure and identifies the software components to en-
- 4641       sure that all requirements for the software component are allocated to its software sub-

4642 components and further refined to facilitate detailed design. The architecture of the soft-  
4643 ware design must be documented.

4644 • A top-level design is developed and documented for the interfaces external to the HIX  
4645 System and between the software components of the System

4646 • A top-level design is developed and documented for the database(s)

4647 • Preliminary versions of user documentation are developed and documented

4648 • Preliminary test requirements and the schedule must be defined and documented for  
4649 software integration

4650 The Vendor must evaluate the architecture of the software component and the interface and  
4651 designs considering the criteria listed below:

4652 • Traceability to the requirements of software component

4653 • External consistency with the requirements of the HIX System

4654 • Internal consistency between the software components of the component aggregation

4655 • Appropriateness of design methods and standards used

4656 • Feasibility of detail design

4657 • Feasibility of operation and maintenance

4658 • The results of the evaluations must be documented.

4659 Conceptual design is the vital stage of the product creation that defines the success or failure of  
4660 the product usability. In this activity, the Vendor performs tasks including defining the method-  
4661 ology for conceptual design with an approach to the design sessions, and the specifications for  
4662 the conceptual design.

#### 4663 **Deliverables**

4664 • 7.1: Conceptual Architectural Design Methodology

4665 • 7.2: Conceptual Architectural system Design

4666 • 7.3: Business Rules Plan

4667 • 7.4: Workflow Plan

#### 4668 **Task 7.1: Conceptual Architectural Design Methodology**

4669 The Conceptual Architectural Design Methodology describes the Vendor's approach to design  
4670 sessions and validation of the design specifications for the HIX System. The outcomes of this  
4671 task must include at a minimum:

4672 • The methodology that will be used for sessions

4673 • Schedule, topics, location, and participants for each design session

- 4674       • The requirements that each session will address, including the strategy to maintain
- 4675       traceability of all requirements during each session
- 4676       • The business process that will be addressed for each design session
- 4677       • The strategy to ensure a final integrated design
- 4678       • A style guide that describes what will be included in the conceptual design specifications
- 4679       that Vendor analysts will use for design layouts
- 4680       • The strategy for design session results and validation of these results
- 4681       • The participant training that will take place prior to the start of design session

**4682 Vendor Responsibility**

- 4683       • Prepare and create a methodology that will be used for conceptual architectural design
- 4684       sessions
- 4685       • Create a schedule, topics, location, and participants for conceptual architectural design
- 4686       sessions
- 4687       • Develop a strategy to ensure a final integrated design
- 4688       • Collaborate with HIX on a style guide for design layouts, staffing, schedule, and busi-
- 4689       ness process
- 4690       • Prepare and develop a strategy for design session results and validation of these results
- 4691       • Create training materials for session participants

**4692 Acceptance Criteria**

- 4693       • 7.1: Conceptual Architectural Design Methodology
- 4694       • Compliance with all the requirements
- 4695       • Completion of participant training sessions prior to the start of the conceptual architec-
- 4696       tural design sessions
- 4697       • Documentation of a comprehensive design style guide
- 4698       • Documentation of the schedule, topics, locations, and participants for each session

**4699 Task 7.2: Conceptual Architectural System Design**

- 4700       • As a result of the design sessions, the Vendor will produce a Conceptual Architectural De-
- 4701       sign incorporating the items identified in the Description above. The design must implement
- 4702       the software component, be verified against the System requirements and:
- 4703       • The design must be base-lined describing the software components that will implement
- 4704       the software requirements
- 4705       • Internal and external interfaces of each software component must be defined

- 4706 • Consistency and traceability must be established between software requirements and  
4707 software design
- 4708 • The Vendor must transform the requirements for the software into an architecture that de-  
4709 scribes its top level structure and identifies the software components. The Vendor must  
4710 ensure that all requirements for the software component are allocated to its software sub-  
4711 components and further refined to facilitate detailed design. The architecture of the software  
4712 design must be documented.
- 4713 • The Vendor must develop and document a top-level design for the interfaces external to the  
4714 HIX System and between the software components of any component aggregation
- 4715 • The Vendor must develop and document a top-level design for the database(s)
- 4716 • The Vendor must develop and document preliminary versions of user documentation
- 4717 • The Vendor must define and document preliminary test requirements and the schedule for  
4718 software integration
- 4719 The Vendor must evaluate the architecture of the software component and their interfaces with-  
4720 in the overall design of the HIX System. The results of the evaluations must be documented.

4721 **Vendor Responsibility**

- 4722 • Arrange and facilitate Joint Application Development (JAD) sessions and provide  
4723 minutes to participants for review
- 4724 • Prepare the Conceptual System Design, meeting the requirements as defined in this  
4725 RFP and as defined through the JAD sessions
- 4726 • Document a preliminary set of business rules and workflows
- 4727 • Conduct ongoing presentation of window, screen, business rules, and other layouts and  
4728 obtain HIX subject matter expert approval
- 4729 • Conduct walkthroughs and demonstrations during the Conceptual Architectural System  
4730 Design to enhance HIX understanding and to facilitate the approval process
- 4731 • Facilitate presentation for HIX approval to move to the detail design task of the project

4732 **Acceptance Criteria**

- 4733 • 7.2: Conceptual Architectural System Design
- 4734 • Compliance with all the requirements
- 4735 • Documentation of preliminary business rules and workflows
- 4736 • Design specifications meet the agreed upon style guide
- 4737 • Documentation of the completion of all sessions
- 4738 • Inclusion of steps that allow for review and approval of design specifications by HIX (i.e.,  
4739 decision point)

4740 **Task 7.3: Business Rules Plan**

4741 The Business Rules Plan includes the Vendor's approach to identification and documentation of  
4742 the business rules. The purpose of this task is for the Vendor to identify the approach used to  
4743 facilitate business rules development with the HIX project team; and to analyze, identify, com-  
4744 pare, validate, refine, and document the HIX business rules related to the HIX System during  
4745 conceptual and detail design. This task must include at a minimum:

- 4746 • Approach to review and analyze all business rules during design sessions
- 4747 • Approach to validate a common understanding of all business rules during design ses-  
4748 sions
- 4749 • Identification of tools that will be used to diagram, present and confirm business rules  
4750 (e.g., decision trees, decision tables, etc.)

4751 **Vendor Responsibility**

- 4752 • Identify and analyze business rules needed by the HIX System
- 4753 • Arrange for and facilitate business rules sessions
- 4754 • Validate an approach to obtain common understanding of the business rules
- 4755 • Document the methodology to identify, diagram and present business rules to HIX for  
4756 approval during conceptual and detail design
- 4757 • Document the process to add and remove business rules that are approved by HIX dur-  
4758 ing the life of the project
- 4759 • Document rules set in human-readable form so that it may be submitted to an HHS re-  
4760 pository

4761 **Acceptance Criteria**

- 4762 • 7.3: Business Rules Plan
- 4763 • Addresses the validation of business rules throughout the conceptual design, detail de-  
4764 sign, and testing documentation activities
- 4765 • Inclusion of changes to business rules that HIX approves
- 4766 • Documentation of the Business Rules

4767 **Task 7.4: Workflow Plan**

4768 The Workflow Plan includes the Vendor's approach to documentation of the System's work-  
4769 flows. The purpose of this task is for the Vendor to identify the approach used to facilitate work-  
4770 flow refinement sessions with the HIX project team to analyze, validate, refine, and document  
4771 the HIX workflows related to the HIX System during conceptual and detail design. HIX will pro-  
4772 vide the Vendor with the workflow templates provided by CMS, or templates already modified



4773 for Alabama if available, as a starting point for this task. These workflows will be modified as  
4774 necessary to meet the HIX business needs. This task must include at a minimum:

- 4775 • Approach to review and analyze all workflows during design sessions
- 4776 • Approach to validate a common understanding of all workflows during design sessions
- 4777 • Approach to workflow and workflow rules

#### 4778 **Vendor Responsibility**

- 4779 • Identify all workflows of the System
- 4780 • Facilitate workflow sessions
- 4781 • Validate an approach to obtain common understanding of the workflows
- 4782 • Document the methodology to identify, diagram and present workflows to HIX for ap-  
4783 proval during conceptual and detail design
- 4784 • Document the process to add and remove workflows that are approved by HIX during  
4785 the life of the project

#### 4786 **Acceptance Criteria**

- 4787 • 7.3: Workflow Plan
- 4788 • Addressing the validation of workflows throughout the conceptual design, detail design,  
4789 and testing documentation activities
- 4790 • Inclusion of changes to workflows that HIX approves
- 4791 • Documentation of the Workflow Rules

4792

### 4793 **7.1.8 Activity 8: Detailed Design**

#### 4794 **Objective**

4795 To create system architecture and design documents that incorporate the System requirements.

#### 4796 **Description**

4797 The activities associated with detail design include specifications for all system objects, such as  
4798 programs, screens, interfaces, reports, templates, and forms. The Vendor's responsibilities in-  
4799 clude documentation of the detail design methodology, as well as training for all of the partici-  
4800 pants in the design sessions.

4801 The purpose of the software detailed design activity is to provide a design for the software that  
4802 implements and can be verified against requirements in the software architecture and that is  
4803 sufficiently detailed to permit coding and testing. As a result of successful implementation of the  
4804 software detailed design process:

- 4805 • A detailed design of each software component aggregation, describing the software  
4806 components to be built, is developed

- 4807
  - External interfaces of each software component are defined
- 4808
  - Consistency and traceability are established between the detailed design and the re-
- 4809
  - quirements and the Conceptual Architectural design
- 4810 The Vendor must develop the detailed design for each software component of the HIX System.
- 4811 The software components must be refined into lower levels containing software subcomponents
- 4812 that can be coded, compiled, and tested, as appropriate. The detailed design must ensure that
- 4813 all the software requirements are allocated from the software component aggregations to the
- 4814 software components. As part of this task, the Vendor must develop and document the de-
- 4815 tailed design for the database(s).
- 4816 The Vendor must develop and document a detailed design for the interfaces external to the HIX
- 4817 System, between the software component aggregations, and between the software components
- 4818 within the component aggregations. The detailed design of the interfaces must permit coding
- 4819 without the need for further information.
- 4820 The Vendor must define and document test requirements and a schedule for testing software
- 4821 components. The test requirements must include stressing the software component at the limits
- 4822 of its requirements. Testing requirements must also include compliance testing against accept-
- 4823 ed industry standards and Section 508 of the U.S. code (regarding handicap access). The
- 4824 Vendor must update the test requirements and the schedule testing as needed for software in-
- 4825 tegration.
- 4826 The Vendor must evaluate the software detailed design and test requirements considering the
- 4827 criteria listed below. The results of the evaluation must be documented.
- 4828
  - Traceability to the requirements of the software component
- 4829
  - External consistency with Conceptual Architectural design
- 4830
  - Internal consistency between software components of a software component aggrega-
- 4831
  - tion
- 4832
  - Appropriateness of design methods and standards used
- 4833
  - Feasibility of testing
- 4834
  - Feasibility of operations and maintenance
- 4835 **Deliverables**
- 4836
  - 8.1: Detail System Design Session Plan
- 4837
  - 8.2: Detail System Design Document
- 4838
  - 8.3: Business Rules Design
- 4839
  - 8.4: Interface Design
- 4840
  - 8.5: Forms, Templates, and Notices Detail Design
- 4841
  - 8.6: Alerts Detail Design

- 8.7: Reports Detail Design

#### **Task 8.1: Detail System Design Session Plan**

In the Detail System Design Session Plan task, the Vendor develops and documents the approach to design sessions and validation of the design specifications. The outcomes of this task must include at a minimum:

- The methodology that will be used for design sessions
- Schedule, topics, location, and participants for each design session
- The requirements that will be addressed for each session including a bi-directional strategy to maintain traceability of all requirements during session
- The business process that will be addressed for each design session
- The strategy to ensure a final integrated design
- A style guide that describes the design specifications that Vendor analysts will use for design layouts
- The strategy for design session results and validation of these results
- The participant training that will take place prior to the start of design

#### **Vendor Responsibility**

- Prepare and create a methodology that will be used for detail system design sessions
- Create a schedule, topics, location, and participants for each detail system design session
- Develop a strategy to ensure a final integrated design
- Collaborate with HIX on a style guide for design layouts, staffing, schedule, and business process
- Prepare and develop a strategy for compiling design session results and validating these results
- Create training materials for session participants
- Conducting training for session participants

#### **Acceptance Criteria**

- 8.1: Detail System Design Session Plan
- Documentation of the Detail System Design Plan as described in this RFP
- Completion of participant training sessions prior to the start of design sessions
- Documentation of a comprehensive design style guide
- Documentation of the schedule, topics, locations, and participants for each session

4874 **Task 8.2: Detail System Design Document**

4875 The Vendor develops and validates the Detail System Design (DSD) document in this task. The  
4876 detail system design will describe the system architecture and design at the detailed level and  
4877 provides the programmers sufficient information to develop the HIX System.

4878 At a minimum, the task must include:

- 4879 • Final logical and physical data models
- 4880 • Final data model with all relationships, business rules, definitions, and table domains in-  
4881 cluding look up tables
- 4882 • Final application infrastructure rules including rules to handle data inserts to maintain  
4883 logical consistency between records
- 4884 • Final detailed comprehensive data element dictionary including, at a minimum:
  - 4885 ○ A description of all tables used in the HIX System
  - 4886 ○ A description of each data element within each table
  - 4887 ○ A unique data element number and standard data element name
  - 4888 ○ A narrative description and definition of the data element based on the Alabama  
4889 database naming standards
  - 4890 ○ A table of values for each data element when there is a fixed set of values
  - 4891 ○ The source of each data element
  - 4892 ○ Valid values with definitions
  - 4893 ○ Lists from the data element dictionary in using multiple sorting and filtering meth-  
4894 ods
- 4895 • Final Business Process Model Notation diagram that shows the relationship between  
4896 business processes, input, and outputs
- 4897 • Final network topology diagram including configuration alternatives and all hardware and  
4898 software detail
- 4899 • Final business rules
- 4900 • Final detailed system architecture
- 4901 • Detailed narrative of the entire System and the flow of data through the System including  
4902 diagrams
- 4903 • Detailed narrative of navigation, describing inputs, features, and processes
- 4904 • Final screen/window layout
- 4905 • Final screen narratives with screen/field mapping
- 4906 • Identification of all requirements that are met with the proposed conceptual design

- 4907 • Detailed program logic descriptions and edit logic including, at a minimum, the sources  
4908 of all input data, each process, all editing criteria, all decision points, and associated cri-  
4909 teria, interactions with other programs, and all outputs
- 4910 • Final layouts for all inputs to include, at a minimum, input names and numbers; data el-  
4911 ement names, numbers, and sources for each input field and examples of each input
- 4912 • Final layouts for all outputs to include, at a minimum, output names and numbers; data  
4913 element names, numbers, and sources for each output field; and examples of each out-  
4914 put
- 4915 • Final layouts for all files to include, at a minimum, file names and numbers; data element  
4916 names, numbers, number of occurrences, length and type; record names and numbers,  
4917 and file maintenance data such as number of records, file space, and so forth

#### 4918 **Vendor Responsibility**

- 4919 • Develop the final version of the DSD specifications
- 4920 • Conduct walkthroughs and demonstrations during the detail system design to enhance  
4921 HIX understanding and to facilitate the approval process
- 4922 • Conduct ongoing presentations of screen/window, and other layouts and obtaining HIX  
4923 approval during the detail system design development to facilitate overall HIX approval
- 4924 • Facilitate presentation for committee approval to move to the development task of the  
4925 project

#### 4926 **Acceptance Criteria**

- 4927 • 8.2: Detail System Design Document
- 4928 • Documentation of the detail system design according to the requirements of this RFP,  
4929 and those added through the change control process
- 4930 • Documentation of a complete, comprehensive design that is ready for development
- 4931 • Resolution of all outstanding issues related to the design
- 4932 • Inclusion of steps that allow for review and approval of redesign specifications by HIX  
4933 (i.e., decision point)

#### 4934 **Task 8.3: Business Rules Design**

4935 The purpose of this task is for the Vendor to facilitate JAD sessions with the HIX project team to  
4936 analyze, identify, validate, refine, and document the HIX business rules related to the HIX Sys-  
4937 tem. The Vendor must summarize the results of the business rules in narrative format. Included  
4938 in this task will be the identification of decision tables, appropriate parameters, and reference  
4939 tables utilized by the business rules. This task must include at a minimum:

- 4940 • Identification and analysis of all business rules to ensure there is a common understand-  
4941 ing of all rules

- 4942       • Conducting business rule sessions to obtain confirmation of rules, decision tables, refer-  
4943       ence tables, and parameters

- 4944       • Documenting business rules and decision tables

- 4945       • Development of a strategy for tracking rules changes in all documentation

4946       **Vendor Responsibility**

- 4947       • Identify and analyze business rules required by the HIX System

- 4948       • Facilitate business rules design sessions

- 4949       • Ensure common understanding of the business rules

- 4950       • Diagram and present business rules to HIX staff for approval during detail design

- 4951       • Document the process to add and remove business rules approved by HIX during the  
4952       life of the project

- 4953       • Develop the final business rules design

4954       **Acceptance Criteria**

- 4955       • 8.3: Business Rules Design

- 4956       • Addresses the validation of business rules throughout the conceptual design, detail de-  
4957       sign, and testing documentation activities

- 4958       • Inclusion of changes to business rules upon HIX approval

- 4959       • Documentation of the Business Rules Design as described in this RFP

4960       **Task 8.4: Interface Detail Design**

4961       The Interface Detail Design task consists of the Vendor's design and documentation of all Sys-  
4962       tem interfaces. The interface design must include at a minimum:

- 4963       • System configuration diagram showing all HIX System interfaces

- 4964       • Interface design descriptions, including:

- 4965           ○ Interface identification, including type of interface (such as real-time data trans-  
4966           fer, storage-and-retrieval of data, etc.) to be implemented

- 4967           ○ Characteristics of individual data elements and data element assemblies (rec-  
4968           ords, messages, files, arrays, displays, reports, etc.) that the interfacing entity(s)  
4969           will provide, store, send, access, receive, etc.

- 4970           ○ Characteristics of communication methods and protocols that the interfacing enti-  
4971           ty(s) will use for the interface

- 4972           ○ Characteristics of processing including processing time requirements

- 4973           ○ Other characteristics, such as physical compatibility of the interfacing entity(s)  
4974           (dimensions, tolerances, loads, plug compatibility, etc.)

- 4975                   ○ Traceability to requirements addressed by the interfaces
- 4976           • Any specifications required of other systems to ensure an effective interface with the HIX
- 4977           System

4978   The documentation for each interface must include:

- 4979           • Detailed interface descriptions including, at a minimum, data elements, editing criteria,
- 4980           business rules, HIX, State, and Federal policy requirements driving the informational
- 4981           need for the interface, and all decision points and associated criteria, interactions with
- 4982           other programs, and all inputs and outputs
- 4983           • Layouts for all interfaces including, at a minimum, file/database names and other identi-
- 4984           fiers, number and direction of transmittals, record names, numbers, length and type, as
- 4985           well as interface and file maintenance data such as, but not limited to: number of records
- 4986           during routine operations, required disk space, file retention, and backup (all of which
- 4987           can be the same layouts used in the detail system design so long as they meet all re-
- 4988           quirements for both deliverables)
- 4989           • System narratives and module narratives (including structure charts), identifying the pro-
- 4990           cess associated with each interface, the purpose of the interface, and interrelationships
- 4991           between the program modules involved in the interface
- 4992           • Detailed comprehensive interface description dictionary, including, at a minimum, data
- 4993           element names, numbers, descriptions, and definitions (including length and type); valid
- 4994           values with definitions; sources for all identified data elements and information transmit-
- 4995           tals
- 4996           • Interface and process descriptions showing the flow of major processes and data in
- 4997           each of the subsystems and across subsystems
- 4998           • Subsystem name and identification and subsystem data flows
- 4999           • Security implications

#### 5000   **Vendor Responsibility**

- 5001           • Prepare and develop an approach to Interface sessions and validation of interface de-
- 5002           sign specifications
- 5003           • Prepare and develop a schedule, topics, location, and participants for each DSD session
- 5004           • Facilitate the Interface detail system design sessions
- 5005           • Prepare the final detailed Interface Design as described in this RFP and as defined
- 5006           through the JAD sessions

#### 5007   **Acceptance Criteria**

- 5008           • 8.4: Interface Detail Design
- 5009           • Documentation of a final interface design that integrates in the detail system design doc-
- 5010           ument



- 5011 • Documentation of the Interface Design task according to the requirements of this RFP
- 5012 and those added through the change control process
- 5013 • Documentation of a complete, comprehensive design that is ready for development
- 5014 • Resolution of all outstanding issues related to the design

5015 **Task 8.5: Forms, Templates, and Notices Detail Design**

5016 Concurrently with detail design sessions, the Vendor will create the design specifications for

5017 all forms, templates, and notices. The design must include at a minimum:

- 5018 • Each template that will be generated with pre-filled data from the HIX System including
- 5019 forms and notices
- 5020 • Each form and notice that will be generated by the HIX System
- 5021 • Any form or notice that will be stored in the Document Management System
- 5022 • Data map sourcing for all prefilled templates

5023 **Vendor Responsibility**

- 5024 • Collaborate with HIX on the final detailed design of the layout, narratives, and data map-
- 5025 ping source for each:
  - 5026 ○ Standardized form or notice generated from the HIX System
  - 5027 ○ Template that will be generated with prefilled data from the HIX System
- 5028 • Facilitate the Forms, Templates, and Notices detail system design sessions
- 5029 • Conduct walkthroughs and demonstrations during the detail system design to enhance
- 5030 HIX understanding and to facilitate the approval process
- 5031 • Develop the final detailed design of the layout and narratives for each form and notice
- 5032 that will be stored in the Document Management System

5033 **Acceptance Criteria**

- 5034 • 8.5: Forms, Templates and Notices Detail Design
- 5035 • Documentation of tools related to document management and template creation
- 5036 • Identification of all forms, templates, and notices
- 5037 • Identification of source of all data that pre-fills templates
- 5038 • Resolution of all outstanding issues related to the design
- 5039 • Documentation of the Forms, Templates, and Notices design as described in this RFP
- 5040 and as defined through the JAD sessions

**5041 Task 8.6: Alerts Detail Design**

5042 Concurrently with detail design sessions, the Vendor will create the design specifications for all  
5043 alerts. The design must include at a minimum:

- 5044 • Each alert required from the HIX System
- 5045 • Description of resolution of alerts

**5046 Vendor Responsibility**

- 5047 • Collaborate with HIX on the final detailed design of the alerts generated by the HIX Sys-  
5048 tem
- 5049 • Facilitate the alerts detail system design sessions
- 5050 • Conduct walkthroughs and demonstrations during the detail system design to enhance  
5051 HIX understanding and to facilitate the approval process
- 5052 • Develop the final detailed design of the Alerts process

**5053 Acceptance Criteria**

- 5054 • 8.6: Alerts Detail Design
- 5055 • Identification and documentation of all alerts generated by the HIX System
- 5056 • Identification of source of all data that is used to generate each alert
- 5057 • Identification of what triggers an alert, when the alert is generated, and how the alert is  
5058 resolved
- 5059 • Resolution of all outstanding issues related to the design
- 5060 • Documentation of Alerts Detail Design as described in this RFP and as defined through  
5061 the JAD sessions

**5062 Task 8.7: Reports Detail Design**

5063 Concurrently with detail design sessions, the Vendor will create the design specifications for all  
5064 reports. The design must include at a minimum:

- 5065 • Each standardized report generated from the HIX System
- 5066 • Data map sourcing for all reports

**5067 Vendor Responsibility**

- 5068 • Collaborate with HIX on the final detailed design of the layout and data mapping source  
5069 for each standardized report generated from the HIX System,
- 5070 • Facilitate the reports detail system design sessions
- 5071 • Conduct walkthroughs and demonstrations during the detail system design to enhance  
5072 HIX understanding and to facilitate the approval process

- 5073       • Collaborate and identify which reports, if any, that will be created by HIX and which re-  
5074       ports will be developed by the Vendor

- 5075       • Develop the final detailed design of the reports generated by the System

5076       **Acceptance Criteria**

- 5077       • 8.7: Reports Detail Design
- 5078       • Documentation of tools related to reports development
- 5079       • Identification of all reports generated by the HIX System
- 5080       • Identification of HIX or Vendor responsibility for the completion of each report
- 5081       • Identification of source of all data that generates reports
- 5082       • Resolution of all outstanding issues related to the design
- 5083       • Documentation of the Report Detail Design as described in this RFP and as defined  
5084       through the JAD sessions

5085       **7.1.9 Activity 9: Security**

5086       **Objective**

5087       To create system security design documents that incorporate State and Federal regulations and  
5088       publications, and to assure that these provisions are incorporated into the System requirements  
5089       created for the HIX System.

5090       **Description**

5091       The detail design activities will provide a methodology for processing, capture, storage, trans-  
5092       formation, and dissemination of information during the development of the security design. Doc-  
5093       umenting this information facilitates the successful design, development, and implementation of  
5094       the security for the HIX System. The activities associated with the security design include speci-  
5095       fications for access for all roles and their related security levels.

5096       **Deliverables**

5097       The following lists the deliverables for the Security activity:

- 5098       • 9.1: Security Design Document
- 5099       • 9.2: User Access Security Plan

5100       **Task 9.1: Security Design Document**

5101       Through the Security Design Document, the Vendor describes the approach to security design.  
5102       The design must conform to the State and Federal regulations and publications related to sys-  
5103       tem security requirements and password usage.

5104 This task must also result in a description of the Vendor's approach to ensure the security of the  
5105 HIX System and the data throughout the project lifecycle. At a minimum, the outcomes of this  
5106 task must include information on:

- 5107       • Accountability, which includes the approach to establishing and maintaining security re-  
5108       responsibility and accountability
- 5109       • Granting or restricting access to all the applications (including Web-enabled applica-  
5110       tions) and data, auditing security events, auditing security configurations and changes,  
5111       generating security reports, and monitoring the System for vulnerabilities and intrusions
- 5112       • Managing user creation, assignment of new User ID (User Identifica-  
5113       tion)/password/personal identification numbers (PINs), role assignments, and activity  
5114       monitoring
- 5115       • Compliance, including the approach to maintaining compliance with law, standards, and  
5116       best practices
- 5117       • Technical security must include, at a minimum, the approach to each of the following:
  - 5118           ○ Network segmentation
  - 5119           ○ Perimeter security
  - 5120           ○ Application security and data sensitivity classification
  - 5121           ○ Protected Health Information (PHI) and Personally Identifiable Information (PII)  
5122           data elements
  - 5123           ○ Intrusion management
  - 5124           ○ Monitoring and reporting
  - 5125           ○ Host hardening
  - 5126           ○ Remote access
  - 5127           ○ Encryption (128-bit minimum)
  - 5128           ○ Statewide active directory services for authentication
  - 5129           ○ Interface security
  - 5130           ○ Security test procedures
  - 5131           ○ management of network security devices
  - 5132           ○ Security patch management
  - 5133           ○ Defending against viruses and mobile code
  - 5134           ○ Secure Sockets Layer (SSL) for providing communications security over the in-  
5135           ternet
- 5136       • Detailed diagrams must be produced that depict all security-related devices and subsys-  
5137       tems and their relationships with other systems for which they provide controls

5138 **Vendor Responsibility**

- 5139 • Develop a security design that ensures all systems, procedures, and practices are fully
- 5140 secured and protected
- 5141 • Review relevant State and Federal regulations and publications
- 5142 • Document how State policies and procedures will be adhered to
- 5143 • Perform compliance testing

5144 **Acceptance Criteria**

- 5145 • 9.1: Security Design Document
- 5146 • Compliance with all the requirements
- 5147 • Completion of walkthroughs and demonstrations of the Security Design to enhance HIX
- 5148 understanding and to facilitate the approval process
- 5149 • Completion of Security Design Document according to the System requirements as de-
- 5150 fined in this RFP and as defined through the JAD sessions
- 5151 • Provision of references to State and Federal policies within the design document

5152 **Task 9.2: User Access Security Plan**

5153 The Vendor defines the approach to user access security during this task in the User Access  
5154 Security Plan. At a minimum, the plan must include a description of the following:

- 5155 • Types and relationships between the HIX System security elements, e.g., users, groups,
- 5156 and roles
- 5157 • Categorization of access into different security levels that will be defined by HIX to in-
- 5158 clude, at a minimum, users, groups, and roles
- 5159 • Matrix of roles and privileges
- 5160 • Screen/Window level security
- 5161 • Level of authorization/security for specific functions by individual user including module
- 5162 level security for grouping of screens/pages
- 5163 • Field level security including links that route to interfaces
- 5164 • Restrictions on modifying or overriding system edits and audits or altering system func-
- 5165 tionality
- 5166 • Types of online security checks, including security by individual, HIX defined role, loca-
- 5167 tion, files, and fields before allowing access to any files including data, software, code,
- 5168 resources, or any other files resident with or accessed by HIX
- 5169 • Types of Privacy Policy statements such as:
  - 5170 ○ Privacy Policy for External users, e.g., Providers

- 5171
  - Privacy Policy for Internal users, e.g., HIX
- 5172
  - Types of events that require logging in response to specific situations such as:
- 5173
  - Start up and shut down of audit functions
- 5174
  - Successful and unsuccessful logons and logoffs
- 5175
  - Successful and unsuccessful attempts to access security relevant files and utilities,
- 5176
  - including user authentication information
- 5177
  - Log information on read, modify, or destroy operations
- 5178
  - Configuration changes made during auditing operations
- 5179
  - Unsuccessful usage of user identification or authentication mechanisms
- 5180
  - Changes to the time or any other sensitive field value
- 5181
  - Activities that modify, bypass, or negate system security controls
- 5182
  - Use of privileged accounts
- 5183
  - Administrator logons, changes to the administrator group, and account lockouts
- 5184
  - Actions following log storage failure or exceeding threshold levels
- 5185
  - Unsuccessful security attribute revocations
- 5186
  - Modifications to user groups within a role
- 5187
  - Key recovery requests and associated responses
- 5188
  - Access denials resulting from excessive numbers of logon attempts
- 5189
  - Blocking or blacklisting of user ID, terminal, or access port
- 5190
  - Detected replay attacks
- 5191
  - Rejections of new sessions based on limits to number of concurrent sessions
- 5192
  - System software installations

#### 5193 **Vendor Responsibility**

- 5194
  - Conduct walkthroughs and demonstrations during the User Access Security Plan devel-
- 5195
  - opment to enhance HIX understanding and to facilitate the approval process
- 5196
  - Collaborate with HIX prior to completing the plan
- 5197
  - Prepare the User Access Security Plan, meeting the requirements as defined in this RFP
- 5198
  - and as defined through the JAD sessions

#### 5199 **Acceptance Criteria**

- 5200
  - 9.2: User Access Security Plan
- 5201
  - Compliance with all the requirements
- 5202
  - Documentation of the method used to collaborate with HIX

**5203 7.1.10 Activity 10: Continuity of Operations****5204 Objective**

5205 The objective of Continuity of Operations is to ensure no losses or to minimize losses in the  
5206 event of a disruptive event.

**5207 Description**

5208 In this activity the Vendor must provide a methodology for resumption of applications, data,  
5209 hardware, communications (such as networking) and other IT infrastructure in the event of a  
5210 disaster. The methodology must also address activities for the prevention and detection of an  
5211 event and the regular testing of these controls and strategies to ensure the protection of data.

**5212 Deliverables**

5213 The following lists the deliverables for the Continuity of Operations activity:

- 5214 • 10.1: Disaster Recovery Plan

**5215 Task 10.1: Disaster Recovery Plan**

5216 The Vendor must develop a Disaster Recovery Plan that provides for adequate backup and re-  
5217 recovery for all HIX System Operations, both manual and automated, including all functions re-  
5218 quired to meet the backup and recovery. The plan must conform to the following State and Fed-  
5219 eral guidelines and standards related to disaster recovery and backup:

- 5220 • Disaster Recovery Plan in accordance to the "45 CFR 95.621(f)" Federal guideline
- 5221 • Disaster Recovery Plan in accordance to the State of Alabama policy entitled, "Policy  
5222 700-00: Disaster Recovery"
- 5223 • State of Alabama – Standard 670-07S1: Backup and Recovery

5224 In the Disaster Recovery Plan, the Vendor must identify every resource that requires backup  
5225 and to what extent backup is required. In addition, the Vendor must identify the software and  
5226 data backup requirements. The plan must include at a minimum the following:

- 5227 • Recovery procedures from all events ranging from a minor malfunction to a major disas-  
5228 ter
- 5229 • For offsite environments, roles and responsibilities of Vendor, State and outsourcer staff
- 5230 • Checkpoint/restart capabilities
- 5231 • Retention and storage of backup files and software
- 5232 • Hardware backup for the main processor
- 5233 • Application and operating system software libraries, including related documentation
- 5234 • Identification of the core business processes involved in the HIX System
- 5235 • Documentation of contingency plans



- 5236
- Definition of triggers for activating contingency plans

- 5237
- Plan for replacement of hardware and software

5238 **Vendor Responsibility**

- 5239
- Review all Alabama State policies and procedures and current recovery plans

- 5240
- Collaborate with HIX to create Disaster Recovery Plan

- 5241
- Identify process of maintaining a current plan throughout the life of the project

- 5242
- Create inventories

- 5243
- Create step to step instructions on business continuity and recovery

5244 **Acceptance Criteria**

- 5245
- 10.1: Disaster Recovery Plan

- 5246
- Compliance with all the requirements

- 5247
- Documentation of the method used to collaborate with HIX

- 5248
- Documentation of how the plan meets Alabama State policies

- 5249
- Documentation of the procedures on how the HIX System and the HIX System related documents are protected and how they can be recovered during development and operations
- 5250
- 5251

- 5252
- Description of how inventory will be tracked in case recovery procedures are implemented
- 5253

- 5254
- Documentation of step-by-step procedures for business continuity and system recovery

- 5255
- Documentation of the roles and responsibilities during recovery

- 5256
- Documentation of how plan will be accessed in an emergency scenario and how the plan is secured
- 5257

5258 **7.1.11 Activity 11: Knowledge Management**

5259 **Objectives**

5260 To ensure that: (1) All end users from both State and private agencies receive knowledge transfer on both new procedures and the HIX System during and after the Warranty Period; (2) All

5261 end users receive knowledge transfer on new procedures during and after the Warranty Period;

5262 and (3) Sufficient HIX technical staff receives hands-on and classroom training to maintain and

5263 enhance the HIX System during and after the Warranty Period. Note that the Warranty Period

5264 is synonymous with Phase 5.

5265

5266 HIX faces a special challenge due to the novelty of the System and thus the inexperience of anyone who will be employed to operate it. Because of this, HIX views knowledge management

5267 as a key means to mitigate this risk. HIX wishes to not simply have training delivered, but to

5268

have the required knowledge incorporated into its overall organizational environment, including on-going availability of innovative training materials, and the delivery such role-based items such as skill competency lists, job role descriptions, and job evaluation criteria that will help institutionalize the competencies that are being introduced to the organization. These things will be used to facilitate the expected transition to new staff and a greater level of organizational maturity in this area.

#### **Description**

This activity enables the Vendor to demonstrate an understanding of knowledge management and knowledge transfer, the Vendor's role in the training-related tasks that are needed to support the user, Data Import, Acceptance Testing, and Implementation Tasks of the Project. A discussion of the methods proposed to develop and deliver knowledge transfer necessary to ensure effective use and reliable operation of the HIX System must be included. Material must be used during acceptance testing to verify accuracy, comprehensiveness, understandability, and usability. The State will assist in the identification of specific individuals to be included in the types of knowledge transfer based on the Vendor's strategy.

The transfer of knowledge to HIX technical support staff will be a key Vendor responsibility as the State of Alabama intends to have HIX staff ultimately assume a greater responsibility for the operations and maintenance of the HIX System. To prepare for this responsibility, HIX technical staff must be adequately integrated with the Vendor's technical team and thoroughly trained.

HIX expects that all training and knowledge management material will be tested to ensure it adequately fulfills its requirements.

#### **Deliverables**

- 11.1: Knowledge Management Strategy
- 11.2: Comprehensive Knowledge Management Plan
- 11.3: End User Environment(s)
- 11.4: Instructional Materials V1 and \*V2 (defined in Task 11.4)
- 11.5: Online User Aids
- 11.6: Knowledge Management Progress Report
- 11.7: Knowledge Management Final Report
- 11.8 Project Staff Preparation Plan

#### **Task 11.1: Knowledge Management Strategy**

In this task, the Vendor develops the Knowledge Management Strategy, which includes a description of the Vendor's proposed approach to develop and deliver knowledge transfer to end users and IT staff.

The Knowledge Management Strategy must describe the proposed methods to develop and deliver both knowledge transfer and related documentation and must include a discussion of the

5305 Vendor's understanding of HIX knowledge transfer requirements and high-level knowledge  
5306 management strategy. The strategy must also include training the trainers and creation of pow-  
5307 er users to assist with training. The approach must include 17 to 20 training participants per  
5308 class and two (2) trainers per delivery, with the 2<sup>nd</sup> trainer being from HIX.

5309 The Knowledge Management Strategy must describe the methods proposed to integrate the  
5310 development team, and to develop and deliver both classroom and hands-on development ap-  
5311 proaches. The strategy will address, at a minimum, the knowledge transfer requirements for  
5312 technical staff for both pre- and post-implementation periods including a description of how the  
5313 Vendor plans to transfer the knowledge necessary to further develop, maintain, and support the  
5314 applications to State or other private company IT staff.

5315 The outcomes of this task will include, at a minimum:

- 5316 • General approach to user knowledge management strategy using Vendor staff as leads
- 5317 • Identification of timeframe in which knowledge transfer must be accomplished
- 5318 • Methods for knowledge transfer already identified by HIX and any additional methods  
5319 recommended:
  - 5320 ○ Joint facilitated classroom knowledge transfer
  - 5321 ○ Computer Based Training (CBT)
  - 5322 ○ Database and environment(s) for practical, hands-on exercises
- 5323 • Identification of audience/groups, which will include, as a minimum, the public, HIX em-  
5324 ployees, and its technical support staff
- 5325 • Identification of knowledge transfer resources and materials including:
  - 5326 ○ Integration of the Vendor and HIX team trainers
  - 5327 ○ Space, i.e., training facilities
  - 5328 ○ Equipment
- 5329 • General content and proposed courses for the knowledge transfer, which must include,  
5330 at a minimum, end user's manual, and online policy documentation (e.g., help)
- 5331 • General approach to evaluating the effectiveness of knowledge transfer and an im-  
5332 provement plan, specifically identifying threshold points which must be achieved prior to  
5333 the user having access to the System
- 5334 • Method of technical knowledge transfer delivery
- 5335 • Day-to-day hands-on technical knowledge transfer approach
- 5336 • Class synopsis
- 5337 • Class schedule
- 5338 • Class duration

- 5339      • Number of hours
- 5340      • Locations
- 5341      • Vendor Responsibility
- 5342      • Develop a comprehensive strategy for ensuring all appropriate staff receive knowledge
- 5343      transfer
- 5344      • Develop a strategy to address the knowledge transfer requirements for technical staff for
- 5345      both pre- and post-implementation periods
- 5346      • Plan, schedule, and conduct meetings with appropriate HIX staff to collaborate on strat-
- 5347      egies for resources and materials. Training will be scheduled at the earliest opportunity
- 5348      to ensure the longest possible HIX notification time.
- 5349      • Present roles and responsibilities for the integrated development team. Develop a strat-
- 5350      egy to address the knowledge transfer to develop, maintain, and support the applications
- 5351      to State IT staff such as pre-requisite skills required to receive knowledge transfer,
- 5352      method of training delivery, day-to-day hands-on training approach, class synopsis,
- 5353      class schedule, class duration, number of hours, and training location.

5354      **Acceptance Criteria**

- 5355      • 11.1: Knowledge Management Strategy
- 5356      • Documentation of the Knowledge Management Strategy as described in this RFP
- 5357      • Provision of the proposed approach and methods for knowledge transfer inclusive of de-
- 5358      livery of both classroom and hands-on knowledge
- 5359      • Documentation of the timeframes for knowledge transfer
- 5360      • Identification of the resources and materials/equipment to be used
- 5361      • Identification of the audience/group targeted for knowledge transfer
- 5362      • Documentation of the approach for evaluating the effectiveness of the knowledge trans-
- 5363      fer and improvement plan
- 5364      • Inclusion of regular reporting to HIX management regarding the skill sets of HIX person-
- 5365      nel added to the development team
- 5366      • Documentation of the train-the-trainer strategy

5367      **Task 11.2: Comprehensive Knowledge Management Plan**

5368      The Vendor will create the Comprehensive Knowledge Management Plan to document the plan  
5369      to train all staff, which includes both State and private agency staff. This plan must include at a  
5370      minimum:

- 5371      • Description of the group(s) who will receive knowledge transfer and objectives/expected
- 5372      results of the knowledge transfer

- 5373 • Overview of the knowledge transfer curriculum
- 5374 • Approach to providing knowledge transfer across the State (localized knowledge trans-  
5375 fer, train-the-trainer, etc.) and to the pairing and integrating of selected State technical  
5376 personnel with Vendor staff to facilitate the knowledge transfer during the development,  
5377 system integration testing, user acceptance testing, and implementation tasks of the pro-  
5378 ject. Methods of training for State technical staff must include, at a minimum, the follow-  
5379 ing:
  - 5380 ○ Job shadowing, learning tasks by first hand observation of Vendor's development  
5381 staff by HIX employees
  - 5382 ○ Supervised and independent design
  - 5383 ○ Comprehensive knowledge transfer of the structure and architecture of the HIX  
5384 System
  - 5385 ○ In-depth knowledge transfer on base code or the base framework that must be  
5386 used for the design and development of the HIX System including detailed train-  
5387 ing sessions on the proposed database design and the various database objects  
5388 such as packages, procedures, functions, etc.
  - 5389 ○ Participation in the unit, functional, end-to-end, acceptance, and regression test-  
5390 ing
- 5391 • Description of the logistics including schedule, location, duration and dates, roles and  
5392 responsibilities, and identification of persons/groups who will serve as trainers
- 5393 • Written methodology for resolving system problems, including troubleshooting tech-  
5394 niques, problem identification and tracking, and problem resolution
- 5395 • Description of the logistics and the skills required for HIX technical staff. This will include  
5396 schedule, location, duration and dates, roles and responsibilities, and identification of  
5397 persons/groups who will serve as trainers.
- 5398 • System documentation and other resources required to familiarize HIX technical staff  
5399 with the System, produce training materials, and provide the actual knowledge transfer
- 5400 • Description and format of the types of materials that will be developed for training
- 5401 • Identification of threshold points which must be achieved prior to the user having access  
5402 to the System

5403 \*Note: The Vendor must provide knowledge transfer, not only on the HIX System, but also on  
5404 any additional software products required to support the HIX System. The Vendor must also  
5405 provide knowledge transfer, as necessary, on the various hardware and network components  
5406 used during operations (i.e., scanners, Online User Aids, and policies), and the installation of  
5407 the equipment. The Vendor will provide all resources necessary for knowledge transfer to in-  
5408 clude facilities and equipment.

#### 5409 **Vendor Responsibility**

- 5410 • Create a comprehensive plan to ensure all staff are trained prior to implementation

- 5411 • Plan, schedule and conduct meetings with appropriate HIX staff to collaborate on  
5412 knowledge transfer curriculum audience, schedule, locations, duration, dates, and  
5413 knowledge transfer materials
- 5414 • Develop a knowledge transfer plan that describes the group(s) who will receive  
5415 knowledge transfer, objectives or expected results of the knowledge transfer, overview  
5416 of the knowledge transfer curriculum, and approach to the pairing and integrating of se-  
5417 lected State technical personnel with Vendor staff
- 5418 • Develop a hands-on knowledge transfer program and classroom training materials
- 5419 • Create prototypes of the types of knowledge transfer materials that will be developed for  
5420 knowledge transfer
- 5421 • Provide environment(s) and resources including facilities, projectors, hardware, and  
5422 software
- 5423 • Provide system documentation, onsite support, and other resources to familiarize trainer  
5424 with the System and post-implementation training staffing
- 5425 **Acceptance Criteria**
- 5426 • 11.2: Comprehensive Knowledge Management Plan
- 5427 • Documentation of the Comprehensive Knowledge Management Plan as described in this  
5428 RFP
- 5429 • Inclusion of a description of the group(s) who will receive knowledge transfer
- 5430 • Provision of an overview of the knowledge transfer curriculum, objectives and approach  
5431 to providing knowledge transfer across the State (on-line training, localized training,  
5432 train-the-trainer, etc.)
- 5433 • Description of the logistics including schedule, location, duration and dates, roles and  
5434 responsibilities and identify persons/groups who will serve as trainers
- 5435 • Inclusion of organizational charts to show mentoring and assignment of developers that  
5436 will be integrated in the Vendor's team
- 5437 • Documentation of the environment(s) and resources including facilities, hardware, soft-  
5438 ware, system documentation, onsite support, and other resources
- 5439 • Inclusion of the description and format of the types of knowledge transfer materials that  
5440 will be developed for knowledge transfer
- 5441 • Identification of threshold points which must be achieved prior to the user having access  
5442 to the System
- 5443 • Documentation of the collaborative process and the outcome of these meetings

**5444 Task 11.3: End User Environment(s)**

5445 In this task, the Vendor will document and establish the End User Environment(s) and related  
5446 knowledge transfer tools. At least one separate Training Environment must be provided to avoid  
5447 disruption of other production and implementation activities. The Training Environment(s) must  
5448 include a database that replicates (or sufficiently emulates) the Production Environment, includ-  
5449 ing copies of all software, databases, tables, and files loaded with sanitized training data.

5450 The Training Environment(s) must be available from the HIX network and appropriately config-  
5451 ured to adequately emulate real world Web system use. Documentation must include an inven-  
5452 tory of all software and data stores that will be duplicated in the Training Environment(s). Note:  
5453 The hardware and software required to support this task must be documented in the Compre-  
5454 hensive Knowledge Management Plan.

**5455 Vendor Responsibility**

- 5456 • Build the End User Environment(s)
- 5457 • Provide specifications required for HIX to add the environment(s) to the Network
- 5458 • Conduct walkthrough and training of the End User Environment(s)
- 5459 • Add sanitized data to the environment(s) that emulates production data
- 5460 • Reset training data as needed

**5461 Acceptance Criteria**

- 5462 • 11.3: End User Environment(s)
- 5463 • Documentation of the necessary hardware and software to support the efficient ongoing  
5464 operation and maintenance of the Environment(s)
- 5465 • Provision of Environment(s) that mirrors the production environment
- 5466 • Provision of enough equipment for each individual to work independently on the com-  
5467 puter (without sharing)
- 5468 • Documentation of trainers' ability to refresh training data and environment without IT in-  
5469 tervention

**5470 Task 11.4: Instructional Materials V1 and \*V2**

5471 The symbol \*V2 is used in this document to indicate a continuum of updates throughout the  
5472 System lifecycle. V1 is the initial version; \*V2 are subsequent continuously updated versions.  
5473 In this case, all instructional materials must be updated with lessons learned from instructional  
5474 sessions and any system enhancements and must be delivered to, and become the property of,  
5475 the HIX upon the completion of the implementation period (Phase 5).

5476 In this task, the Vendor delivers the materials for Technical Knowledge transfer. The knowledge  
5477 transfer materials must be designed for hands-on use in a classroom, lab situation, and com-  
5478 puter based training for future reference by users and technical staff when the HIX System is



operational. The Vendor is responsible for creating an instructor's manual and a student manual to be used during all classroom sessions. The Vendor must provide an electronic version of all end user instructional material, as well as hard copies of this material for review purposes and for classroom sessions. The user manual must include additional practical exercises in the back of the manual that the end user can complete upon return to their work location. Both manuals must include curriculum by functionality, with sufficient examples and exercises to accomplish the stated objective of assuring that end users gain the skills necessary to perform their job functions in the HIX System framework.

The Vendor must also create any other necessary instructional aides such as presentation outlines and audiovisual materials. In addition to classroom instructional materials, the Vendor must create web-based Computer Based Training (CBT) that provides the same level of detail as classroom instruction; however, the CBT will guide the user through each function of the System and provide direct entry and practice. The most effective instructional materials for HIX System and user training must be used, including the consideration of Web Based Tutorials (WBTs), videos, and virtual classrooms. An introduction to these items must be provided during the classroom instruction, with the intent that these materials supplement the instruction received by students upon their return to their work location.

As instructional material is developed, corresponding skill competency lists, job descriptions, and performance evaluation criteria will also be developed with the aim of integrating the system's human requirements into the HIX Human Resources infrastructure. All instructional material must be compatible with the HIX technical environment.

The vendor must incorporate a means by which instructional materials are effectively tested to ensure they fulfill their requirements and are suitable to their intended audience.

#### **Vendor Responsibility**

- Create instructor's manual and a student user manual to be used during all classroom sessions
- Develop CBT for testing
- Demonstrate the CBT
- Train staff on the use and maintenance of the CBT
- Design instructional materials for hands-on use in a classroom, lab situation, or future reference by technical staff when the System is operational
- Update/revise instructional materials to remain current with system enhancements and as a result of lessons learned

#### **Acceptance Criteria**

- 11.4: Instructional Materials V1 and \*V2
- Documentation and delivery of materials listed in the RFP requirements and the Knowledge Management Strategy and Plan

- 5516 • Provision of sufficient number of copies of Instructor and Student Instructional Manuals
- 5517 • Materials that support end user and instructor needs written on a 7th grade level
- 5518 • Delivery of an electronic version of all end user instructional material, as well as hard
- 5519 copies of this material for review purposes and for classroom sessions
- 5520 • Delivery of necessary instructional aides such as presentation outlines and audiovisual
- 5521 materials and include WBTs, videos, and virtual classrooms
- 5522 • Delivery of CBT for testing
- 5523 • Demonstration of the CBT
- 5524 • Documentation of maintenance and change procedures for the CBT
- 5525 • Delivery of revised materials based on lessons learned and system enhancements (\*V2)

#### 5526 **Task 11.5: Online User Aids**

5527 This task requires the Vendor to produce online policy and user aids, including web page and  
5528 field help, an Online User Interface Guide, and an industry standard Electronic Performance  
5529 Support System (EPSS), all functioning as an integral part of the HIX System . The Online User  
5530 Interface Guide and EPSS may be delivered in electronic format only, but also be printable by  
5531 the end user if desired.

5532 The Vendor must design and develop the Online User Interface Guide and EPSS to include:

- 5533 • Features most used in the HIX System
- 5534 • Features hardest to understand
- 5535 • Problems most significant to the end user
- 5536 • Features that cause the most calls to a help desk
- 5537 • Features that would potentially result in less instruction required, supplementing the in-
- 5538 struction already received
- 5539 • Simulations to help the user do a task

5540 The EPSS must address the usage of the System from a business process (workflow) perspec-  
5541 tive, describing how to accomplish business processes associated with the System. It must be  
5542 easy to use by enabling users to quickly locate the particular help they need with options such  
5543 as “How do I...?” and step-by-step procedures. The Online User Interface Guide must link to  
5544 HIX Policy Manuals to allow the user to identify the policy or regulation directing or yielding an  
5545 eligibility outcome.

#### 5546 **Vendor Responsibility**

- 5547 • Incorporate online aids in system test scripts and end user instructional manuals
- 5548 • Demonstrate Online User Aids

- 5549       • Collaborate with HIX on content

- 5550       • Revise as needed

5551   **Acceptance Criteria**

- 5552       • 11.5: Online User Aids

- 5553       • Delivery of Online User Aids as described in this RFP

- 5554       • Delivery of an electronic version of all online policy, user aids, and Electronic Performance Support System that is customized to the job task as an integral part of the HIX System
- 5555
- 5556

5557   **Task 11.6: Knowledge Management Progress Report**

5558   In this task, the Vendor will provide a Knowledge Management Progress Report on a weekly  
5559   basis upon the commencement of knowledge transfer. The report must describe the method for  
5560   reporting, reviewing, and improving knowledge transfer and must include the following at a min-  
5561   imum:

- 5562       • Names of persons receiving knowledge transfer
- 5563       • Dates of instruction
- 5564       • Length of instruction
- 5565       • Vendor comments regarding the instructional session
- 5566       • List of persons who were scheduled for training who did not attend
- 5567       • Identify knowledge transfer issues and plans to address them
- 5568       • Technical staff-specific recommendations for additional knowledge transfer based on  
5569       roles and responsibilities
- 5570       • Detailed report that will outline the strengths and weaknesses of individual participants  
5571       with regards to the skills and expertise required for the design, development, maintenance,  
5572       and operations of the HIX System

5573   The outcomes of this task must also include a description of the evaluation techniques to gauge  
5574   the effectiveness of knowledge transfer, preferably using a standard four-level evaluation approach:  
5575

- 5576       • Level 1 – Trainee Satisfaction, collected at completion of knowledge transfer
- 5577       • Level 2 – Pre-Test and Post-Test skills evaluated at the point of knowledge transfer
- 5578       • Level 3 – Impact on Job Performance, evaluated randomly based on on-the-job-training  
5579       (OJT) evaluations when the trainee is back on the job
- 5580       • Level 4 – Organizational Knowledge transfer Impact, sampled randomly, and measured  
5581       throughout the life of the contract (if feasible)

5582 This evaluation process may yield updates and modifications to improve the knowledge transfer  
5583 approach, curriculum, and materials to ensure knowledge transfer goals are met.

5584 **Vendor Responsibility**

- 5585 • Develop a methodology for reporting, reviewing, and improving knowledge transfer
- 5586 • Provide knowledge transfer and track attendance
- 5587 • Evaluate knowledge transfer effectiveness using the four-level evaluation approach
- 5588 • Design a method to collect information from trainees and their supervisors to evaluate  
5589 the effectiveness of the technical knowledge transfer
- 5590 • Identify knowledge transfer issues and collaborate on possible modifications to resolve  
5591 issues
- 5592 • Survey State employees following completion of knowledge transfer and deliver results  
5593 to State but unseen by instructors

5594 **Acceptance Criteria**

- 5595 • 11.6: Knowledge Management Progress Report
- 5596 • Documentation of the Knowledge Management Progress Report as described in this  
5597 RFP
- 5598 • Provision of recommendations for improvement to the knowledge management ap-  
5599 proach, curriculum, and materials and any short term solutions to improve the following  
5600 week's instructional sessions

5601 **Task 11.7: Knowledge Management Final Report**

5602 The Vendor must provide the Knowledge Management Final Report after completion of class-  
5603 room training. The report must cover aspects of the knowledge transfer activity, including at a  
5604 minimum:

- 5605 • Final classroom training report
- 5606 • Demonstration that all knowledge transfer sessions were held, and that knowledge  
5607 transfer covered all areas required in the approved Comprehensive Knowledge Man-  
5608 agement Plan
- 5609 • Gap analysis of the difference between the pre-training state and desired state of worker  
5610 proficiency in using the System to perform their daily responsibilities
- 5611 • Evaluation of the readiness of trained staff to make the best use of the HIX System
- 5612 • Evaluation of impact on job performance and organizational training impact
- 5613 • Updated Instructional Materials (\*V2)

5614 **Vendor Responsibility**

- 5615 • Evaluation of impact on job performance and organizational training impact
- 5616 • After training sessions are complete, plan, schedule, and conduct meetings with appropriate HIX staff to collaborate on changes needed for updating Instructional Materials
- 5617 (\*V2)
- 5618

5619 **Acceptance Criteria**

- 5620 • 11.7: Knowledge Management Final Report
- 5621 • Provision of a final report Provision of documentation on all sessions that were held
- 5622 • Provision of documentation that all end users were trained
- 5623 • Provision of a gap analysis of the difference between the pre-training state and desired
- 5624 state of worker proficiency in using the System to perform their daily responsibilities
- 5625 • Provision of the final recommended changes that will be made for the Instructional Mate-
- 5626 rials (\*V2)

5627 **Task 11.8: Project Staff Preparation Plan**

5628 In this task, the Vendor will create the Project Staff Preparation Plan, which describes the Ven-  
5629 dor's approach to preparing project staff for each task of the project. This plan must address, at  
5630 a minimum, training prior to the start of each activity, such as how users will be trained and pre-  
5631 pared for design sessions, requirements validation, testing, Federal review, and others as  
5632 needed.

5633 **Vendor Responsibility**

- 5634 • Develop a plan to prepare project staff for each task of the project
- 5635 • Evaluate project team needs by conducting interviews, reviewing current State practices
- 5636 and by reviewing lessons learned on other similar projects

5637 **Acceptance Criteria**

- 5638 • 11.12: Project Staff Preparation Plan
- 5639 • Documentation of the Project Staffing Preparation Plan as described in this RFP
- 5640 • Inclusion of all knowledge transfer that will be required to start each activity including
- 5641 timeframes, attendee suggestions, and materials that will be used
- 5642 • Identification of the methodology used to create this plan

5643 **7.1.12 Activity 12: Implementation Management**

5644 The scope of the Implementation Management effort will be directed toward the initiation of the  
5645 HIX System, with special concentration on the management of the operational and Information  
5646 Technology components.

5647 **Description**

5648 The Implementation Management activity is directed at maximizing positive response to the HIX  
5649 System by effectively managing stakeholder expectations and helping to ensure smooth adop-  
5650 tion of the System.

5651 **Deliverables**

- 5652 • 12.1: Comprehensive Implementation Management and Communication Plan

5653 **Task 12.1: Comprehensive Implementation Management and Communication Plan**

5654 In this task, the Vendor will develop a Comprehensive Implementation Management and Com-  
5655 munication Plan that describes the Vendor's approach to integrating HIX and Vendor Project  
5656 staffing teams, and a plan to manage the expectations of varying groups of stakeholders who  
5657 have different information needs. At a minimum, the plan must include:

- 5658 • Awareness of the branding and marketing strategies for the HIX System to prepare end  
5659 users for the open enrollment period beginning October 2, 2013
- 5660 • The objectives, goals, and tasks to be completed as well as the timeframe for completion
- 5661 • Needs, expectations, and roles and responsibilities of stakeholders
- 5662 • Schedule for "road show" staff

5663 **Vendor Responsibility**

- 5664 • Plan, schedule and conduct meetings with appropriate HIX staff to collaborate on strate-  
5665 gies for communication with all stakeholders, which includes internal project staff

5666 **Acceptance Criteria**

- 5667 • 12.1: Comprehensive Implementation Management and Communication Plan
- 5668 • Documentation of the Implementation Management and Communication Plan as de-  
5669 scribed in this RFP
- 5670 • Inclusion of organizational charts to integrate the HIX and Vendor team
- 5671 • Creation of a map of the locations for the "road show"

5672 **7.1.13 Activity 13: Master Data Management and Alabama Shared Services**

5673 **Objective**

5674 In this task, the Vendor will develop a Master Data Management Plan that includes the identifi-  
5675 cation of potentially shared services from the Federal Hub or other Alabama software systems  
5676 such as the MyAlabama.gov Portal, Alabama Health Information Exchange, and Medicaid. In  
5677 addition, potentially shared services offered by the Alabama HIX to other State entities must be  
5678 identified. At a minimum, the plan must include evaluation for the reuse of:

- 5679 • Portal services

- 5680 • Identity and Access Management services
- 5681 • Person matching services such as Enterprise Master Person Index systems
- 5682 • Provider directories
- 5683 • Employee directories
- 5684 • Organizational directories
- 5685 • Data dictionary services
- 5686 • Eligibility services
- 5687 • Residency services
- 5688 • Citizenship services
- 5689 • Employment services
- 5690 • Plan information services, e.g. Federal Hub
- 5691 • Financial services
- 5692 • Communication services
- 5693 • Auditing services
- 5694 • Security services
- 5695 **Vendor Responsibility**
- 5696 • Plan, schedule and conduct meetings with appropriate HIX staff and other State staff to
- 5697 collaborate on strategies for maximum reuse of software services available from the
- 5698 Federal or within the State of Alabama.
- 5699 • Assist the State and State-designated third parties in performing security reviews and
- 5700 testing of the HIX System and HIX System operations according to State and Federal
- 5701 best practices including vulnerability assessment and penetration testing, at State
- 5702 scheduled times with minimum effect on production System availability.
- 5703 • Provide monthly patching and security compliance reports and monthly reports of user
- 5704 concurrency, system performance, hardware allocations, and system operational status
- 5705 to the State within 24 hours, Monday to Friday.
- 5706 • Assist the State and State-designated third parties in performing security reviews and
- 5707 testing of the HIX System and HIX System operations according to State and Federal
- 5708 best practices including vulnerability assessment and penetration testing, at State
- 5709 scheduled times with minimum effect on production System availability.
- 5710 • Provide monthly patching and security compliance reports and monthly reports of user
- 5711 concurrency, system performance, hardware allocations, and system operational status
- 5712 to the State within 24 hours, Monday to Friday.
- 5713



- 5714 • Vendor will provide descriptions of infrastructure which support the HIX operations quar-  
5715 terly. This will include, but not be limited to:
- 5716 ○ Operational components, such as server counts with server
  - 5717 ○ Specifications, network storage needs, load balancers, logging
  - 5718 ○ Systems, network bandwidth needs, resource pools, etc.
  - 5719 ○ Security components, such as network firewalls, web application
  - 5720 ○ Firewalls, XML gateways, intrusion detection/prevention systems, etc.
- 5721 • Apply COTS application security patching and other application patching to the produc-  
5722 tion environment systems within a month of release to the general public. The vendor  
5723 will ensure testing, compatibility and validation of the patches. Any patches that the  
5724 vendor advises against that would affect production adversely will be reviewed with the  
5725 State for determination of installation or delay.

5726 **Deliverables and Acceptance Criteria**

- 5727 • 13.1 Master Data Management Plan
- 5728 • 13.2 Enterprise Architecture Viewpoint documentation and diagrams
- 5729 • 13.3 Interoperability and Integration Interface Development Schedule
- 5730 • 13.4 Interoperability and Integration Testing and Implementation Plan
- 5731 • 13.5 Alabama Security Assessment Compliance Plan
- 5732 • 13.6 Final Set of Data Center Service Level Agreements (SLA)
- 5733 • Data integrity, data consistency, data standardization and data concurrency evaluations
- 5734 • Data security evaluations
- 5735 • Plans for security incidents, maintenance outages, unplanned outages, patches, up-  
5736 grades, and incident handling

5737 **7.1.14 Activity 14: Development**

5738 **Objective**

5739 To develop and document the HIX System to achieve the System requirements established in  
5740 detail design.

5741 The word “development” usually refers to the coding of a system or component that is not al-  
5742 ready in existence, e.g., starting from scratch. In the context here, it refers to all of the following:

- 5743 • Vendor coding a component that has not been in existence in any form whatsoever
- 5744 • Vendor migrating a component (e.g., from another state or from a similar functional  
5745 component to which the Vendor has access) and making whatever modifications might  
5746 be required to apply it to the HIX System

5747 • Vendor configuring an existing component that performs a near identical function to the  
5748 target component

5749 • Vendor integrating a COTS product with configuration or significant modification

5750 • Vendor integrating a COTS product without modification

5751 In other words, the word “development” is being used in a broad sense to refer to bringing the  
5752 System components into a state of functionality regardless of how this is done.

5753 **Description**

5754 The purpose of the development activity is to produce executable software components that  
5755 properly reflect the software design. As a result of successful implementation of the software  
5756 construction process:

5757 • Verification criteria are defined for all software components against their requirements

5758 • Software components defined by the design are produced

5759 • Consistency and traceability are established between software components and re-  
5760 quirements and design

5761 • Verification of the software components against the requirements and the design is ac-  
5762 complished

5763 • Documentation has been developed for the following:

5764     ○ Each software component and database

5765     ○ Test procedures and data for testing each software component and database

5766 • Each software component and database has been tested to ensure that requirements  
5767 have been satisfied. The test results must be documented. The Vendor must update the  
5768 user documentation as necessary.

5769 • Test requirements and schedule have been updated for software integration

5770 • Software coding test results have been evaluated based on the criteria listed below. The  
5771 results of the evaluations must be documented:

5772     ○ Traceability to the requirements and the design of the software component

5773     ○ External consistency with the requirements and design of the software compo-  
5774 nent

5775     ○ Internal consistency between software component requirements

5776     ○ Test coverage of software components

5777     ○ Appropriateness of coding methods and standards used

5778 • Feasibility of software integration and testing has been verified

5779 • Feasibility of operation and maintenance has been verified

**5780 Deliverables**

- 5781 • 14.1: Software Development Plan
- 5782 • 14.2: Weekly Construction Summary Report
- 5783 • 14.3: Development Library

**5784 Task 14.1: Software Development Plan**

5785 The Vendor will create the Software Development Plan, which must describe the Vendor's  
5786 methods and processes for a systematic, documented approach for all software development  
5787 activities and the environment in which this work will be accomplished.

5788 This task must address the following elements:

- 5789 • Software Development Methods – Description of the software development methods that  
5790 will be used in the project, including descriptions of manual and automated tools and  
5791 procedures that will be used in support of these methods
- 5792 • Standards for Software Products – Description of the standards to be followed for de-  
5793 sign, code, and testing
- 5794 • Coding Standards – Description of each programming language used and, at a mini-  
5795 mum, format for, header and other comments, naming conventions, use of program-  
5796 ming language constructs or features, and the approach and methodology to construc-  
5797 tion
- 5798 • Quality Assurance - Activities that ensure adherence to design and development re-  
5799 quirements

**5800 Vendor Responsibility**

- 5801 • Document the software development methods
- 5802 • Document the standards for software products
- 5803 • Document the coding standards in compliance with the following State of Alabama Med-  
5804 icaid guidelines and standards such as:
  - 5805 ○ Database Coding Guidelines
  - 5806 ○ Development and Maintenance of Database
  - 5807 ○ Handling Special Request
  - 5808 ○ Handling Database Objects
  - 5809 ○ Development and Maintenance of Web Application
  - 5810 ○ Framework Programming Language
  - 5811 ○ Document the quality assurance activities
  - 5812 ○ Identify the qualifications necessary for State development staff

**5813 Acceptance Criteria**

- 5814 • 14.1: Software Development Plan
- 5815 • Use of a proven software development methodology
- 5816 • Documentation of the Software Development Plan as described in this RFP
- 5817 • Documentation of how HIX staff will be integrated into the Vendor's team for software
- 5818 development

**5819 Task 14.2: Weekly Construction Summary Report**

5820 In the task, the Vendor will create the Weekly Construction Summary Report, which summarizes  
5821 the work carried out during Construction. The report will contain, at a minimum:

- 5822 • Introduction covering Construction objectives and outcomes
- 5823 • Major products developed, delivered, or updated by Construction
- 5824 • Identification of all issues that have arisen during these tasks and resolutions (identifica-  
5825 tion of issues/risks that may impact future tasks)
- 5826 • Confirmation of quality assurance/product assurance review (identification of review  
5827 standards for future tasks)
- 5828 • Confirmation of walkthrough and transfer of knowledge
- 5829 • Final report that confirms that the stage is complete

**5830 Vendor Responsibility**

- 5831 • Conduct the construction tasks
- 5832 • Provide additional support to State developers
- 5833 • Prepare a Weekly Construction Summary Report to HIX

**5834 Acceptance Criteria**

- 5835 • 14.2: Weekly Construction Summary Report
- 5836 • Documentation of the Weekly Construction Summary Report according to the require-  
5837 ments of this RFP
- 5838 • Accessibility of reports to project staff
- 5839 • Provision of comprehensive reports and identification of all tests performed (failures and  
5840 successes)
- 5841 • Documentation of solutions and assurances that all issues and risks that may impact fu-  
5842 ture tasks have been identified and resolved
- 5843 • Documentation of the major products and deliverables developed, delivered, or updated  
5844 in the Development Activity

**5845 Task 14.3: Development Library**

5846 The Vendor will create the Development Library, which consists of the program source code,  
5847 code documentation, executable software, and associated artifacts to build and operate the HIX  
5848 System. HIX has standardized on the Team Foundation Server as the repository for software  
5849 source code, and this must be used as the source code library. At a minimum, the outcomes of  
5850 this task must include detailed descriptions of the following:

- 5851 • Tools (CASE and configuration management) and business processes to control soft-  
5852 ware development, including check-in/check-out procedures and a responsibility audit  
5853 trail
- 5854 • Business processes and procedures for controlling migration of code from design  
5855 through coding and testing as well as promotion into production
- 5856 • Organization structure to control all system development and maintenance
- 5857 • Structure and maintenance of non-production environments (e.g., system integration  
5858 test, user acceptance testing, knowledge transfer, and other environments), including  
5859 the timing of the promotion of changes to the non-production environments
- 5860 • Software development management process including the migration of code from design  
5861 to production and including diagrams and other graphical devices to communicate the  
5862 processes
- 5863 • Assessment of existing HIX environments and recommendations of any changes neces-  
5864 sary to accomplish system installation, operations and maintenance

**5865 Vendor Responsibility**

- 5866 • Create the Development Library
- 5867 • Maintain a change control process to document discrepancies and their resolution, and  
5868 to manage changes to programs and libraries
- 5869 • Support the review of the Development Library

**5870 Acceptance Criteria**

- 5871 • 14.3: Development Library
- 5872 • Creation and management of a Development Library as described in this RFP
- 5873 • Documentation of the Development Library as described in this RFP
- 5874 • Documentation of the tools used to create and maintain the library
- 5875 • Documentation of the procedures, roles, and responsibility for the creation and mainte-  
5876 nance of the library
- 5877 • Audit trail for the Development Library

5878

**5879 7.1.15 Activity 15: System Integration****5880 Objective**

5881 To bring together the components into one system that meets all System requirements.

**5882 Description**

5883 The Vendor will perform the process of bringing together component subsystems, while ensuring that those subsystems function as a whole.

5885 The purpose of the system integration activity is to integrate the system components (including  
5886 software components, hardware components, manual operations, and other components, as  
5887 necessary) to produce a complete system that will satisfy the System design expressed in the  
5888 HIX System requirements. As a result of successful implementation of the system integration  
5889 process:

- 5890 • Strategies are developed to integrate the System according to the priorities of the sys-  
5891 tem requirements
- 5892 • Criteria are developed to verify compliance with the system requirements allocated to  
5893 the system components, including the interfaces between system components
- 5894 • The system integration is verified using the defined criteria
- 5895 • Regression strategies are developed and applied to retesting the System when changes  
5896 are made
- 5897 • Consistency and traceability are established between the system design and the inte-  
5898 grated system components
- 5899 • An integrated system is constructed that demonstrates compliance with the system de-  
5900 sign
- 5901 • An integrated system is constructed that demonstrates a complete set of usable deliver-  
5902 able system components
- 5903 • The configured software components are integrated, with configured hardware compo-  
5904 nents, manual operations, and other components as necessary, into the HIX System.  
5905 The component aggregates must be tested, as they are developed, against their re-  
5906 quirements. The integration and test results must be documented.

5907 For each qualification requirement of the System, a set of tests, test cases (inputs, outputs, test  
5908 criteria), and test procedures for conducting system qualification testing must be developed and  
5909 documented. The integrated system must be evaluated based on the criteria listed below. The  
5910 results of the evaluations must be documented.

- 5911 • Test coverage of system requirements
- 5912 • Appropriateness of test methods and standards used
- 5913 • Conformance to expected results

- 5914       • Feasibility of system qualification testing
- 5915       • Feasibility of operation and maintenance
- 5916       The software integration process combines software components, consistent with the software  
5917       design, that demonstrate that the System software requirements are satisfied on a complete  
5918       operational platform (which may be emulated as long as assurance is given that there will be no  
5919       recognizable differences in function or performance to actual live implementation). As a result  
5920       of successful implementation of the software integration process:
- 5921       • Integration strategies are consistent with the software design and prioritized software re-  
5922       quirements
- 5923       • Verification criteria for software components are developed that ensure compliance with  
5924       the software requirements allocated to the items
- 5925       • Software components are verified using the defined criteria
- 5926       • Software components as defined by the integration strategy are produced
- 5927       • The results of integration testing are recorded
- 5928       • Consistency and traceability are established between software design and software  
5929       components
- 5930       • A regression testing strategy is developed and applied for re-verifying software compo-  
5931       nents when a change (including fault correction, associative requirement modification,  
5932       re-design and re-coding) occurs
- 5933       The Vendor must develop an integration plan to integrate the software components and soft-  
5934       ware component aggregations into the HIX System. The plan must include test requirements,  
5935       procedures, data, responsibilities, and schedule. The plan must be documented.
- 5936       The Vendor must integrate all the software components and test as the component aggregates  
5937       are developed in accordance with the integration plan. It must be ensured that each component  
5938       aggregate satisfies the requirements of the HIX System and that the software component ag-  
5939       gregate is integrated at the conclusion of the integration activity. The integration and test results  
5940       must be documented.
- 5941       The Vendor must update the user documentation as necessary.
- 5942       The Vendor must develop and document for each qualification requirement of the software  
5943       component, a set of tests, test cases (inputs, outputs, test criteria), and test procedures for con-  
5944       ducting software qualification testing. The Vendor must ensure that the integrated software  
5945       component is ready for software qualification testing.
- 5946       The Vendor must evaluate the integration plan, design, code, test, test results, and end-user  
5947       documentation according to the criteria listed below. The results of the evaluations must be  
5948       documented.
- 5949       • Traceability to system requirements
-



- 5950 • External consistency with system requirements
- 5951 • Internal consistency
- 5952 • Test coverage of the requirements of the software component
- 5953 • Appropriateness of test and method used
- 5954 • Conformance to expected results
- 5955 • Feasibility of software qualification testing
- 5956 • Feasibility of operation and maintenance

5957 **Deliverables**

- 5958 • 15.1 System Integration Strategy
- 5959 • 15.2: System Integration Plan

5960 **Task 15.1: System Integration Strategy**

5961 The System Integration Strategy will describe the Vendor's approach to integrating the graphical  
5962 user interface, the business layer, and the data layer correctly. The strategy must address all  
5963 integration tasks, regardless of whether an automated or manual method is recommended and  
5964 must include the following:

- 5965 • The general approach to be used to integrate the System in an iterative and progressive  
5966 manner
- 5967 • Description of how previous project activities and tasks support system integration
- 5968 • Description of the integration of hardware and software
- 5969 • Description of the various components to be integrated (e.g., code, COTS)
- 5970 • Description of the tools and processes to be used
- 5971 • Quality assurance activities to ensure adherence to design and development require-  
5972 ments
- 5973 • Description of monitoring and tracking of modules that fail testing and are sent back for  
5974 debugging and modification
- 5975 • Description of involvement of State resources in system integration

5976 **Vendor Responsibility**

- 5977 • Collaborate with HIX on the System Integration Strategy
- 5978 • Document the System Integration Strategy
- 5979 • Document controls for error handling

**5980 Acceptance Criteria**

- 5981 • 15.1 System Integration Strategy
- 5982 • Documentation of the System Integration Strategy as described in this RFP
- 5983 • Documentation of the risks and mitigation strategies for integration
- 5984 • Documentation of the approach to verification and validation

**5985 Task 15.2: System Integration Plan**

5986 In the System Integration Plan task, the Vendor will describe in detail the plans to execute the  
5987 strategy and any changes that need to be made to the strategy. At a minimum, the outcomes of  
5988 this task must include:

- 5989 • Method for determining the order of system integration
- 5990 • System integration tasks that identify in detail the tasks and subtasks that must be per-  
5991 formed to complete system integration
- 5992 • Tasks listed in order of required occurrence, and including work schedules, timeframes,  
5993 and all task dependencies
- 5994 • Resource requirements that identify the required personnel and equipment needed to  
5995 perform each identified task and subtask

**5996 Vendor Responsibility**

- 5997 • Collaborate with HIX on the System Integration Plan
- 5998 • Document the System Integration Plan

**5999 Acceptance Criteria**

- 6000 • 15.2 System Integration Plan
- 6001 • Documentation of the System Integration Plan as described in this RFP
- 6002 • Documentation of the risks and mitigation strategies for integration
- 6003 • Documentation of the approach to verification and validation

**6004 7.1.16 Activity 16: System Implementation****6005 Objectives**

- 6006 • To provide the environments to support efficient and effective design, development, test-  
6007 ing, knowledge transfer, operation, and maintenance of the HIX System.
- 6008 • To put into production a tested and operational HIX System with minimal disruption to  
6009 applicant/beneficiaries and State personnel.
- 6010 • To provide Help Desk Support during the implementation phase period.

- 6011       • To certify the System meets contract requirements and validate the statewide implemen-  
6012       tation process.

6013       **Description**

6014       The Vendor must specify all Hardware and Software necessary to design, develop, test, oper-  
6015       ate, and maintain the HIX System based on an analysis of what is already available to HIX. Any  
6016       technology solution must adhere to Alabama standards and the Vendor must ensure that all  
6017       software applications that support the operation of the HIX System also:

- 6018       • Support interfaces with other applicable systems  
6019       • Enable workflow, document imaging and management and e-forms

6020       The activity includes identification of all hardware, software, and licensing necessary for all en-  
6021       vironments for design, development, testing, knowledge transfer, implementation, operation,  
6022       and maintenance of the HIX System. Specification of each hardware, software and licensing  
6023       recommended must be provided to ensure proper evaluation. Timeframes must be provided for  
6024       each recommendation as to when it must be available in relation to the project plan.

6025

6026       The Vendor must implement all HIX System functionality. The HIX System must satisfy busi-  
6027       ness and technical requirements specified in this document. All functions must work correctly  
6028       and efficiently according to the approved Implementation Plan.

6029

6030       **Deliverables**

- 6031       • 16.1: Hardware and Software Plan  
6032       • 16.2: Statewide Implementation Plan  
6033       • 16.3: Network, Desktop and Production Requirements  
6034       • 16.4: Final Readiness Assessment

6035       **Task 16.1: Hardware and Software Plan**

6036       The Vendor must produce a Hardware and Software Plan to describe all hardware and software  
6037       necessary to support an efficient and effective design, development, testing, knowledge trans-  
6038       fer, and production environment for the HIX System. It will address the following:

6039       Production Hardware and Software:

- 6040       • An inventory of all hardware and software necessary for the HIX System to support the  
6041       production environment  
6042       • An inventory of all hardware and software necessary for efficient ongoing operation and  
6043       maintenance of the HIX System

- 6044       • Disaster recovery provisions to include hardware and software necessary to standup a  
6045       Disaster Recovery site that can assume all of the functions of the production environ-  
6046       ment

6047   Non-production Hardware and Software:

- 6048       • An inventory of all hardware and software necessary to support design, development,  
6049       testing, staging and knowledge transfer environments
- 6050       • An inventory of all hardware and software necessary for the efficient design, develop-  
6051       ment, testing, staging, knowledge transfer, and implementation of the HIX System
- 6052       • An inventory of any other hardware or software identified by the Vendor as being neces-  
6053       sary to support the HIX System

6054   **Vendor Responsibility**

- 6055       • Collaborate with State on the necessary hardware, software and disaster recovery provi-  
6056       sions
- 6057       • Collaborate with State to identify procurement, licensing and other requirements for the  
6058       specified software
- 6059       • Conduct ongoing reviews of the hardware and software performance and reliability to  
6060       determine if hardware requires additional capacity
- 6061       • Ensure that hardware and software requirements identified in the plan meet or exceed  
6062       the service level agreements located in Appendix I.
- 6063       • Ensure that all software applications that support the operation of the HIX System are  
6064       capable of supporting interfaces with other related systems
- 6065       • Ensure that all software applications that support the operation of the HIX System are  
6066       supported in all environments such as production, development, staging, and test envi-  
6067       ronments

6068   **Acceptance Criteria**

- 6069       • 16.1: Hardware and Software Plan
- 6070       • Description of the methodology used for identifying the capacity for the HIX System  
6071       hardware and software and the support of the entire project, including at a minimum the  
6072       file sizes, transaction volumes, computer loads, and response
- 6073       • Documentation of the inventory for hardware and software and their use
- 6074       • Inclusion of hardware and software specifications that meet all the requirements of this  
6075       RFP

**6076 Task 16.2: Statewide Implementation Plan**

6077 The Vendor will create the Implementation Plan, which describes the plan for implementation  
6078 and how the objectives of the plan will be achieved. At a minimum, the outcomes of this task  
6079 must include:

- 6080 • A description of the activities needed immediately prior to implementation such as identi-  
6081 fication of the number, type, skill level, and roles of the personnel needed, and a defini-  
6082 tion of the issue management process
- 6083 • A description that communicates the plan for implementation, including a description of  
6084 the pre-implementation dry run of all associated procedures and processes
- 6085 • A description of the implementation activities, including a description of each task and  
6086 inclusion of the schedule, including timelines and dependencies such as completion of  
6087 knowledge transfer
- 6088 • Checklist of all items that must be verified prior to onset of production operations
- 6089 • Checklists of work to be performed and/or outputs to be produced on the first day and at  
6090 the end of the first week, month, quarter, and year of operation
- 6091 • A roll back plan to include in detail what will be done if the implementation does not suc-  
6092 ceed. This plan must include risks (decision points and triggers), identification of individ-  
6093 ual decision makers and recovery actions to be taken.

**6094 Vendor Responsibility**

- 6095 • Develop implementation strategy
- 6096 • Collaborate on checklists of items to verify prior to the onset of operations, on the first  
6097 day of operations, and at the ends of the first week, month, quarter, and year of opera-  
6098 tions
- 6099 • Collaborate with HIX on decision points and triggers that may require roll-back
- 6100 • Create procedures and processes for implementation
- 6101 • Discuss with HIX the benefits and disadvantages of the “big bang” implementation strat-  
6102 egy, and update the implementation strategy accordingly

**6103 Acceptance Criteria**

- 6104 • 16.2: Statewide Implementation Plan
- 6105 • Documentation of the Statewide Implementation Plan as described in this RFP
- 6106 • Documentation of the activities that must occur immediately, prior to, during, and after  
6107 implementation
- 6108 • Documentation of a dry run of all associated procedures and processes
- 6109 • Use of a proven methodology for Statewide implementation

- 6110 • Identification of the lessons learned, risks, and mitigation plans for Implementation
- 6111 • Inclusion of a comprehensive roll-back plan and the decision points and triggers for
- 6112 when this action may need to be taken
- 6113 • Inclusion of comprehensive checklists and the methodology used to collaborate with HIX

6114 **Task 16.3: Network, Desktop and Production Requirements**

6115 The Vendor must create the Network, Desktop, and Production Requirements, which must de-  
6116 tail the needed enhancements to the State network and HIX desktops to support the HIX Sys-  
6117 tem. At a minimum, the outcomes of this task must include:

- 6118 • Network Requirements Specification which will present the network configuration and
- 6119 identify the components needed to operate the HIX System
- 6120 • An inventory of the network, communication and data storage components necessary to
- 6121 support the HIX System and its users
- 6122 • An inventory of all components that need to be purchased, and when they need to be
- 6123 purchased
- 6124 • An outline of how the Vendor will ensure that all components of the architecture are
- 6125 compatible and can handle the specified capacity requirements

6126 The Production Environment must be able to support all interfaces with external entities and  
6127 must integrate into the existing HIX technical architecture. The requirements document must  
6128 contain a platform architecture schematic that illustrates the technology components of the HIX  
6129 System and how State employees, providers and others accomplish access to the System.

6130 Desktop specifications will define the minimum desktop configuration required for the HIX Sys-  
6131 tem and identify HIX desktops requiring upgrades or replacement.

6132 **Vendor Responsibility**

- 6133 • Evaluate the network and desktop production needs for a statewide system which must
- 6134 address the needs of all stakeholders
- 6135 • Provide adequate time for the HIX to ensure infrastructure is in place
- 6136 • Review current network configuration and desktops to identify needs

6137 **Acceptance Criteria**

- 6138 • 16.3: Network, Desktop and Production Requirements
- 6139 • Documentation of the Network Requirements Specification
- 6140 • Inclusion of an inventory to operate the HIX System , identification of all items required
- 6141 for purchase, and specification of timeframe for each purchase
- 6142 • Documentation of plans (including all schematics) for operational capacity management
- 6143 that assures architectural compatibility and support of all interfaces within the HIX re-
- 6144 quired architecture

- 6145 • Documentation of desktop configuration and identification of variances in inventory for
- 6146 HIX equipment

#### 6147 **Task 16.4: Final Readiness Assessment**

6148 The Vendor will create the Final Readiness Assessment to assist in the determination of final  
6149 implementation readiness. At a minimum, the assessment must address the following:

- 6150 • Status of data import efforts
- 6151 • Disaster Recovery is documented and ready
- 6152 • User acceptance testing approval including documentation of completion of testing and
- 6153 HIX acceptance of results
- 6154 • Knowledge transfer sign-off, documenting that technical, user and super-user knowledge
- 6155 transfer has been completed and approved by HIX
- 6156 • An Assessment Summary that includes the analysis completed, risks, and mitigation as-
- 6157 sociated with implementation and a recommendation for proceeding
- 6158 • Readiness that all locations, System users, and security profiles have been identified
- 6159 and set up in the HIX System
- 6160 • System Reliability and Performance is operating and ready for deployment
- 6161 • Help Desk is ready and staffed for deployment
- 6162 • Power-users available and ready to assist at various sites for initial deployment

#### 6163 **Vendor Responsibility**

- 6164 • Certify that the HIX System , its domains, functions, data, processes, operational proce-
- 6165 dures, staffing, telecommunications, and all other associated support are in operation
- 6166 • Ensure all contingency plans are in order
- 6167 • Co-facilitate presentation for committee approval to move to the Implementation phase
- 6168 of the project

#### 6169 **Acceptance Criteria**

- 6170 • 16.4: Final Readiness Assessment
- 6171 • Documentation of the Final Readiness Assessment as described in this RFP
- 6172 • Documentation of all status of operational inception and performance as of assessment
- 6173 preparation date
- 6174 • Delivery and acceptance of all other required deliverables
- 6175 • Resolution of all issues
- 6176 • Receipt of the HIX agreement to proceed to Transition to Operations



6177 **7.1.17 Activity 17: Testing**

6178 **Objective**

6179 To ensure that the operations and hardware/software/network aspects of the HIX System are  
6180 functioning as designed so that all System requirements and related System functions are com-  
6181 plete and accurate, and that all requirements have been satisfied.

6182 **Description**

6183 Testing will ensure the operations, hardware/software and telecommunications aspects of the  
6184 HIX System are functioning as designed. The activity begins with development of the Vendor's  
6185 strategy to manage the testing, followed by plans for each form of testing. Continuing deliveries  
6186 of test result reports ensures appropriate communication of the actual status of the testing.

6187 HIX defines software as the code artifacts necessary to make the application function, as well  
6188 as all of the documentation necessary to produce and deliver the System. In this view, docu-  
6189 ment objects (Plans, schedules, etc.) are controlled for the same purposes throughout the life  
6190 cycle as code objects are, even if in a different configuration management application.

6191 HIX regards testing in a holistic fashion throughout the entire life cycle involving both static test-  
6192 ing (reviews, simulation, analysis) and the dynamic testing (code execution and test qualifica-  
6193 tion). In each case, the Vendor and HIX have to choose and apply the appropriate level of test  
6194 rigor to the tests being run. This choice will be guided by the level of risk involved. So, for ex-  
6195 ample, while not every system feature will undergo every possible test, those features deter-  
6196 mined to have a high level of risk (for example, new interfaces) must have a higher level of test  
6197 rigor applied from the start of their life cycle (requirements) all the way through their User Ac-  
6198 ceptance Testing. Ideally these risk-based test activities would occur as soon in the life cycle as  
6199 possible.

6200 HIX expects the same level of professional training and experience in the Vendor's testers as it  
6201 finds in its developers and other staff. HIX expects that testing is not simply a demonstration  
6202 that the System works, but in addition, the effort necessary to discover the conditions in which it  
6203 does not.

6204 The purpose of the system qualification testing processes is to ensure that the implementation  
6205 of each system requirement is tested for compliance and that the System is ready for delivery.  
6206 As a result of successful implementation of the systems qualification testing process:

- 6207 • Criteria for evaluating compliance with system requirements are developed
- 6208 • The integrated system is tested using the defined criteria
- 6209 • Test results are recorded
- 6210 • Readiness of the System for delivery is assured

6211 System qualification testing must be conducted in accordance with the qualification require-  
6212 ments specified for the System. It must be ensured that the implementation of each system re-  
6213 quirement is tested for compliance and that the System is ready for delivery. The qualification  
6214 testing results must be documented.

6215 The System must be evaluated considering the criteria listed below. The results of the evalua-  
6216 tions must be documented.

- 6217 • Test coverage of system requirements
- 6218 • Conformance to expected results
- 6219 • Feasibility of operation and maintenance

6220 The Vendor must support audits. The results of the audits must be documented. Upon success-  
6221 ful completion of the audits, the Vendor must update and prepare the deliverable software prod-  
6222 uct or software installation and software acceptance support.

### 6223 **Software Qualification Testing Process**

6224 The purpose of the software qualification testing process is to confirm that the integrated soft-  
6225 ware product meets its defined requirements. As a result of the successful implementation of  
6226 the software qualification testing process:

- 6227 • Criteria for the integrated software are developed that demonstrate compliance with the  
6228 software requirements
- 6229 • Integrated software is verified using the defined criteria
- 6230 • Test results are recorded
- 6231 • A regression testing strategy is developed and applied for retesting the integrated soft-  
6232 ware when a change to software components is made

6233 The Vendor must conduct qualification testing in accordance with the qualification requirements  
6234 for the software component. It must be ensured that the implementation of each software re-  
6235 quirement is tested for compliance. The qualification testing results must be documented.

6236 The Vendor must update the user documentation as necessary.

6237 The Vendor must evaluate the design, code, test, test results, and user documentation consid-  
6238 ering the criteria listed below. The results of the evaluations must be documented.

- 6239 • Test coverage of the requirements of software component
- 6240 • Conformance to expected results
- 6241 • Feasibility of system integration testing, if conducted
- 6242 • Feasibility of operation and maintenance

6243 The Vendor must support audits. The results of the audit must be documented. If both hardware  
6244 and software are under development or integration, the audits may be postponed until the sys-  
6245 tem qualification testing.

6246 Upon successful completion of the audits, the Vendor must update and prepare the deliverable  
6247 software product for system integration, system qualification, software installation, or software  
6248 acceptance support as applicable.

### 6249 **Deliverables**

- 6250 • 17.1: Master Test Plan
- 6251 • 17.2: Unit and Integration Test Plan and Documentation
- 6252 • 17.3: System Test Plan
- 6253 • 17.4: Interface Test Plan
- 6254 • 17.5: Performance, Volume and Stress Test Plan
- 6255 • 17.6: Import Test Plan
- 6256 • 17.7: System Test Scripts
- 6257 • 17.8: Import Test Results Report
- 6258 • 17.9: Performance Monitoring Plan & Weekly Report
- 6259 • 17.10: Operational Readiness Report

6260 **Task 17.1: Master Test Plan**

6261 The Master Test Plan must address the Vendor's test strategy and outline the plan for all levels  
6262 of testing. The Vendor must address, at a minimum, the following:

- 6263 • Approach to testing including testing philosophy, test data, test standards, verification  
6264 approach, approach to non-testable requirements, test tasks, test techniques and meth-  
6265 ods, etc.
- 6266 • Testing processes including test preparations, orientation and kickoff, test execution, test  
6267 monitoring, test status meetings and reporting, closure evaluation criteria, etc.
- 6268 • Approach to creating the test environments needed

6269 For each type of testing, the Vendor must use an appropriate mix and volume of transactions  
6270 and data to represent an appropriate mix of work for that type of testing.

6271 In addition, the Vendor must incorporate into the test strategies and plans any Alabama proce-  
6272 dures that provide guidance for information systems engineering related project management  
6273 activities and quality assurance practices and procedures.

6274 **Vendor Responsibility**

- 6275 • Develop a strategy for testing the System processes and creating test environments for  
6276 all levels of testing

6277 **Acceptance Criteria**

- 6278 • 17.1: Master Test Plan
- 6279 • Documentation of the Test Management Strategy as described in this RFP using proven  
6280 methodologies and best practices

- 6281 • Documentation of the knowledge transfer materials that will be used to provide orienta-  
6282 tion and kickoff for testing
- 6283 • Identification of the tools and reports that will be used to support all testing efforts

6284 **Task 17.2: Unit and Integration Test Plan and Documentation**

6285 The Vendor will develop the Unit and Integration Test Plan to ensure that the various objects  
6286 that make up the application are individually tested. This plan will document the Vendor's plan to  
6287 execute and document the results of unit and integration testing, which must include at a mini-  
6288 mum:

- 6289 • User Interface Unit Test: verifies the graphical user interface (GUI) is usable and works  
6290 as specified. Testing addresses navigational standards, font size, page margins, and  
6291 validation that all the data fields are present. It also includes testing navigational paths,  
6292 such as ensuring that using the tab key takes the user to the next appropriate field.
- 6293 • Business Layer Unit Test: ensures that both valid and invalid data are processed cor-  
6294 rectly. This occurs by testing the process as expected (valid data) or by performing "pre-  
6295 scribed error handling" (invalid data).
- 6296 • Data Layer Unit Test: ensures that both data queries and updates are being performed  
6297 correctly
- 6298 • Unit Integration Test: validates that the graphical user interface, the business layer, and  
6299 the data layer integrate correctly

6300 **Vendor Responsibility**

- 6301 • Coordinate with HIX on questions and problems relating to unit testing of the HIX Sys-  
6302 tem
- 6303 • Document detailed steps required to conduct the unit test, including expected results
- 6304 • Develop the criteria for promotion from unit to integration test
- 6305 • Provide tool for tracking the test to be conducted and the results of the test
- 6306 • Identify mechanisms to prove results

6307 **Acceptance Criteria**

- 6308 • 17.2: Unit and Integration Test Plan and Documentation
- 6309 • Unit and Integration Test Plan and Documentation meeting the requirements as defined  
6310 in this RFP
- 6311 • Description of the concept for testing and HIX approval throughout the lifecycle for unit  
6312 and integration testing
- 6313 • Documentation of a summary of the status of unit and integration testing, including num-  
6314 bers of problems identified by type of problem, numbers of problems corrected, any sig-

6315 nificant outstanding issues, the effect of any findings on the Implementation schedule,  
6316 and so forth

6317 • Documentation of corrective actions taken and retest documentation for all problems  
6318 identified in the initial unit and integration tests as well as all regression test efforts

6319 • Assurance that unit and integration testing have been performed and that software pro-  
6320 grams function correctly

### 6321 **Task 17.3: System Test Plan**

6322 In the System Test Plan task, the Vendor documents an agreed upon plan to test all the busi-  
6323 ness processes and business edits described in the detail system design sessions and in the  
6324 requirements. System test confirms that the System performs properly, both from a functional  
6325 and technical perspective. The plan must include a schedule for system test. This plan must al-  
6326 so include:

6327 • Format that will be used for system test scripts which includes the approach to ensure  
6328 end to end test scenarios will map bi-directionally to business processes and require-  
6329 ments

6330 • How testing of all batch processes and reports generation will be incorporated in the test  
6331 scripts

6332 • Identification of any automated tools that will be used for testing (HIX expects the Ven-  
6333 dor to have the capability to automate regression testing, and will evaluate this capability  
6334 in the proposal.)

6335 • Regression testing procedures to ensure previously tested scripts are retested to ensure  
6336 modifications to the System have not created new defects

6337 • Testing defect management and prioritization of defects including the role of the Vendor  
6338 and HIX teams and also including at a minimum:

6339 ○ Reporting

6340 ○ Defect Classification

6341 ○ Priority of the defect and how this is assigned

6342 ○ When a defect is a not currently part of the agreed to requirements – the escala-  
6343 tion process

6344 ○ Closing a defect once fixed and tested

### 6345 **Vendor Responsibility**

6346 • Identify functionality being tested, based on the Detail System Design Document (DSD)  
6347 and JAD requirement sessions

6348 • Conduct knowledge transfer sessions to the appropriate State personnel

6349 • Identify tools to be used and reports to be created

6350 **Acceptance Criteria**

- 6351 • 17.3: System Test Plan
- 6352 • Documentation of the System Test Plan, meeting the requirements as defined in this
- 6353 RFP
- 6354 • Finalization of the System Test Plan and securing of HIX approval prior to beginning the
- 6355 systems test task
- 6356 • Documentation of the plan to communicate the summary of the status of system testing,
- 6357 including numbers of problems identified by type of problem, numbers of problems cor-
- 6358 rected, any significant outstanding issues, and the effect of any findings on the Imple-
- 6359 mentation schedule
- 6360 • Documentation of the tool(s) to be used for system test
- 6361 • Documentation of the roles and responsibilities for system test, defect prioritization, es-
- 6362 calation of issues, and regression test
- 6363 • Documentation of the timelines for system test

6364 **Task 17.4: Interface Test Plan**

6365 This task results in the Vendor's development of the Interface Test Plan to facilitate the suc-  
6366 cessful testing of each interface in each task of testing, to ensure validation of the data ex-  
6367 changes and to validate that the requirements have been implemented as designed. The scope  
6368 of this task includes all middleware, and testing through the middleware and through the partner  
6369 systems components. In the Interface Test Plan, the Vendor must also include how interface  
6370 testing will be incorporated in the system test scripts.

6371 **Vendor Responsibility**

- 6372 • Coordinate with HIX on questions and problems relating to interface testing of the HIX
- 6373 System
- 6374 • Identify functionality being tested, based on the DSD and JAD requirement sessions
- 6375 • Identify HIX or outside resources required
- 6376 • Conduct transfer of transfer sessions for the appropriate State personnel
- 6377 • Identify tools to be used and reports to be created

6378 **Acceptance Criteria**

- 6379 • 17.4: Interface Test Plan
- 6380 • Documentation of the Interface Test Plan, meeting the requirements as defined in this
- 6381 RFP
- 6382 • Documentation of the timelines for interface testing

- 6383 • Finalization of the Interface Test Plan and securing of HIX approval prior to beginning  
6384 the interface test task

6385 **Task 17.5: Performance, Volume and Stress Test Plan**

6386 In the Performance, Volume and Stress Test Plan, the Vendor documents the plan to verify that  
6387 the application performs within the agreed to performance requirements when under production  
6388 loading. The Vendor must document the plan to ensure performance and volume, and stress  
6389 testing will be executed and documented. The plan must include at a minimum the following:

- 6390 • Identification of any automated tools that will be used in performance and stress testing
- 6391 • How performance testing will check for the availability and capability of system re-  
6392 sources including items such as Central Processing Unit (CPU), memory, network, etc.
- 6393 • How the Vendor will measure response times, transaction rates, and other time-sensitive  
6394 requirements
- 6395 • Volume testing to verify that the application performs correctly and is usable with produc-  
6396 tion volumes of data
- 6397 • Stress testing to verify the applications behavior under conditions that overload its re-  
6398 sources
- 6399 • The results of this test must be provided for validation and verification of the tests per-  
6400 formed

6401 **Vendor Responsibility**

- 6402 • Coordinate with HIX on questions and problems relating to performance and stress test-  
6403 ing of the HIX System
- 6404 • Prepare test specifications and environments in which the tests will be performed
- 6405 • Document description of the performance and stress being tested, based on the DSD  
6406 and JAD requirement sessions
- 6407 • Conduct knowledge transfer sessions to the appropriate HIX personnel
- 6408 • Collaborate with HIX on performance expectations

6409 **Acceptance Criteria**

- 6410 • 17.5: Performance, Volume and Stress Test Plan
- 6411 • Documentation of the Performance, Volume and Stress Test Plan according to the re-  
6412 quirements in this RFP
- 6413 • Provision of a test tracking system and the plan for each test type
- 6414 • Documentation of detailed steps required to conduct the performance and stress test,  
6415 including expected results
- 6416 • Description of the data that will be used for the various tests



- 6417 • Description of how each test will be performed and the types of tests to be performed
- 6418 • Description of the validation process of each test to ensure proof of the results and ac-
- 6419 tion taken
- 6420 • Description of the corrective action steps that will be taken to ensure performance meets
- 6421 HIX expectations
- 6422 • Test specifications that include, at a minimum, types of tests to be performed, how the
- 6423 tests will be performed, the roles and responsibilities of personnel performing the tests
- 6424 and validating the results, and tools used to perform the tests

#### 6425 **Task 17.6: Import Test Plan**

6426 In this task, the Vendor must develop the Import Test Plan to facilitate the successful testing of  
6427 data import procedures. At a minimum, this testing will address the following:

- 6428 • Test scripts
- 6429 • Test environment
- 6430 • Test data
- 6431 • Schedule

#### 6432 **Vendor Responsibility**

- 6433 • Coordinate with HIX on questions and problems relating to the import test plan
- 6434 • Create the detailed scripts required to conduct the import test, including expected results
- 6435 • Identify the approach to ensure data will not be lost during import process
- 6436 • Identify the test environment to be used and take steps to ensure the test will not inter-
- 6437 fere with other testing

#### 6438 **Acceptance Criteria**

- 6439 • 17.6: Import Test Plan
- 6440 • Documentation of the Import Test Plan according to the requirements in this RFP
- 6441 • Documentation of detailed steps, dependencies, and how each test will be performed
- 6442 • Description of the validation process of each test to ensure proof of the results
- 6443 • Description of the corrective actions that will be taken to prevent data loss and data in-
- 6444 tegrity issues
- 6445 • Test specifications that include at a minimum types of tests to be performed, test scripts,
- 6446 how the tests will be performed, the roles and responsibilities of personnel performing
- 6447 the tests, validation of the results, and tools used to perform the tests

- 6448       • Documentation of the plan to provide a summary of the status of import testing, including  
6449       numbers of problems identified by type of problem, numbers of problems corrected, any  
6450       significant outstanding issues, and the effect of any findings on the schedule

6451       **Task 17.7: System Test Scripts**

6452       The Vendor's System Test Scripts are provided prior to commencement of system testing. The  
6453       Vendor's test scripts must include at a minimum:

- 6454       • A description or identifier for the requirement being tested  
6455       • Unique identifier and name for each script created  
6456       • A place to enter the tester's name for future reference  
6457       • Start and End Date field to provide documentation on when the script was initially exe-  
6458       cuted and when it was completed  
6459       • Dependency Data that must be loaded in the System prior to execution of the script  
6460       • Step number and detailed instructions on what the tester must perform  
6461       • Expected results documented in detail to provide the tester with the exact results they  
6462       must view when completing each test step  
6463       • Actual results to document the results of each step and document any associated defect  
6464       number (when a defect is identified)  
6465       • Place for the System version to be documented

6466       **Vendor Responsibility**

- 6467       • Coordinate with HIX on questions and problems relating to the test scripts  
6468       • Coordinate with HIX to identify "real practices" to ensure end to end testing reflects how  
6469       end users will interface with the System  
6470       • Create tests scripts based on comprehensive detail design documentation

6471       **Acceptance Criteria**

- 6472       • 17.7: System Test Scripts  
6473       • Documentation of the System Test Scripts according to the requirements in this RFP  
6474       and defined through the JAD sessions  
6475       • Steps to ensure any design changes are reflected in the system test scripts  
6476       • Finalization of the System Test Scripts and HIX approval prior to beginning the system  
6477       test task  
6478       • Receipt of approval of changes during testing to system test scripts in advance of exe-  
6479       cuting the test script  
6480       • Provision of sufficient detail in the scripts to allow HIX System users to perform testing

- 6481       • Inclusion of interface testing in test scripts
- 6482       • Provision of comprehensive scripts that test all features of the System from end to end

### 6483   **Task 17.8: Import Test Results Report**

6484   The Vendor must create the Import Test Results in this task. The report will include, at a mini-  
6485   mum:

- 6486       • A status report as demonstrated by test results, identification of any remaining deficien-  
6487       cies, limitations, or constraints that were detected by the testing performed and a de-  
6488       scription of its impact on import software performance, an assessment of how any differ-  
6489       ences between the test environment and the production environment affects test results,  
6490       and recommended improvements in the design, operation, or testing of the import soft-  
6491       ware
- 6492       • Detailed results of the import and interface testing including information such as a de-  
6493       scription of the test data set, results of the testing, completion status of each test case,  
6494       identification of the test case with an explanation of the problem(s) that occurred (if ap-  
6495       plicable), and the test procedure step(s) in which the problems occurred, documentation  
6496       of the number of times the procedure or step was repeated in attempting to correct the  
6497       problem(s) and the outcome of each attempt
- 6498       • A test log containing a chronological record of the testing covered by the report including  
6499       dates, times, and locations of tests performed, hardware and software configurations  
6500       used for each test and the individuals who performed the activity

### 6501   **Vendor Responsibility**

- 6502       • Creation of a test log containing a chronological record of the testing covered by the re-  
6503       port including dates, times, and locations of tests performed, hardware and software  
6504       configurations used for each test and the individuals who performed the activity
- 6505       • Collaboration with HIX to determine if import plan requires modifications to ensure no  
6506       data loss

### 6507   **Acceptance Criteria**

- 6508       • 17.8 Import Test Results Report
- 6509       • Submission of a final data import report to HIX which includes everything documented in  
6510       the import plan and what is listed in the RFP requirements
- 6511       • Documentation of tests performed
- 6512       • Inclusion of documentation of data import issues, data integrity problems, and mitigation  
6513       recommendations
- 6514       • Inclusion of any problems with the testing environment and mitigation to correct prob-  
6515       lems

- Documentation of the detailed results of the import test such as description of the imported files, results of the import, explanation of the problem(s) that occurred (if applicable) with resolutions, and a log of data that was imported.

### **Task 17.9: Performance Monitoring Plan and Weekly Report**

In this task, the Vendor creates the Performance Monitoring Plan, which encompasses planning for, managing, and executing the monitoring, trouble-shooting, and fine-tuning of system performance prior to full implementation of the HIX System. The Vendor must conduct performance monitoring and testing throughout system test and user acceptance, period to ensure that the HIX System performance requirements are met and that there is satisfactory user performance and interactive response time.

The plan's methodology for monitoring performance or achieving improved efficiency within the HIX System must include at a minimum:

- Identification of performance monitoring tools, their purpose, and use
- Areas to be monitored for performance, at a minimum, this must include network load, response time, query retrieval response, stress load response, database normalization impact, and screen navigation response time.

All performance monitoring results and summaries must be made available for review on a weekly basis. At a minimum, the weekly report must include:

- Performance summaries
- Identification of problem performance areas
- Activities underway to correct performance issues
- Performance issues resolved from the previous reporting period (final report)

### **Vendor Responsibility**

- Prepare and submit the Performance Monitoring Plan and Weekly Reports to HIX
- Make recommendations for changes to hardware or software requirements to improve performance
- Perform tests
- Make the necessary changes to ensure performance standards are met

### **Acceptance Criteria**

- 17.9: Performance Monitoring Plan and Weekly Reports
- Documentation of a Performance Monitoring Plan and Weekly Reports to HIX according to the requirements in this RFP
- Documentation of performance monitoring tools and areas to be monitored for performance

- 6550 • Documentation of performance monitoring weekly results and summaries including per-  
6551 formance summaries, identification of problem performance areas, and activities under-  
6552 way to correct performance areas
- 6553 • Documentation of performance issues resolved in the last reporting period
- 6554 • Documentation of weekly tests performed
- 6555 • Documentation of tests to be performed the following week

#### 6556 **Task 17.10: Operational Readiness Report**

6557 The Vendor will produce the Operational Readiness Report, which certifies that the HIX System,  
6558 its domains, functions, data, processes, operational procedures, staffing, telecommunications,  
6559 and all other associated support are in place and ready for operation. This readiness report will  
6560 identify if the System is ready for UAT.

#### 6561 **Vendor Responsibility**

- 6562 • Demonstrate readiness for UAT
- 6563 • Validate that all system test is complete
- 6564 • Facilitate presentation for committee approval to move to the UAT task of the project

#### 6565 **Acceptance Criteria**

- 6566 • 17.10: Operational Readiness Report
- 6567 • Documentation that the HIX System , its domains, functions, data, processes, operation-  
6568 al procedures, staffing, telecommunications, hardware, network, and all other associated  
6569 support are in place and ready for operation
- 6570 • Validation that user test environment is operational
- 6571 • Validation that user testing stations are operational
- 6572 • Resolution of all issues identified as design issues
- 6573 • Resolution of all defects that prevent completion of test scripts
- 6574 • Inclusion of steps that allow for review and approval of UAT readiness by HIX (i.e., deci-  
6575 sion point)

#### 6576 **7.1.18 Activity 18: Quality Assurance**

##### 6577 **Objective**

6578 To provide assurance that work products and processes comply with predefined provisions and  
6579 plans.

##### 6580 **Description**

6581 As a result of the successful implementation of the software quality assurance process:

- 6582 • A strategy for conducting quality assurance is developed
- 6583 • Evidence of software quality assurance is produced and maintained
- 6584 • Problems and/or non-conformance with requirements are identified and recorded
- 6585 • Adherence of products, processes and activities to the applicable standards, procedures
- 6586 and requirements are verified

6587 Software quality assurance process implementation consists of the following tasks:

- 6588 • A quality assurance process suitable to the project must be established
- 6589 • The objectives of the quality assurance process ensure that the software products and
- 6590 processes employed for providing those software products comply with their established
- 6591 requirements and adhere to their established plans
- 6592 • The quality assurance process must be coordinated with the related software verifica-
- 6593 tion, software validation, software review, and software audit processes to ensure the
- 6594 standards for each are implemented. Scheduled and ongoing assurance activities and
- 6595 tasks must be executed. When problems or non-conformance with contract require-
- 6596 ments are detected, they must be documented and serve as input to the problem resolu-
- 6597 tion process. Records of these activities and tasks, their execution, problems, and prob-
- 6598 lem resolutions must be prepared and maintained. Records of quality assurance activi-
- 6599 ties and tasks must be made available to HIX as specified in the contract.
- 6600 • The Vendor must ensure that HIX project management staff responsible for assuring
- 6601 compliance with contract requirements have the freedom, resources, and authority to
- 6602 permit objective evaluations and to initiate, effect, resolve, and verify problem resolu-
- 6603 tions.

6604 Product assurance will be obtained through the following tasks:

- 6605 • All plans required by the contract are documented, comply with the contract, are mutual-
- 6606 ly consistent, and are being executed as required
- 6607 • Software products and related documentation comply with the contract and adhere to
- 6608 the plans
- 6609 • Deliveries of software products have fully satisfy their contractual requirements and are
- 6610 acceptable to HIX

6611 Process Assurance consists of the following tasks.

- 6612 • Lifecycle processes (supply, development, operations, maintenance, and support pro-
- 6613 cesses, including quality assurance) employed for the project comply with the contract
- 6614 and adhere to the plans
- 6615 • Internal software engineering practices, development environment, test environment,
- 6616 and libraries comply with the contract

- 6617 • Applicable prime-contract requirements are passed down to the subcontractor, if used  
6618 and that and that the subcontractor software products satisfy prime-contract require-  
6619 ments
- 6620 • HIX and other parties are provided the required support and cooperation in accordance  
6621 with the contract, negotiations, and plans
- 6622 • Software product and process measurements are in accordance with established stand-  
6623 ards and procedures
- 6624 • Staff assigned has the skill and knowledge needed to meet the requirements of the pro-  
6625 ject and receive any necessary knowledge transfer

6626 The Vendor must provide a plan to monitor Quality Assurance throughout the life of the project.  
6627 The Vendor will ensure that this plan will assess the Vendor's internal organization standards  
6628 and methodologies. It is the desire of HIX that strong internal controls will assure that products,  
6629 services, and implementations of lifecycle processes meet enterprise quality goals and achieve  
6630 HIX satisfaction.

6631 Quality Assurance will further ensure the operations and hardware/software and telecommuni-  
6632 cations aspects of the HIX System are functioning as designed. The activity begins with devel-  
6633 opment of the Vendor's strategy to manage quality assurance, followed by a plan for conducting  
6634 Quality Assurance throughout the System lifecycle. Quality Assurance results reports ensure  
6635 appropriate communication of the actual status of level of the Vendor's quality and must be  
6636 based on verification and validation tasks, interviews, audits, predictive analysis, project re-  
6637 views, staff reviews, etc.

#### 6638 **Deliverables**

- 6639 • 18.1: Quality Assurance Plan
- 6640 • 18.2 Quality Assurance Reviews

#### 6641 **Task 18.1 Quality Assurance Plan**

6642 The Vendor will create the Quality Assurance Plan for the purposes of describing its approach  
6643 to maintain high-quality standards, achieve HIX satisfaction, and ensure internal quality controls  
6644 of product and processes throughout the life of the project. It will include topics such as:

- 6645 • Quality standards, methodologies, procedures, and tools to be monitored
- 6646 • Issue documentation, reporting and resolution
- 6647 • Measurement of HIX satisfaction
- 6648 • Documentation and publication with HIX of internal review or audit findings
- 6649 • Staff assigned to implementing the Quality Assurance Plan and the extent of the staff's  
6650 autonomy



6651 A plan for conducting quality assurance process activities and tasks must be developed, docu-  
6652 mented, implemented, and maintained for the life of the System. The plan must include the fol-  
6653 lowing:

- 6654 • Quality standards, methodologies, procedures, and tools for performing the quality as-  
6655 surance activities
- 6656 • Procedures for contract review and coordination thereof
- 6657 • Procedures for identification, collection, filing, maintenance, and disposition of quality  
6658 records
- 6659 • Resources, schedule, and responsibilities for conducting quality assurance activities
- 6660 • Selected activities and tasks from supporting processes, such as software verification,  
6661 software validation, software review, software audit, and software problem resolution

6662 **Vendor Responsibility**

- 6663 • Develop an approach and collaborate with HIX to create the Quality Assurance Plan
- 6664 • Communicate to Vendor staff Quality Assurance standards and the organization's ap-  
6665 proach to monitoring

6666 **Acceptance Criteria**

- 6667 • 18.1: Quality Assurance Plan
- 6668 • Documentation of the Quality Assurance Plan as described in this RFP
- 6669 • Inclusion of methodology for developing the plan
- 6670 • Use of industry standards (e.g., ISO/IEC, IEEE)
- 6671 • Inclusion of enough detail to implement the Quality Assurance Plan

6672 **Task 18.2: Quality Assurance Reviews**

6673 During this task the Vendor conducts, documents and communicates Quality Assurance Re-  
6674 views as outlined in the plan. All areas that are identified in the Quality Assurance Plan must be  
6675 addressed at each review and an explanation as to why an area is 'not applicable' at the time of  
6676 review must be provided. Quality Assurance Reviews must at a minimum:

- 6677 • Be ongoing, but formally reported monthly, at each milestone, and at the special request  
6678 of HIX
- 6679 • Include lessons learned at each milestone review
- 6680 • Specify activities monitored, reviewed, audited, etc.
- 6681 • Contain corrective actions to be taken when applicable
- 6682 • Contain assessment of HIX satisfaction
- 6683 • Reflect the implementation of the Quality Assurance Plan

**6684 Vendor Responsibility**

- 6685       • Conduct Quality Assurance reviews
- 6686       • Prepare reports on Quality Assurance Reviews

**6687 Acceptance Criteria**

- 6688       • 18.2: Quality Assurance Reviews
- 6689       • Transparency to the review process
- 6690       • Adherence of products, processes and activities to the applicable standards, procedures  
6691       and requirements
- 6692       • Supports the Quality Assurance Plan
- 6693       • Predictive rather than reactive to project quality issues
- 6694       • HIX satisfaction level is higher than average

**6695 7.1.19 Activity 19: Software Verification****6696 Objective**

6697 The objective of Software Validation is to confirm that each software work product and/or ser-  
6698 vice of the process or project properly reflects the specified requirements, i.e., that the software  
6699 was built according to the specified requirements. Verification activities can occur in the Quality  
6700 Assurance or testing project processes. They are included here to elaborate the nature and im-  
6701 portance of verification activities.

6702 Validation ensures that 'you built the right thing'. Verification ensures that 'you built it right'. Vali-  
6703 dation confirms that the product, as provided, will fulfill its intended use.

**6704 Description**

6705 As a result of successful implementation of the software verification process:

- 6706       • Software verification strategies developed and implemented
- 6707       • Criteria for verification of all required software work products is identified
- 6708       • Required verification activities are performed
- 6709       • Defects are identified and recorded
- 6710       • Results of the verification activities are made available to HIX and other involved parties

6711 A determination must be made if the project warns of verification effort and the degree of organ-  
6712 izational independence of that effort needed. The project requirements must be analyzed for  
6713 criticality. Criticality may be gauged in terms of:

- 6714       • The potential of an undetected error in the system or software requirement for causing  
6715       death or personal injury, mission failure, or financial or catastrophic equipment loss or  
6716       damage

- 6717       • Maturity of a risk associated with the software technology being used
- 6718       • Availability of funds and resources
- 6719       Based on the scope, magnitude, complexity, and criticality analysis above, target lifecycle activi-  
6720       ties and products requiring verification must be determined. Verification activities and tasks, in-  
6721       cluding associated methods, techniques and tools for performing the tasks, must be selected for  
6722       the target lifecycle activities and software products.
- 6723       Based on the verification tasks determined, a verification plan must be developed and docu-  
6724       mented. The plan for verification activities may be incorporated into the Quality Assurance or  
6725       testing plans, or may stand alone. The plan must address the lifecycle activities and software  
6726       product subject to verification, the required verification tasks for each lifecycle activity in soft-  
6727       ware product, and related resources, responsibilities, and schedule. The plan must address  
6728       procedures for forwarding verification reports to HIX and other involved organizations.
- 6729       The plan for verification activities must be implemented. Problems and non-conformance is de-  
6730       tected by the verification effort must be entered into the software problem resolution process. All  
6731       problems and non-conformances must be resolved. Results of the verification activity must be  
6732       made available to HIX and other involved organizations.
- 6733       Verification activities consist of the following tasks:
- 6734       Requirement verification must be verified considering the criteria listed below:
- 6735       • The system requirements are consistent, feasible, and testable
- 6736       • The system requirements of inappropriately allocated to hardware items, software com-  
6737       ponents, and manual operations according to the design criteria
- 6738       • The software requirements are consistent, feasible, testable, and accurately reflect sys-  
6739       tem requirements
- 6740       • The software requirements related to safety, security, and criticality are correct as shown  
6741       by suitably rigorous methods
- 6742       The Design verification must be verified considering the criteria listed below:
- 6743       • The design is correct and consistent with and traceable to requirements. The design im-  
6744       plements proper sequence of events, inputs, outputs, interfaces, logic flow, allocation of  
6745       timing and sizing of budgets, and error definition, isolation, and recovery.
- 6746       • Selected design can be derived from requirements
- 6747       • The design implements safety, security, and other critical requirements correctly as  
6748       shown by suitably rigorous methods
- 6749       The Code verification must be verified considering the criteria listed below:
- 6750       • The code is traceable to design and requirements, testable, correct, and compliant with  
6751       requirements and coding standards

6752       • The code implements proper event sequence, consistent interfaces, correct data and  
6753       control flow, completeness, appropriate allocation of timing and sizing budgets, and error  
6754       definition, isolation, and recovery

6755       • Selected code can be derived from design or requirements

6756       • The code implements safety, security, and other critical elements correctly as shown by  
6757       suitably rigorous methods

6758   The Integration verification must be verified considering the criteria listed below:

6759       • The software components have been completely and correctly integrated into the HIX  
6760       System

6761       • The hardware items, software components, and manual operations of the System have  
6762       been completely and correctly integrated into the System

6763       • The integration tasks have been performed in accordance with and integration plan

6764       • The Documentation must be verified considering the criteria listed below:

6765       • The documentation is adequate, complete, and consistent

6766       • Documentation preparation is timely

6767       • Configuration management of documents follows specified procedures

#### 6768   **Deliverables**

6769   No deliverable is required but the verification activity must be mapped and incorporated into  
6770   Quality Assurance, Testing, or other project deliverables.

### 6771   **7.1.20 Activity 20: Software Validation**

#### 6772   **Objective**

6773   To confirm that the intended use of a given software work product is fulfilled, i.e., that the soft-  
6774   ware will fulfill its intended use. It goes beyond just assuring that the software meets the re-  
6775   quirements; it assures that the requirements themselves were defined and interpreted properly.  
6776   Validation activities can occur in the Quality Assurance project processes. They are included  
6777   here to elaborate the nature and importance of validation activities.

#### 6778   **Description**

6779   As a result of successful implementation of the software validation process:

6780       • Validation strategies are developed and implemented

6781       • Criteria for validation of all work products are identified

6782       • Required validation activities are performed

6783       • Problems are identified and recorded

- 6784       • Evidence is provided that the software products as developed are suitable for their in-  
6785       tended use
- 6786       • Results of validation activities are available to HIX and other involved parties
- 6787   The software validation process consists of the following tasks:
- 6788       • Determination if a task or group of tasks warrants a validation effort, and the degree of  
6789       organizational independence which that effort will require
- 6790       • If a task or groups of tasks warrants a validation effort, a validation process must be es-  
6791       tablished to validate the System or software product. Validation tasks defined below, in-  
6792       cluding associated methods, techniques, and tools for performing tasks, must be select-  
6793       ed. If the project warrants an independent effort, a qualified organization responsible for  
6794       conducting the effort must be selected. HIX must be assured of the independence and  
6795       qualifications of the organization to perform the validation tasks. A validation plan must  
6796       be developed and documented. Validation activities may be incorporate into the Quality  
6797       Assurance plan or may stand alone. The plan must include, but is not limited to, the fol-  
6798       lowing:
- 6799           ○ Items subject to validation
- 6800           ○ Validation tasks to be performed
- 6801           ○ Resources, responsibilities, and schedule for validation
- 6802           ○ Procedures for forwarding validation reports to HIX and other parties
- 6803       • Validation activities must be implemented. Problems and non-conformances detected by  
6804       the validation effort must be entered into the problem resolution process. All problems  
6805       and non-conformance must be resolved. Results of the validation activity must be made  
6806       available to HIX and other involved organizations.
- 6807       • The validation activity (which could be testing, analysis, modeling, simulation, or other  
6808       means) consists of the following tasks:
- 6809           ○ Prepare selected test requirements test cases and test specifications for analyz-  
6810           ing test results
- 6811           ○ Ensure that these test requirements, test cases, and test specifications reflect the  
6812           particular requirements for the specific intended use
- 6813           ○ Conduct selected tests, including:
- 6814           ○ Testing with stress, boundary, and singular input
- 6815           ○ Testing the software products for its ability to isolate and minimize the effect of  
6816           errors, that is, graceful degradation. Upon failure, request for operator assistance  
6817           upon stress, boundary, and singular condition.
- 6818           ○ Testing those representative users can successfully achieve their intended tasks  
6819           using the software product

- 6820                   ○ Validate that the software product satisfies its intended use, and test the software  
6821                   product as appropriate in selected areas of the target environment

6822   **Deliverables**

6823   No deliverable is required, but the validation activity may be mapped and incorporated into  
6824   Quality Assurance deliverables.

6825   **7.1.21 Activity 21: Software Reviews**

6826   **Objectives**

6827   To maintain a common understanding with the stakeholders of the progress against objectives  
6828   of the agreement and what must be done to help ensure the development of a product that sat-  
6829   isfies the stakeholders. Software reviews are at both project management and technical levels  
6830   and are held throughout the life of the project.

6831   **Description**

6832   As a result of the successful implementation of the software review process:

- 6833           • Management and technical reviews are held based on the needs of the project
- 6834           • The status and products of activity of the process are evaluated to review activities and  
6835           progress
- 6836           • Review results are made known to all affected parties in a timely fashion
- 6837           • Action items resulting from reviews are tracked to closure
- 6838           • Risks and problems are identified and recorded

6839   Software review process implementation consists of the following tasks:

- 6840           • Periodic reviews are held at predetermined milestones as specified in the project plan.  
6841           Stakeholders determine the need for any ad hoc reviews in which parties may partici-  
6842           pate.
- 6843           • All resources required to conduct the reviews are provided. These resources include  
6844           personnel, location, facilities, hardware, software, and tools.
- 6845           • The parties that participate in a review must agree on the following items of each review:  
6846           meeting agenda, software products (result of an activity) and problems to be reviewed,  
6847           scope and procedures, and entry and exit criteria for the review
- 6848           • Problems detected during the reviews must be recorded and entered into the problem  
6849           resolution process
- 6850           • The review results must be documented and distributed. This communication includes  
6851           adequacy of review (for example, approval, disapproval, or contingent approval) of the  
6852           review results.

- 6853       • Participating parties must agree on the outcome of the review, and any action item(s),  
6854       including responsibilities and closure criteria
- 6855       • Project management reviews must evaluate project status relative to the applicable pro-  
6856       ject plans, schedules, standards, and guidelines. The outcome of the review must be consid-  
6857       ered by appropriate management and must provide the following:
- 6858       • Activity progress compared to plan, based on an evaluation of the activity or software  
6859       project status
- 6860       • Continued global control of the project to adequately allocate resources
- 6861       • Project direction changes or determination of the need for alternate planning
- 6862       • Evaluation and management of the risk issues that may jeopardize the success of the  
6863       project
- 6864       Technical reviews consist of the following tasks and are held to evaluate software products or  
6865       services under consideration and provide evidence that:
- 6866       • They are complete
- 6867       • They comply with their standards and specifications
- 6868       • Changes to them are properly implemented, and affect only those areas identified by the  
6869       configuration management processes
- 6870       • They adhere to applicable schedules
- 6871       • They are ready for the next planned activity
- 6872       • The development, operation, or maintenance is being conducted according to the plans,  
6873       schedules, standards, and guidelines of the project

#### 6874       **Deliverables**

6875       The Software Review Plan must either be incorporated into the Quality Assurance Plan, or be a  
6876       standalone plan.

### 6877       **7.1.22 Activity 22: Software Problem Resolution Process**

#### 6878       **Objective**

6879       To ensure that all discovered problems are identified, analyzed, and managed, and that there is  
6880       a controlled resolution.

#### 6881       **Description**

6882       As a result of the successful implementation of the software problem resolution process:

- 6883       • A problem management strategy is developed
- 6884       • Problems are recorded, identified and classified
- 6885       • Problems are analyzed and assessed to identify acceptable solutions



- 6886 • Problem resolution is implemented
- 6887 • Problems are tracked to closure
- 6888 • The status of all problems reported is known

**6889 Deliverables**

- 6890 • 22.1: Software Resolution Plan

**6891 Task 22.1: Software Resolution Plan**

6892 A Software Resolution Plan must be established for handling all problems (including non-  
6893 conformance). The process must comply with the following:

- 6894 • The process must be closed-loop, ensuring that all detected problems are reported and  
6895 entered into the problem resolution process
- 6896 • Action is initiated on detected problems
- 6897 • Relevant parties are advised of the existence of the problem(s) as appropriate
- 6898 • Causes are identified, analyzed, and, where possible, eliminated
- 6899 • Resolution and disposition are achieved
- 6900 • Status is tracked and reported
- 6901 • Records of the problems are maintained

6902 The process must include a methodology for characterizing and prioritizing the problems. Each  
6903 problem must be classified by the category and priority to facilitate trend analysis and problem  
6904 resolution. Analysis must be performed to detect trends in the problems reported. Problem res-  
6905 olutions and dispositions must be evaluated to ensure the problems have been resolved, ad-  
6906 verse trends have been reversed, changes have been correctly implemented in the appropriate  
6907 software products and activities, and to determine whether additional problems have been intro-  
6908 duced.

6909 When problems (including non-conformances) have been detected in a software product or ac-  
6910 tivity, a problem report must be prepared to describe each problem detected. The report must  
6911 include the following:

- 6912 • How the problem was detected
- 6913 • Analysis of the problem
- 6914 • Resolution of the problem and its cause
- 6915 • Trend detection across problems.

**6916 Vendor Responsibility**

- 6917 • Prepare the Software Resolution Plan
- 6918 • Implement the Software Resolution Plan

- Participate in the resolution process when applicable

## **Acceptance Criteria**

- 22.1 Software Resolution Plan
- Documentation of process to detect, document, and track software
- Criteria for resolution to include identification of individuals responsible

## **7.1.23 Activity 23: User Acceptance Testing**

### **Objectives**

The objective of User Acceptance Testing is to implement a vigorous UAT process in order to put into production a tested and operational system. HIX regards UAT to be an incremental process that may occur throughout the lifecycle, culminating with system-level acceptance.

### **Description**

The Vendor is responsible for participating in and supporting HIX users in acceptance testing of the entire HIX System. UAT enables HIX to ensure that the System meets the functional, technical, and operational requirements. This activity includes preparation of the test environment, specification of dates and times for end users to conduct testing, knowledge transfer for any tools that will be used to assist end users during testing or for the production or viewing of results, and reporting of test results. Testing will ensure the operations, hardware/software and telecommunications aspects of the HIX System are functioning as designed, will certify the System meets contract requirements, and will validate the statewide implementation process.

### **Deliverables**

- 23.1: UAT Test Environment and Tools
- 23.2: Weekly UAT Status Reports
- 23.3: Operational Readiness Report

## **Task 23.1: UAT Test Environment and Tools**

In the UAT Test Environment and Tools task, the Vendor will create a test environment specifically for the purpose of user acceptance testing, an environment which must be a copy of the production environment. The Vendor will be responsible for the creation and maintenance of the UAT environment.

### **Vendor Responsibility**

- Create test environment and make corrections as needed
- Ensure that all modifications to the HIX System software or files are thoroughly documented and System tested prior to transferring new versions to UAT
- Ensure that data is imported to the UAT test environment and data parameters are approved by HIX

- 6953 • Assist with the acceptance test schedule and procedures including such activities as  
6954 running batch jobs
- 6955 • Provide the capability to roll back the test database to checkpoint status as well as the  
6956 frequency of refresh
- 6957 • Assist HIX in implementation of the acceptance test with respect to generation of test  
6958 transactions, data, and files, as well as analysis of reasons for unanticipated processing  
6959 results
- 6960 • Provide appropriate staff in UAT facility to provide technical and/or business assistance  
6961 to support HIX testing

**6962 Acceptance Criteria**

- 6963 • 23.1: UAT Test Environment and Tools
- 6964 • Creation and maintenance of a test environment specifically for the purposes of user ac-  
6965 ceptance testing
- 6966 • Provision of knowledge transfer to the acceptance testing team and subject matter ex-  
6967 perts to assist in understanding the HIX System, the defect tracking system, and the  
6968 testing procedures
- 6969 • Provision of an acceptance test tracking system which will record scenarios, indicate sta-  
6970 tus, track test results, and produce reports by functional area and status to be used for  
6971 all testing tasks
- 6972 • Steps to ensure that UAT environment mirrors the production environment including both  
6973 controlled test data and representative real production data.
- 6974 • Execution of acceptance test cycles according to an agreed upon schedule

**6975 Task 23.2: Weekly UAT Status Reports**

6976 The Vendor will provide a weekly report to document activities related to UAT and to identify  
6977 issues and problems discovered during user acceptance testing for each week of testing. At a  
6978 minimum, the report must include documentation of individual problems found including the  
6979 problem statement, tester name, date, resolution provided, and name of the person providing  
6980 resolution, plan for further testing, summary of problems found, and a graphic representation of  
6981 problem resolution progress from week to week.

**6982 Vendor Responsibility**

- 6983 • Provide timely responses to discrepancy notices
- 6984 • Develop a HIX approved report

**6985 Acceptance Criteria**

- 6986 • 23.2: Weekly UAT Status Reports

- 6987 • Creation and distribution of the Weekly UAT Status Reports including a description of all
- 6988 problems/defects identified for each week of testing and the corrective steps taken
- 6989 • Correction, at no cost to the State, of any problems resulting from incorrect computer
- 6990 program code, incorrect data conversion, incorrect or inadequate documentation, or from
- 6991 any other failure to meet RFP specifications or performance standards

### 6992 **Task 23.3: Operational Readiness Report**

6993 In the Operational Readiness Report task, the Vendor will certify that the HIX System, its do-  
6994 mains, functions, data, processes, operational procedures, staffing, telecommunications, and all  
6995 other associated support are in place and ready for operation. This readiness report will identify  
6996 if the System is ready for implementation.

### 6997 **Vendor Responsibility**

- 6998 • Certify that the HIX System, its domains, functions, data, processes, operational proce-  
6999 dures, staffing, telecommunications, and all other associated support are in place and  
7000 ready for operation
- 7001 • Secure documented HIX approval that the System is ready to go live

### 7002 **Acceptance Criteria**

- 7003 • 23.3: Operational Readiness Report
- 7004 • Documentation that the HIX System, its domains, functions, data, processes, operational  
7005 procedures, staffing, telecommunications, hardware, network, and all other associated  
7006 support are in place and ready for operation
- 7007 • Resolution of all issues identified as design issues
- 7008 • Resolution of all defects that prevent use in production
- 7009 • Inclusion of steps that allow for review and approval of UAT completion by HIX (i.e., de-  
7010 cision point)
- 7011 • Completed documentation that the Disaster Recovery and Business Continuity support  
7012 for the System

### 7013 **7.1.24 Activity 24: Transition to Operations**

#### 7014 **Objective**

7015 To provide cost-effective support for the transition of a tested and approved software product to  
7016 productive use by the System Stakeholders

#### 7017 **Description**

7018 Pre-delivery software maintenance processes include planning for post-delivery operations,  
7019 supportability, and logistics determination. Post-delivery activities include software modification  
7020 and operational support, such as knowledge transfer or operation of a help desk. The Vendor

7021 must ensure that operational support and continuing maintenance of the HIX System is suc-  
7022 cessfully transitioned to HIX.

7023 The word “maintainer” is used in this and other activity and task descriptions. Since mainte-  
7024 nance during the one year implementation period (Phase 5) is the responsibility of the Vendor,  
7025 the word Vendor is synonymous with the word “maintainer” in this context.

7026 As a result of successful implementation of this process:

- 7027 • Maintenance strategies are developed to manage modification and migration of products  
7028 according to the release strategy
- 7029 • The impact of changes to the existing system on organization, operations or interfaces  
7030 are identified
- 7031 • System and software documentation is updated as needed
- 7032 • Modified products are developed with associated tests that demonstrate their require-  
7033 ments are not compromised
- 7034 • Product upgrades are migrated to the HIX environment
- 7035 • The System software modification information is communicated to all parties

7036 Process implementation requires the maintainer to develop, document, and execute plans and  
7037 procedures for conducting the activities and tasks of the software maintenance process. The  
7038 maintainer must establish procedures for receiving, recording, and tracking problem reports and  
7039 modification requests from the users, and providing feedback to the user. Whenever problems  
7040 are encountered, they must be recorded and entered into the problem resolution process. The  
7041 maintainer must implement (or establish organizational interfaces with) the configuration man-  
7042 agement process used to manage modifications to the existing System.

7043 The Problem and Modification Analysis Process consists of the following tasks:

- 7044 • The maintainer must analyze the problem report or modification request for its impact on  
7045 the organization, the existing system, and the interfacing systems for the following:
  - 7046 ○ Type; for example, corrective, improvement, preventative, or adaptive to new en-  
7047 vironment
  - 7048 ○ Scope; for example, size of modification, cost involved, time to modify
  - 7049 ○ Criticality; for example, impact on performance, safety, or security
- 7050 • The maintainer must replicate or verify the problem. Based on the analysis, the main-  
7051 tainer must develop options for implementing the modification
- 7052 • The maintainer must document the problem/modification request, the analysis results,  
7053 and implementation options
- 7054 • The maintainer must obtain approval for the selected modification option as selected in  
7055 the contract

7056 In the Modification Implementation activity the maintainer must conduct analysis and determine  
7057 which documentation, software components, and versions thereof need to be modified. They  
7058 must be documented.

7059 Test evaluation criteria for testing and evaluating software components and their component  
7060 aggregations within the HIX System must be defined and documented. The complete and cor-  
7061 rect implementation of the new and modified requirements must be ensured. It must also be  
7062 ensured that the original, unmodified requirements were not affected. The test results must be  
7063 documented.

7064 The Maintenance Review/Acceptance activity consists of the following tasks:

- 7065 • The maintainer must conduct reviews with the organization authorizing the modification  
7066 to determine the integrity of the modified System
- 7067 • The maintainer must obtain approval for the satisfactory completion of the modification  
7068 as specified in the contract

7069 **Deliverables**

- 7070 • 24.1: Transition Plan
- 7071 • 24.2: Post-Implementation Evaluations
- 7072 • 24.3: Updated System Documentation

7073 **Task 24.1: Transition Plan**

7074 The Vendor will create the Transition Plan, which describes the activities and timelines neces-  
7075 sary to transition the operations and maintenance of the HIX System to State staff, including  
7076 knowledge transfer, mentoring, and hands-on experience, and identifying the components and  
7077 criteria required to perform final transition to State staff.

7078 “State staff” in this context can either refer to employees of the State or to contract employees.  
7079 At the conclusion of the one year System operation period (Phase 5), it is the intent of HIX to  
7080 operate the System in the most expedient manner for the citizens of Alabama.

7081 The Transition Plan must include, at a minimum:

- 7082 • Transition planning information which defines the approach, activities and schedule for  
7083 the transition including plans for the Vendor’s assistance in performing operations and  
7084 maintenance prior to and during the one-year Warranty Period (i.e., Phase 5). The tran-  
7085 sition planning section will include the readiness assessment approach and a transition  
7086 activity matrix, which lists each State staff person to be included in transition activities,  
7087 identifies the activity that each person will be involved in, and provides the schedule for  
7088 each activity by person.
- 7089 • Final System turnover, which must include information such as system performance  
7090 monitoring and tuning, all software used to operate the System, updated source code,  
7091 production control and System operations, up-to-date documentation, etc.

- 7092       • Staffing recommendations for ongoing operations and maintenance of the HIX System.  
7093       The staffing recommendation must include a recommendation for staffing levels by posi-  
7094       tion, an organizational chart, and roles and responsibilities descriptions for each position.
- 7095       • Final System Turnover Assessment, which consists of two components:
- 7096           ○ An analysis of the System against any new Federal and State mandates, any  
7097           outstanding design considerations not part of the current contract, and an as-  
7098           sessment of staff readiness to support the System, including an identification of  
7099           areas that present risk to the turnover
- 7100           ○ Turnover results report documenting completion and results of the turnover  
7101           plans, as well as current System status information, outstanding problems, and  
7102           recommendations for System enhancements, if any. This is completed upon  
7103           successful turnover to HIX.

7104       **Vendor Responsibility**

- 7105       • Assess the readiness of State technical staff to assume full operations and maintenance  
7106       of the System
- 7107       • Provide warranty support (i.e. fix all faults detected) during the Warranty Period including  
7108       monitoring System processing and performance
- 7109       • Complete knowledge transfer and transition for State staff to support the System

7110       **Acceptance Criteria**

- 7111       • 24.1: Transition Plan
- 7112       • Documentation of the Transition Plan as described in this RFP
- 7113       • Inclusion of comprehensive detailed organization charts with roles and responsibilities
- 7114       • Provision of a final turnover result report
- 7115       • Correction of any outstanding defects in the System prior to transition

7116       **Task 24.2: Post-Implementation Evaluations**

7117       The Vendor will conduct post-implementation evaluations, report on the evaluations, and devel-  
7118       op an improvement plan regarding the effectiveness of the implementation. The purpose of the  
7119       Post-Implementation Evaluation is to assess:

- 7120       • Whether the implementation achieved the defined goals
- 7121       • Whether the System is operating efficiently and effectively
- 7122       • The level of acceptance of the System by users
- 7123       • Was the knowledge transfer effective
- 7124       • Are the users following the defined policies and processes



- 7125       • Are there areas for business improvement

7126       The Vendor will prepare and execute a plan to conduct two post-implementation evaluations,  
7127       the first one scheduled for six months following implementation, and the second one after one  
7128       year, at the end of the Post-Implementation Support Period.

7129       Following each post-implementation review, the Vendor will be required to prepare a written Im-  
7130       plementation Review report recapping each review session and providing an assessment of the  
7131       implementation status.

7132       In addition to the Implementation Review Report, the Vendor will submit an Implementation Im-  
7133       provement Recommendation Report outlining recommendations for improvement to the HIX  
7134       System implementation. The final Implementation Improvement Recommendation Report will  
7135       summarize overall findings and project status, and identify recommended activities for im-  
7136       provement to be undertaken in the medium and long-term. A comparison of actual performance  
7137       to goals will be included.

7138       **Vendor Responsibility**

- 7139       • Develop evaluation format and content in conjunction with HIX
- 7140       • Obtain input for evaluations
- 7141       • Analyze and summarize results of post-implementation evaluations
- 7142       • Develop recommendations for improvement

7143       **Acceptance Criteria**

- 7144       • 24.2: Post-Implementation Evaluations
- 7145       • Documentation of the Post Implementation Evaluation as described in this RFP
- 7146       • Documentation of future enhancement recommendations based on the analysis con-  
7147       ducted for final turnover
- 7148       • Inclusion of lessons learned

7149       **Task 24.3: Updated System Documentation**

7150       The Vendor must submit to HIX the current and complete versions of all HIX System documen-  
7151       tation in a form consistent with all applicable State standards. This documentation will include,  
7152       but is not limited to:

- 7153       • Requirements documents that document how each requirement was met
- 7154       • System architecture and design documents, which are updated with any changes that  
7155       occurred during design, development, testing, and implementation
- 7156       • Development Library, which includes any changes made from the original documenta-  
7157       tion (created in development)

- 7158       • Instructional materials, which include any changes necessary based on lessons learned  
7159       during knowledge transfer and implementation

7160   **Vendor Responsibility**

- 7161       • Identify which deliverables require revisions  
7162       • Discuss the identified deliverables with HIX to ensure there is a comprehensive list

7163   **Acceptance Criteria**

- 7164       • 24.3: Updated System Documentation  
7165       • Updating and submission of all deliverables that required revision  
7166       • Complete, accurate, and up-to-date documentation at transition

7167   **7.1.25 Activity 25: Documentation Management**

7168   **Objective**

7169   The objective of Documentation Management is to develop and maintain the recorded software  
7170   information produced by the process.

7171   **Description**

7172   As a result of the successful implementation of the software documentation management pro-  
7173   cess:

- 7174       • The strategy identifying the documentation to be produced during the lifecycle of the  
7175       software product or services is developed
- 7176       • The standards to be applied for the development of the software documentation are  
7177       identified
- 7178       • Document specification templates are used to establish agreed-upon outlines for each  
7179       document type
- 7180       • Documentation to be produced by the process or project is identified
- 7181       • The content and purpose of all documentation is specified, reviewed, and approved  
7182       through the use of document specification templates
- 7183       • Documentation is developed and made available in accordance with identified standards
- 7184       • Documentation is maintained in accordance with defined criteria

7185   During design and development each identified document must be designed in accordance with  
7186   applicable documentation standards for medium, format, content description, page numbering,  
7187   figure/table placement, proprietary/security, marketing, packaging, and other presentation items.  
7188   The source and appropriateness of input data for the documents must be confirmed through the  
7189   use of a document-specific documentation template approved by HIX not less than 30 days be-  
7190   fore its intended use. Automated documentation support tools may be used. The prepared doc-  
7191   uments must be reviewed and edited for format, technical content, and presentation style

7192 against their documentation standards. Documents must also be approved for adequacy by au-  
7193 thorized personnel prior to use.

7194 The Production Activity consists of the following tasks and considerations:

- 7195 • The document specification template and completed document must be produced and  
7196 provided in accordance with the plan
- 7197 • Production and distribution of documents may use paper, electronic, or other media
- 7198 • Master material must be stored in accordance with the requirements for record retention,  
7199 security, maintenance, and backup
- 7200 • Control must be established in accordance with the software configuration management  
7201 process

7202 The Maintenance activity consists of the following tasks:

- 7203 • Documentation must be updated as required based on the tasks performed during the  
7204 software maintenance
- 7205 • For those documents that are under configuration management, modification must be  
7206 managed in accordance with the software configuration management process

7207 **Deliverables**

- 7208 • 25.1: Document Management Plan

7209 **Task 25.1: Document Management Plan**

7210 The Vendor will document a plan that identifies the documentation to be produced during the  
7211 lifecycle of the software product. The plan must be developed, documented, and implemented.  
7212 For identified documentation, the following must be included:

- 7213 • Title or name
- 7214 • Purpose and content
- 7215 • Intended audience
- 7216 • Procedures and responsibilities for inputs, development, review, modification, approval,  
7217 production, storage, distribution, maintenance, and configuration management
- 7218 • Schedule for intermediate and final versions

7219 **Vendor Responsibility**

- 7220 • Produce Document Management Plan
- 7221 • Implement Document Management Plan
- 7222 • Audit processes for conformity to the Document Management Plan

7223 **Acceptance Criteria**

- 7224 • 25.1 Document Management Plan

- 7225 • The strategy identifying the documentation to be produced during the lifecycle of the  
7226 software product or services is developed
- 7227 • The standards to be applied for the development of the software documentation are  
7228 identified
- 7229 • Documentation to be produced by the process or project is identified
- 7230 • The content and purpose of all documentation is specified, reviewed, and approved
- 7231 • Documentation is developed and made available in accordance with identified standards
- 7232 • Documentation is maintained in accordance with defined criteria

### 7233 **7.1.26 Activity 26: Operations**

#### 7234 **Objective**

7235 The objective of operations is to operate the software product in its intended environment, and  
7236 to provide support of the software product to HIX.

#### 7237 **Description**

7238 The Vendor is expected to prepare HIX for its role as Operator of the System, and that opera-  
7239 tional support and continuing maintenance of the HIX System is successfully transitioned to  
7240 HIX.

7241 HIX expects that the System will be supported by two help desk systems – the first will be public  
7242 facing and will receive and service calls from the recipients of benefits. This will be a Vendor  
7243 responsibility to plan and implement. The Vendor will be required to produce a plan for this ca-  
7244 pability and to implement it during Phase 5.

7245 The second call center capability is that of an HIX-internal help desk for functional or technical  
7246 assistance with the HIX System. This will also be a Vendor responsibility to plan and imple-  
7247 ment.

7248 The Vendor will put into production a tested and operational HIX System with minimal disruption  
7249 to applicant/beneficiaries and HIX personnel through the provision of Help Desk Support during  
7250 implementation.

7251 As a result of the successful implementation of the software operation process:

- 7252 • An operation strategy is defined
- 7253 • Conditions for the correct operation of the software in its intended environment are iden-  
7254 tified and evaluated
- 7255 • Software is tested and determined to operate in its intended environment
- 7256 • The software is operational in its intended environment
- 7257 • Assistance and consultation is provided to HIX for the software product, in accordance  
7258 with the contract

7259 The Preparation for Operation activity consists of the following:

7260       • The Vendor must develop a plan and set operational standards for performing activities  
7261       and tasks of this process. The plan must be documented and executed.

7262       • The Vendor must establish procedures for receiving, recording, resolving, tracking prob-  
7263       lems, and providing feedback. Whenever problems are encountered, they must be rec-  
7264       orded and entered into the software problem resolution process.

7265       • The Vendor must establish procedures for testing the software product in its operational  
7266       environment, for entering problem reports and modification requests to the software  
7267       maintenance process, and for releasing the software product for operational use.

7268 Operation Activation and Checkout must be performed for each release of the software product,  
7269 and the Vendor must perform this operational testing. Upon satisfying the specified criteria, the  
7270 Vendor will release the software product for operational use. The Vendor must ensure that the  
7271 software code and databases initialize, execute, and terminate as described in the plan. The  
7272 Vendor must activate the System in its intended operational situation to deliver instances of ser-  
7273 vice or continuous service according to its intended purpose.

7274 Continuous service capacity and quality must be maintained when the System replaces an ex-  
7275 isting system that is being retired. During the specified period of changeover or concurrent op-  
7276 eration, the Vendor must manage the transfer services so that the continuing conformance to  
7277 persistent stakeholder needs is achieved.

7278 Operational Use is defined by the following tasks. The system must be operated in its intended  
7279 environment according to the user documentation. Operating in the intended environment in-  
7280 cludes developing criteria for operational use so that compliance with agreed requirements can  
7281 be demonstrated. It also includes performing operational testing of each release of the product,  
7282 and assessing adherence to specified criteria. Risks to product operation must be identified and  
7283 monitored. The Vendor must monitor operational services on a regular basis, where appropri-  
7284 ate, against defined criteria.

7285 Customer Support is defined as having the Vendor provide assistance and consultation to users  
7286 as requested. These requests and subsequent actions must be recorded and monitored. Assis-  
7287 tance and consultation includes the provision of knowledge transfer, documentation, and other  
7288 support services required for effective use of the product. The Vendor must forward user re-  
7289 quests as necessary to the software maintenance process for resolution. These requests must  
7290 be addressed and the actions that are planned and taken must be reported to the originators of  
7291 the requests. All resolutions must be monitored to conclusion. All resolutions must be held to a  
7292 defined level of performance standards, such as length of wait times, speed of resolution, etc.

7293 In the Operational Problem Resolution activity the operator must submit identified problems to  
7294 the software problem resolution process. If there is a temporary workaround available, the orig-  
7295 inator of the problem report must be given the option to use it. Releases that include previously  
7296 omitted functions or features, and systems improvements, must be applied to the operational  
7297 software product using the defined software maintenance process.

7298 The Vendor is responsible for planning and preparing State staff to support the HIX System  
7299 through training and knowledge transfer. Activities and timeframes for the transition to opera-  
7300 tions and maintenance are defined in the plan. Evaluations and operating procedures must pro-  
7301 vide information to keep the HIX System in use in the most effective manner possible. Updated  
7302 documentation ensures that all affected personnel have the needed information to support and  
7303 use the HIX System.

7304 The Vendor must provide written help desk procedures and the staff required to respond to user  
7305 questions regarding the HIX System, including the deployment. The Vendor will ensure that,  
7306 prior to deployment, a Help Desk support System is available and Help Desk staff is trained in  
7307 the HIX System. The Help Desk Plan and the Help Desk Transition Plan must clearly state the  
7308 roles and responsibilities through Implementation. The Procedure manual will specify the pro-  
7309 cesses to follow to support the Help Desk.

7310 **Deliverables**

- 7311 • 26.1: Operating Procedures
- 7312 • 26.2: Help Desk Transition Plan
- 7313 • 26.3: Help Desk Plan; Public Facing Help Desk Plan
- 7314 • 26.4: Help Desk Procedures manual

7315 **Task 26.1: Operating Procedures**

7316 The Vendor will document the Operating Procedures to assist programmers and other technical  
7317 staff in operation and maintenance of the System. These procedures help define and provide  
7318 understanding of System operations and performance. The operations procedures will address  
7319 all facets of the technical operation of the System including the following topics:

- 7320 • System troubleshooting and system tuning procedures
- 7321 • System administration procedures, such as file management and code management
- 7322 • System interface processing procedures
- 7323 • Online and batch processing procedures
- 7324 • System backup and recovery procedures
- 7325 • System password and user ID maintenance procedures
- 7326 • Unique processing procedures
- 7327 • Report generation procedures
- 7328 • Menu structures, chaining, and system command mode operations procedures
- 7329 • Job scheduling/dependencies procedures, if applicable
- 7330 • Job cycles (daily, weekly, monthly, quarterly, annually, and special) procedures, if appli-  
7331 cable

- 7332       • System monitoring tool procedures

7333   **Vendor Responsibility**

- 7334       • Collaborate on the content and format of the Operating Procedures

- 7335       • Create manuals

7336   **Acceptance Criteria**

- 7337       • 26.1: Operating Procedures

- 7338       • Documentation of the Operating Procedures as described in this RFP

- 7339       • Provision of comprehensive manual that supports HIX System operations

7340   **Task 26.2: Help Desk Transition Plan**

7341   The Vendor will provide and execute a Help Desk Transition Plan, which outlines all activities  
7342   necessary for an orderly turnover to HIX of all help desk activities including usage of scripts and  
7343   decision trees.

7344   **Vendor Responsibility**

- 7345       • Review lessons learned from implementation

- 7346       • Incorporate best practices and lessons learned into the transition plan

- 7347       • Create a checklist of all the necessary activities for transition

7348   **Acceptance Criteria**

- 7349       • 26.2: Help Desk Transition Plan

- 7350       • Documentation of the Help Desk Transition Plan as described in this RFP and Help  
7351       Desk Plans

- 7352       • Documentation of the necessary steps, resources, and activities that must be completed  
7353       to transition the help desk

7354   **Task 26.3: Help Desk Plan, Public Facing Help Desk Plan**

7355   The Vendor will create a HIX-Internal Help Desk Plan for operations, including integrated Ven-  
7356   dor and State staffing, communications, procedures, and reporting mechanisms. It will include  
7357   topics, such as appropriate Vendor and State staffing levels, skills required, role of power-users,  
7358   response times, and call routing.

7359   The Vendor will also create a Public Facing Help Desk Plan to address the need of HIX to re-  
7360   spond to requests for help from the public. 100% call recording is required for the Public facing  
7361   Help Desk. Recordings will be maintained a minimum of 12 months. Call recording must be  
7362   included in the Disaster Recovery Plan. The Public Facing Help Desk Plan will include integrat-  
7363   ed Vendor and State staffing, communications, procedures, and reporting mechanisms. It will



7364 include topics, such as appropriate Vendor and State staffing levels, skills required, role of pow-  
7365 er-users, response times, and call routing.

7366 **Vendor Responsibility**

- 7367 • Develop an approach and collaborate with HIX to create HIX-Internal Help Desk Plan
- 7368 • Develop an approach and collaborate with HIX to create the Public Facing Help Desk  
7369 Plan
- 7370 • Document qualifications of Help Desk staff
- 7371 • Provide Vendor staff (a minimum two Spanish speaking agents) to answer questions  
7372 that HIX staff are unable to answer
- 7373 • Provide Vendor staffing plan to support Help Desk

7374 **Acceptance Criteria**

- 7375 • 26.3: Help Desk Plan
- 7376 • Documentation of the Help Desk Plan as described in this RFP
- 7377 • Inclusion of methodology for developing the plan
- 7378 • Inclusion of organization charts to document HIX and Vendor integrated team
- 7379 • Documentation of HIX versus Vendor roles and responsibilities
- 7380 • Identification of performance standards

7381 **Task 26.4: Help Desk Procedures Manual**

7382 The Vendor will create a Help Desk Procedures Manual, which defines and documents the help  
7383 desk processes and procedures for both HIX-Internal Help Desk and the Public Facing Help  
7384 Desk. These procedures will include at a minimum, problem identification and initial diagnosis,  
7385 problem escalation procedures, problem ticketing, problem logging, assignment of priority, and  
7386 ability to search through previous problems to find resolutions for new problems.

7387 **Vendor Responsibility**

- 7388 • Collaborate with staff on the procedures needed to support the Help Desks
- 7389 • Review State's current problem escalation, ticketing, logging, and assignment proce-  
7390 dures
- 7391 • Make recommendations for improvement on current procedures

7392 **Acceptance Criteria**

- 7393 • 26.4: Help Desk Procedures Manual
- 7394 • Documentation of the Help Desk Procedure Manuals as described in this RFP
- 7395 • Inclusion of recommendations for improvement on current procedures

**7.1.27 Activity 27: Federal Review and Certification**

**Objective**

To have all information needed for CMS review and monitoring activities.

**Description**

At the earliest opportunity, HIX plans to request a Federal review in order to determine if the HIX System is federally compliant. The Vendor will assist HIX in preparing for and conducting these reviews.

**Deliverables**

- 27.1: Assist with Federal Review

**Task 27.1: Assist with Federal Review**

The Vendor must prepare documentation for submission to the Federal Government to support Federal review and approval of the HIX System. The Vendor will create the Federal Review and Monitoring Package, which documents the CMS Review and Monitoring activities that lead up to a final official review. The Review and Monitoring Package will be used to help assure a successful review of the HIX System post-implementation. The Federal Review and Monitoring Package will include at a minimum:

- Complete Review and Monitoring Activity Documentation
- Complete review of any deficiency found in interim review
- Any System documentation requested for the review, which may include:
  - System Documentation
  - User Manuals
  - Operating Procedures
  - Acceptance Test Results
  - Substantive and representative samples of reports

**Vendor Responsibility**

- Support monitoring activities as requested prior to completion of contract
- Create the necessary documentation needed for the CMS review
- Provide resources onsite to support HIX in the review process

**Acceptance Criteria**

- 27.1: Federal Review and Monitoring Package Interim and Final
- Documentation of the Federal Review and Monitoring Package Interim and Final as described in this RFP

- 7428 • Documentation of any corrective action plans or next steps necessary based on the re-
- 7429 view
- 7430 • Delivery of any additional materials requested by CMS

7431

**APPENDIX A: GLOSSARY OF TERMS AND ACRONYMS**

Term/Acronym	Definition
24/7	This is an abbreviation for “24 hours a day and 7 days a week” which, in the context of its use in the requirements, refers to service availability as described by HIX-defined Service Level Agreements (see Appendix I) . Therefore, 24/7 does not necessarily mean availability of a service at all times without interruption.
ACA	Patient Protection and Affordable Care Act, P. L. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, P. L. 111-152
ALLKids	ALL Kids is the Children’s Health Insurance Program offered by the Alabama Department of Public Health for children under age 19. ALL Kids is designed for children whose family earnings are too high to qualify for but not enough to purchase individual health insurance.
Business Hours	Generally, a reference to Monday through Friday, 8:00 AM to 5:00 PM CST/CDT, with the exception of Alabama State Holidays.
C32	A type of CCD document standard published by the US Federal government
CCD	HL7 Continuity of Care Document, a type of templated CDA document for use as an electronic medical summary document
CD	Compact Disc
CDA	HL7 Clinical Document Architecture, a health record document standard
CFR	Code of Federal Regulations
CHIP	Children’s Health Insurance Program
CMMI	Capability Maturity Model Integration
CMS	Centers for Medicare & Medicaid Services
Contractor	Contractor and Vendor are generally used interchangeably within this document. The Contractor refers to the Vendor to whom HIX has awarded the contract for this RFP.
COTS	Commercially available Off-The-Shelf (COTS) is a Federal Acquisition Regulation (FAR) term defining a non-developmental item (NDI) of supply that is both commercial and sold in substantial quantities in the commercial marketplace, and that can be procured or utilized under government contract in the same precise form as available to the general public. Formally, the FAR Rule uses the following definition of "COTS" item, based on the definition found in 41 U.S.C. § 431(c):  (1) . . . any item of supply (including construction material) that is-- (i) A commercial item . . . ; (ii) Sold in substantial quantities in the commercial marketplace; and (iii) Offered to the Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial

Term/Acronym	Definition
	marketplace; and  (2) Does not include bulk cargo . . . such as agricultural products and petroleum products.
CPU	Central Processing Unit
DDI	Design, Development, and Implementation
DOI	Department of Insurance
DSD	Detail System Design
DVD	Digital Video Disc
EPA	Environmental Protection Agency
EPSS	Electronic Performance Support System
ESB	Enterprise Service Bus
Exchange	Alabama implementation of the “American Heath Benefit Exchange,” including the “Small Business Health Options Program” or “SHOP Exchange,” described in Section 1311 of the ACA, to be planned for, created, and implemented by Alabama based, in part, on the Services to be performed under this Contract. The word “Exchange” (capitalized) will be used to emphasize the functionality of the Alabama Health Insurance Exchange, as opposed to its administration, which will be referenced by the HIX acronym. Generally “Exchange” and “HIX System” can be used interchangeably.
FFP	Federal Financial Participation
FIPS	Federal Information Processing Standards
FOIA	Freedom of Information Act
GFIPM	Global Federated Identity and Privilege Management program
GUI	Graphical User Interface
HBE	Health Benefit Exchange
HHS	United States Department of Health and Human Services
HIE	Health Information Exchange
HIPAA	Health Insurance Portability and Accountability Act of 1996
HIX	Governor’s Office of the Health Insurance Exchange or any similar successor entity created by Executive Order of the Governor or legislation. HIX is not a division or department within the Alabama Department of Insurance, but HIX is designated by the Department of Insurance to act as its representative for purposes of this RFP.
HIX System	The Alabama implementation of the “American Heath Benefit Exchange,” including the “Small Business Health Options Program” or “SHOP Exchange,” described in Section 1311 of the ACA, to be planned for, created, and implemented by Alabama based, in part, on the Services to be performed under this Contract. The word “Exchange” (capitalized) will be used to emphasize the functionality of the Alabama Health Insurance Exchange, as opposed to its administration, which will be referenced by the HIX acronym. Generally “Exchange” and “HIX System” can be used interchangeably.

Term/Acronym	Definition
HL7	Health Level Seven, a Standards Development Organization
ID	Identification or Identifier
IEEE	Institute of Electrical and Electronics Engineers
IRC	Internal Revenue Code
IT	Information Technology
JAD	Joint Application Development
MITA	Medicaid Information Technology Architecture
MMIS	Medicaid Management Information System
NIEM	National Information Exchange Model
NIST	National Institute of Standards and Technology
Notification	A notice generated by the system to someone outside the system e.g., applicant/eligible, referral to another agency, etc.
OASIS	OASIS stands for Organization for the Advancement of Structured Information Standards. According the web site, <a href="http://www.oasis-open.org/home/index.php">http://www.oasis-open.org/home/index.php</a> , “OASIS is a not-for-profit consortium that drives the development, convergence and adoption of open standards for the global information society. The consortium produces more Web services standards than any other organization along with standards for security, e-business, and standardization efforts in the public sector and for application-specific markets. Founded in 1993, OASIS has more than 5,000 participants representing over 600 organizations and individual members in 100 countries”.
OJT	On-The-Job-Training
PDF	Portable Document Format
PHI	Protected Health Information (PHI) is defined as individually identifiable health information that is transmitted by, or maintained in, electronic media or any other form or medium. Individually identifiable health information is information that is a subset of health information, including demographic information collected from an individual, and 1) is created or received by a healthcare provider, health plan, employer, or healthcare clearinghouse; and 2) related to the past, present, or future physical or mental health or condition of an individual; the provision of healthcare to an individual; or the past, present, or future payment for the provision of healthcare to an individual; (i) that identifies the individual; or (ii) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.
PII	Personally Identifiable Information (PII) is defined as information: 1) that directly identifies an individual (e.g., name, address, social security number or other identifying number or code, telephone number, email, address, etc.), or 2) by which an agency intends to identify specific individuals in conjunction with other data elements, e.g., indirect identification. (These data elements may include a combination of gender, race, birth date, geographic indicator, and other descriptors.)
Presentation Tier	The presentation tier is responsible for providing the display and user interface. When multiple device support is required this layer may be split to include an integration layer that provides a framework to abstract device-

Term/Acronym	Definition
	specific functionality from the rest of the presentation tier.
RFP	Request for Proposal
Services	Those services, tasks, and responsibilities to be performed by Vendor as described in this RFP. Not to be confused with “web services” or other types of services within a Service Oriented Architecture
SOA	Web Service Oriented Architecture
SOAP	Simple Object Access Protocol
SOW	Statement of Work
SQL	Structured Query Language
State	State of Alabama
System	Alabama HIX System – the system for which this RFP was written
TANF	Temporary Assistance for Needy Families
TBD	To Be Determined
Templated CDA	A type of HL7 Clinical Document Architecture document that has “templateID” attribute values populated with unique instance identifiers, e.g. CCD, C32, etc.
Title XIX	Title 19 of the Social Security Act; this Act pertains to Medicaid.
UAT	User Acceptance Testing//also User Acceptance Test
USC	United States Code
User	A generic reference to a person who uses the HIX System including public employees, consumers, Insurance Producers, and other workers
V1, V2, etc	Version 1, Version 2, etc.
Validation	A check that the correct format is being used.
Vendor	Vendor and Contractor are generally used interchangeably within this document. Vendor refers to entities/companies that intend to bid on this RFP. The selected Vendor becomes the Contractor.
Verification	A check that the actual information is correct.
WBS	Work Breakdown Structure
WBT	Web Based Tutorial
XML	Extensible Markup Language



## APPENDIX B: HIX GUIDANCE ON HIGH QUALITY RFP RESPONSES

In order to provide HIX an overall understanding of the Proposed Solution, it may be useful for the Vendor to review the following points as the Vendor self-evaluates its own proposal prior to submission to HIX: :

- HIX intends to select a qualified Vendor to design, develop, and implement a System for HIX that conforms to the specifications of this RFP
- Ensure that the System conforms to the following general criteria (not a comprehensive list):
  - Leads to the same customer experience regardless of the portal from which it is accessed (no wrong door)
  - ~~Seamlessly integrates the System with an external Medicaid eligibility determination system, when (if) directed by the state of Alabama (assuming Alabama Medicaid is able to participate in integration activities within the Project Timeline requirements of the Alabama HIX implementation – See Table 1). If the Medicaid eligibility determination system is unavailable, t~~The Vendor's solution should also address how the HIX would host this an eligibility system ~~which support~~that supports not only the HIX, but also requires s integration with the current Medicaid and CHIP systems for the purpose of making a MAGI determination for eligibility.
  - **NOTE: It has now been determined that the proposed HIX System must include an Eligibility Determination component capable of making MAGI determinations for HIX, Medicaid and CHIP programs. Vendors must proceed with the understanding that the proposal must include cost estimates for the entire eligibility function. Vendors must not present proposals that assume that another agency will provide this functionality.** Seamlessly integrates the System with the CMS “Federal Hub”, when (if) directed by the state of Alabama (assuming CMS is able to participate in integration activities within the Project Timeline requirements of the Alabama HIX implementation – See Table 1)
  - Seamlessly integrates the System with the System for Electronic Rate and Form Filing (SERFF), when (if) directed by the state of Alabama (assuming SERFF is able to participate in integration activities within the Project Timeline requirements of the Alabama HIX implementation – See Table 1)
  - Seamlessly integrates the System with the MyAlabama.gov citizen portal
  - Meets all requirements on interoperability standards
  - Meets or exceeds Federal certification and performance standards
  - Performs to the requirements of the ACA

- 7469           ○ Meets or exceeds all seven conditions and standards as defined in the CMS pub-  
7470           lication *Enhanced Funding Requirements: Seven Conditions and Standards of*  
7471           April 2011 including:
- 7472                     ▪ Uses a modular, flexible approach to systems development, including  
7473                     the use of open interfaces and exposed application programming inter-  
7474                     faces; the separation of business rules from core programming; and the  
7475                     availability of business rules in both human and machine readable for-  
7476                     mats
- 7477                     ▪ Aligns to and advances increasingly in Medicaid Information Technolo-  
7478                     gy Architecture (MITA) maturity for business architecture, data, and the  
7479                     continuing evolution of the MITA initiative to facilitate ease of participa-  
7480                     tion in the exchange and interaction of data.
- 7481                     ▪ Ensures alignment with, and incorporation of, industry standards: the  
7482                     Health Insurance Portability and Accountability Act of 1996 (HIPAA) se-  
7483                     curity, privacy and transaction standards; accessibility standards estab-  
7484                     lished under section 508 of the Rehabilitation Act, or standards that  
7485                     provide greater accessibility for individuals with disabilities, and compli-  
7486                     ance with Federal civil rights laws; standards adopted by the Secretary  
7487                     under Section 1104 of the ACA; and standards and protocols adopted  
7488                     by the Secretary under Section 1561 of the ACA
- 7489                     ▪ Enforces “encryption in flight” and “encryption at rest” for all data subject  
7490                     to HIPAA privacy and security categories
- 7491                     ▪ Promotes sharing, leveraging, and reuse of Medicaid technologies and  
7492                     systems within and among states
- 7493                     ▪ Supports accurate and timely processing of claims of eligibility and ef-  
7494                     fective communications with providers, beneficiaries, and the public
- 7495                     ▪ Produces transaction data, reports, and performance information that  
7496                     would contribute to program evaluation, continuous improvement in  
7497                     business operations, and transparency and accountability
- 7498                     ▪ Ensures seamless coordination and integration with the Alabama Health  
7499                     Information Exchange (and allows interoperability with other health in-  
7500                     formation exchanges, public health agencies (including the Children’s  
7501                     Health Insurance Program (CHIP)), human services programs, and  
7502                     community organizations providing outreach and enrollment assistance  
7503                     services
- 7504           ○ Is built within the framework of an adaptive Web Service Oriented Architec-  
7505           ture (SOA)

- 7506                   ○ Features an adaptive enterprise service bus (ESB) and web service orches-  
7507                   trator that can federate with, adapt to, and/or allow other business process in-  
7508                   teractions between the HIX System and the Medicaid ESB
- 7509                   ○ Provides web-based application accessible to potential enrollees and to  
7510                   community-based access points where enrollment may be facilitated
- 7511                   ○ Capitalizes on cloud computing capabilities where they are applicable
- 7512                   ○ Uses a relational database structure
- 7513                   ○ Includes multiple security levels utilizing user and role based security and ap-  
7514                   plication access capabilities
- 7515                   ○ Is (preferably) server based (no client-based software other than browser)
- 7516                   ○ Uses electronic data and automated processes whenever possible
- 7517                   ○ Creates a unique identifier for each user and small business subscribers to  
7518                   the SHOP Exchange
- 7519                   ○ Includes on-site scanning of enrollment material and an interface to a docu-  
7520                   ment management system that provides electronic record retrieval
- 7521                   ○ Provides both a member self-service web portal (for both SHOP and Individ-  
7522                   ual consumers) and a staff worker web portal
- 7523                   ○ Provides a comprehensive automated workflow that navigates users from  
7524                   one area to another based on information entered by the user and/or HIX  
7525                   business processes
- 7526                   ○ Provides tracking and quality assurance mechanism to ensure that infor-  
7527                   mation entered at any entry point is as clean as possible and is processed as  
7528                   efficiently as possible
- 7529                   ○ Electively passes business process information through a configurable rules  
7530                   engine and validation mechanism that supports web service calls from the  
7531                   ESB, allowing for quick and accurate processing of applications including  
7532                   flexible validation of data, monitoring of data, changes to information, chang-  
7533                   es to workflow, and renewals
- 7534                   ○ Consumes easily manageable sets of rules within the rules engine that are  
7535                   maintainable by non-technical staff, e.g., the do not require a level of exper-  
7536                   tise that would hinder the ability to implement, alter, and maintain current and  
7537                   new programs
- 7538                   ○ Obtains verification information from the federal data services hub when (if)  
7539                   directed by the state of Alabama
- 7540                   ○ Utilizes web services to enable remote identity proofing for new enrollees
- 7541                   ○ Allows future changes in Alabama HIX programs to be implemented accu-  
7542                   rately, efficiently, and timely in an easily configurable manner

- 7543                   ○ Offers a business intelligence capability including a comprehensive suite of  
7544                   built-in-reports
- 7545                   ○ Includes a user-friendly ad hoc reporting system
- 7546                   ○ Obtains plan information for create plan, update plan, and delete plan from  
7547                   the System for Electronic Rate and Form Filing (SERFF) when (if) directed by  
7548                   the state of Alabama
- 7549                   ○ Maximizes the use of the Internet/Intranet as an operational tool to perform  
7550                   HIX and other related support functions; e.g., uses the Internet to enhance  
7551                   receipt and distribution of information to HIX staff, other state agencies, fed-  
7552                   eral agencies, private entities, and the recipient community
- 7553                   ○ Is scalable to allow for increased enrollment in subsequent years
- 7554                   ○ Is rigorously tested and properly installed prior to the start of operations or  
7555                   production implementation
- 7556                   ○ Meets federally required timeframes as defined in the ACA
- 7557                   ○ Meets timeframes required by the State in order to meet their business needs  
7558                   that are defined in Table 1
- 7559                   It is expected that the selected Vendor will utilize automated design, development, and testing  
7560                   tools to the maximum extent possible to achieve these stated goals and to achieve cost and  
7561                   schedule efficiencies.

**APPENDIX C: SAMPLE COMPUTER ACCEPTABLE USE AGREEMENT**

*In order to help keep the computer network environment safe, there are a few steps that need to occur prior to a non-Alabama HIX computer laptop plugging into the network. There are basically three parts to the process described in detail below.*

**Part I**

*If you, as an Alabama HIX staff member, have someone external scheduled for a visit, please check with him/her prior to his/her visit to inquire if he/she will need to plug in any computers/laptops to the network. If so, send the visitor the checklist in Part III of this document in advance of his/her visit to help ensure he/she prepares his/her computer/laptop with any required updates and anti-virus definitions. Also, inform your visitor to be sure to arrive with enough time before requiring network access to have his/her computer/laptop verified prior to plugging in.*

*If your visitor does not need access to any State of Alabama network, then none of this applies.*

**Part II**

*Upon check-in at the reception desk, the visitor (or Contractor/Vendor) will check on the sign in sheet whether or not he/she needs access to the State of Alabama network. If the visitor checks "Yes," he/she will be directed to a HIX staff member to have his/her computer/laptop verified for safety prior to plugging into the state network.*

*At that time, the visitor will provide his/her name and contact information on the Checklist Form. The HIX representative will then give the visitor (or Contractor/Vendor) an estimated time when the verification process is complete.*

**Part III (for HIX staff member)**

Below is a list of items that need to be checked before attaching a non-HIX computer/laptop to the network.

*Under NO circumstances should you install or uninstall anything on the computer/laptop. Only check for these items, document any missing items and give the visitor (or Contractor/Vendor) that information when his/her computer/laptop is returned. If the visitor (or Contractor/Vendor) is willing to update the computer/laptop and have it rechecked, that is acceptable. However, the visitor cannot plug into the network until the computer/laptop passes inspection.*

Fill out the contact information at the bottom of this form first.

Check for any form of Anti-Virus program that will prevent the device from becoming infected.

Verify that the Anti-Virus program is enabled and is actively checking the system for suspicious programs and files.

7598 Check to see if there are any viruses that were detected by the software. Verify that the Anti-  
7599 Virus definition is up to date.

7600 Make sure that the Operating System (OS) has the latest service pack.

7601 Check to see that Microsoft Critical Updates are installed to ensure that the Operating System is  
7602 patched with security fixes. To do this:

- 7603       • Go to Control Panel
- 7604       • Add/Remove Programs
- 7605       • Check the box to Show Updates
- 7606       • Scroll to the bottom of the list to see the last date of the installed updates
- 7607       • If the last update was more than a month ago, there are probably updates that are
- 7608       needed, since Microsoft published updates normally every month

7609 Identify any applications that could be a security risk when connecting the device to the network.  
7610 Some programs that are of concern are:

- 7611       • Zone Alarm
- 7612       • Bare share

7613 Document any items that are missing and return the computer/laptop with the information to the  
7614 visitor or Contractor/Vendor. Inform the visitor that if he/she would like to perform the updates  
7615 and resubmit it for approval, that is possible.

7616  
7617

***Contact Information:***

Name: \_\_\_\_\_ Date and time: \_\_\_\_\_

7618

7619 Phone Number (where visitor or Contractor/Vendor can be reached if needed during the validation  
7620 process): \_\_\_\_\_

7621 Company:

***Technician Information:***

7623 Name of HIX staff member performing validation:

7624 Estimated time to complete validation:

7625

7626 ***This computer/laptop has been:***

7627 Approved ☐

7628 Denied ☐

7629 If the computer/laptop is **approved**, it has been validated and is allowed to connect to the Ala-  
7630 bama state network. The visitor (or Contractor/Vendor) must please review the "S600-06 Com-  
7631 puter Acceptable Use" and "S600-07 Mobile Computing Devices" policies and sign below.

7632 If the computer/laptop is **denied**, it is not allowed to connect to the Alabama state network until  
7633 updates are installed and the computer/laptop is re-verified and approved.

7634 I, (print name) \_\_\_\_\_ have read and agree to the Alabama HIX  
7635 Computer Acceptable Use policies.  
7636

7637 Signature \_\_\_\_\_ Date \_\_\_\_\_

7638

7639

### PLEASE NOTE

7640 Documents in the following Appendices must be signed AFTER contract award and prior to the meeting  
7641 of the Legislative Contract Oversight Committee Meeting:

- 7642 • Appendix D: Contract Review Report for Submission to Oversight Committee
- 7643 • Appendix E: Immigration Status
- 7644 • Appendix F: Letter Regarding Reporting to Ethics Commission
- 7645 • Appendix G: Instructions for Certification Regarding Debarment, Suspension, Ineligibility
- 7646 and Voluntary Exclusion

7647



The following represents an example of a contract:

**Sample Contract**

KNOW ALL MEN BY THESE PRESENTS, that the Alabama Department of Insurance, an agency of the state of Alabama, and the undersigned Contractor agree as follows:

Contractor must furnish all labor, equipment, and materials and perform all of the work required under the Request for Proposal (RFP) Number 2012-HIX-101, dated XXXXX, 2012, strictly in accordance with the requirements thereof and Contractor's response thereto.

Contractor must be compensated for performance under this contract in accordance with the provisions of Section 6.8 and the price provided on the RFP Cover Sheet.

This contract specifically incorporates by reference the said RFP, any attachments and amendments thereto, and Contractor's response, including all attachments.

DEPARTMENT:

CONTRACTOR:

By: \_\_\_\_\_

By: \_\_\_\_\_

Jim L. Ridling  
Commissioner

Alabama Department of Insurance

Taxpayer ID Number: \_\_\_\_\_

APPROVED AS TO FORM ONLY:

\_\_\_\_\_  
Legal Counsel

Alabama Department of Insurance

APPROVED:

\_\_\_\_\_  
Robert Bentley

Governor, State of Alabama

## APPENDIX D: CONTRACT REVIEW REPORT FOR SUBMISSION TO OVERSIGHT COMMITTEE

### Contract Review Permanent Legislative Oversight Committee

Alabama State House  
Montgomery, Alabama 36130

### **CONTRACT REVIEW REPORT**

(Separate review report required for each contract)

Name of State Agency: Alabama Department of Insurance

Name of Contractor:

Contractor's Physical Street Address(No. P.O. Box) City State

\* Is Contractor organized as an Alabama Entity in Alabama? Yes \_\_\_\_\_ NO \_\_\_\_\_

\* If not, has it qualified with the Alabama Secretary of State to do business in Alabama? Yes \_\_\_\_\_ No \_\_\_\_\_

Is Act 2001-955 Disclosure Form Included with this Contract? YES \_\_\_\_\_ NO \_\_\_\_\_

Does Contractor have current member of Legislature or family member of Legislator employed? Yes \_\_\_\_\_ No \_\_\_\_\_

Was a Lobbyist/Consultant Used to Secure this Contract OR affiliated with this contractor? YES \_\_\_\_\_ NO \_\_\_\_\_

If Yes, Give Name: \_\_\_\_\_

Contract Number: \_\_\_\_\_

Contract/Amendment Total: \$ \_\_\_\_\_ (estimate if necessary)

% of State Funds: \_\_\_\_\_ % of Federal Funds: \_\_\_\_\_ % Other Funds: \_\_\_\_\_

\*\*Please Specify source of Other Funds (Fees, Grants, etc.) \_\_\_\_\_

Date Contract Effective: \_\_\_\_\_ Date Contract Ends: \_\_\_\_\_

Type of Contract: NEW: \_\_\_\_\_ RENEWAL: \_\_\_\_\_ AMENDMENT: \_\_\_\_\_

If renewal, was it originally Bid? Yes \_\_\_\_\_ No \_\_\_\_\_

If AMENDMENT, Complete A through C:

[A] Original contract total \$ \_\_\_\_\_

[B] Amended total prior to this amendment \$ \_\_\_\_\_

[C] Amended total after this amendment \$ \_\_\_\_\_

Was Contract secured through Bid Process? Yes \_\_\_\_\_ No \_\_\_\_\_ Was lowest Bid accepted? Yes \_\_\_\_\_ No \_\_\_\_\_

Was Contract secured through RFP Process? Yes \_\_\_\_\_ No \_\_\_\_\_ **Date RFP was awarded** \_\_\_\_\_

Summary of Contract Services to be Provided:

Why Contract Necessary AND why this service cannot be performed by merit employee:

*I certify that the above information is correct.*

Signature of Agency Head

Signature of Contractor

7745

7746

Printed Name

Printed Name

7747

7748

HIX Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

7749

Revised: 04/11/2011

7750

**GOVERNOR’S ADDITIONAL CONTRACT QUESTIONS FORM**

(1) If this contract was not competitively **Bid**, explain why not:

(2) If this contract was not competitively **Bid** because the contractor is a sole source provider, please explain who made the sole source determination and on what basis: \_\_\_\_\_

(3) If contract was awarded by **RFP**, what process was used, was it competitive, how many vendors were contacted, and how many proposals were received?

(4) If contract was awarded by **RFP**, was it awarded to the person or company with the lowest monetary proposal?

If not, explain why not. \_\_\_\_\_

(5) If contract was awarded by **RFP**, how and by whom were the proposals evaluated?

(6) If this contract was not awarded through either **Bid** or **RFP** process, why not?

(7) If this contract was not awarded through either Bid or **RFP** process, how was it awarded?

(8) Did agency attempt to hire a **State Employee**? If so who from the State Personnel Department did you talk to?

7790

7791

7792

7793 (9) How many additional contracts does contractor have with the State of Alabama and which  
7794 agencies are they with? \_\_\_\_\_

7795 \_\_\_\_\_

7796

7797

7798

7799

\_\_\_\_\_  
Jim Ridling, Commissioner

7800

7801

7802

**APPENDIX E: IMMIGRATION STATUS**

**IMMIGRATION STATUS**

I hereby attest that all workers on this project are either citizens of the United States or are in a proper and legal immigration status that authorizes them to be employed for pay within the United States.

\_\_\_\_\_  
Signature of Contractor

\_\_\_\_\_  
Witness

## APPENDIX F: LETTER REGARDING REPORTING TO ETHICS COMMISSION

### MEMORANDUM

TO: All Persons Under Contract With DOI and All HIX Staff

FROM: Jim Ridling  
Commissioner

SUBJECT: Reporting to Ethics Commission by Persons Related to HIX Employees

Section 36-25-16(b) Code of Alabama, 1975 provides that anyone who enters into a contract with a State agency for the sale of goods or services exceeding \$7500 must report to the State Ethics Commission the names of any adult child, parent, spouse, brother or sister employed by HIX.

Please review your situation for applicability of this statute. The address of the Alabama Ethics Commission is:

100 North Union Street  
Montgomery, Alabama 36104

A copy of the statute is reproduced below for your information. If you have any questions, please feel free to contact Kathleen Healey, HIX General Counsel, at [kathleen.healey@myalabama.gov](mailto:kathleen.healey@myalabama.gov)

#### **Section 36-25-16. Reports by persons who are related to public officials or public employees and who represent persons before regulatory body or contract with State.**

- (a) When any citizen of the State or business with which he or she is associated represents for a fee any person before a regulatory body of the executive branch, he or she must report to the commission the name of any adult child, parent, spouse, brother, or sister who is a public official or a public employee of that regulatory body of the executive branch.
- (b) When any citizen of the State or business with which the person is associated enters into a contract for the sale of goods or services to the State of Alabama or any of its agencies or any county or municipality and any of their respective agencies in amounts exceeding seven thousand five hundred dollars (\$7500) he or she must report to the commission the names of any adult child, parent, spouse, brother, or sister who is a public official or public employee of HIX or department with whom the contract is made.
- (c) This section must not apply to any contract for the sale of goods or services awarded through a process of public notice and competitive bidding.
- (d) Each regulatory body of the executive branch, or any agency of the State of Alabama must be responsible for notifying citizens affected by this chapter of the requirements of this section. (Acts 1973, No. 1056, p. 1699, §15; Acts 1975, No. 130, §1; Acts 1995, No. 95-194, p. 269, §1.)





**Alabama Department of Insurance  
201 Monroe Street, Suite 502  
Montgomery, Alabama 36130**



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7918 mission the names of any adult child, parent, spouse, brother, or sister who is a public  
7919 official or public employee of HIX or department with whom the contract is made.  
7920 (c) This section must not apply to any contract for the sale of goods or services awarded  
7921 through a process of public notice and competitive bidding.  
7922 (d) Each regulatory body of the executive branch, or any agency of the State of Alabama  
7923 must be responsible for notifying citizens affected by this chapter of the requirements of  
7924 this section. (Acts 1973, No. 1056, p. 1699, §15; Acts 1975, No. 130, §1; Acts 1995, No.  
7925 95-194, p. 269, §

**APPENDIX G: INSTRUCTIONS FOR CERTIFICATION REGARDING  
DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EX-  
CLUSION**

**Instructions for Certification Regarding Debarment, Suspension,  
Ineligibility and Voluntary Exclusion**

(Derived from Appendix B to 45 CFR Part 76--Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions)

1. By signing and submitting this contract, the prospective lower tier participant is providing the certification set out therein.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this contract was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Alabama Department of Insurance (DOI) may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant must provide immediate written notice to HIX if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, and voluntarily excluded, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this contract is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this contract that, should the contract be entered into, it must not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this contract that it will include this certification clause without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

8. Nothing contained in the foregoing must be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The

7967 knowledge and information of a participant is not required to exceed that which is normally pos-  
7968 sessed by a prudent person in the ordinary course of business dealings.

7969 9. Except for transactions authorized under paragraph 5 of these instructions, if a partici-  
7970 pant in a covered transaction knowingly enters into a lower tier covered transaction with a per-  
7971 son who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred,  
7972 ineligible, or voluntarily excluded from participation in this transaction, in addition to other reme-  
7973 dies available to the Federal Government, DOI may pursue available remedies, including sus-  
7974 pension and/or debarment.

7975

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## APPENDIX H: DOI BUSINESS ASSOCIATE ADDENDUM

### DOI Business Associate Addendum

(SAMPLE)

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#### Alabama Department of Insurance BUSINESS ASSOCIATE ADDENDUM

This Business Associate Addendum (this "Agreement") is made effective the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the Office of the Alabama Health Insurance Exchange ("Covered Entity"), an agency of the State of Alabama, and \_\_\_\_\_ ("Business Associate") (collectively the "Parties").

#### 1. BACKGROUND

- a. Covered Entity and Business Associate are parties to a contract entitled \_\_\_\_\_ (the "Contract"), whereby Business Associate agrees to perform certain services for or on behalf of Covered Entity.
- b. The relationship between Covered Entity and Business Associate is such that the Parties believe Business Associate is or may be a "business associate" within the meaning of the HIPAA Privacy Rule (as defined below).
- c. The Parties enter into this Business Associate Addendum to the Contract with the intention of complying with the HIPAA Privacy Rule provision that a covered entity may disclose protected health information to a business associate, and may allow a business associate to create or receive protected health information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

#### 2. DEFINITIONS

Unless otherwise clearly indicated by the context, the following terms must have the following meaning in this Agreement:

- a. "Breach" must mean the acquisition, access, use, or disclosure of protected health information which compromises the security or privacy of such information, except where an unauthorized person to whom such information is disclosed would not reasonably have been able to retain such information.
- b. "Electronic Health Record" must mean an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized healthcare clinicians and staff.
- c. "Electronic Protected Health Information" means Protected Health Information that is transmitted by Electronic Media (as defined in the Security and Privacy Rule) or maintained in Electronic Media.
- d. "HIPAA" means the Administrative Simplification Provisions, Sections 261 through 264, of the Federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.

- e. “Individual” must have the same meaning as the term “individual” in 45 CFR 174.501 and must include a person who qualifies as a personal representative in accordance with 45 CFR 174.502(g).
- f. “Personal Health Record” must mean an electronic record of identifiable health information on an individual that can be drawn from multiple sources and that is managed, shared, and controlled by or primarily for the individual.
- g. “Privacy Rule” must mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 170 and part 174, subparts A and E.
- h. “Protected Health Information” (PHI) must have the same meaning as the term “protected health information” in 45 CFR 174.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- i. “Required By Law” must have the same meaning as the term “required by law” in 45 CFR 174.501.
- j. “Secretary” must mean the Secretary of the United States Department of Health and Human Services or his designee.
- k. “Security Incident” must mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
- l. “Security Rule” must mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Parts 170 and 172, and Parts 174, Subparts A and C. The application of Security provisions Sections 174.308; 174.310, 174.312, and 174.317 of title 45, Code of Federal Regulations must apply to a business associate of a covered entity in the same manner that such sections apply to the covered entity.
- m. Unless otherwise defined in this Agreement, capitalized terms used herein must have the same meaning as those terms have in the Privacy Rule.
- n. “Unsecured Protected Health Information” is information that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals by mean of technology or methodology specified by the Secretary of Health and Human Services in the guidance issued under Section 13402(h)(2) of Public Law 111–5.

### **3. OBLIGATIONS OF BUSINESS ASSOCIATE**

- a. Use and Disclosure of PHI. Business Associate agrees to not use or disclose PHI other than as permitted or required by this Agreement or as required by law.
- b. Appropriate Safeguards. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for by this Agreement. The Business Associate agrees to take steps to safeguard, implement, and maintain PHI in accordance with the HIPAA Privacy Rule.

- 8053 c. Mitigation. Business Associate agrees to mitigate, to the extent practicable, any harmful  
8054 effect that is known to Business Associate of a use or disclosure of PHI by Business As-  
8055 sociate in violation of the requirements of this Agreement.
- 8056 d. Report Unauthorized Use or Disclosure. Business Associate agrees to promptly report to  
8057 Covered Entity any use or disclosure of PHI not provided for by this Agreement of which  
8058 it becomes aware.
- 8059 e. Applicability to Business Associate's Agents. Business Associate agrees to ensure that  
8060 any agent, including a subcontractor, to whom it provides PHI received from, or created  
8061 or received by the Business Associate on behalf of, Covered Entity agrees to the same  
8062 restrictions and conditions that apply through this Agreement to Business Associate with  
8063 respect to such information. The Business Associate agrees to have HIPAA-compliant  
8064 Business Associate Agreements or equivalent contractual agreements with agents to  
8065 whom the Business Associate discloses Covered Entity PHI.
- 8066 f. Access. Upon receipt of a written request from Covered Entity, Business Associate  
8067 agrees to provide Covered Entity, in order to allow Covered Entity to meet its require-  
8068 ments under 45 CFR 174.524, access to PHI maintained by Business Associate in a  
8069 Designated Record Set within thirty (30) business days.
- 8070 g. Amendments to PHI. Business Associate agrees to make any amendment(s) to PHI  
8071 maintained by Business Associate in a Designated Record Set that Covered Entity di-  
8072 rects or agrees to, pursuant to 45 CFR 174.526 at the request of Covered Entity, within  
8073 thirty (30) calendar days after receiving a written request for amendment from Covered  
8074 Entity.
- 8075 h. Availability of Documents. Business Associate agrees to make internal practices, books,  
8076 and records, including policies and procedures and PHI, relating to the use and disclo-  
8077 sure of PHI received from, or created or received by the Business Associate on behalf  
8078 of, Covered Entity, available to Covered Entity or to the Secretary for purposes of the  
8079 Secretary determining Covered Entity's compliance with the Privacy and Security Rules,  
8080 within five business days' after receipt of written notice.
- 8081 i. Documentation of PHI Disclosures. Business Associate agrees to keep records of dis-  
8082 closures of PHI and information related to such disclosures as would be required for  
8083 Covered Entity to respond to a request by an individual for an accounting of disclosures  
8084 of PHI in accordance with 45 CFR 174.528.
- 8085 j. Accounting of Disclosures. The Business Associate agrees to provide to Covered Entity,  
8086 within 30 days of receipt of a written request from Covered Entity, information collected  
8087 in accordance with the documentation of PHI disclosure of this Agreement, to permit  
8088 Covered Entity to respond to a request by an Individual or an authorized representative  
8089 for an accounting of disclosures of PHI in accordance with 45 CFR 174.528.



- 8090 k. The Business Associate must maintain a comprehensive security program appropriate to  
8091 the size and complexity of the Business Associate's operations and the nature and  
8092 scope of its activities as defined in the Security Rule.
- 8093 l. The Business Associate must notify the Covered Entity immediately following the dis-  
8094 covery of a breach of Protected Health Information (PHI).
- 8095 m. The Business Associate must provide the Covered Entity the following information when  
8096 a breach of unsecured protected health information is discovered:
- 8097 1. The number of recipient records involved in the breach.
- 8098 2. A description of what happened, including the date of the breach and the date of  
8099 the discovery of the breach if known.
- 8100 3. A description of the types of unsecure protected health information that were in-  
8101 volved in the breach (such as whether full name, social security number, date of  
8102 birth, home address, account number, diagnosis, disability code, or other type in-  
8103 formation were involved).
- 8104 4. Any steps the individuals should take to protect themselves from potential harm re-  
8105 sulting from the breach.
- 8106 5. A description of what the Business Associate is doing to investigate the breach, to  
8107 mitigate harm to individuals and to protect against any further breaches.
- 8108 6. Contact procedures for individuals to ask questions or learn additional information,  
8109 which must include the Business Associate's toll-free number, email address, Web  
8110 site, or postal address.
- 8111 7. A proposed media release developed by the Business Associate.
- 8112 n. The Business Associate must obtain Covered Entity approval prior to reporting any  
8113 breach required by 45 CFR Part 174, Subpart D.
- 8114 o. The Business Associate must, after receiving Covered Entity approval, provide the nec-  
8115 essary notices to the recipient, prominent media outlet, or the Secretary of Health and  
8116 Human Services (HHS) to report Business Associate breaches as required by 45 CFR  
8117 Part 174, Subpart D.
- 8118 p. Covered Entity will coordinate with the Business Associate in the determination of addi-  
8119 tional specific actions that will be required of the Business Associate for mitigation of the  
8120 breach.
- 8121 q. If the Business Associate is a Vendor of personal health records, notification of the  
8122 breach will need to be made with the Federal Trade Commission.
- 8123 r. The Business Associate must be responsible for any and all costs associated with the  
8124 notification and mitigation of a breach that has occurred because of the negligence of  
8125 the Business Associate.
- 8126 s. The Business Associate must pay all fines or penalties imposed by HHS under 45 CFR  
8127 Part 170 HIPAA Administrative Simplification: Enforcement rule for breaches made by  
8128 any employee, officer, or agent of the Business Associate.

- t. The Business Associate must be subject to prosecution by the Department of Justice for criminal violations of HIPAA if the Business Associate obtains or discloses individually identifiable health information without authorization, and must be responsible for any and all costs associated with prosecution.

#### **4. PERMITTED USES AND DISCLOSURES**

Except as otherwise limited in this Agreement, if the Contract permits, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity;

- a. Except as otherwise limited in this Agreement, if the Contract permits, Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- b. Except as otherwise limited in this Agreement, if the Contract permits, Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that:
  1. Disclosures are required by Law; or.
  2. Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- c. Except as otherwise limited in this Agreement, if the Contract permits, Business Associate may use PHI to provide data aggregation services to Covered Entity as permitted by 42 CFR 174.504(e)(2)(i)(B).
- d. Notwithstanding the foregoing provisions, Business Associate may not use or disclose PHI if the use or disclosure would violate any term of the Contract.

#### **5. REPORTING IMPROPER USE OR DISCLOSURE**

- a. The Business Associate must report to the Covered Entity any use or disclosure of PHI not provided for by this agreement immediately from the time the Business Associate becomes aware of the use or disclosure.
- b. The Business Associate must report to the Covered Entity any Security Incident and/or breach immediately from the time the Business Associate becomes aware of the use or disclosure.

#### **6. OBLIGATIONS OF COVERED ENTITY**

- a. Covered Entity must notify the Business Associate of any limitation(s) in its notice of privacy practices in accordance with 45 CFR 174.520, to the extent that such limitation may affect Alabama DOI's use or disclosure of PHI.

- b. Covered Entity must notify the Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect the Business Associate's use or disclosure of PHI.
- c. Covered Entity must notify the Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 174.522, to the extent that such restriction may affect the Business Associate's use or disclosure of PHI.
- d. Covered Entity must not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.
- e. Covered Entity must provide Business Associate with only that PHI which is minimally necessary for Business Associate to provide the services.

## 7. TERM AND TERMINATION

- a. **Term.** The Term of this Agreement must be effective as of the effective date stated above and must terminate when the Contract terminates.
- b. **Termination for Cause.** Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option:
1. Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
  2. Immediately terminate this Agreement; or
  3. If neither termination nor cure is feasible, report the violation to the Secretary as provided in the Privacy Rule.
- c. **Effect of Termination.**
1. Except as provided in paragraph (2) of this section or in the Contract, upon termination of this Agreement, for any reason, Business Associate must return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision must apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate must retain no copies of the PHI.
  2. In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate must provide to Covered Entity notification of the conditions that make return or destruction not feasible. Business Associate must extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

## 7. GENERAL TERMS AND CONDITIONS

- 8202 a. This Agreement amends and is part of the Contract.
- 8203 b. Except as provided in this Agreement, all terms and conditions of the Contract must re-
- 8204 main in force and must apply to this Agreement as if set forth fully herein. In the event of
- 8205 a conflict in terms between this Agreement and the Contract, the interpretation that is in
- 8206 accordance with the Privacy Rule must prevail. Any ambiguity in this Agreement must be
- 8207 resolved to permit Covered Entity to comply with the Privacy Rule.
- 8208 c. A breach of this Agreement by Business Associate must be considered sufficient basis
- 8209 for Covered Entity to terminate the Contract for cause.
- 8210 d. The Parties agree to take such action as is necessary to amend this Agreement from
- 8211 time to time for Covered Entity to comply with the requirements of the Privacy Rule and
- 8212 HIPAA.

8213 IN WITNESS WHEREOF, Covered Entity and Business Associate have executed this Agree-

8214 ment effective on the date as stated above.

8215 **Alabama Department of Insurance**

8216

8217 Signature:

8218

8219 Printed Name:

8220

8221 Title: Privacy Officer

8222

8223 Date:

8224

8225 **BUSINESS ASSOCIATE**

8226 Signature:

## **APPENDIX I: PERFORMANCE EXPECTATIONS AND SERVICE LEVEL AGREEMENTS**

**Preface statement:** The following general requirement may apply to several Service Level Agreements (SLAs): Vendors must design for a steady-state minimum of at least 4000 concurrent users; however the system must be sufficiently robust to handle brief surges of up to twice this number. Vendors are encouraged to consider alternative minimum concurrent user estimates as long as they justify any assumptions made."

**The following are the Service Level Agreement (SLA) level expectations of the Alabama HIX System:**

### **Solution Availability:**

The vendor's production application and hardware shall be available 24 hours a day and 7 days a week excluding the regular maintenance window unless otherwise coordinated with the State of Alabama. This also applies to failover and disaster recovery environments. The vendor will notify the State when the application performance is impacted and will notify the State at least 72 hours in advance of any other scheduled maintenance outside the regular solution maintenance window. The scheduled maintenance outside the regular maintenance window must be approved by the State. Unplanned emergency maintenance events must be reported to the State within 24 hours.

A liquidated damage shall be assessed at a rate of \$2,500 per hour (or any portion thereof) for any period if the production environment is not operational or available during the core hours of operation 6:00 AM to 24:00 PM CST time

A liquidated damage shall be assessed at a rate of \$1,200 per hour (or any portion thereof) for any period if the production environment is not operational or available outside the hours of operation listed above.

### **Consumer response time SLA measurements:**

The response time shall be less than 2 seconds, 99.5% of time that includes both peak and non-peak hours. The response time shall be calculated based on a point to point connectivity between the Exchange and the vendor's proposed solution.

### **Liquidated damages:**

Liquidated damages are \$500 per hour for any period in which the production environment does not meet the specification above.

### **Network response time SLA measurements:**

The network response time between components shall be less than 100ms seconds 99% of the time, with an average of 50ms. The response time shall be calculated based on a point to point connectivity between the Exchange and the vendor's proposed solution.

Liquidated damages:

Liquidated damages are \$500 per hour for any period in which the production environment does not meet the specification above.

**Failover SLA measurements:**

Failover processes shall be completed within 15 minutes from the time the production environment becomes unresponsive or fails to meet responsiveness times.

Liquidated damages:

Liquidated damages are \$500 per hour until the failover process is completed, past the initial 15 minutes of not meeting the specification.

**Solution File restoration SLA measurements:**

For 24x7x365 requests, file restoration services are to be 95% within 4 hours, and 100% within 24 hours.

Liquidated damages:

Liquidated damages are \$2,500 per occurrence of not meeting the SLA measurement.

**Backup strategy of data:**

Daily and weekly backups will be executed. Backup data will be rotated to offsite storage, or otherwise duplicated at an offsite location. Backups should be able to be initiated within an hour of request, and completed within 4 hours.

Liquidated damages:

Liquidated damages are \$2,500 per occurrence of not meeting the SLA measurement.

**Server, Network, Application, and Internet availability:**

Server, Network, Application, and Internet will be available 99.9% of the time, outside of agreed upon regularly scheduled maintenance.

Liquidated damages:

Liquidated damages are \$2,500 per hour for any period when this requirement is not met.

**Disaster recovery:**

Disaster recovery processes shall be completed within 48 hours of a disaster, with less than 12 hours of data loss.

Liquidated damages:

8310 Liquidated damages are \$100,000 per occurrence if the disaster recovery is not fully operational  
8311 within 48 hours of a disaster.  
8312



## APPENDIX J: MANDATORY PROPOSAL REQUIREMENTS

The following is a check-list to assist Vendors in assuring that they have met the mandatory proposal requirements. However, this may not include all of the legal requirements. Also, it must be regarded as a tool for helping to meet all submission requirements, not as a comprehensive list.

RFP Reference	Criteria to Meet Mandatory Proposal Submission Requirement
4.7	Vendor attended Mandatory Pre-Proposal Conference.
5.2	Proposal was received by the HIX Project Manager no later than the date and time specified in the Procurement Timetable.
5.2.1	Vendor submitted one original and 15 hard-copy versions of the Technical Proposal in binder form, plus four electronic versions on CD, jump drive, or disc. <b>The Requirements Response Matrix must be submitted in electronic form in the identical Excel spreadsheet that was part of the RFP.</b>
5.2.1	Vendor submitted one original and one hard-copy versions of the Cost Proposal in binder form, plus two electronic versions on a separate CD.
5.2.1	Original and copies of the proposal are marked as such,
5.2.1	The original proposal includes the transmittal letter with the original signature,
5.2.1	Each proposal is submitted in two parts: 1) Technical Proposal and 2) Cost Proposal.
5.2.1	The Cost Proposal is in a separately sealed envelope.
5.2.2	The Technical Proposal follows the format outlined in Section 5.2.2
5.2.2.1	A Cover Page like the RFP example is included.
5.2.2.2	The RFP Proposal Sheet is included, signed in blue ink and notarized, and is the first page of the original proposal. Copies of this page are included in the proposal copies.
5.2.2.3	The transmittal letter is on business letterhead by prime Vendor and signed by authorized individual.

RFP Reference	Criteria to Meet Mandatory Proposal Submission Requirement
5.2.2.3	<p>The transmittal letter includes the following items:</p> <ul style="list-style-type: none"> <li>• Brief statement of Vendor's understanding of the Scope of Work (SOW)</li> <li>• Identification of all materials and enclosures being submitted collectively as a response to this RFP</li> <li>• Identification of the Vendor who will be the prime Vendor and the name of the corporation or other legal entity submitting the proposal</li> <li>• The name, title, address, and phone number of the point of contact</li> <li>• A statement identifying any and all subcontractors, if any, who are needed in order to satisfy the requirements of this RFP. The percentage of work, as measured by percentage of total contract price to be performed by the prime Vendor, must be provided. If no subcontractor is proposed, a statement must be made identifying that fact.</li> <li>• A statement that the prices proposed were arrived at independently without consultation, communication, or agreement with any other Vendor or competitor for this procurement</li> <li>• A statement that the person signing this proposal is authorized to make decisions on behalf of the Vendor's organization as to the prices quoted</li> </ul>
5.2.2.3	<p>A Disclosure Statement completed and submitted with the proposal required pursuant to Alabama Act 2001-955, located in Appendix K – Disclosure Statement or on the Attorney General's web site at the following address: <a href="http://www.ago.state.al.us/ag_items.cfm?Item=70">http://www.ago.state.al.us/ag_items.cfm?Item=70</a></p> <p>If subcontractors are used, a Disclosure Statement for each of them is included.</p>
5.2.2.4	Acknowledgement of Receipt of all RFP addenda (if applicable)
5.2.2.5	Table of Contents identifies and denotes the location of each section and pages are clearly numbered.
5.2.2.6	Executive Summary is included and does not exceed its page limit.
5.2.2.7	Company Overview is included and does not exceed its page limit.

RFP Reference	Criteria to Meet Mandatory Proposal Submission Requirement
5.2.2.7	<p>Company overview contains the following:</p> <ul style="list-style-type: none"><li>• Ownership (public, partnership, subsidiary, etc.)</li><li>• Organization chart of Vendor's company in relation to parent or related organization</li><li>• Identification of partnership, non-profit, Alabama corporation, etc.</li><li>• State where Vendor is incorporated</li><li>• Number of employees/resources</li><li>• Organizational staffing chart</li><li>• Names and resumes of senior managers and partners</li><li>• Office locations responsible for proposed tasks</li><li>• Vendor's acknowledgement regarding reimbursement until deliverable and invoice are approved</li><li>• Details of any judgment, criminal conviction, investigation, or litigation</li><li>• Disclosure of contracts terminated</li><li>• Disclosure of conflict of interest</li><li>• Identification if minority owned</li><li>• Number of jobs being created in the State of Alabama for this project</li></ul>
5.2.2.8	Use of subcontractors section is included and is no more than four pages for each subcontractor.
5.2.2.8	The Vendor adequately describes how each subcontractor is to be used to meet the requirements of this project.

RFP Reference	Criteria to Meet Mandatory Proposal Submission Requirement
5.2.2.8	<p>For each subcontractor, the following is provided:</p> <ul style="list-style-type: none"> <li>• Ownership (public, partnership, subsidiary, etc.)</li> <li>• Organization chart of subcontractor's company in relation to parent or related organization</li> <li>• Identification of partnership, non-profit, Alabama corporation, etc.</li> <li>• State where Subcontractor is incorporated</li> <li>• Number of employees/resources</li> <li>• Organizational staffing chart</li> <li>• Names and resumes of senior managers and partners</li> <li>• Office locations responsible for proposed tasks</li> <li>• Subcontractor's acknowledgement regarding reimbursement until deliverable and invoice are approved</li> <li>• Details of any judgment, criminal conviction, investigation, or litigation</li> <li>• Disclosure of contracts terminated</li> <li>• Disclosure of conflict of interest</li> <li>• Identification if minority owned</li> <li>• Number of jobs being created in the State of Alabama for this project</li> </ul>
5.2.2.9	Business Experience Matrix is included listing 10 most recent projects performed demonstrating Vendor's abilities to perform requirements. If Subcontractors are to be used on the project, a Business Experience Matrix is completed for each subcontractor.
5.2.2.10	Proposed Business Solution is included and does not exceed its page limit.
5.2.2.11	System Development Lifecycle Approach and Methodology is included and does not exceed its page limit.
5.2.2.12	Project Management Approach is included and does not exceed its page limit.
5.2.2.13	Vendor included required deliverable Project Plan V1 and does not exceed its page limit. (not including Gantt chart).
5.2.2.13	Vendor responded to Section 7.1.1 Work Activities, Tasks and Deliverables, Activity 1: Project Planning requirements.
5.2.2.13	Vendor responded to Section 7.1.2 Work Activities, Tasks and Deliverables, Activity 2: Project Assessment and Control
5.2.2.13	Vendor responded to Section 7.1.3 Work Activities, Tasks and Deliverables, Activity 3: Decision Management.
5.2.2.13	Vendor responded to Section 7.1.4 Work Activities, Tasks and Deliverables, Activity 4: Risk Management
5.2.2.13	Vendor responded to Section 7.1.5 Work Activities, Tasks and Deliverables, Activity 5: Configuration Management.

RFP Reference	Criteria to Meet Mandatory Proposal Submission Requirement
5.2.2.13	Vendor responded to Section 7.1.6 Work Activities, Tasks and Deliverables, Activity 6: Requirements Analysis and Management
5.2.2.13	Vendor responded to Section 7.1.7 Work Activities, Tasks and Deliverables, Activity 7: Conceptual Architectural Design
5.2.2.13	Vendor responded to Section 7.1.8 Work Activities, Tasks and Deliverables, Activity 8: Detail Design.
5.2.2.13	Vendor responded to Section 7.1.9 Work Activities, Tasks and Deliverables, Activity 9: Security
5.2.2.13	Vendor responded to Section 7.1.10 Work Activities, Tasks and Deliverables, Activity 10: Continuity of Operations
5.2.2.13	Vendor responded to Section 7.1.11 Work Activities, Tasks and Deliverables, Activity 11: Knowledge Management
5.2.2.13	Vendor responded to Section 7.1.12 Work Activities, Tasks and Deliverables, Activity 12: Implementation Management
5.2.2.13	Vendor responded to Section 7.1.13 Work Activities, Tasks and Deliverables, Activity 13: Data Import
5.2.2.13	Vendor responded to Section 7.1.14 Work Activities, Tasks and Deliverables, Activity 14: Development
5.2.2.13	Vendor responded to Section 7.1.15 Work Activities, Tasks and Deliverables, Activity 15: System Integration
5.2.2.13	Vendor responded to Section 7.1.16 Work Activities, Tasks and Deliverables, Activity 16: System Implementation
5.2.2.13	Vendor responded to Section 7.1.17 Work Activities, Tasks and Deliverables, Activity 17: Testing
5.2.2.13	Vendor responded to Section 7.1.18 Work Activities, Tasks and Deliverables, Activity 18: Quality Assurance
5.2.2.13	Vendor responded to Section 7.1.19 Work Activities, Tasks and Deliverables, Activity 19: Software Verification
5.2.2.13	Vendor responded to Section 7.1.20 Work Activities, Tasks and Deliverables, Activity 20: Software Validation
5.2.2.13	Vendor responded to Section 7.1.21 Work Activities, Tasks and Deliverables, Activity 21: Software Reviews
5.2.2.13	Vendor responded to Section 7.1.22 Work Activities, Tasks and Deliverables, Activity 22: Software Problem Resolution
5.2.2.13	Vendor responded to Section 7.1.23 Work Activities, Tasks and Deliverables, Activity 23: User Acceptance Testing.
5.2.2.13	Vendor responded to Section 7.1.25 Work Activities, Tasks and Deliverables, Activity 24: Transition to Operations.
5.2.2.13	Vendor responded to Section 7.1.26 Work Activities, Tasks and Deliverables, Activity 25: Document Management
5.2.2.13	Vendor responded to Section 7.1.27 Work Activities, Tasks and Deliverables, Activity 26: Operations
5.2.2.13	Vendor responded to Section 7.1.28 Work Activities, Tasks and Deliverables, Activity 27: Federal Review and Certification

RFP Reference	Criteria to Meet Mandatory Proposal Submission Requirement
5.2.2.14	The Integration and Implementation Services Section is included does not exceed its page limit.
5.2.2.15	Operations and Hardware Hosting section is included and does not exceed its page limit.
5.2.2.16	Proposed Staffing section is included and does not exceed its page limit.
5.2.2.16	Proposed Staffing section includes acknowledgement that the Vendor understands its obligation to establish an offsite facility.
5.2.2.17	Relevant Technical Experience Section is included and does not exceed its page limit.
5.2.2.18	HIX Responsibilities section is included and does not exceed its page limit.
5.2.2.19	Vendor Assumptions section is included and does not exceed its page limit.
5.2.2.20	Lessons Learned section is included and does not exceed its page limit.
5.2.2.21	Financial Status section is included as Appendix A of the Vendor response.
5.2.2.22	Certificate of Authority or letter showing application is included as Appendix B of the Vendor response.
5.2.2.23	Requirements Response Matrix section is included by forwarding it as a <b>separate Excel file in the exact format as the downloaded Requirement Response Matrix.</b>
5.2.3	Cost Proposal follows the format indicated in 5.2.3.
5.2.3.1	Cost Proposal cover page formatted as indicated in 5.2.3.1.
5.2.3.3	Cost Proposal includes Table of Contents.
5.2.3.4	Cost Proposal includes Executive Summary.
5.2.3.5.1	Price Schedule I – Labor is included.
5.2.3.5.2	Price Schedule II – Deliverables is included.
5.2.3.5.3	Price Schedule III – Hardware and Software is included.
5.2.3.5.4	Price Schedule IV– Software Licenses is included.
5.2.3.5.5	Price Schedule V – Software Maintenance Support is included.
5.2.3.5.6	Price Schedule VI – Stabilization and ongoing Maintenance is included.
5.2.3.5.7	Price Schedule VII – Other Implementation Costs is included.
5.2.3.5.8	Price Schedule VIII – Pricing Sheet Summary is included.
5.2.3.6	Alternative Pricing Option 1 is included and does not exceed its page limit.
5.2.3.7	Alternative Pricing Option 2 is included.

8319 **APPENDIX K: FORMS**

8320 The following forms support the procurement and submission of the proposal:

- 8321 • Form A – High Level RFP Checklist
- 8322 • Form B – Proposal Compliance Checklist
- 8323 • Form C – Intent to Attend Pre-Proposal Conference
- 8324 • Form D – Requirements Response Matrix
- 8325 • Form E – RFP Proposal Sheet
- 8326 • Form F – Price Schedule I
- 8327 • Form G – Price Schedule II
- 8328 • Form H – Price Schedule III
- 8329 • Form I – Price Schedule IV
- 8330 • Form J – Price Schedule V
- 8331 • Form K – Price Schedule VI
- 8332 • Form L – Price Schedule VII
- 8333 • Form M – Price Schedule VIII
- 8334 • Form N – MAGI Eligibility Determination System Cost~~Reserved – intentionally blank~~
- 8335 • Form O – Reserved – intentionally blank
- 8336 • Form P - Disclosure Statement
- 8337 • Form Q – Business Experience Matrix



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**FORM A – HIGH LEVEL RFP CHECKLIST**

The following items should be understood **before Vendors initiate their responses to the RFP**. This is provided for assistance only and is not to be considered a list of proposal submission requirements, which are provided elsewhere throughout the RFP.

1. ☐ **Read the entire document.** Note critical items such as: mandatory requirements; supplies/services required; submittal dates; number of copies required for submittal; licensing requirements; contract requirements (e.g. contract performance security, insurance requirements, performance and/or reporting requirements, etc.). Note the interactions among response and RFP sections; initiating the response before seeing the “big picture” can be very counterproductive.
2. ☐ **Note the HIX Project Administrator name, address, phone numbers, and email address.** This is the only person the Vendor is allowed to communicate with regarding the RFP and is an excellent source of information for any questions that arise.
3. ☐ **Take advantage of the “question and answer” period.** Submit questions to the HIX Project Administrator by the due date(s) listed in Table 1 and view the answers as posted on the Web (place link here when available). All addenda issued for the RFP are posted on the following web page: <http://www.aldoi.gov/Consumers/HealthInsReform.aspx> including all questions asked and answered concerning this RFP.
4. ☐ **Use the forms provided**, such as cover sheet, disclosure form, etc. Alternative forms will not be accepted.
5. ☐ **Check the State’s web site for RFP addenda.** It is the Vendor’s responsibility to check the web site given in Item 3 above for any addenda issued for this RFP, no further notification will be provided. Vendors must submit a signed cover sheet for each addendum issued along with the RFP response.
6. ☐ **Review and read the RFP document again** to make sure that all requirements have been addressed. The original response and the requested copies must be identical and be complete.
7. ☐ **Submit the response on time.** Note all the dates and times listed in Table 1 and within the document, and be sure to submit all required items on time. Late proposal responses will lead to disqualification.

**This checklist is provided for assistance only and must not be submitted with Vendor’s Response.**

**FORM B – PROPOSAL COMPLIANCE CHECKLIST****NOTICE TO VENDOR:**

It is highly encouraged that the following checklist be used to verify completeness of Proposal content. **It is not required to submit this checklist with your proposal.**

Vendor Name \_\_\_\_\_

Project Director \_\_\_\_\_

Review Date \_\_\_\_\_

*Proposals for which **ALL** applicable items are marked by the Project Director are determined to be compliant for responsive proposals.*

<input checked="" type="checkbox"/> IF CORRECT	BASIC PROPOSAL REQUIREMENTS
<input type="checkbox"/>	1. Vendor's original proposal received on time at correct location.
<input type="checkbox"/>	2. Vendor submitted the specified copies of proposal and in electronic format.
<input type="checkbox"/>	3. The Proposal includes a completed and signed RFP Cover Sheet.
<input type="checkbox"/>	4. The Proposal is a complete and independent document, with no references to external documents or resources.
<input type="checkbox"/>	5. Vendor submitted signed acknowledgement of any and all addenda to RFP.
<input type="checkbox"/>	6. The Proposal includes written confirmation that the Vendor understands and must comply with all of the provisions of the RFP.
<input type="checkbox"/>	7. The Proposal includes required client references (with all identifying information in specified format and order).
<input type="checkbox"/>	8. The Proposal includes a corporate background.
<input type="checkbox"/>	9. The Proposal includes a detailed description of the plan to manage, re-design, develop, and implement the new System of the Alabama Health Insurance Exchange System (HIX System) as outlined in the request for proposal regarding each element listed in the scope of work.
<input type="checkbox"/>	10. The response includes (if applicable) a Certificate of Authority or letter/form showing application has been made with the Secretary of State for a Certificate of Authority.

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**FORM C – INTENT TO ATTEND PRE-PROPOSAL  
CONFERENCE NOTIFICATION**

This form acknowledges that \_\_\_\_\_ (company name) intends to attend the Pre-Proposal Vendor's Conference for the System RFP. This conference is **mandatory** for all vendors that will be submitting a response to the RFP. This sheet must be received at least five (5) business days in advance of the conference.

**COMPANY NAME**

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**REPRESENTATIVE'S NAME** (List all attending. HIX must be notified in advance of changes in representation)

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**COMPANY ADDRESS**

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**Phone:** \_\_\_\_\_

**FAX:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## **FORM D – REQUIREMENTS RESPONSE MATRIX**

This page briefly describes the mandatory Requirements Response Matrix referred to in this document.

The Requirements Response Matrix is an Excel spreadsheet that accompanies this document, and is available for download.

The Requirements Response Matrix contains a list of Functional Requirements known at the time of its publication.

The Requirements Response Matrix is a required element of the Vendor's Proposal Response. It is required by Section 5.2.1 of this document to be included in the Vendor's Proposal Response Appendix C – Requirements Response Matrix.

Instructions for completing this matrix are listed in Section 3.1 (Functional Requirements), Section 5.2.2.23 (Appendix C: Requirements Response Matrix), and on the first sheet of the Excel file.

The Requirements Response Matrix must be considered as a "form" for data entry, and, except for the three columns to be completed by the Vendor, cannot be edited or modified. The Vendor must enter the requested information in accordance with the instructions in this document, and save the document in an electronic, editable, machine-readable format. Failure to follow these instructions and saving the Requirements Response Matrix in a non-editable format will make the data unusable for evaluation purposes.

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**FORM E – RFP PROPOSAL SHEET**

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Department of Insurance

**REQUEST FOR PROPOSALS**

<b>RFP Number:</b> 2012-HIX-101		<b>RFP Title:</b>	
<b>RFP Due Date and Time:</b>		<b>Number of Pages:</b>	
<b>PROCUREMENT INFORMATION</b>			
<b>Project Director:</b>		<b>Issue Date:</b>	
<b>Phone:</b> <b>Email Address:</b> <b>Web site:</b> <a href="http://www.insurance.alabama.gov">http://www.insurance.alabama.gov</a>		<b>Issuing Division:</b>	
<b>INSTRUCTIONS TO VENDOR System</b>			
<b>Return Proposal to:</b>  <b>Office of the Alabama Health Insurance Exchange</b> RSA Tower Suite 502 201 Monroe Street Montgomery, AL 36104		<b>Mark Face of Envelope/Package:</b> <i>RFP Number: 2012-HIX-101</i> <b>RFP Due Date:</b> <b>Firm and Fixed Price for Contract</b>	
<b>VENDOR INFORMATION</b> <i>(Vendor must complete the following and return with RFP response)</i>			
<b>Vendor Name/Address:</b> <hr/> <hr/> <hr/>		<b>Authorized Vendor Signatory:</b> (Please print name and sign in ink) <hr/> <hr/> <hr/>	
<b>Vendor Phone Number:</b> <hr/>		<b>Vendor FAX Number:</b> <hr/>	
<b>Vendor Federal I.D. Number:</b> <hr/>		<b>Vendor Email Address:</b> <hr/>	

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**FORM F – PRICE SCHEDULE I**

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**DDI LABOR**

<u>Staff by Title</u>	<u># of Staff</u>	<u>Rate Per Hour</u>	<u>Est. Hours</u>	<u>Extended Price</u>

8468

Grand Total: Staff \_\_\_\_\_ Hours \_\_\_\_\_ Price \_\_\_\_\_ \*

8469

8470 Grand Total Price from Schedule I must be transferred to and agree with Grand Total Price

8471 listed on line 1 of Price Schedule VIII.: \_\_\_\_\_ "

8472

\_\_\_\_\_  
NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
ed)\_\_\_\_\_  
SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

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## FORM G – PRICE SCHEDULE II

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ITEM #	DELIVERABLE NAME	FIXED TOTAL PRICE
	<p>All deliverables must be “Approved” by the HIX Project Manager and/or the Executive Steering Committee before payment is made to the awarded Vendor on a deliverable.</p> <p>Staff resource hours worked for startup, planning, meetings, training, research, and other ongoing project activities are computed separately based on the Vendor’s employee’s actual hours worked. See 6.8 for details on invoicing for employee hours.</p> <p>The deliverables below are to be priced based on the Vendor’s proposal for the final approved deliverable.</p>	
1	Project Planning	
1.1	Project Plan V1	
1.2	Updated Project Plan	
2	Project Assessment and Control	
2.1	Weekly Project Status Reports	
2.2	Corrective Action Plan	
3	Decision Management	
3.1	Decision Management Plan	
3.2	Decision Outcomes	
4	Risk Management	
4.1	Risk Management Plan	
4.2	Lessons Learned	
5	Configuration Management	
5.1	Configuration Management Plan	
6	Requirements Analysis and Management	
6.1	Requirements Documentation	
6.2	Requirements Validation and Traceability Plan	
6.3	Requirement Change Control Plan	

ITEM #	DELIVERABLE NAME	FIXED TOTAL PRICE
7	Conceptual Architectural Design	
7.1	Conceptual Architectural Design Methodology	
7.2	Conceptual Architectural System Design	
7.3	Business Rules Plan	
7.4	Workflow Plan	
8	Detail Design	
8.1	Detail System Design Session Plan	
8.2	Detail System Design Document	
8.3	Business Rules Design	
8.4	Interface Detail Design	
8.5	Forms, Templates, and Notices Detail Design	
8.6	Alerts Detail Design	
8.7	Reports Detail Design	
9	Security	
9.1	Security Design Document	
9.2	User Access Security Plan	
10	Continuity of Operations	
10.1	Disaster Recovery Plan	
11	Knowledge Management	
11.1	Knowledge Management Strategy	
11.2	Comprehensive Knowledge Management Plan	
11.3	End User Environment(s)	
11.4	Instructional Materials V1 and *V2	
11.5	Online User Aids	
11.6	Knowledge Management Progress Report	
11.7	Knowledge Management Final Report	
11.8	Project Staff Preparation Plan	
12	Implementation Management	

ITEM #	DELIVERABLE NAME	FIXED TOTAL PRICE
12.1	Comprehensive Change Management and Communication Plan	
13	Data Conversion	
13.1	Data Import Strategy	
13.2	Data Import Plan	
13.3	Data Cleanup Plan	
13.4	Data Import	
14	Development	
14.1	Software Development Plan	
14.2	Weekly Construction Summary Report	
14.3	Development Library	
15	System Integration	
15.1	System Integration Strategy	
15.2	System Integration Plan	
16	System Implementation	
16.1	Hardware and Software Plan	
16.2	Statewide Implementation Plan	
16.3	Network, Desktop and Production Requirements	
16.4	Final Readiness Assessment	
17	Testing	
17.1	Master Test Plan	
17.2	Unit and Integration Test Plan and Documentation	
17.3	System Test Plan	
17.4	Interface Test Plan	
17.5	Performance, Volume and Stress Test Plan	
17.6	Import Test Plan	
17.7	System Test Scripts	
17.8	Import Test Results Report	

ITEM #	DELIVERABLE NAME	FIXED TOTAL PRICE
17.9	Performance Monitoring Plan and Weekly Report	
17.10	Operational Readiness Report	
18	Quality Assurance	
18.1	Quality Assurance Plan	
18.2	Quality Assurance Reviews	
19	Software Verification	
	No associated deliverable	
20	Software Validation	
	No associated deliverable	
21	Software Reviews	
	No associated deliverable	
22	Software Problem Resolution Process	
22.1	Software Resolution Plan	
23	User Acceptance Testing	
23.1	UAT Test Environment and Tools	
23.2	Weekly UAT Status Reports	
23.3	Operational Readiness Report	
24	Transition to Operations	
24.1	Transition Plan	
24.2	Post-Implementation Evaluations	
24.3	Updated System Documentation	
25	Document Management	
25.1	Document Management Plan	
26	Operations	
26.1	Operating Procedures	
26.2	Help Desk Transition Plan	
26.3	Help Desk Plan, Public Facing Help Desk Plan	

ITEM #	DELIVERABLE NAME	FIXED TOTAL PRICE
26.4	Help Desk Procedures Manual	
27	Federal Review and Certification	
27.1	Assist with Federal Review	

8477

Grand Total: Deliverable Price_____*
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8478

8479 Grand Total Price on Schedule II must be transferred to and agree with Grand Total Price from  
8480 Schedule listed on the bottom of Price Schedule VIII as RFP Line Item #2.

8481

NAME OF AUTHORIZED VENDOR REPRESENTED (Print- ed)	TITLE
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SIGNATURE OF AUTHORIZED VENDOR REPRESENTED	DATE
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8482

8483

8484

**FORM H – PRICE SCHEDULE III**

Hardware/Software				
Contract Year	Description	Quantity	Unit Price	Total Price

8485

Grand Total: Price \_\_\_\_\_ \*

8486

8487 Grand Total Price on Schedule III must be transferred to and agree with Grand Total Price from  
 8488 Schedule listed on Price Schedule VIII as RFP Line Item #3.

8489

NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
 ed)

SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

8490

8491

**FORM I – PRICE SCHEDULE IV**

Software Licensing				
Contract Year Needed	Description (specify terms & options)	Quantity	Unit Price	Total Price

8492

Grand Total: Price \_\_\_\_\_\*

8493

8494 Grand Total Price on Schedule IV must be transferred to and agree with Grand Total Price from  
 8495 Schedule listed on Price Schedule VIII as RFP Line Item 4.

8496

NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
 ed)

SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

8497



8498

**FORM J – PRICE SCHEDULE V**

Software Maintenance Support				
Description	Frequency	Quantity	Unit Price	Total Price

8499

Grand Total: Price \_\_\_\_\_\*

8500

8501 Grand Total Price on Schedule V must be transferred to and agree with Grand Total Price from  
8502 Schedule listed on the bottom of Price Schedule VIII as RFP Line Item #5.

8503

NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
ed)

SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

8504

8505

8506

**FORM K – PRICE SCHEDULE VI**

<b>Stabilization Period</b>					
<u>Contract Year Needed</u>	<u>Staff by Title</u>	<u># of Staff</u>	<u>Rate Per Hour</u>	<u>Est. Hours</u>	<u>Extended Price</u>
Total					

8507

<b>Ongoing Operations Optional (per year)</b>					
<u>Contract Year Need- ed</u>	<u>Staff by Title</u>	<u># of Staff</u>	<u>Rate Per Hour</u>	<u>Est. Hours</u>	<u>Extended Price</u>
Total					

8508

Grand Total: Staff _____ Hours _____ Price _____ *
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8509

8510 Grand Total Price on Schedule VI must be transferred to and agree with Grand Total Price from  
 8511 Schedule listed on the bottom of Price Schedule VIII as RFP Line Item #6.

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NAME OF AUTHORIZED VENDOR REPRESENTED (Print- ed)	TITLE
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SIGNATURE OF AUTHORIZED VENDOR REPRESENTED	DATE
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**FORM L – PRICE SCHEDULE VII**

Other Implementation Costs				
Contract Year Needed	Description	Quantity	Unit Cost	Total Cost

8517

Grand Total: \_\_\_\_\_\*

8518

8519 Grand Total Price on Schedule VII must be transferred to and agree with Grand Total Price from  
8520 Schedule listed on the bottom of Price Schedule VIII as RFP Line Item #7.

NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
ed)

SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

8521

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**FORM M – PRICE SCHEDULE VIII**

Pricing Schedule Summary		
Line #	Description	Grand Total Price
1	Labor	
2	Deliverables	
3	Hardware/Software	
4	Software Licenses	
5	Software maintenance Support	
6	Stabilization and Ongoing Operations	
7	Other Implementation Costs	
	Grand Total Cost	

8524

Summary Grand Total: Price\_\_\_\_\_\*

8525

8526

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NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
ed)

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SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

8527

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**FORM N: MAGI ELIGIBILITY DETERMINATION SYSTEM COST****–INTENTIONALLY BLANK**

<b><u>COST TO PURCHASE, INSTALL AND CONFIGURE*</u></b>	
<b><u>OPERATING YEAR 1</u></b>	
<b><u>OPERATING YEAR 2</u></b>	
<b><u>OPERATING YEAR 3</u></b>	
<b><u>OPERATING YEAR 4</u></b>	
<b><u>OPERATING YEAR 5</u></b>	

**\*THIS COST SHOULD REFLECT ALL OF THE “UP-FRONT” COSTS TO  
PROCURE THE MAGI ELIGIBILITY DETERMINATION SYSTEM PRIOR  
TO THE “GO-LIVE” DATE OF OCTOBER 1, 2013.**

**NOTE: OPERATING YEAR COSTS SHOULD REFLECT ALL LICENS-  
ING AND MAINTENANCE COSTS FOR EACH YEAR. IT MUST BE AS-  
SUMED THAT AN ENTERPRISE LICENSE WILL BE PURCHASED  
THAT WOULD ALLOW OTHER STATE AGENCIES TO USE THE BUSI-  
NESS RULES ENGINE THAT SUPPORTS THE MAGI ELIGIBILITY DE-  
TERMINATION.**

**IN FORM N, VENDORS SHOULD NOT INCLUDE ANY CONFIGURA-  
TION, DEVELOPMENT OR INTEGRATION COSTS BEYOND THE  
SCOPE OF MAKING THE MAGI ELIGIBILITY DETERMINATION FOR  
HIX, MEDICAID AND CHIP.**

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**FORM O – INTENTIONALLY BLANK**

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**FORM P – DISCLOSURE STATEMENT**

# State of Alabama Disclosure Statement

(Required by Act 2001-955)

ENTITY COMPLETING FORM

ADDRESS

CITY, STATE, ZIP

TELEPHONE NUMBER

( )

STATE AGENCY/DEPARTMENT THAT WILL RECEIVE GOODS, SERVICES, OR IS RESPONSIBLE FOR GRANT AWARD

ADDRESS

CITY, STATE, ZIP

TELEPHONE NUMBER

( )

This form is provided with:

☐ Contract    ☐ Proposal    ☐ Request for Proposal    ☐ Invitation to Bid    ☐ Grant Proposal

Have you or any of your partners, divisions, or any related business units previously performed work or provided goods to any State Agency/Department in the current or last fiscal year?

☐ Yes    ☐ No

If yes, identify below the State Agency/Department that received the goods or services, the type(s) of goods or services previously provided, and the amount received for the provision of such goods or services.

STATE AGENCY/DEPARTMENT	TYPE OF GOODS/SERVICES	AMOUNT RECEIVED

Have you or any of your partners, divisions, or any related business units previously applied and received any grants from any State Agency/Department in the current or last fiscal year?

☐ Yes    ☐ No

If yes, identify the State Agency/Department that awarded the grant, the date such grant was awarded, and the amount of the grant.

STATE AGENCY/DEPARTMENT	DATE GRANT AWARDED	AMOUNT OF GRANT

1. List below the name(s) and address(es) of all public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF PUBLIC OFFICIAL/EMPLOYEE	ADDRESS	STATE DEPARTMENT/AGENCY

OVER

8553

2. List below the name(s) and address(es) of all family members of public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the public officials/public employees and State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF FAMILY MEMBER	ADDRESS	NAME OF PUBLIC OFFICIAL/ PUBLIC EMPLOYEE	STATE DEPARTMENT/ AGENCY WHERE EMPLOYED
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If you identified individuals in items one and/or two above, describe in detail below the direct financial benefit to be gained by the public officials, public employees, and/or their family members as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)


Describe in detail below any indirect financial benefits to be gained by any public official, public employee, and/or family members of the public official or public employee as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)


List below the name(s) and address(es) of all paid consultants and/or lobbyists utilized to obtain the contract, proposal, request for proposal, invitation to bid, or grant proposal:

NAME OF PAID CONSULTANT/LOBBYIST	ADDRESS
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*By signing below, I certify under oath and penalty of perjury that all statements on or attached to this form are true and correct to the best of my knowledge. I further understand that a civil penalty of ten percent (10%) of the amount of the transaction, not to exceed \$10,000.00, is applied for knowingly providing incorrect or misleading information.*

Signature	Date
-----------	------

Notary's Signature	Date	Date Notary Expires
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*Act 2001-955 requires the disclosure statement to be completed and filed with all proposals, bids, contracts, or grant proposals to the State of Alabama in excess of \$5,000.*

**FORM Q – BUSINESS EXPERIENCE MATRIX**

8555

8556 System Project  
8557 Proposal Reference Summary

A	B	C	D	E	F	G	H	I	J
Project Name	Mgmt? Yes/No	Summary	Start Date	End Date	On Time	On Budget	Litiga- tion	Staff	Name, Title, Fax, Phone, Email
1)									
2)									
3)									
4)									
5)									
6)									
7)									
8)									
9)									
10)									

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