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**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  
RFP#: 2012-HIX-101  
May 9, 2012 (Issue Date)  
As amended, June 7, 2012  
Version 3.3.

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255 **PREFACE AND PROJECT TIMETABLE**

256 The following Table 1 represents the State's best estimate of the schedule that must be fol-  
257 lowed. The deadlines associated with the Vendor question and answer periods, and the pro-  
258 posal due date and the proposal opening date are firm, while the other dates provided in the  
259 schedule are estimates and will be impacted by the number of proposals received. Note that if  
260 addendums or oral presentations are determined to be required, the dates in Table 1 may need  
261 to be updated. The State reserves the right, at its sole discretion, to adjust this schedule as it  
262 deems necessary. Notification of any adjustment to Table 1 will be posted under the "health re-  
263 form 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 CDT
Deadline for Submitting Questions to be Answered at the Pre-Proposal Conference	May 16, 2012	By 5:00 PM CDT
Deadline for Submitting Intent to Attend Pre-Proposal Conference Notification	May 16, 2012	By 5:00 PM CDT
Mandatory Pre-Proposal Conference	May 25, 2012	10:00 AM CDT
Deadline for Submitting Questions after Pre-Proposal Conference	May 31, 2012	By 5:00 PM CDT
Answers to Questions to be posted on web site	June 7, 2012	By 5:00 PM CDT
Proposal Submission Date	June 11, 2012	By 5:00 PM CDT
Opening of Proposal Responses	June 12, 2012	9:00 AM CDT
Selection of Apparent Winning Vendor (Estimated)	July 11, 2012	5:00 PM CDT
Centers for Medicare & Medicaid Services (CMS) Approval of Contract (Estimated)	July 20, 2012	5:00 PM CDT
**Legislative Oversight Committee Review and Governor's Approval of Contract (Estimated)	August 2, 2012	5:00 PM CDT
<b>Proposal Award Milestone</b>	August 10, 2012	5:00 PM 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 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 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 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 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 CDT
CMS: Fully operational HIX System	January 1, 2014	12:00 AM CDT
<b>Project Phase 5:</b> Operation of the completed System (Warranty Period)	January 1, 2015	12:00 AM CDT
<b>Operational Readiness Review (ORR) Milestone</b>	Vendor to Propose	
<b>Project Phase 6:</b> Operation of the completed System (Post-warranty Period includes annual renewal options)	January 1, 2019	12:00 AM 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.

271 **FORWARD – RFP ORGANIZATION**

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

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

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

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

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

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

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

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

291 **Appendices:** Contains documents referenced from the body of the RFP that are needed to re-  
292 spond to the RFP. Appendix K: Contains the various forms that support the procurement pro-  
293 cess and the submission of a proposal.

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

## 297 **1 PURPOSE AND BACKGROUND**

### 298 **1.1 Purpose**

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

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

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

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

### 318 **1.2 Health Benefit Exchange Background Specific to Alabama**

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

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

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

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

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

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

- 341 • Office of the Alabama Health Insurance Exchange (HIX)
  - 342 ○ HIX Organizational Status
- 343 • Alabama MAGI Eligibility Determination System
- 344 • MyAlabama.gov Portal
- 345 • Alabama Health Information Exchange (AHIE)
- 346 • Federal Data Services Hub
- 347 • System for Electronic Rate and Form Filing (SERFF)

### 348 **1.2.1 Office of the Alabama Health Insurance Exchange**

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

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

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

### 357 **HIX Organizational Status**

358 HIX is a newly created organization within the state of Alabama. Recruitment of new staff by  
359 HIX for the implementation of the Exchange is currently in progress. Staff from the Vendor cho-  
360 sen to implement the Exchange will work with new staff recruited by HIX as well as existing staff  
361 from multiple agencies within the state of Alabama, especially those related to HIX System inte-  
362 gration with other agency systems.

### 363 **1.2.2 Alabama MAGI Eligibility Determination System**

364 At this time, it is anticipated that Alabama will procure a new system which will supply the eligi-  
365 bility determination functionality for HIX, Medicaid and CHIP (ALL Kids). A requirement is in-  
366 cluded (see Section 3) that specifies a HIX System to provide the MAGI (income-based) eligibil-  
367 ity functionality for HIX, Medicaid and CHIP. The MAGI based eligibility decision would then be  
368 passed to Medicaid and CHIP. ***OTE: It has now been determined that the proposed HIX  
369 System must include an Eligibility Determination System capable of making MAGI deter-  
370 minations for HIX, Medicaid and CHIP programs. Vendors must proceed with the under-***

371 ***standing that the proposal must include cost estimates for the entire eligibility function,***  
372 ***and that none of this functionality will be provided by the Medicaid Eligibility Determina-***  
373 ***tion System. Vendors must not present proposals that assume that another agency will***  
374 ***provide this functionality. In the proposed budget, vendors must present a line item***  
375 ***price for purchasing and writing the business rules to support the MAGI eligibility deter-***  
376 ***mination. The price quoted must also include ongoing operations, maintenance and***  
377 ***support costs on an annual basis for the first five years of operation. The price for the***  
378 ***up-front and ongoing MAGI eligibility determination component must be included on***  
379 ***Form N.***

380 Section 3 provides more detail regarding the HIX procurement. Alabama agencies are coordi-  
381 nating closely to ensure that:

- 382 • A consumer-friendly application process is developed for all health subsidy programs
- 383 • Seamless transition is coordinated across health subsidy programs
- 384 • Application and renewal processes are minimized by accessing data from other  
385 sources
- 386 • Transfer of consumer eligibility, enrollment, and disenrollment information between  
387 Medicaid and other insurance coverage options, including CHIP, public/private health  
388 plans, and other HHS programs, is facilitated. For informational purposes, sample  
389 data elements to be passed to Medicaid pertaining to prospective enrollees based on  
390 the MAGI eligibility determination are posted on the DOI website. These data ele-  
391 ments are listed in the spreadsheet titled, *Sample Data Elements for Medicaid Enrol-*  
392 *lees Qualifying through MAGI*. There is no specific requirement to respond to these  
393 data elements.

394

### 395 **1.2.3 MyAlabama.gov Portal**

396 MyAlabama.gov is the online portal for services provided to Alabama residents from the state of  
397 Alabama. MyAlabama.gov Portal puts the power of the state of Alabama government at the fin-  
398 gertips of Alabama residents, 24/7.

399 The MyAlabama.gov Portal is a result of the My Alabama Project. The Project's focus is to in-  
400 crease health and human service (HHS) outcomes for children and families by building an inte-  
401 grated HHS infrastructure to coordinate technology and business processes of multiple systems  
402 that provide services to Alabama clients and families. Initial implementations of MyAlabama.gov  
403 Portal included Medicaid and Public Health (e.g., ALLKids, CHIP). Other agencies participating  
404 in the Project are the Department of Human Resources (Food Stamps and Temporary Assis-  
405 tance for Needy Families (TANF)), Mental Health (e.g., Mental Retardation Services), and Re-  
406 habilitation Services.

407 In the same way that MyAlabama.gov Portal is an entry point for the stakeholders of the Ala-  
408 bama MAGI Eligibility Determination System, MyAlabama.gov Portal will be an entry point for

409 stakeholders of the Alabama Health Insurance Exchange System. Section 3 provides more de-  
410 tail regarding the HIX procurement.

411 ***NOTE: It has now been determined that the proposed HIX System must include an Eligi-***  
412 ***bility Determination component capable of making MAGI determinations for HIX, Medi-***  
413 ***caid and CHIP programs. Vendors must proceed with the understanding that the pro-***  
414 ***posal must include cost estimates for the entire eligibility function. Vendors must not***  
415 ***present proposals that assume that another agency will provide this functionality.***

#### 416 **1.2.4 Alabama Health Information Exchange**

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

#### 423 **1.2.5 Federal Data Services Hub**

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

429 If this new Federal Hub is ready for the HIX integration in time to meet the timelines in Table  
430 1, optimal integration with the HIX System would occur in the normal sequence of HIX Sys-  
431 tem implementation. However, as a portion of this Alabama background section, the risk of  
432 a "two-step implementation" that includes a "temporary solution" and then an "optimized"  
433 integration solution with the Federal Hub is highlighted.

#### 434 **1.2.6 System for Electronic Rate and Form Filing (SERFF)**

435 The original concept for SERFF was developed in the early 1990s by the National Association  
436 of Insurance Commissioners (NAIC). The Electronic Filing Submission's intent was to provide a  
437 cost-effective method for handling insurance policy rate and form filings between regulators and  
438 insurance companies in order for the states to receive, comment on, and approve or reject in-  
439 surance industry rate and form filings. The SERFF Consortium, an unincorporated group of in-  
440 terested states and companies has been an open, cooperative partnership with the mission to  
441 fund and oversee the development of the SERFF application. This partnership has allowed the  
442 states and companies to jointly exert a measure of control over a mission-critical function that  
443 otherwise could overwhelm either party's capability to respond to changing process require-  
444 ments.

445 SERFF offers a decentralized point-to-point, web-based electronic filing system. SERFF facili-  
446 tates communication, management, analysis and electronic storage of documents and support-



447 ing information. The system is designed to improve the efficiency of the rate and form filing and  
448 approval process and to reduce the time and cost involved in making regulatory filings.

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

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

## 460 2 PROJECT SCOPE AND APPROACH

### 461 2.1 Project Scope

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

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

468 The web services and other communication standards specified by the Federal Government for  
469 use by Health Insurance Exchanges as well as those specified by the state of Alabama for  
470 health information communications are requirements within this project scope, whether specified  
471 explicitly within this RFP or are specified by the Federal Government or the state of Alabama  
472 during the operation of the HIX system by the selected Vendor. The selected Vendor must meet  
473 all Service Level Agreements (SLAs) defined for the HIX System. COTS products that support  
474 the adaptive, web service oriented architecture (SOA) design of the system are preferred for the  
475 desktop virtualization tier (when appropriate for security), presentation tier, middle tiers, rela-  
476 tional database tier, and the server virtualization tier of the HIX System (see Sections 3.2.4, 3.5,  
477 5.2.2.16, 5.2.2.17 and Appendix B of this document).

478 HIX is seeking a System that will initially be hosted in a private data center by the selected Ven-  
479 dor, but which is able to be subsequently moved to other data centers (e.g., hosted in Alabama  
480 data centers or other data centers selected by Alabama and operated by other vendors). For  
481 this reason, a rational exit strategy from the Vendor's data center must be described in this RFP  
482 response including the movement of existing data and existing software from the Vendor's data  
483 center to another data center operated by the state of Alabama or other vendor. The Vendor  
484 must describe this hosting exit strategy along with other hosting details in Tab 10 (see Section  
485 5.2.2.15).

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

496 Through this RFP, HIX seeks to buy the best services and products at the most favorable com-  
497 petitive prices, and to give all qualified business entities an opportunity to bid to provide the de-  
498 sired products and services.



## 499 **2.2 Project Organization**

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

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

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

## 519 **2.3 General Scope of Work**

### 520 **2.3.1 HIX Approach to Development**

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

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

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

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

545 Vendor should provide Independent Verification & Validation (IV&V) for system design,  
546 with minimal IV&V performed at major release points, with the requirement of a IV&V  
547 before every release to the production environment. The IV&V must not be performed  
548 by a group that is designing, building nor supporting the Exchange system build.  
549

### 550 **2.3.2 Deliverable Review Process**

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

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

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

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

572 The Change Control Board for the System Project or its delegated representative must approve  
573 all identified deliverables due under this RFP. “Approved deliverables” means that the delivera-  
574 ble is of acceptable quality and content, without any further HIX reviewer recommended chang-  
575 es or unacceptable comments. The HIX Project Manager will be responsible for recording,  
576 tracking, and marking HIX accepted deliverables as “APPROVED.” **HIX will only pay the Ven-  
577 dor for approved deliverables.**

578 ***Please note that HIX reserves the right to negotiate with the Vendor to reasonably***  
579 ***change the deliverable due dates or timeframes as appropriate to assure timely comple-***  
580 ***tion of the project without any changes in the Vendor’s contracted bid prices.***

### 581 **2.3.3 Deliverable Acceptance Criteria**

582 The following criteria will be used by HIX to determine acceptance of the services and/or deliv-  
583 erables provided by the Vendor under this RFP:

- 584 • All Project Plans must be executed according to a standard dictated by the HIX Project  
585 Manager
- 586 • All deliverables must document the validity of the requested development process rela-  
587 tive to current industry standards
- 588 • All documentation and deliverables must conform to the acceptance criteria specified  
589 for each of the activities given in Section 7
- 590 • All required documentation, as specified by the HIX Project Manager, will be delivered  
591 within mutually agreed-upon timeframes
- 592 • All required documentation will meet minimum standards for quality as specified by the  
593 HIX Project Manager

### 594 **2.3.4 HIX System Project Major Milestones**

595 This section is set forth to provide Vendors with a concept of the initial thinking of HIX with re-  
596 gard to System Project Major Milestones. **However, it is the Vendor’s responsibility to mod-**  
597 **ify or otherwise elaborate on these preliminary milestones in developing their plans.** The  
598 following are sections where Milestones are mentioned as requirements of the proposal pro-  
599 cess:

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

605  
606 The term ‘Milestone’ is used for the control points that will apply regardless of the development  
607 approach adopted. The Vendor will place these control points into its schedule and incorporate  
608 them into its life cycle proposal according to the time constraints of Table 1. Payment will be  
609 contingent, in part, upon the approved completion of each of the Milestones. The remainder of  
610 this section provides a discussion for each of the preliminary project major Milestones.

### 611 **Proposal Award Milestone**

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

616 to proceed to Phase 1 of the project. This Phase of the project and its deliverables are de-  
617 scribed in Activity 1, Section 7. The planning documentation requirements covered in the pro-  
618 posal must be modified by the Vendor as the result of a deeper understanding of HIX needs and  
619 environment at that time as well as the additional time during Phase 1 to accomplish these up-  
620 grades.

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

622 The requirements given in this RFP are as current as they could be as of its distribution date. A  
623 number of changes might become apparent in the interim between this date and the proposal  
624 award date. In addition, HIX expects the successful Vendor to bring experience, ideas and con-  
625 cepts to the project that may not be within this current RFP document. For this reason a Phase  
626 1 deliverables have been established that will be the result of the Vendor performing systems  
627 analysis, requirements refinement, planning and, to the extent possible, detailed design. The  
628 expected deliverable for this phase will consist of the several documents that are described in  
629 Activity 1 of Section 7.

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

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

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

- 640 • Key validated usage scenarios will be exercised through prototyping or simulation. Criti-  
641 cal conceptual risks will be identified and resolved
- 642 • An assessment of alternative feasible system concepts and solutions will be completed  
643 that will consider the satisfaction of both business and technical stakeholder objectives;  
644 Business objectives will be further analyzed for requirements and feasible architectures
- 645 • Top-level functions, interfaces, quality attribute levels will be defined, including system  
646 growth and priorities, prototypes, and stakeholder concurrence on essentials will be re-  
647 solved
- 648 • The identification and initial specification of the services needed from enabling systems  
649 throughout the lifecycle will be accomplished
- 650 • The top-level definition of one or more feasible architectures will be determined, includ-  
651 ing physical and logical relationships, choices of COTS and reusable software compo-  
652 nents, and the identification of infeasible architecture options
- 653 • The top-level lifecycle process model stages and increments will be identified, including  
654 the identification and refinement of concepts for execution for each stage
- 655 • Risks will be identified and assessed, and mitigation plans will be established for subse-  
656 quent stages of the lifecycle

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

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

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

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

676

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

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

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

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

- 697 main architecture and architectural styles are determined. Architectural evolution param-  
698 eters are defined. Technical information exists, including but not limited to:
- 699 ○ Hardware diagrams and models
  - 700 ○ Software design documentation
  - 701 ○ Interface specifications
  - 702 ○ Production plans
  - 703 ○ Operating instructions
  - 704 ○ Training manuals
  - 705 ○ Maintenance procedures
  - 706 ○ Retirement considerations
  - 707 ○ Definition of the enabling services required in subsequent lifecycle stages
- 708 ● Consistency is assured and has been verified and validated among all elements. Major  
709 risks are resolved or covered by a risk management plan. Current risks are identified  
710 and mitigated
  - 711 ● Exit criteria for this stage have been satisfied. Plans and exit criteria for the next stage  
712 are approved
  - 713 ● Approval is obtained to proceed to the next phase

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

715 The Implementation Readiness Milestone is a control milestone that marks the Initial Operating  
716 Capability (IOC) of the subsystem (e.g., in this case the deliverables of Phase 2 (see Section  
717 3.3) utilized in Phase 3). It will be used to determine when these components are operationally  
718 capable. This milestone will occur prior to the subsystem being deployed operationally for Sys-  
719 tem testing. HIX will expect a staged implementation of the overall system, culminating with an  
720 Operational Readiness Review (ORR); see the ORR Milestone below.

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

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

- 724 ● Software preparation, including both operational and support with appropriate documen-  
725 tation
- 726 ● Data preparation, access, import and conversion (as appropriate)
- 727 ● The necessary licenses and rights for COTS or reusable software, and appropriate quali-  
728 fication and compliance testing are satisfactorily complete
- 729 ● The site preparation, including facilities, equipment, supplies, and COTS Vendor support  
730 arrangements are ready
- 731 ● The user, operator, and maintainer preparation (including selection, teambuilding, train-  
732 ing, and qualification for familiarization, usage, operations, or maintenance) have been  
733 completed, and the system is ready for operation

734 At this milestone, as a minimum, the following will have been accomplished (the word "sys-  
735 tem" in the immediate context below refers to the components that were required to be de-  
736 veloped during Phase 2 as described in Section 3.3):



- 737 • The system capability will be qualified through testing
- 738 • Resources, material, services, and system elements have been acquired to support pro-
- 739 duction
- 740 • System outcomes are produced according to approved and qualified production infor-
- 741 mation
- 742 • Concepts for execution of all succeeding lifecycle stages are updated
- 743 • Current risks and mitigating actions are identified
- 744 • Experienced personnel competent to operate the system and provide operational ser-
- 745 vices exist
- 746 • Trained personnel exist who will maintain and provide support services
- 747 • Organizational interfaces between the operating and production organization exist that
- 748 ensure problem resolution and corrective actions
- 749 • System products and services are ready to be maintained through support services, in-
- 750 cluding logistics to operational sites
- 751 • All required logistical support, including spare parts inventory capable of satisfying oper-
- 752 ational availability goals exist
- 753 • The system is installed and is capable of being operated and of providing sustainable
- 754 operational services
- 755 • The system is ready to be maintained and to correct design deficiencies as they are
- 756 identified
- 757 • The system has been installed so as to allow the collection of performance and cost
- 758 monitoring and assessment to confirm conformance to service objectives
- 759 • The system has been installed so as to facilitate the identification of problems or defi-
- 760 ciencies, informing appropriate organizations (user, development, production, or sup-
- 761 port) of the need for corrective action
- 762 • The system has been installed so as to facilitate system enhancement through stake-
- 763 holder feedback
- 764 • End of stage exit criteria have been satisfied
- 765 • Certification is obtained from CMS to operate the Exchange (see
- 766 [https://www.cms.gov/MMIS/09\\_MECT.asp](https://www.cms.gov/MMIS/09_MECT.asp) )
- 767 • Approval is granted by the state of Alabama to proceed to the Operations and Mainte-
- 768 nance stages

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

770 This milestone contains all of the requirements of the Phase 3 Implementation Readiness Mile-

771 stone; however it applies to the deliverables of Phase 4, opposed to Phase 2 as previously de-

772 scribed.

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

774 The ORR is completed near the end of the first year of full operation of the HIX System (the

775 Warranty Period). All of the Implementation Readiness Milestone criteria will be updated as a

776 result of the first year experience with the HIX System and applied to achieve this milestone.

777 These updates to the operational criteria are intended to optimize the support of the HIX System

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



## 780 3 REQUIREMENTS

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

### 783 3.1 Functional Requirements

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

- 788
- 789 • Individ (Individual) Eligibility
- 790 • Individ (Individual) Enrollment
- 791 • Plan Management
- 792 • SHOP
- 793 • Financial Management
- 794 • Web Portal
- 795 • Administrative

796

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

- 801
- 802 • Summarized Reporting Reqs (Requirements)
- 803 • Summarized Notices Reqs (Requirements)
- 804 • Summarized NIEM Reqs (Requirements)

805

806 For every row on the business area sheets, the Vendor must enter data in each cell as if the  
807 proposed solution were currently (at the time of proposal submission) meeting each requirement  
808 in an operational production environment. Detailed **Response Definitions** are included on the  
809 first tab of the requirements spreadsheet. **This matrix must be completed and returned as**  
810 **the Vendor’s RFP Response: Appendix C – Requirements Response Matrix. See Section**  
811 **5.2.2.23.**

### 812 3.2 System Solution

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

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

820 be nimble enough technically within the adaptive web service oriented architecture to incorpo-  
821 rate changes required as related regulations and guidance are received from the Federal Gov-  
822 ernment at the lowest possible cost.

823

824 The selected Vendor will contract with the state of Alabama to provide and implement the Sys-  
825 tem Solution supporting the following stakeholders:

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

830

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

840

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

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

### 852 **3.2.1 Introduction and/or Overview (Section 1 of Response Tab 5)**

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

### 855 **3.2.2 Business Areas (Section 2 of Response Tab 5)**

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

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

863

864 • **Consumer and Small Business Support and associated Operational Services:**

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

868

○ Operating a call center

869

○ Providing online help and educational materials

870

○ Allowing consumers to seek help through a range of modalities including tele-  
871 phone with Interactive Voice Recognition (IVR) support, email, online chat, text  
872 messaging, social media, walk ins, mail and other mechanisms

873

○ Establishing and operating a notification management system that allows elec-  
874 tronic and paper notifications to consumers through multiple channels

875

○ Allowing consumers to provide feedback to HIX through multiple mechanisms

876

877 • **Complaints, Grievances and Appeals Management:** The Complaints, Grievances and

878 Appeals Management area establishes a process for customers to submit their com-

879 plaints, grievances or appeals regarding eligibility decisions and other activities related

880 to HIX. This process includes the following components:

881

○ Being the first point of contact for consumers, employers and assistors (Communi-  
882 ty Assistors, Navigators, Insurance Producers to log their complaints, grievanc-  
883 es and appeals

884

○ Providing multiple mechanisms to log complaints

885

○ Providing mechanisms to track the life cycle of complaints and their outcomes

886

○ Providing the ability to attach associated documents, voice, and video recordings  
887 related to the complaints in the system

888

○ Establishing notification mechanisms to the appellants through multiple channels  
889 such as paper, email, text messaging and more

890

○ Other complaints, grievances and appeals management features as required

891

892 • **Master Data Management, Alabama Shared Services and associated HIX Opera-**

893 **tional Services:** The HIX Master Data Management solution will allow Alabama Shared

894 Services, including those from the HIX System, AHIE, and Medicaid to be reused and

895 enable HIX to uniquely identify data records from multiple systems and provide a single

896 view of data records. (see Section 7.1.13) This solution will allow HIX and its supporting

897 solutions to:

898

○ Consolidate and provide a single view of data across the Exchange and all other  
899 solutions HIX will connect to

900

○ Provide standardization and de-duplication of data across the solutions

- 901 ○ Resolve data discrepancies across multiple solutions through the rules set by the  
902 State
- 903 ○ Allow easier search and identification of data records with probabilistic and partial  
904 match mechanisms
- 905 ○ Manage data through effective and efficient
  - 906 ▪ Data Collection
  - 907 ▪ Data Aggregation
  - 908 ▪ Data Matching
  - 909 ▪ Data Transformation and Standardization
  - 910 ▪ Data Checking (Quality Assurance)
  - 911 ▪ Data Storing
  - 912 ▪ Data Sharing
  - 913 ▪ Data Imports
  - 914
- 915 ● **Reporting and Data Warehouse and associated Operational Services:** The Data  
916 Warehouse solution area will allow the State to have the required business intelligence  
917 for analyzing the operational impacts and improvements of HIX as well as satisfying the  
918 various stakeholders (e.g., federal and state) reporting requirements. The solution will al-  
919 low HIX to:
  - 920 ● Consolidate data across the Exchange, and with all other solutions HIX will con-  
921 nect to, for reporting and management purposes
  - 922 ● Support federal and State reporting requirements and needs
  - 923 ● Resolve data discrepancies across multiple solutions through the rules set by the  
924 State
  - 925 ● Provide multiple views and dimensions for looking into the data and querying  
926 against it
  - 927 ● Leverage Master Data Management so that the data warehouse can be a data  
928 store that is effective and efficient
  - 929 ● Provide the ability to generate predefined and ad-hoc reports
  - 930
- 931 ● **eLearning and associated Operational Services:** The e-Learning solution area will al-  
932 low the State to support the training and meet educational needs for various HIX users  
933 (e.g. consumers, community assistors, employers, navigators and insurance producers  
934 ) through customized online e-Learning solutions that will provide, at a minimum, online  
935 videos tailored to the functions and features of HIX and its supporting solutions.

### 936 **3.2.3 Conformity with National Standards (Section 3 of Tab 5)**

937 HIX has determined that any solution must fully conform to all national standards named in  
938 health-related federal regulation and administrative rule. So that standards-related Vendor doc-  
939 umentation only needs to be written and included in this RFP response once, architectural con-  
940 formance for this section can be documented in Section 3.2.4; references from this Section  
941 3.2.3 to specific functional requirements documented in the Requirements Response Matrix by

942 the Vendor in other response sections of this RFP is allowed. Specifically indicate how your so-  
943 lution will conform to the following:

944

- 945 • National Information Exchange Model (NIEM), including the use of Information Ex-  
946 change Package Documentation (IEPD) and plans for conformance testing. NIEM con-  
947 formance is defined as follows:
  - 948 ○ XML schemas must conform to the NIEM Naming and Design Rules (NDR). XML  
949 instances must correctly validate to NIEM-conforming XML schemas, with addi-  
950 tional conformance rules specified by the NIEM NDR.
    - 951 ▪ [http://reference.niem.gov/niem/specification/naming-and-design-  
953 rules/1.3/niem-ndr-1.3.pdf](http://reference.niem.gov/niem/specification/naming-and-design-<br/>952 rules/1.3/niem-ndr-1.3.pdf)
  - 954 ○ NIEM IEPDs must conform to the NIEM IEPD specification
    - 955 ▪ [http://tools.niem.gov/niemtools/download/org.gtri.niem.web.niemtools/NIEM  
957 M IEPD Reqs v2-1.doc](http://tools.niem.gov/niemtools/download/org.gtri.niem.web.niemtools/NIEM<br/>956 M IEPD Reqs v2-1.doc)
    - 958 ▪ or the newer Model Package Description (MPD) specification  
[http://reference.niem.gov/niem/specification/model-package-  
960 description/1.0/model-package-description-1.0.pdf](http://reference.niem.gov/niem/specification/model-package-<br/>959 description/1.0/model-package-description-1.0.pdf)
- 961 • Exchange Reference Architecture as defined in the Guidance for Exchange and Medi-  
962 caid 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)
  - 963 ○ Collaborative Life Cycle and Governance - Exchange Reference Architecture  
964 Document
- 965 • Guidance for Exchange and Medicaid Information Technology (IT) System, Version 2.0  
966 [http://cciio.cms.gov/resources/files/exchange\\_medicaid\\_it\\_guidance\\_05312011.pdf](http://cciio.cms.gov/resources/files/exchange_medicaid_it_guidance_05312011.pdf)
  - 967 ○ Financial Management Blueprint – Exchange Business Architecture Supplement
  - 968 ○ Eligibility and Enrollment Blueprint – Exchange Business Architecture Supple-  
969 ment
  - 970 ○ Plan Management Blueprint – Exchange Business Architecture Supplement
- 971 • Enhanced Funding Requirements: Seven Conditions and Standards: Medicaid IT Sup-  
972 plement (MITS11-01-v.1.0), April 2011
  - 973 ○ Modularity – the use of modular, flexible approaches to systems development,  
974 including the use of open interfaces and exposed application programming inter-  
975 faces (API)
  - 976 ○ Alignment with the Medicaid Information Technology Architecture (MITA)
  - 977 ○ Alignment with industry standards
  - 978 ○ Leverage – seek the sharing, leverage, and reuse of Medicaid technology sys-  
979 tems within and among states
  - 980 ○ Business Results – accurate and timely results from highly automated, customer-  
981 service focused processes
  - 982 ○ Business Results – accurate and timely results from highly automated, customer-  
983 service focused processes

- 
- 984           ○ Reporting – systems should produce transaction data, reports, and performance  
985           information that contribute to program evaluation, continuous improvement,  
986           transparency, and accountability
- 987           ○ Interoperability – solutions must ensure seamless coordination and integration  
988           across programs and systems
- 989       • Attribute-based access control and authentication through Global Federated Identity and  
990       Privilege Management (GFIPM)  
991       <http://it.ojp.gov/gfipm>
- 992       • IRS Publication 1075 – Tax Information Security Guidelines for Federal, State and Local  
993       Agencies
- 994           ○ IRS rules and regulations for safeguarding FTI, such as Safeguard Proce-  
995           dures Report (SPR),
- 996           ○ Safeguard Activities Report (SAR), Corrective Action Plan (CAP), Compli-  
997           ance with updates and reporting, logging, secure storage, restricting ac-  
998           cess, Employee Awareness and Internal Inspections, Computer Security  
999           and Disposal
- 1000          ○ Completion and compliance with the latest revisions of the CMS compre-  
1001          hensive system security control requirements for state Exchanges, espe-  
1002          cially the CMS System Security Plan (SSP), System Security Plan Work-  
1003          book (SSP Workbook) and Safeguard Procedures Report (SPR). The  
1004          SSP is a comprehensive system security control requirements for state  
1005          Exchanges. These information security control requirements have been  
1006          defined within a comprehensive framework, based off other federal stand-  
1007          ards and common security standards. This new set of documents is a re-  
1008          fined collection of all the federal security requirements that state Exchang-  
1009          es must meet. The new control requirements are documented within the  
1010          System Security Plan (SSP), System Security Plan Workbook (SSP  
1011          Workbook) and Safeguard Procedures Report (SPR).
- 1012       • HIT Standards Section 1561 of ACA, Eligibility and Enrollment Blueprint-Exchange Busi-  
1013       ness Architecture Supplement draft, Version 0.5, March 10, 2011
- 1014       • Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- 1015       • National Institute of Standards and Technology (NIST) publications pertaining to account  
1016       security standards and controls
- 1017       • UX 2014 specifications
- 1018       • “Consumer Choice of Health Plan Decision Support Rules for the Exchanges,” a project  
1019       operated by the Pacific Business Group on Health (PBGH)
- 1020       • CMS Technical Reference Architecture, Version 2.1 (TRA)
- 1021           ○ Harmonized Security and Privacy Framework – Exchange TRA Supplement
- 1022           ○ CMS TRA – Catalog of Minimum Security Controls for States Supplement
- 1023       • NIST 800-53 Latest Version
- 1024       • Web Service Oriented Architecture
- 1025           ○ <http://www.w3.org/>
- 1026           ○ <http://www.oasis-open.org>
- 1027           ○ <http://www.ihe.net>
-

1028  
1029  
1030

1031 **3.2.4 Architecture (Section 4 of Response Tab 5)**

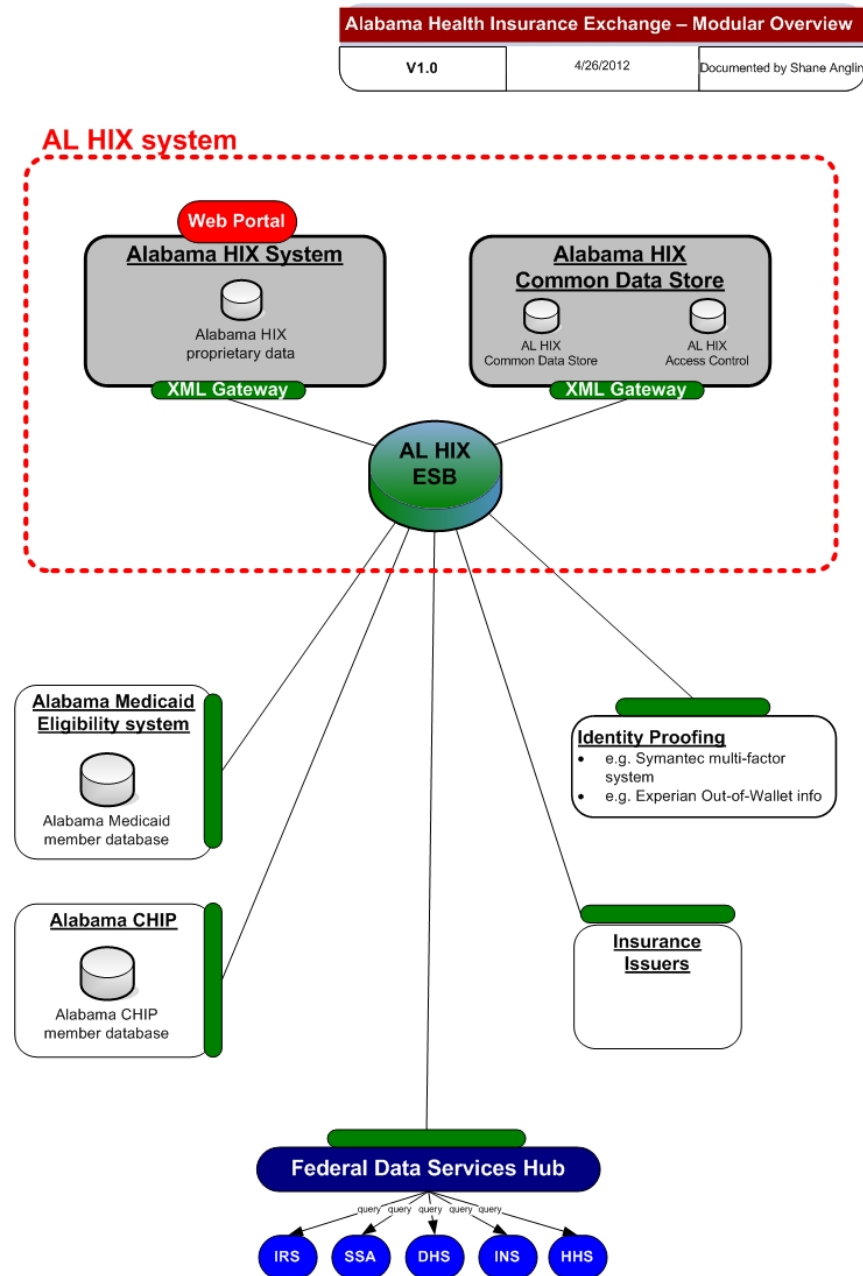
1032 The Vendor must provide both a detailed text description and the associated diagrams for the  
1033 technical architecture of their System Solution, highlighting networks, infrastructure, servers,  
1034 and security designs. The relationship of Vendor’s architecture to the adaptive, standards-based  
1035 SOA and other standards referenced in Section 3.2.3 must also be included. The architectural  
1036 diagrams may be provided as an addendum to Tab 5; however, all diagrams must be identified  
1037 by number and referenced by this number in the narrative portion of the response.

1038  
1039

**General System Architecture**

1040 HIX System must provide a web portal for HIX consumers, HIX SHOP users, HIX Navigators  
1041 and HIX Insurance Producers. The HIX web portal must integrate with an Identity Proofing ser-  
1042 vice. The HIX system must consist of two primary components. The HIX system must be modu-  
1043 lar and utilize the HIX Common Data Store as the authoritative user source and utilize the HIX  
1044 Common Data Store for access control to HIX and other interfacing systems as in the following  
1045 diagram:  
1046





1047

1048

Figure 1: HIX and Other Interfacing Systems

1049

1) The HIX Common Data Store must:

1050

- Contain demographic data (e.g. name, address, etc) as a unique master record for each user

1051

1052

- Be NIEM-compliant

1053

- 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

1054

1055



1056 HIX user with a AL Medicaid, AL CHIP, or AL HIX user and define users access levels to  
1057 those data sources

1058

1059 2) The HIX System must:

- 1060 • Be HHS NIEM compliant
- 1061 • Contain proprietary HIX member data, with member record references to HIX Common  
1062 Data Store
- 1063 • Service the HIX Exchange using applications and business logic
- 1064 • Be GFIPM compliant to interface with other systems such as Medicaid, CHIP, etc using  
1065 the AL HIX Common Data Store as the Authoritative access control system

1066

1067 3) Alabama HHS systems that must be integrated first with the AL HIX are:

- 1068 • AL Medicaid
- 1069 • AL CHIP

1070

1071 4) Alabama HIX Enterprise Service Bus (AL HIX ESB) must:

- 1072 • Be Service-Oriented Architecture (SOA)
- 1073 • Be GFIPM compliant, using NIEM conformant data

1074

1075 5) The Eligibility engine, MyAlabama.gov, Insurance Carriers, Federal Data Services Hub, etc  
1076 must communicate with the HIX system using the Alabama HIX Enterprise Service Bus (AL HIX  
1077 ESB).

1078

1079 6) XML data traversing the AL HIX ESB must be implemented using national and state stand-  
1080 ards for security to ensure confidentiality and integrity.

1081

1082 7) MyAlabama.gov portal must interface via the AL HIX ESB to utilize the unique master records  
1083 in the AL HIX Common Data Store.

1084

1085 8) The vendor must describe the “Security Blueprint” for the HIX System using controls included  
1086 within the “CMS Guidance for Exchange and Medicaid IT Systems” document.

1087

1088 9) The vendor must describe the vendor’s Configuration Management Process.

1089

1090 10) The vendor must describe the vendor’s operational event logging procedures.

1091

1092 11) The vendor must describe the vendor’s security event correlation and management proce-  
1093 dures.

1094

1095 12) Where Service Oriented Architecture (SOA) is implemented within the HIX solution, the  
1096 technical solution must meet or exceed the following capabilities for supporting SOA web ser-  
1097 vices:

1098

- 
- 1099 • SOA endpoint devices
  - 1100     o SOA XML gateway/endpoint must be FIPS 140-2 certified
  - 1101     o PKI private keys used for SOA XML transmissions, digital signing, and XML en-
  - 1102         cryption must be protected
  - 1103     o Support SSL termination and SSL initiation on the SOA endpoint device
  - 1104     o Support administrative logins using username + password minimally for manag-
  - 1105         ing the SOA endpoint devices configurations
  - 1106 • Authentication and Authorization
  - 1107     o Support server-side and client-side SSL authentication
  - 1108     o Support HTTP Basic Authentication and HTTP Digest Authentication
  - 1109     o Support SSL X.509 Certificate Authentication
  - 1110     o Support Security Assertion Markup Language (SAML)
  - 1111     o Support WS-Security, such as User Name Token, X.509 Certificates and SAML
  - 1112     o Support WSDL message level Access Control
  - 1113     o Support an Internet Protocol (IP) Access Control List (ACL) for ingress client
  - 1114         connectivity
  - 1115 • Secure communications
  - 1116     o SSL transmissions using Public Key Infrastructure (PKI)
  - 1117 • Network level communications
  - 1118     o Support for HTTP, Tibco EMS, IBM MQ, JMS and FTP
  - 1119 • Message level policies
  - 1120     o WSDL Operations
  - 1121     o URI filtering
  - 1122 • XML Web Service specifications
  - 1123     o Support WSDL, SOAP, XML, XSLT, XSD Schema, DTD, XPath, UDDI
  - 1124     o XML Digital Signature, XML Encryption, WS-Encryption, WS-Digital Signature; In
  - 1125         whole or in part for XML messages
  - 1126 • High Availability capabilities
  - 1127     o The SOA solution must be fault-tolerant for maximum uptime, using load balanc-
  - 1128         ing or active-active clustering to maintain high availability
  - 1129 • Logging and alerting
  - 1130     o Logging operational and transactional events, specific to the SOA operations
  - 1131     o Able to alerting of critical operation events

### 1134 **3.2.5 Integration and Implementation Services**

1135 The relationship between integration services and all implementation services should be estab-  
 1136 lished in Sections 5.2.2.13 (Tab 8) and 5.2.2.14 (Tab 9).

1137 Each vendor must propose a detailed implementation strategy with implementation step identifi-  
 1138 ers that include the integration of all the system components.

1139 The Vendor must use the term “external integration” to refer to interfaces with other systems  
1140 outside of the HIX System. The term “internal integration” must be used to describe interfaces  
1141 between the components of the HIX system.

1142 Vendors must use the information provided throughout this document to help them formulate  
1143 their integration and implementation strategies. Important aspects of the integration and imple-  
1144 mentation services strategy and approach include but are not limited to:

- 1145 • An integration and implementation strategy that maximizes end user productivity and  
1146 minimizes disruption of work
- 1147 • A solution where all system users are mentored, building their capacity to utilize and  
1148 oversee the system
- 1149 • Demonstration of how User Support staffing will be bolstered during each stage of de-  
1150 ployment to provide the extra help needed to facilitate the work to be accomplished
- 1151 • Software product configuration activity must be completed with HIX personnel actively  
1152 involved in configuring the system to ensure that knowledge transfer is maximized

### 1153 **3.2.6 Operations and Hardware Hosting**

1154 Response to this requirement is discussed in Section 5.2.2.15 (Tab 10).

1155 HIX Performance Expectations and Service Level Agreements (SLA), including liquidated dam-  
1156 ages are described in Appendix I.

1157 Based upon the vendor’s proposed technical solution, the vendor must provide their own per-  
1158 formance expectations and service level agreements (SLA) for the various system components  
1159 for the HIX system as Vendor appendices referenced from this section.

1160  
1161 Areas to include at a minimum are:

- 1162 • network
- 1163 • server
- 1164 • infrastructure
- 1165 • applications
- 1166 • telephony
- 1167 • print services

1168  
1169 The statements must address the consumer and hosting provider experience.

1170 Additional Vendor appendices must be referenced from this section and include:

- 1171 • Samples of existing SLAs for other systems hosted by the hosting Vendor
- 1172 • The transition plan for the Exit Strategy from the Vendor’s data center should the State  
1173 of Alabama assume the hosting responsibility for the HIX System
- 1174 • The number of staff and skill sets that will be necessary to support this proposed HIX  
1175 System if the state of Alabama assumes hosting responsibility for the HIX System

### 1176 **3.3 Requirements by Project Phases**

1177 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)

1178 **Table 2: Project Phases**

1179 The time constraints for each phase are given in Table 1. Vendors must use Table 1 in all sequence and plan responses. The remainder of this section describes general deliverables that  
1180 must be available at the end of each of the phases. Note that Phase 1 is more detailed since  
1181 these deliverables are mandated by CMS as required artifacts for the continuation of funding.  
1182

1183  
1184 **Phase 1:** Finalization of project plans and preliminary detailed design for the entire project  
1185

1186 Phase 1 is an early detailed design and project planning phase to take many of the design and  
1187 planning items that are required in the proposal and refine them based on the information that  
1188 will be available at project initiation. As part of the detailed design, the following documents are  
1189 required at the end of Phase 1 (see Section 7, Task 1.1):  
1190

- 1191 • Concept of Operations, including (but not limited to):
  - 1192 ○ High level and technical architectural diagrams
  - 1193 ○ Business Process Model Notation diagrams
- 1194 • Project Management Plan, including (but not limited to)
  - 1195 ○ Project Organization and Staff Management Plan
  - 1196 ○ Management Approach and Project Schedule
  - 1197 ○ Communications Matrix
  - 1198 ○ Performance Measures
- 1199 • Quality Management Plan
- 1200 • Configuration Management Plan
- 1201 • Issue and Risk Management Plan (including the System Risk Register)
- 1202 • Training Plan

1203       • Release Plan

1204       • Preliminary Detailed Design

1205       General descriptions of these documents are given in Section 7, Activity 1.1. Specific templates  
1206       for most of the items above will be provided to the successful Vendor at project initiation. All  
1207       plans should be considered as living documents that will be updated throughout the project as  
1208       more information comes to light.

1209

1210       **Phase 2:** Build phase for Phase 2 System components, with iterative detailed design develop-  
1211       ment for each new component in the proposed solution. These components must consist of the  
1212       following:

1213

1214       • Components that provide the basic HIX portal capability;

1215       • All COTS components that are either available without modification or require minor con-  
1216       figuration;

1217       • All components that require minor development that can be feasibly completed within the  
1218       time limitations of Phase 2 in Table 1.

1219

1220       Vendors must provide specific component definitions for those components that will be accom-  
1221       plished during Phase 2.

1222

1223       **Phase 3:** Pilot operation of all the components developed in Phase 2

1224

1225       Pilot operations are designed to provide a friendly, proactive environment for solving early-  
1226       adopter user issues before a large number of users are exposed to the HIX System. Some fea-  
1227       tures may be rolled out incrementally during this period.

1228

1229       **Phase 4:** Completion and stabilization of the entire System

1230

1231       Optimization of the entire HIX System must be completed during Phase 4. Full user loads and  
1232       other stressors on the HIX System are expected to be present during this phase.

1233

1234       **Phase 5:** Operation of the completed System (Warranty Period)

1235

1236       The Warranty Period represents a period when the HIX System is operated in a mode that  
1237       maintains existing function and in a manner that allows HIX to predict the kind of management  
1238       skills needed to keep the HIX System running for many years.

1239

1240       **Phase 6:** Operation of the completed System (e.g., Post-warranty Period includes annual re-  
1241       newal options)

1242

1243       HIX has no reason to predict that any changes will occur regarding operations of the HIX Sys-  
1244       tem as Phase 5 evolves into Phase 6. However, HIX cannot guarantee that changes will not oc-  
1245       cur during these years.

1246 **3.4 Vendor Requirements**

1247 The State is seeking a Vendor that will be responsible for providing a complete software solution  
1248 and all requested services required for a successful implementation, plus post-implementation  
1249 (e.g., operations and maintenance) support. The Vendor may team with multiple firms in its  
1250 proposal, but there can be only one Vendor that will execute the Contract expected to result  
1251 from this RFP. This does not preclude the State from executing a separate contract with a Soft-  
1252 ware Provider for software licenses and software maintenance. However, the Vendor must be  
1253 responsible contractually for all services, including those services performed by a subcontracted  
1254 Software Provider.

1255 The Vendor will coordinate, integrate, and be accountable for all products and services pro-  
1256 posed. This excludes an arrangement between vendors of joint venturing or joint response to  
1257 this RFP as such arrangements will not be allowed. Generally the Vendor may only appear in  
1258 one proposal submitted in response to this RFP. Subcontractors may be included in more than  
1259 one proposal. Multiple submissions from a firm that is a Vendor in a proposal or submission of  
1260 alternative proposals will be grounds for disqualification of such proposals.

1261 This restriction does not apply to products or software. This means that a Software Provider  
1262 may also offer its services as a Vendor, serving as its own integrator, and another Vendor can  
1263 offer the same software in another proposal. In this latter case, the affected Software Provider  
1264 cannot also serve as a Service Provider in any proposal other than the one in which it is the  
1265 Vendor.

1266 At the sole discretion of the State, submitting multiple proposals in different forms may result in  
1267 the disqualification of all Vendors knowingly involved.

1268 The Vendor must demonstrate that their company has the relevant experience providing the  
1269 services defined in this RFP, and that the staff proposed for positions on this Project has the  
1270 appropriate knowledge and experience obtained on Projects of similar nature, size, and scope.  
1271 HIX may require substitution/replacement of any key personnel assigned to the Project if it de-  
1272 termines that person does not possess the skills necessary to satisfactorily complete the tasks  
1273 assigned.

1274 The successful Vendor must have a minimum of five prior years of experience in the delivery of  
1275 services on projects involving the design, development, and implementation of large systems.  
1276 Experience preferably will be within the last five years, although earlier experience may be  
1277 submitted if it demonstrates continuity of services over a broad span of years.

1278 Preference will be given to vendors with experience implementing the solution they are propos-  
1279 ing. Preference will be given to vendors with experience implementing and/or operating health  
1280 insurance exchange systems in State government.

1281 Vendors must provide an assurance that they have the staff to produce the Project deliverables.  
1282 The Vendor will provide an organizational chart and staffing plan of the individuals proposed to  
1283 work on this Project and provide resumes as detailed in Section 3.5.3.

1284 **3.5 Vendor Staffing Requirements**

1285 Response to the requirements in this section is discussed in Section in Section 5.2.2.16 (Tab  
1286 11).

### 1287 **General Personnel Information**

1288 This subsection describes Vendor staffing requirements applicable to the Design, Development,  
1289 and Implementation (DDI) task. These staffing requirements will cover the time period from  
1290 Contract signing through one year after the system is implemented. The Vendor must provide  
1291 qualified staff necessary to provide DDI services required for the successful implementation of  
1292 the System.

1293 The Vendor's response to this RFP must include a staffing plan that details the organization of  
1294 Project staff, location of Project staff (e.g., onsite or offsite), and clearly defines the strategy for  
1295 managing communication between local and remote staff. The staffing plan must indicate staff-  
1296 ing levels during all phases of the Project.

1297 At a minimum, the Vendor will provide an Account Manager and a Vendor Project Manager who  
1298 will interact directly with the HIX Project Manager on a regular basis. The Vendor Project Man-  
1299 ager will be expected to participate in weekly status meetings with the HIX Project Manager and  
1300 HIX project team members.

1301 It is strongly believed that a competency in sound project management principles is critical to  
1302 the success of any project awarded by the State. Therefore, the successful Vendor will demon-  
1303 strate a competency in this area, including project management methodology, supporting tools,  
1304 and qualified resources. Vendors must propose staff with experience in projects developing  
1305 health insurance exchange system components using SOAP and Restful web services, web  
1306 service orchestrators, enterprise service bus, SOA, SQL, and rules engines.

### 1307 **3.5.1 Organizational Structure**

1308 The proposal must clearly describe the vendor's overall organizational structure and how the  
1309 System Project will fit into the existing organization of the company. The proposal must also ad-  
1310 dress how the vendor will utilize its existing staff throughout the term of the contract.

1311 Each proposal must also include:

- 1312 1. A functional organization chart of the System Project, showing main departments and  
1313 number of staff members with their titles in these departments. The chart must also pro-  
1314 vide total staffing and Full Time Equivalent (FTE) figures. If the Vendor's organizational  
1315 structure should change for the different implementation phases, then show the different  
1316 organizations for each phase.
- 1317 2. Position Descriptions for positions assigned to this project and the percentage of time  
1318 these individuals will be dedicated to this contract.
- 1319 3. A description of how the Vendor's staff will work with HIX staff, both during the develop-  
1320 ment and implementation phases, as well as during the stabilization period. This will in-  
1321 clude a specification of the proposed HIX staffing requirements for the various phases of  
1322 the project.



**1323 3.5.2 Staffing**

1324 The Vendor must provide staff to perform all tasks specified in this RFP. The Vendor is respon-  
1325 sible for maintaining a level of staffing necessary to perform and carry out all of the functions,  
1326 requirements, roles, and duties as contained herein, regardless of the level of staffing included  
1327 in the vendor's proposal. In the event that the Vendor does not maintain a level of staffing suffi-  
1328 cient to fully perform the functions, requirements, roles, and duties, the State may impose liqui-  
1329 dated damages (see Section 6.9.1). Following is a list of items to be addressed in this section of  
1330 the proposal:

- 1331 • The Vendor must describe its staffing plan for the System Project. The proposal must  
1332 outline how the staffing plan will achieve consistent, dependable service regardless  
1333 of changes that may directly influence work volume.
- 1334 • The Vendor must provide a general description of its proposed staff with number of  
1335 years of experience in the IT field and number of years of experience in developing  
1336 health insurance exchange systems.
- 1337 • The Vendor must identify a minimum staffing level defined over time, and maintain  
1338 that defined minimum staffing level at all times during designated business hours.
- 1339 • Letters of commitment are required signed by the proposed Vendor Project Manager  
1340 and other key personnel stating their commitment to work for the Vendor or appro-  
1341 priate sub-contractor on this project contingent on award of the bid.
- 1342 • The Vendor staff must be available after hours as required by HIX Project Manage-  
1343 ment.
- 1344 • Individuals in key positions may not be assigned new or additional contract assign-  
1345 ments outside the state of Alabama contract, reassigned, replaced, or added during  
1346 the project without the prior written consent of the HIX Project Manager.
- 1347 • HIX must have the right to approve or disapprove any key personnel assigned to the  
1348 project (both primary Vendor and/or subcontractor personnel), to approve or disap-  
1349 prove any proposed changes in key personnel, or to require the removal or reas-  
1350 signment of any key personnel found unacceptable by HIX. HIX must approve, in  
1351 advance, potential replacements for key staff. HIX must also be offered the oppor-  
1352 tunity to interview potential replacements for key staff by the Vendor.
- 1353 • The Vendor must notify the HIX Project Manager in writing of any proposed change  
1354 in key personnel at least 30 calendar days prior to the change or as soon as change  
1355 is known. The Vendor will have 30 calendar days in which to fill vacancies of key  
1356 staff with another employee of acceptable technical experience and skills subject to  
1357 prior written approval of HIX, such approval not to be unreasonably withheld. Failure  
1358 to fill vacancies of key staff with another employee of acceptable experience skills  
1359 may result in damages as defined in Section 6.9.1. The Vendor must at all times  
1360 maintain the performance standards and meet all functional requirements of the Con-  
1361 tracts.

- 1362
- All Vendor-initiated changes in key personnel must be approved by HIX.
- 1363
- Each proposal must describe its back up personnel plan, including a discussion of
- 1364
- the staffing contingency plan for:
- 1365
- The process for replacement of personnel in the event of the loss of key person-
- 1366
- nel or other personnel before or after signing a contract.
- 1367
- Allocation of additional resources to this contract in the event of inability to meet
- 1368
- a performance standard.
- 1369
- Replacement of staff with key qualifications and experience and new staff with
- 1370
- similar qualifications and experience.
- 1371
- Method of bringing replacements or additions up-to-date regarding the System
- 1372
- Project.

1373 **3.5.3 Key Personnel**

1374 As noted under the “General Personnel” section above, the Vendor will provide an Account  
1375 Manager and a Vendor Project Manager. Other Vendor personnel must be proposed by the  
1376 Vendor in this RFP response.

1377 **3.5.4 Resumes**

- Vendor Project Manager: The Vendor must provide a resume not to exceed five pages in  
1378 length for the Vendor Project Manager candidate that must address the stated minimum  
1379 qualifications, the amount of time the candidate has been employed by the Vendor, and  
1380 the following:  
1381
    - The individual’s project management experience, including project type, size and  
1382 scope of project types, project role, and duration of assignment
  - Health insurance related experience and experience managing any part of a  
1384 Medicaid or comparable development project
  - Description of extent of familiarity with systems similar to the HIX solution de-  
1386 scribed above
  - Education and training
- 1388
- Other Key Personnel: The Vendor must provide a resume not to exceed three pages for  
1389 each of the other key personnel on the project team. The Vendor is required to demon-  
1390 strate that their Vendor(s) or employee(s) will have the skills necessary to meet the ob-  
1391 jectives of this project. Each resume must address at a minimum:  
1392
    - Proposed role on project
  - Education and training
  - The individual’s project experience, including project type, project role and the  
1395 duration of assignment
- 1396

- 1397           ○ Recent relevant experience directly related to the key position for which the indi-  
1398           vidual is proposed (include start and end dates)
- 1399           ○ Size and scope of projects supported
- 1400           ○ Description of extent of familiarity with the proposed solution and ancillary pro-  
1401           cessing systems
- 1402           ○ Experience in the design, development, testing, and implementation of an MMIS,  
1403           other medical claims processing, eligibility system or any health insurance ex-  
1404           change system components
- 1405           ○ Amount of time the individual has been employed by the Vendor
- 1406           ● Resumes for all key staff must include the information needed for typical employment  
1407           reference and background checks
- 1408   If any staff member from the Vendor’s team requires special accommodations for a disability or  
1409   work limitation, please note such in this section.

### 1410   **3.5.5 Other Personnel**

1411   The proposal must also include a description of the numbers and types of other staff. The Ven-  
1412   dor must propose other personnel staffing positions.

### 1413   **3.6 Vendor Location and Facility Requirements**

1414   HIX requires a strong Vendor presence in Montgomery, Alabama until the system has been fully  
1415   implemented and accepted following the “Final System Turnover Assessment” deliverable.

1416   HIX requires that the Vendor maintain a facility within an hour’s drive time to the city limits of  
1417   Montgomery, Alabama in a location approved by HIX. The Vendor must provide adequate work-  
1418   ing space, conference space, and free parking at the local vendor site to accomplish all of the  
1419   project tasks in an efficient and professional manner. Specifically, a large well-equipped confer-  
1420   ence room will be required to accommodate HIX users, consultant staff, and Vendor staff during  
1421   meetings, training sessions, group product reviews, work sessions, test reviews, and other ac-  
1422   tivities during the project.

1423   The Vendor Project Manager and Deputy Vendor Project Manager are required to be onsite at  
1424   the Vendor’s facility, full time through the Final System Turnover Assessment. The Vendor Pro-  
1425   ject Manager must remain onsite until the system has become operational and approved by  
1426   CMS.

1427   The Implementation Manager will stay on the project until the end of the Warranty Period  
1428   (Phase 5, see Table 1). Other Key Personnel must be onsite through the Final System Turno-  
1429   ver Assessment. Those individuals who work off-site must be available for onsite tasks when  
1430   contact with HIX is required, such as meetings.

1431   A weekly Work Schedule will be posted on the project portal indicating individuals working for  
1432   that week along with their location. The Vendor must provide sufficient staff to cover the func-

1433 tional areas of data conversion, system testing, quality assurance, and other requirements of  
1434 the RFP through the Warranty Period (Phase 5).

## 1435 **4 GENERAL ADMINISTRATIVE INFORMATION**

### 1436 **4.1 Introduction**

1437 This Request for Proposal (RFP) provides prospective Vendors with sufficient information to en-  
1438 able them to prepare and submit proposals for consideration by the Alabama Department of In-  
1439 surance (“Department”)/Governor’s Office of the Health Insurance Exchange (“HIX”) to satisfy  
1440 the need for expert assistance in the completion of the goals and requirements of this RFP. In-  
1441 structions governing proposal submission and the material to be included therein, mandatory  
1442 and other requirements, which shall be met, by the Vendor and their proposal in order to be eli-  
1443 gible for consideration are included in this RFP.

1444 The Awarded Vendor shall be solely responsible for the performance of all tasks, meeting all  
1445 requirements and delivering all deliverables contained or identified within this RFP.

1446 For the purposes of this document

- 1447 • “ACA” means the Patient Protection and Affordable Care Act, P.L. 11-148, as amended  
1448 by the Health Care and Education Reconciliation Act of 2010, P.L. 111-152 and any oth-  
1449 er amendments.
- 1450 • “Department” is the Alabama Department of Insurance, an agency of the State of Ala-  
1451 bama. “Department” is also deemed to include the HIX. The Department designates the  
1452 HIX as its representative for purposes of facilitating, directing, and monitoring the Ven-  
1453 dor’s performance of the Services for contractual purposes.
- 1454 • “HIX” means the Governor’s Office of the Health Insurance Exchange or any similar suc-  
1455 cessor entity created by Legislation or Executive Order of the Governor. HIX is not a di-  
1456 vision or unit of the Department but is designated by the Department to act as the De-  
1457 partment’s representative for the purposes of this RFP and contract, if any.
- 1458 • “HIX System” is the Alabama Health Insurance Exchange System, a state-of-the-art au-  
1459 tomated system that supports HIX in providing all of the functionality described herein.
- 1460 • “Exchange” is the Alabama Health Insurance Exchange which is the organization and  
1461 automation necessary to enable individuals or companies to purchase health insurance  
1462 from a set of state-regulated and standardized health care plans that is eligible for Fed-  
1463 eral subsidies or small business tax credits. Health insurance exchanges are authorized  
1464 and funded as part of implementing key elements of the ACA.

### 1465 **4.2 Issuing Office**

1466 This RFP is issued under the authority of Ala. Code §§41-16-20 through 41-16-72. The RFP  
1467 process is a procurement option allowing the award to be based on stated evaluation criteria.  
1468 The RFP states the relative importance of all evaluation criteria. No other evaluation criteria,  
1469 other than as outlined in the RFP, will be used. The Department solicits sealed proposals to ac-  
1470 quire the professional services of an application systems developer and/or systems integrator  
1471 for design, development, and implementation (DDI) of a system to support the implementation  
1472 of the HIX System compliant with federal and state law and regulations.

1473 **4.3 Invitation to Submit Proposals**

1474 All interested Vendors are invited to submit a proposal in accordance with the rules, procedures  
1475 and dates set forth herein.

1476 The State encourages free and open competition among Vendors. Whenever possible, the  
1477 State will design specifications, proposal requests, and conditions to accomplish this objective,  
1478 consistent with the necessity to satisfy the State's need to procure technically sound, cost-  
1479 effective services.

1480 **4.4 Inquiries**

1481 From the date this RFP is issued until a Vendor is selected and the selection is announced by  
1482 the Department, all communication must be directed to the HIX Executive Director who is des-  
1483 ignated to be in charge of this solicitation. Unless otherwise noted, prospective Vendors may  
1484 make written inquiries concerning this RFP to obtain clarification of requirements. **Telephone or**  
1485 **fax inquiries will not be accepted.** No inquiries will be accepted after the deadline for ques-  
1486 tions as specified in the Table 1 Procurement Timetable in the Preface section of this RFP.

1487 Send all inquiries to: Richard Fiore at the Alabama Health Insurance Exchange at one of the  
1488 following:

1489 By U. S. Postal Service: Post Office Box 303351, Montgomery, AL 36130-3351

1490 By hand or **commercial** courier: RSA Tower Suite 502, 201 Monroe Street, Montgomery, AL  
1491 36104.

1492 Please note: All deliveries by the United States Postal Service are made to an off-site central  
1493 state government mail facility. Forms of USPS expedited delivery may not be expedited.

1494 We encourage the use of email. The email address for inquiries regarding this RFP shall be  
1495 directed to: [responses@myalabama.gov](mailto:responses@myalabama.gov).

1496 Vendors shall mark envelope/email subject line "RFP#: 2012-HIX-101".  
1497

1498  
1499 Specific timelines for submitting questions and responses are identified in Table 1 Procurement  
1500 Timetable. Questions submitted prior to specified deadlines will be responded to as quickly as  
1501 possible within five work days.

1502 Any attempt by a Vendor to contact any employee of the Department or HIX regarding this RFP  
1503 prior to proposal award, other than as specified in this RFP, shall be deemed to be a violation of  
1504 proposal requirements and shall result in the Vendor's proposal being rejected.

1505 Vendors shall not rely on verbal statements that alter any specifications or other terms or condi-  
1506 tions of the RFP.

1507

1508 **4.5 The Department Proposal Questions and Contacts**

1509 Subsequent to the opening of the sealed proposals, discussions may be conducted by the De-  
1510 partment and the Project Manager with Vendors for the purpose of clarification to assure full un-  
1511 derstanding of and responsiveness to the solicitation requirements. Vendors shall be accorded  
1512 fair and equal treatment with respect to any opportunity for discussion. In conducting any such  
1513 discussions, there shall be no disclosure of any information derived from proposals submitted by  
1514 competing Vendors.

1515 Any questions regarding solicitation requirements for this RFP must be written and submitted by  
1516 the designated due date and time specified in Table 1 Procurement Timetable to the Project  
1517 Manager of the HIX System Development Project at the address shown above. Questions will  
1518 not be addressed over the telephone. Responses to Vendor's questions shall be made available  
1519 to all Vendors attending the Mandatory Pre-Proposal Conference on the date and time desig-  
1520 nated in Table 1 Procurement Timetable.

1521 **4.6 Addendum or Supplement to RFP**

1522 In the event that it becomes necessary to revise any part of this RFP before the mandatory Pre-  
1523 Proposal conference, an addendum shall be posted to the Department website. It is the respon-  
1524 sibility of prospective Vendors to check for any addendum which may be posted. In the event that  
1525 it becomes necessary to revise any part of this RFP after the mandatory Pre-Proposal Confer-  
1526 ence, an addendum shall be provided to each Vendor who registered at the Pre-Proposal Con-  
1527 ference as well as posted to the website.

1528 A copy of all Addenda, if any, must be signed and returned with the Vendor response.

1529 **4.7 Mandatory Pre-Proposal Conference**

1530 A mandatory Pre-Proposal Conference will be held on the date and time specified in the Table 1  
1531 *Procurement Timetable (refer to the Preface Procurement Timetable)*, at RSA Union Building,  
1532 1<sup>st</sup> Floor Auditorium, 100 North Union Street, Montgomery, Alabama. **Attendance at the Pre-  
1533 Proposal Conference is mandatory for all Vendors who plan to submit proposals. A Ven-  
1534 dor's failure to attend the Pre-Proposal Conference will cause its proposal to be rejected.**  
1535 *Vendors who plan to attend the Pre-Proposal Conference must complete and return the Intent  
1536 to Attend Pre-Proposal Conference Notification form found in Form C by the date listed in the  
1537 Table 1 Procurement Timetable (refer to Preface –Procurement Timetable).*

1538 The Pre-Proposal Conference is intended to be an interactive exchange of information. Since  
1539 impromptu questions shall be permitted and spontaneous answers may be provided, Vendors  
1540 shall clearly understand that oral answers given at the conference are not binding, but are good  
1541 faith efforts to give correct useful information. No further questions will be permitted after the  
1542 date specified in the Table 1 Procurement Timetable. Final and binding answers to all questions  
1543 whether submitted via email or asked at the Pre-Proposal Conference will be distributed to all  
1544 conference attendees on the date specified in the Table 1 Procurement Timetable. All answers  
1545 to questions will be distributed by email to those Vendors in attendance of the Pre-Proposal  
1546 Conference.



1547 Answers to written questions received by the Project Manager before the Pre-Proposal Confer-  
1548 ence by the deadline specified in the Table 1 Procurement Timetable shall be distributed at the  
1549 Pre-Proposal Conference and posted on the website. Prospective Vendors will be given time to  
1550 review the written questions and answers during the Mandatory Pre-Proposal Conference. An  
1551 opportunity will be given to ask questions to clarify any uncertainties that may exist.

#### 1552 **4.8 Proposal Submission Requirements**

1553 This RFP contains numerous instructions governing proposal submission requirements and the  
1554 material to be included therein. These are mandatory submission and proposal completion re-  
1555 quirements that must be met to be eligible for consideration. Proposal responses shall be sub-  
1556 mitted consistent with the format and content specified in **Section 5 – Proposal Response**  
1557 **Format.**

1558 Failure, in whole or in part, to respond to a specific mandatory requirement shall result in rejec-  
1559 tion of the Vendor's proposal as non-compliant with the RFP requirements during the evaluation  
1560 process or at any time that such deficiency is discovered. The Department at its sole discretion  
1561 reserves the right to waive minor irregularities.

#### 1562 **4.9 Proposal Prices**

1563 Vendor shall submit a firm and fixed price for the services described in the RFP. Vendor shall  
1564 propose a price that reflects any business risk it perceives in the way the proposal specifications  
1565 are stated. **Vendor shall not anticipate nor rely on clarifications, discussions, redefinition,**  
1566 **or further negotiations with the Department after the contract award to adjust the price**  
1567 **that is contained in its proposal for the work required by the RFP. Any efforts by a Ven-**  
1568 **dor to limit, qualify, caveat, restrict, or place conditions upon the price being proposed**  
1569 **shall be considered to be a violation of the firm and fixed price submission requirement**  
1570 **and shall result in the proposal being rejected as non-responsive.**

#### 1571 **4.10 Certification of Independent Price Determination**

1572 The following certifications must be provided by the Vendor:

- 1573 1. By submission of this proposal each Vendor certifies and in the case of a joint proposal  
1574 each party thereto certifies as to its own organization that in connection with this pro-  
1575 curement the following:
  - 1576 a.) The prices in this proposal have been arrived at independently, without consultation,  
1577 communication, or agreement, for the purpose of restricting competition as to any  
1578 material relating to such prices with any other Vendor or with any Competitor.
  - 1579 b.) Unless otherwise required by law, the prices which have been quoted in this RFP  
1580 have not been knowingly disclosed by the Vendor and shall not knowingly be dis-  
1581 closed by the Vendor, directly or indirectly, to any other Vendor or to any competitor  
1582 prior to opening.

- 
- 1583 c.) No attempt has been made or shall be made by the Vendor to induce any other per-  
1584 son or firm to submit or not to submit a proposal for the purpose of restricting compe-  
1585 tition.
- 1586 2. Each person signing the proposal form certifies that:
- 1587 a.) He/she is the person in the Vendor's organization responsible within that organiza-  
1588 tion for the decision as to the prices being offered herein and that he/she has not  
1589 participated, and shall not participate, in any action contrary to 1(a) through 1(c)  
1590 above: or
- 1591 b.) He/she is not the person in the Vendor's organization for the decision as to the prices  
1592 being offered herein but that he/she has been authorized in writing to act as agent for  
1593 the person(s) responsible for such decision in certifying that such persons including  
1594 said agents have not and shall not participate in any action contrary to 1(a) through  
1595 1(c) above.
- 1596 3. The certification must include an acknowledgement of Sections 1 and 2 above and in-  
1597 clude the following language:
- 1598 "The representations and information in this proposal are true and correct as of the date  
1599 of this proposal. The submitting person or entity represents that it is ready and able to  
1600 execute a contract if a contract is awarded based on this proposal. This proposal shall  
1601 remain firm and be valid through the date of the contract resulting from this RFP if  
1602 awarded. The submitting person or entity understands that the Department reserves the  
1603 right to add provisions consistent with the successful Vendor's offer and to negotiate with  
1604 the successful Vendor other additions to or deletions from, and/or changes in the lan-  
1605 guage in the contract, provided that no such addition, deletion, or change in contract lan-  
1606 guage shall alter the scope of work required and/or the evaluation criteria set forth in the  
1607 RFP. Additions to, deletions from and/or changes in language of the contract shall not  
1608 result in additional compensation over and above that proposal by the successful Vendor  
1609 for the scope of work specified in the RFP, the amendments thereto, the written answers  
1610 to questions or any clarifications requested during the evaluation process.
- 1611 "The undersigned represents that the only person or persons, entities, or parties inter-  
1612 ested in the proposal as principals are named in this proposal. This proposal is made  
1613 without collusion with any other person, persons, company or parties submitting a pro-  
1614 posal. This proposal is in all respects fair and made in good faith without collusion or  
1615 fraud. If the submitting party is a business entity, the undersigned has full authority to  
1616 bind the entity in a contract with the Department.
- 1617 "The submitting person or entity acknowledges that a material false statement in or  
1618 omission from this proposal and all material submitted with this proposal may cause re-  
1619 jection of the proposal or the withholding of a contract, or may constitute a breach of an  
1620 awarded contract."
- 1621
-

1622 **4.11 Parent Company**

1623 If a Vendor is owned and controlled by a parent company, the main office address and parent  
1624 company's tax identification number (TIN) shall be provided in the proposal response.

1625 **4.12 Vendor's Submission**

1626 Proposals must be received on or before the deadline in the Table 1 Procurement Timetable.  
1627 Late proposals shall not be accepted. It is the responsibility of the Vendor to ensure that the  
1628 proposal is received by the Project Manager in accordance with the Table 1 Procurement Time-  
1629 table.

1630 The response should be addressed to Richard Fiore at the Alabama Health Insurance Ex-  
1631 change at one of the following:

1632 By U. S. Postal Service: Post Office Box 303351, Montgomery, AL 36130-3351

1633 By hand or commercial courier: RSA Tower Suite 502, 201 Monroe Street, Montgomery, AL  
1634 36104.

1635 Please note: All deliveries by the United States Postal Service are made to an off-site central  
1636 state government mail facility. Forms of USPS expedited delivery may not be expedited.

1637 The State of Alabama RFP Proposal Sheet and all Addenda, if any, must be signed in ink by the  
1638 Vendor or other entity that is legally authorized to bind the Vendor to the proposal. ***The RFP  
1639 Proposal Sheet must also be notarized.***

1640 Proposals not meeting these requirements shall not be accepted.

1641 **4.13 Public Opening of Proposals**

1642 A public opening of the proposal will be held as specified in the Table 1 Procurement Timetable,  
1643 at the Department's offices located at 201 Monroe Street, Montgomery, Alabama. A register of  
1644 proposals consisting of the names and addresses of Vendors will be prepared and made avail-  
1645 able for public inspection.

1646 **4.14 Oral Presentations**

1647 The Department reserves the right to request oral presentations during the Evaluation Phase.  
1648 The purpose of the oral presentation is to allow for interchange between the Vendor, HIX staff  
1649 and the Evaluation Committee. It shall be HIX's option to determine the schedule and format for  
1650 oral presentations/demonstrations. Vendors will be notified in advance of the time and location  
1651 and selected items of any such presentations. Oral presentations are at the option of HIX and  
1652 not all Vendors may be requested to present.

1653 The oral presentations and demonstrations will provide an opportunity to 1) provide an overview  
1654 of the merits of the Proposal, 2) answer questions raised by evaluators in the course of review-  
1655 ing the Proposals, and 3) assist the Evaluation Committee in verifying the capabilities and func-  
1656 tionality of the proposed system. The Evaluation Committee shall have the opportunity to ask for

1657 clarification of information in the proposal. No written supplementation of the proposal will be  
1658 permitted. Responsiveness will be determined on the written proposal.

1659 During the oral presentations, Vendors shall not discuss the merits or qualifications of other  
1660 Vendors. Failure to observe this proposal requirement shall result in the proposal being rejected  
1661 as non-compliant.

1662 The Department may, at its discretion, establish such procedures and rules of conduct as it may  
1663 deem appropriate, and may enforce such procedures and rules of conduct. Failure to observe  
1664 these procedures and rules of conduct shall result in the proposal being rejected as non-  
1665 compliant.

#### 1666 **4.15 Selection of Proposal**

1667 After review of the Evaluation Committee's recommendation for award, the Commissioner of  
1668 Insurance in consultation with the HIX Executive Director shall make the final decision on the  
1669 award of any contract. After selection is made, the Department shall issue a notice of award to  
1670 the successful Vendor. Contract execution is contingent upon CMS approval of the award, In-  
1671 formation Services Division of the Department of Finance approval of the award, review by the  
1672 Legislative Contract Review Oversight Committee and approval by the Governor.

1673 The Department reserves the right to reject any and all proposals submitted in response to this  
1674 RFP.

#### 1675 **4.16 Granting of Contract**

1676 The contract awarded under this RFP will be made to the Vendor having the highest overall pro-  
1677 posal evaluation score indicating value to the State of Alabama.

1678 The Department reserves the right to add provisions consistent with the successful Vendor's  
1679 offer and to negotiate with the successful Vendor other additions to or deletions from, and/or  
1680 changes in the language in the contract, provided that no such addition, deletion, or change in  
1681 contract language shall alter the scope of work required and/or the evaluation criteria set forth  
1682 herein. Additions to, deletions from and/or changes in language of the contracts shall not result  
1683 in additional compensation over and above that proposal by the successful Vendor for the scope  
1684 of work specified in the RFP, the amendments thereto, the written answers to questions or any  
1685 clarifications requested by the Vendor during the evaluation process.

1686 Prior to finalization of award, the selected Vendor may be required to enter into discussions with  
1687 the Department to resolve any contractual differences before an award is made. These discus-  
1688 sions must be finalized and all exceptions resolved within ten working days of notification of  
1689 award; if not, the proposal will be rejected and discussions initiated with the Vendor having the  
1690 next highest proposal evaluation score.

#### 1691 **4.17 Acceptance of RFP Terms**

1692 A proposal submitted in response to this RFP shall constitute a binding proposal response. The  
1693 provisions of this RFP and all attachments constitute contractual terms and conditions. These

1694 provisions, as amended, shall supersede any contradictory or inconsistent language in the suc-  
1695 cessful Vendor’s response. In the event of inconsistencies or contradictions between language  
1696 contained in the RFP and a Vendor’s response, the language contained in the RFP will prevail.  
1697 If the State issues addenda to the original RFP, then said addenda, being more recently issued,  
1698 would prevail against both the original RFP and the Vendor’s proposal in the event of an incon-  
1699 consistency, ambiguity, or conflict.

1700 A submission in response to this RFP acknowledges acceptance by the Vendor of all terms and  
1701 conditions, including performance and compensation, as set forth in this RFP. The Vendor, by  
1702 signing the proposal sheet (Form E), certifies that it accepts all of the terms and conditions, in-  
1703 cluding performance and compensation of this RFP in full, without reservations, limitations, as-  
1704 sumptions, restrictions, caveats, or any other type of qualification. A response that fails to com-  
1705 ply with this condition shall be disqualified as nonresponsive. Further, any amendment to this  
1706 RFP shall be signed and returned with the proposal or the proposal shall not be considered.

1707 All proposals become the property of the State of Alabama, and may not be returned to the  
1708 Vendor. Only proposals that conform to the requirements of this solicitation shall be acceptable.  
1709 The State reserves the right to reject any or all proposals. There is no guarantee a contract shall  
1710 result from this solicitation. The State accepts no obligation for costs incurred by any Vendor in  
1711 the preparation of a proposal in response to this RFP.

#### 1712 **4.18 Offer in Effect for 90 Days**

1713 A proposal may not be modified, withdrawn or canceled by the Vendor for a 90-day period fol-  
1714 lowing the deadline for proposal submission as defined in the Table 1 Procurement Timetable.

#### 1715 **4.19 RFP Response Material Ownership**

1716 All products/services produced in response to the contracts resulting from this RFP, including  
1717 the executed contracts, RFP, and any amendments thereto, shall be the sole property of the  
1718 Department. Vendor’s response to the RFP, HIX’s written responses to prospective Vendors’  
1719 questions, and Vendor’s clarifications as requested by HIX during the evaluation process shall  
1720 become contractual obligations.

1721 Proposal responses may be reviewed by contacting the HIX General Counsel after the contract  
1722 has been fully executed by the State. To the extent a Vendor deems any specific portion of its  
1723 response to include a “trade secret” as defined in Ala. Code § 8-27-2(1), a second electronic  
1724 copy shall be provided to the Department with such information redacted. The Vendor response  
1725 which may be made public must be clearly marked as “Public Response” in the Vendor submis-  
1726 sion. Said designation of a “trade secret” shall not be binding on the Department but the De-  
1727 partment will review and consider the designation. Wholesale designation of a response or sub-  
1728 stantial parts of a response as “trade secrets” shall not be accepted by the Department.

#### 1729 **4.20 Incurring Costs**

1730 The State of Alabama is not liable for any cost incurred by Vendors prior to issuance of a fully  
1731 executed contract.

**1732 4.21 Payment**

1733 The Department will provide payment to the Vendor according to *Section 6 – Contract Terms*  
1734 *and Conditions – Section 6.8 – Method of Payment and Invoicing.*

**1735 4.22 Performance Bond**

1736 *Please refer to Section 6 – Contract Terms and Conditions, Section 6.5.17 – Performance*  
1737 *Bond.*

**1738 4.23 Bid Guarantee**

1739 Each bid must include an individual bid guarantee in the amount of \$5,000 payable to the  
1740 Commissioner of Insurance-State of Alabama. This bid guarantee ensures a firm bid for con-  
1741 tracting purposes for 90 calendar days after the bid due date. Bid guarantees provided by un-  
1742 successful bidders will be returned after 90 calendar days. The form of the bid guarantee shall  
1743 be one of the following:

- 1744 • Cashier's check (personal or company checks are not acceptable)
- 1745 • Other type of bank or certified check
- 1746 • Money Order
- 1747 • Surety guarantee issued by a company authorized to do business in the State of Ala-  
1748 bama.
- 1749 • An irrevocable letter of credit

**1750 4.24 Vendor's Facility and Equipment Requirements**

1751 The Department requires that the Vendor maintain a facility within an hour's drive time to the  
1752 city limits of Montgomery, Alabama in a location approved by HIX. The Vendor shall provide ad-  
1753 equate working space, conference space, and free parking at the local vendor site to accom-  
1754 plish all of the project tasks in an efficient and professional manner. Specifically, a large well-  
1755 equipped conference room will be required to accommodate Department and HIX users, con-  
1756 sultant staff, and Vendor staff during meetings, training sessions, group product reviews, work  
1757 sessions, test reviews, and other activities during the project. Additional requirements can be  
1758 found in Section 3.6.

1759 These facilities, equipment, and supplies the Vendor provides for their staff are provided at the  
1760 Vendor's expense and ***are not*** expenses chargeable to the Department as part of this RFP.

**1761 4.25 Publicity and Promotion**

1762 The Vendor shall not advertise, promote or publish information for commercial benefit concern-  
1763 ing this RFP or any subsequent award without prior written approval of the Department.

1764



1765 **4.26 State’s Rights Reserved**

1766 While the State has every intention to award a contract as a result of this RFP, issuance of the  
1767 RFP in no way constitutes a commitment by the State to award and execute a contract. Upon a  
1768 determination such actions would be in its best interest, the State, in its sole discretion, reserves  
1769 the right to:

- 1770 • Cancel or terminate this RFP at any time, without penalty
- 1771 • Reject any or all of the proposals submitted in response to this RFP
- 1772 • Change its decision with respect to the selection and to select another proposal
- 1773 • Waive any minor irregularity in an otherwise valid proposal which would not jeopardize  
1774 the overall program and to award a contract on the basis of such a waiver (minor irregu-  
1775 larities are those which will not have a significant adverse effect on overall project cost or  
1776 performance)
- 1777 • Negotiate with any Vendor whose proposal is within the competitive range with respect  
1778 to technical plan and cost
- 1779 • Adopt to its use all, or any part, of a Vendor’s proposal and to use any idea or all ideas  
1780 presented in a proposal
- 1781 • Amend the RFP (amendments to the RFP will be made by written addendum issued by  
1782 the State and will be posted on the Department website)
- 1783 • Not award any contract

1784 **4.27 Disclaimer**

1785 All statistical and fiscal information contained in the RFP and its exhibits, including amendments  
1786 and modifications thereto, reflect the best and most accurate information available to the De-  
1787 partment at the time of RFP preparation. No inaccuracies in such data shall constitute a basis  
1788 for an increase in payments to the Vendor, a basis for delay in performance, or a basis for legal  
1789 recovery of any damages.

1790 **Note: That if required, prior to plugging a non-Alabama HIX (e.g., Vendor) comput-**  
1791 **er/laptop into the Alabama HIX network the computer user will have to sign a computer**  
1792 **use agreement similar to the sample provided in Appendix C of this document. This is to**  
1793 **ensure the Alabama HIX network is safe from harmful computer malware.**

1794 **This individual may also be asked to sign a standard Health Insurance Portability and**  
1795 **Accountability Act (HIPAA) agreement similar to the sample provided in Appendix H.**

1796 **4.28 Financial Interests**

1797 Vendor shall represent and warrant that neither Vendor nor any person or entity that will partici-  
1798 pate financially in the contract has received compensation from the Department for participation  
1799 in preparation of the RFP or other specifications for this RFP and any resulting contract. In re-



1800 sponding to this RFP, all Vendors must complete the disclosure statement required pursuant to  
1801 Sections 41-16-80, *et seq.*, Code of Alabama, 1975 (Alabama Act 2001-955), which can be ac-  
1802 cessed from the Attorney General’s web site at the following address:

1803 <http://www.ago.state.al.us/Page-Vendor-Disclosure-Statement-Information-and-Instructions>

1804

1805 **5 PROPOSAL RESPONSE SPECIFICATIONS AND FORMAT**

1806 **5.1 Introduction**

1807 This section describes the format and other requirements for the Vendors' proposal submissions.  
1808 Vendors must build their proposal responses according to the formats, requirements and  
1809 the order of items as defined in each section below. Each Vendor's proposal response must be  
1810 divided into two parts as described in Section 5.2.1 Proposal Response General in addition to  
1811 providing the required number of copies as specified in Section 5.2.2 Technical Response For-  
1812 mat.

1813 ***Because of the diverse requirements and specifications of this RFP, HIX encourages***  
1814 ***prospective Vendors to subcontract or partner with other professional entities to acquire***  
1815 ***additional expertise and resources necessary to successfully address all requirements,***  
1816 ***specifications, and deliverables of this RFP. HIX seeks to receive as many proposals as***  
1817 ***possible while ensuring open competition among Vendors.***

1818 In the event of a proposal submitted jointly by more than one organization, one organization  
1819 must be designated as the prime Vendor and must have responsibility for project management  
1820 and not less than 60 percent of the work to be performed (as measured by the price of labor to  
1821 be provided). All other participants must be designated as subcontractors.

1822

1823 **Disclaimer – Any information or discussion regarding a particular subject that is not in-**  
1824 **cluded in that subject's section may not be credited during the proposal evaluation; e.g.**  
1825 **a description of the “project management approach” in the “proposed solution” section**  
1826 **will not be counted toward the project management approach points.**

1827 **5.2 Proposal Submission Requirements**

1828 Proposals submitted, in whole or in part, by modem or fax will be rejected. Late responses will  
1829 not be accepted.

1830 Proposals must be received by the Project Administrator no later than the date and time speci-  
1831 fied in Table 1 (see the Preface – Procurement Timetable). **It is the responsibility of the**  
1832 **Vendor to ensure the proposal is delivered by the time specified.** Delays in mail delivery or  
1833 any other means of transmittal will not excuse late proposal submissions.

1834 Proposals received after that time will not be considered. At the State's option, late proposals  
1835 will be retained unopened in the file or will be destroyed at the State's expense.

1836 Proposals received prior to the Proposal Submission date will be kept secured and sealed until  
1837 the official Proposal Opening date.

1838 **5.2.1 Proposal Response General**

1839 Proposal Responses are submitted by the Vendor in two parts:

- 1840 • Part 1—Technical Proposal
- 1841 • Part 2—Cost Proposal

1842 Proposals will be evaluated based on the written information that is presented in the response.  
1843 This requirement underscores the importance and the necessity of providing in-depth infor-  
1844 mation in the proposal with all supporting documentation necessary. The Vendor must demon-  
1845 strate in the proposal a thorough working knowledge of HIX program policy and System re-  
1846 quirements as described herein.

1847 Entities that are currently excluded under federal and/or State laws from participation in Medi-  
1848 care/Medicaid or any State’s healthcare programs are prohibited from submitting proposals.

1849 The Proposal Response must present a complete and detailed description of the Vendor’s quali-  
1850 fications to perform and its approach to carry out the requirements of this RFP. Any deviations  
1851 in the Vendor’s Proposal Response from the outline described below could disqualify that pro-  
1852 posal.

1853 Other requirements for the Proposal include the use of:

- 1854 • 8.5 x 11-inch paper with one inch margins all the way around
- 1855 • Single-spaced narrative text with a space between paragraphs
- 1856 • Font size of 11 points or larger must be used, except in tables and charts where a font  
1857 size of 10 points is acceptable
- 1858 • Clearly page-numbered on the bottom (center or right) of each page
- 1859 • Brochures or other presentations, beyond that sufficient to present a complete and effec-  
1860 tive response, are not desired. Audio and/or videotapes are not allowed. Elaborate art-  
1861 work or expensive paper is not necessary or desired. While the appearance of pro-  
1862 posals and professional presentation is important, the use of non-recyclable or non-  
1863 recycled glossy paper is discouraged.

1864 **A maximum page limit has been set for some sections of the Proposal Response.** Ven-  
1865 dors are required to respect these page limits to facilitate a timely and responsive evaluation.  
1866 Pages in excess of these limits will be removed during the Proposal Evaluation Process in the  
1867 evaluation of Mandatory Requirements.

1868 Vendors must submit one original and 15 hard-copy versions of the Technical Proposal Re-  
1869 sponse in binder form plus four electronic versions on Compact Disc (CD or DVD), jump drive,  
1870 or disk. Vendor submission content ownership is discussed in Section 4.19. **The Require-  
1871 ments Response Matrix must be submitted in electronic form in the identical Excel  
1872 spreadsheet that was part of the RFP.**

1873 Vendors must submit one original and one hard-copy version of the Cost Proposal in binder  
1874 form plus two electronic versions on a separate CD from the Technical Proposal.

1875 All copies must be clearly labeled with the Vendor name. The original hard-copy version must  
1876 be identified as such and must include the transmittal letter with the original signature; the Pric-  
1877 ing Sheets, and the RFP proposal sheet (refer to Form E and Forms F through Form M in Ap-  
1878 pendix K). Electronic versions must be submitted in MS Word 2007 or Adobe Portable Docu-  
1879 ment Format (PDF) version 7 or higher.

1880 The original and each copy of the Vendor's proposal response package must be marked in ac-  
1881 cordance with the specifications below. Each proposal must be submitted in two parts:

- 1882 • Technical Proposal and
- 1883 • Cost Proposal, the format and content of which are specified in the following sub-  
1884 sections. Each part (Technical and Cost) must be identified with the cover pages as  
1885 provided in the following subsections.

1886 **The Cost Proposal including Price Sheets must be in a separately sealed envelope from**  
1887 **the Technical Proposal (see Section 5.2.3).**

1888 **The Cost Proposal should be on a separate CD from the Technical Proposal.**

1889 Section 5.2.2 and its subsections specify the format details of the Technical Proposal, while  
1890 Section 5.2.3 does the same thing for the Cost Proposal.

## 1891 **5.2.2 Part 1: Technical Proposal Format**

1892 The first group of documents in the proposal response package must be marked as the "**Tech-**  
1893 **anical Proposal.**" Each Vendor's proposal response package submitted for the **Technical Pro-**  
1894 **posal** must contain the items listed below in the order listed and divided using tabs as indicated  
1895 (A, B, C, D, 1, 2, 3, etc.):

- 1896 • Cover Page for Technical Proposal
- 1897 • TAB A – RFP Proposal Sheet
- 1898 • TAB B –Transmittal Letter
- 1899 • TAB C – RFP Addenda
- 1900 • TAB D – Table of Contents
- 1901 • TAB 1 – Executive Summary
- 1902 • TAB 2 – Company Overview
- 1903 • TAB 3 – Use of Subcontractors
- 1904 • TAB 4 – Relevant Business Experience
- 1905 • TAB 5 – Proposed Solution
- 1906 • TAB 6 – System Development Lifecycle Approach and Methodology
- 1907 • TAB 7 – Project Management Approach

- 1908 • TAB 8 – Project Plan
- 1909 • TAB 9 – Integration and Implementation Services
- 1910 • TAB 10 – Stabilization and Operations
- 1911 • TAB 11 – Proposed Staffing
- 1912 • TAB 12 – Relevant Technical Experience
- 1913 • TAB 13 – HIX Responsibilities
- 1914 • TAB 14 – Vendor Assumptions
- 1915 • TAB 15 – Lessons Learned
- 1916 • Appendix A – Financial Status
- 1917 • Appendix B – Certificate of Authority
- 1918 • Appendix C – Requirements Response Matrix

1919 The following sections provide a description of each of the bulleted items above.

#### 1920 **5.2.2.1 Cover Page for Technical Proposal**

1921 The cover page for the **Technical Proposal** must be a single page formatted and marked ac-  
1922 cording to the technical proposal example provided on the next page. This page must be used  
1923 to identify the Vendor’s **Technical Proposal** section of their proposal.

1924 The cover page for the **Technical Proposal** must be a single page and the first page of this  
1925 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)**

1960 **5.2.2.2 TAB A – RFP Proposal Sheet**

1961 The Technical Proposal must include the proposal sheet (e.g., Form E in Appendix K) signed in  
1962 blue ink, notarized, and completed per the Office of the Alabama Health Insurance Exchange  
1963 specifications and included as the first document of the **original Technical Proposal**. The no-  
1964 tary can appear at the bottom of the page. The section for the “Firm and Fixed Priced” must be  
1965 left blank when accompanying the Technical Proposal. A copy of the original completed Office  
1966 of the Alabama Health Insurance Exchange RFP Sheet must be included in each required copy  
1967 in the specified order.

1968 **5.2.2.3 TAB B – Transmittal Letter**

1969 The Transmittal Letter must be submitted on official business letterhead by the prime Vendor  
1970 and must be signed by an individual authorized to commit the company to the scope of work  
1971 proposed.

1972 The Transmittal Letter must contain all of the following:

- 1973 • Brief statement of the Vendor’s understanding of the scope of software and services as-  
1974 sociated with this RFP.
- 1975 • Identification of all materials and enclosures being submitted collectively as a response  
1976 to this RFP.
- 1977 • Identification of the Vendor who will be the prime Vendor and the name of the corpora-  
1978 tion or other legal entity submitting the proposal.
- 1979 • The name, title, address, email address and telephone number of the individual who will  
1980 function as the main contact for the Vendor.
- 1981 • A statement identifying any and all subcontractors, if any, who are needed in order to  
1982 satisfy the requirements of this RFP. The percentage of work, as measured by percent-  
1983 age of total contract price, to be performed by the prime Vendor must be provided. Sub-  
1984 contracted work must not collectively exceed 40 percent of the total contract price. The  
1985 Vendor must assume sole and exclusive responsibility for all of the Vendor Responsibili-  
1986 ties and work indicated in the RFP (including any and all addenda). If no subcontractor  
1987 is proposed, a statement must be made identifying that fact.
- 1988 • A statement that the prices proposed were arrived at independently without consultation,  
1989 communication, or agreement with any other Vendor or competitor for this procurement  
1990 and that the prices are binding for 90 days.
- 1991 • A statement that the person signing this proposal is authorized to make decisions on be-  
1992 half of the Vendor’s organization as to the prices quoted.
- 1993 • A Disclosure Statement completed and submitted with the proposal required pursuant to  
1994 Alabama Act 2001-955, located in Form P (Appendix K) – Disclosure Statement or on  
1995 the Attorney General’s web site at the following address:  
1996 [http://www.ago.state.al.us/ag\\_items.cfm?Item=70](http://www.ago.state.al.us/ag_items.cfm?Item=70)



1997 Note: Any Subcontractors bid in this proposal must also complete a Disclosure Statement which  
1998 is to be submitted with the proposal and within this tab.

1999 The Transmittal Letter must be signed by an individual authorized to commit the company to the  
2000 work proposed. No reference is to be made to any pricing information or elements of cost. ***If***  
2001 ***any element of cost is referred to in the Transmittal Letter, the Vendor will be disquali-***  
2002 ***fied. Note: Inclusion of the percentage of work, as measured by percentage of total con-***  
2003 ***tract price, to be performed by the prime Vendor (see bullet 2 above) without reference to***  
2004 ***any monetary price will not violate the element of cost provision.***

#### 2005 **5.2.2.4 TAB C – RFP Addenda**

2006 Vendors must acknowledge receipt of all RFP addenda by listing the addenda and including a  
2007 signed copy of the front page of each addendum. The signature must be the same as on the  
2008 Transmittal Letter.

#### 2009 **5.2.2.5 TAB D – Table of Contents**

2010 The Technical Proposal must be submitted with a table of contents that clearly identifies and  
2011 denotes the location of each section and sub-section of the proposal. The electronic copies  
2012 must have hyperlinks to corresponding sections from the Table of Contents. Each page of the  
2013 response must be clearly and uniquely numbered. Additionally, the Table of Contents must  
2014 clearly identify and denote the location of all enclosures and attachments to the proposal.

2015 Title this section as “**Table of Contents**” in the Technical Proposal.

2016 Most of the sections given below have a maximum page limit that will be given in parenthesis  
2017 within the section title.

#### 2018 **5.2.2.6 TAB 1 – Executive Summary (4 pages)**

2019 The Executive Summary will condense and highlight the contents of the Technical Proposal in  
2020 such a way as to provide the proposal evaluators with an overall understanding of the proposal.  
2021 Vendors must provide a concise summarization of the proposed products and services, and  
2022 how these proposed products and services solve the problems presented in the RFP. Vendors  
2023 must present their planned approach to providing the proposed products and services, and their  
2024 understanding of the objectives and intended results of the project and the scope of work.

2025 Title this section as “**Executive Summary**” in the Technical Proposal.

#### 2026 **5.2.2.7 TAB 2 – Company Overview (8 pages)**

2027 Provide information about the Vendor’s company capabilities to satisfy the requirements of this  
2028 RFP and why the company should be selected for this project. The overview must describe the  
2029 kinds of projects the firm typically performs.

2030 The overview must provide a description of the Vendor’s company information including:

- 2031
- Date established.

- 2032 • 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 identification number must be provided in the proposal.
- 2033
- 2034
- 2035 • Organizational chart depicting the Vendor's organization in relation to any parent, subsidiary, or related organization.
- 2036
- 2037 • 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.
- 2038
- 2039 • State in which the Vendor is incorporated.
- 2040 • Number of employees and resources.
- 2041 • Organizational staffing chart.
- 2042 • Names and resumes of Senior Managers and Partners in regards to this contract.
- 2043 • Office location(s) responsible for the proposed tasks.
- 2044 • Evidence that the Vendor is financially stable and that it has the necessary infrastructure to complete this contract as described in the Vendor's proposal. The Vendor must provide audited financial statements for the last three years, or similar evidence of financial stability for the last three years in Appendix A of the proposal.
- 2045
- 2046
- 2047
- 2048 • Vendor's acknowledgment that the State will not reimburse the Vendor until: (a) the State HIX Project Manager has approved the invoice; and (b) HIX has received and approved all deliverables covered by the invoice.
- 2049
- 2050
- 2051 • Disclosure of any contracts terminated for cause or convenience in the past five years.
- 2052 • Disclosure of any conflict of interest.
- 2053 • Indication if the Vendor is minority-owned.
- 2054 • Number of jobs the Vendor will be creating in the state of Alabama during the project duration.
- 2055
- 2056 • Details of any pertinent judgment, criminal conviction, investigation, or litigation pending against the Vendor or any of its officers, directors, employees, agents, or subcontractors within the last five (5) years related to this RFP, the State or federal government, Medicaid, Department of Insurance, any oversight agencies such as Health and Human Services, Center for Medicare and Medicaid Services and Office of Inspector General, and eligibility enrollment, 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 response may go into an addendum that will not be counted against the page limit.
- 2057
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- 2061
- 2062
- 2063
- 2064
- 2065 **While the Company Overview must not exceed eight pages, senior staff resumes may be included in an addendum.**
- 2066
- 2067 Title this section "**Company Overview**" in the Technical Proposal.
-

2068 The company must have all necessary business licenses, registrations, and professional certifica-  
2069 tions at the time of the contracting to be able to do business in Alabama. Alabama law provides  
2070 that a foreign corporation (an out-of-state company/firm) may not transact business in the state of  
2071 Alabama until it obtains a Certificate of Authority from the Secretary of State, § 10-2B-17.01, et  
2072 seq., Code of Alabama 1975. To obtain forms for a Certificate of Authority, contact the Secretary  
2073 of State, Corporations Division, (334) 242-5324, <http://www.sos.state.al.us>. The Certificate of Au-  
2074 thority or a letter/form showing application has been made for a Certificate of Authority must be  
2075 submitted in the proposal in Appendix B.

#### 2076 **5.2.2.8 TAB 3 – Use of Subcontractors (4 pages per subcontractor)**

2077 For each proposed subcontractor, provide overview information about the company’s plans to  
2078 use a subcontractor or subcontractors to meet the requirements of this project. The overview  
2079 must describe what functions or tasks the Subcontractor(s) would perform under this RFP. The  
2080 same company information listed in the previous section must be provided for each subcontrac-  
2081 tor.

2082 If subcontractors will not be used on this project, include statements in this section to specify the  
2083 company’s intentions not to use subcontractors.

2084 **The Use of Subcontractors section must not exceed four pages for each subcontractor**  
2085 **proposed.**

2086 Title this section as “**Use of Subcontractors**” in the Technical Proposal.

#### 2087 **5.2.2.9 TAB 4 – Relevant Business Experience**

2088 Provide a Business Experience Matrix (Form Q in Appendix K) that summarizes relevant pro-  
2089 jects completed by the company, or the specific organizational unit of the company that will be  
2090 responsible for work performed in this contract. If Subcontractors are to be used on the project,  
2091 a Business Experience Matrix must be completed for each Subcontractor proposed. List the 5  
2092 most recent projects performed that demonstrate the Vendor’s ability to perform the require-  
2093 ments expressed in the RFP. All projects must be listed if the company has less than 5 relevant  
2094 projects. The matrix must provide all of the information described below. Columns must be used  
2095 as follows:

2096 *Column A:* Provide the name of the client and a short project name and description.

2097 *Column B:* Indicate if work was performed relative to consulting support and technical assis-  
2098 tance for State Government Medicaid Management/Eligibility Information Systems. Indicate Yes  
2099 or No in the box.

2100 *Column C:* Summary of DDI activities performed on the project. Leave blank if not performed.

2101 *Column D:* For each project, indicate the starting date of the project using Month/Day/Year  
2102 (MM/DD/YY) format.

2103 *Column E:* For each project, indicate the ending date of the project using Month/Day/Year  
2104 (MM/DD/YY) format.

2105 *Column F:* Provide a checkmark in this column if the project was completed within the original  
2106 timeframe. Leave blank if not.

2107 *Column G:* Provide a checkmark in this column if the project was completed within the original  
2108 budget. Leave blank if not.

2109 *Column H:* Provide a checkmark in this column if the company was involved in any litigation re-  
2110 lated to this project.

2111 *Column I:* For each project, list names (or initials) of all staff members proposed for the System  
2112 Project that participated on the project referenced in the table.

2113 *Column J:* Provide the name of one client the Proposal Evaluation team may contact about the  
2114 project, with verified telephone numbers (please include fax number and email address if avail-  
2115 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.**

2116 ***Provide details for each project not completed on time or within budget. Also, provide***  
2117 ***the details of any litigation related to the project.***

2118 In addition to this Matrix, the Vendor may provide any additional information about the projects  
2119 listed, such as the purpose, scope, the company's involvement, and the outcome or status of  
2120 the project.

#### 2121 **5.2.2.10 TAB 5 – Proposed Solution (50 pages)**

2122 The Vendor must provide a detailed description of its proposed solution to meet the RFP re-  
2123 quirements, including numerical identifiers for each detailed section, as explained in Section  
2124 3.2.2. These detailed section numbers must be cross-referenced to the appropriate require-  
2125 ment(s) in the mandatory Requirements Response Matrix.

2126 The Vendor must provide convincing evidence that all the requirements in this RFP will be met  
2127 by the proposed solution. The Vendor must identify all known issues with the proposed solution.

2128 For all identifiable COTS or custom-built business applications technology products that are part  
2129 of the solution, provide details including:

- 2130 • Provider
- 2131 • Products
- 2132 • Release level of the products to be used
- 2133 • Next release / version level to be released
- 2134 • Planned release date of the next release / version

2135  
2136 A discussion of the Software Provider's Product Maintenance approach must be included in this  
2137 section.

2138 **REMINDER: Licensing and ongoing cost information must be reflected only in the separate Cost Proposal.**  
2139

2140 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  
2141 times. The Vendor must describe the future direction of the technology and functionality of the  
2142 proposed products.  
2143

2144 Note: As previously indicated in Section 2.1, Vendors must refrain from proposing a software  
2145 solution that will create a proprietary dependency unless approved by the State. For purposes  
2146 of transparency, all Vendors are requested to include in their bid a complete list of all software,  
2147 including COTS products that will be proposed in support of the System. In cases where a  
2148 software solution could potentially meet the criteria of a proprietary dependency, the Vendor is  
2149 requested to describe the reason for the need, substitutions that are possible (if any), additional  
2150 cost if not used and if a substitution is used instead, and if no substitution is available to de-  
2151 scribe the extent of the dependency.

2152 Title this section of the Technical Proposal as “**Proposed Solution.**”

2153 **5.2.2.11 TAB 6 – System Development Lifecycle Approach and Methodology (10**  
2154 **pages)**

2155 Describe the Vendor’s proposed System Development Lifecycle Approach and Methodology  
2156 toward this project including the phases, objectives, recommended tasks, and a summary of  
2157 related control objectives for effective management. The Vendor must identify projects where it  
2158 has been previously successful using the proposed methodology. A description of the Work  
2159 Breakdown Structure (WBS) necessary to capture and schedule the work, including the mile-  
2160 stones and proposed baselines of the project, must be addressed. In addition, an overview of  
2161 the full scope and timeline of the project must be described. Also to be included in this section  
2162 are identified risks associated with the proposed lifecycle along with potential mitigation activi-  
2163 ties.

2164 The proposal must identify certifications the Vendor has received, such as SEI CMMI assess-  
2165 ments, ISO 900x certifications, or any other pertinent certifications.

2166 This section must be titled as “**System Development Lifecycle Approach and Methodology**”  
2167 in the Technical Proposal.

2168 **5.2.2.12 TAB 7 – Project Management Approach (6 pages)**

2169 The Vendor must describe its approach to managing the project, including the provision for a  
2170 full-time, experienced Vendor Project Manager who will be accountable for all services and de-  
2171 liverables provided under the contract resulting from this RFP, and who will work to ensure the  
2172 on-time delivery and successful deployment of a functioning system that meets HIX’s require-  
2173 ments and the successful ongoing operation of the solution. As part of its project management  
2174 approach, the Vendor must describe the project management tools, standards, controls, and  
2175 procedures that will be utilized to create a proven, reliable process to deploy the system

2176 statewide. This section must also include a brief description of the Vendor’s approach for man-  
2177 aging the project on a daily basis.

2178 This section must be titled “**Project Management Approach**” in the Technical Proposal.

2179 **5.2.2.13 TAB 8 – Project Plan (40 pages)**

2180 The Vendor must present the Project Plan to be used in completing the project. See the re-  
2181 quirements listed in Phase 1 of Section 3.3, and Section 7, Task 1.1. It is of critical importance  
2182 that the Vendor show competence by completing as much of these planning functions as possi-  
2183 ble since it will be expected that the Vendor will build on these proposal plans to generate the  
2184 deliverables of Phase 1. The time allowed for Phase 1 is one month, and the artifacts of Phase  
2185 1 are essential for CMS approval.

2186 The project plan must effectively synthesize requirements from the Requirements Response  
2187 Matrix, the Activities of Section 7, and the Milestones given in Section 2.3.4. Table 1 must also  
2188 be considered in scheduling and sequencing of activities and tasks.

2189 The Vendor must provide a detailed description of its implementation plan to meet the RFP re-  
2190 quirements, including numerical identifiers for each detailed section within each Project Phase,  
2191 as explained in Section 3.3. These detailed section numbers must be cross-referenced to the  
2192 appropriate requirement(s) in the mandatory Requirements Response Matrix.

2193 The description of the Project Plan must cover the items listed below but are not limited to these  
2194 items.

- 2195 • Proposed Project Plan to include:
  - 2196 ○ List and descriptions of each activity and task of the project.
  - 2197 ○ Overall plan for the completion of each activity and task of the project.
  - 2198 ○ Overall plan for Vendor services.
  - 2199 ○ Project Schedule (Gantt chart) that includes all deliverables listed in Section 7
  - 2200 Work Activities, Tasks, and Deliverables, as well as the requirements given in the
  - 2201 Requirements Response Matrix.
  - 2202 ○ Dependencies, critical paths, estimated work effort, and resources (e.g., vendor
  - 2203 and State).
- 2204 • Description of necessary relationships between the Vendor, subcontractors, and HIX
- 2205 personnel to include:
  - 2206 ○ Estimated time requirements for all HIX employees corresponding to the Project
  - 2207 Schedule.
  - 2208 ○ Estimated time requirements of subcontractors corresponding to the Project
  - 2209 Schedule.
- 2210 • Project timelines and milestones, including incidental items, such as
  - 2211 ○ Status Reporting.
  - 2212 ○ Issue Resolution.



- 2213           ○ Action Item Tracking.
- 2214           ○ Project Controls, standards and procedures.
- 2215           • Detailed description of the office automation needed to support the proposed Project  
2216           Team (e.g., computer connections, configuration, etc.).
- 2217           • The response must maintain separation of responsibilities by clearly stating those re-  
2218           sponsibilities of the Vendor and those responsibilities expected of State personnel. HIX  
2219           will expect this section to describe how the Vendor proposed staffing in response to Sec-  
2220           tion 3.5 will be adequate to perform each task.
- 2221           The Vendor must provide the Project Schedule in Microsoft Project in the electronic version.  
2222           Printed copies must include a high-level timeline in Gantt chart format.
- 2223           **The Project Plan section must not exceed 40 pages, not including the Project Schedule**  
2224           **(Gantt chart).**
- 2225           This section must be titled as “**Project Plan**” in the Technical Proposal.
- 2226           **5.2.2.14 TAB 9 – Integration and Implementation Services (20 pages)**
- 2227           The requirements for this tab were described in Section 3.2.5.
- 2228           Describe the Vendor’s approach, methodology, skills, knowledge, ability, and any specialized  
2229           tools that will be used to complete or address the items listed in the Integration and Implementa-  
2230           tion Services section (Section 3.2.5). **The State does not want a "rewrite" of the RFP re-**  
2231           **quirements, since signing and returning the RFP signifies acceptance of the terms and**  
2232           **conditions contained therein.**
- 2233           The following list of items, corresponding to the Integration and Implementation activities and  
2234           tasks identified in Section 7, must be considered in the response:
- 2235           • Task 15.1, System Integration Strategy
- 2236           • Task 15.2, System Integration Plan
- 2237           • Tasks 16.1-16.4, Implementation Activity
- 2238           • Task 17.2, Unit and Integration Test Plan and Documentation
- 2239
- 2240           **The Integration and Implementation Services section must not exceed 20 pages.**
- 2241           Title this section of the Technical Proposal as “**Integration and Implementation Services.**”
- 2242           **5.2.2.15 TAB 10 – Operations and Hardware Hosting (10 pages)**
- 2243           The requirements for this tab were described in Section 3.2.6 and Appendix I: Service Level  
2244           Agreements.
- 2245           The Vendor must provide a description of its strategy and approach for conducting post imple-  
2246           mentation support; including stabilization and ongoing operations once the system has been  
2247           placed into production. This description must include detailed information about the level of  
2248           staffing, the staffing roles, and all activities that are proposed to be conducted by the Vendor.



2249 The description must be comprehensive in nature. Vendors must bear in mind that the bid in this  
2250 area is both comprehensive and fixed price in nature. Therefore, if any necessary service or  
2251 other item or piece of equipment is left out of the proposal, and this service, item, or piece of  
2252 equipment is later deemed by HIX to be necessary and essential to the performance of ongoing  
2253 operations support, then the Vendor will be responsible for providing that service, item, or piece  
2254 of equipment at no additional charge to HIX.

2255 The Vendor response must include consideration for two periods of Stabilization and Operations  
2256 support: one after the end of the Phase 2, and one after the end of Phase 4 (e.g., Phases 3 and  
2257 5, respectively).

2258 Turnover processes are critical to the initial procurement process. Each Vendor must address  
2259 procedures related to turnover at contract end. Recommendations for HIX staffing necessary to  
2260 assume support responsibilities must be identified in this section. The staffing recommendation  
2261 must include a recommendation for staffing levels by position, an organizational chart, and roles  
2262 and responsibilities descriptions for each position.

2263 Each proposal must address any experience the Vendor has with the turnover of a major sys-  
2264 tem to another Vendor or to the client. The Vendor is expected to be a full partner in the turno-  
2265 ver process and has a responsibility to ensure that the HIX System continues to operate  
2266 smoothly during and after the turnover process. As part of this procurement, the Vendor must  
2267 have at least one staff member available to HIX for at least six months following the official turn-  
2268 over date to address concerns.

2269 **This section must not exceed ten pages.**

2270 Title this section of the Technical Proposal as “**Operations and Hardware Hosting.**”

#### 2271 **5.2.2.16 TAB 11 – Proposed Staffing (30 pages)**

2272 The requirements for this tab were described in Section 3.5.

2273 The awarded Vendor must furnish experienced, qualified professionals to ensure the success of  
2274 the project. Accordingly, Vendors must provide a detailed listing of the individuals proposed to  
2275 serve HIX on this assignment, along with a complete description of their roles and responsibili-  
2276 ties and an indication of their planned level of effort.

2277 The Vendor must address each of the requirements listed in Section 3.5. This RFP has provid-  
2278 ed some specific staffing requirements in Section 3.5, but Vendors may propose the number of  
2279 staff positions they need to meet the requirements for each task or deliverable. It is also allow-  
2280 able for the Vendor to submit staff positions equivalent to the staff positions described in Section  
2281 3.5. If equivalent positions are submitted by the Vendor, the proposal must describe in detail  
2282 the staff responsibilities and relevant experience as it relates to their role in the project. HIX will  
2283 expect this section to clearly explain how the proposed staffing will be adequate to fully perform  
2284 each activity/task required in Section 7.

2285 Resumes must be provided for each key individual, and his/her role in the project must be iden-  
2286 tified. Resumes must describe each individual's educational background, experience, other per-  
2287 tinent professional data, and must be sufficiently detailed to demonstrate an individual's qualifi-

2288 cations and experience and must include references. Vendors must furnish staff with experience  
2289 in similar projects (e.g., using SOA, SQL, and rules engines). **HIX retains the right of approv-  
2290 al over all proposed personnel, including potential substitutions to those proposed in  
2291 response to this RFP.**

2292 It is expected that personnel proposed for the project will be committed and truly engaged with  
2293 the project, and that inexperienced personnel will not be exchanged for them. Should specific  
2294 personnel proposed by the Vendor not be available, or if HIX determines that key personnel are  
2295 not providing an adequate amount of time onsite, HIX reserves the right to cancel the project  
2296 and all prior agreements with the Vendor or make appropriate adjustments to any work plan and  
2297 prices to be paid herein under.

2298 Section 3.6 provides details on offsite facility space and equipment for Vendor and HIX staff.  
2299 This response section must contain acknowledgement that the Vendor understands its obliga-  
2300 tion regarding the establishment of an offsite facility and equipment.

2301 **Additionally, HIX reserves the right to impose liquidated damages of up to 10 percent of  
2302 the total project price should specific personnel proposed by the Vendor or HIX ap-  
2303 proved substitutions not be available, or become materially absent during the course of  
2304 the project.**

2305 **The Proposed Staffing section must not exceed 30 pages. Resumes and Letters of Intent  
2306 may be included in an Addendum to this section that will not be counted against the  
2307 page limit.**

2308 Title this section of the Technical Proposal as the “**Proposed Staffing.**”

#### 2309 **5.2.2.17 TAB 12 – Relevant Technical Experience (10 pages)**

2310 The requirements for this tab were described in Section 3.4.

2311 Provide the following general metrics:

- 2312 • Total years of experience of key personnel.
- 2313 • Average years of experience per person.
- 2314 • Maximum and minimum years of experience for those included.
- 2315 • Organize the response subsections within this Tab according to the following five clearly  
2316 identified subsections:
  - 2317 • General considerations (that do not map specifically to any of the other subsections).
  - 2318 • Direct experience in implementing a Health Insurance Exchange.
  - 2319 • Direct experience in implementing an Insurance Portal.
  - 2320 • Any related experience with Medicaid, Medicare, CHIP, or any other closely related  
2321 health service or health insurance function.
  - 2322 • Any other direct or indirect experience on other non-health related functions that would  
2323 contribute to the project.

2324 Within each of the above subsections, describe the Vendor’s proposed project team’s experi-  
2325 ence with:

- 2326 • Contracts with other State health insurance exchange (or similar) agencies relative to  
2327 system design, development, integration, and implementation.
- 2328 • Working with other Alabama state agencies.
- 2329 • Analysis of comparable “Recipient Subsystems” (e.g., Recipient data, eligibility verifica-  
2330 tion, interfaces, etc.).
- 2331 • Implementation of information systems using database management systems.
- 2332 • Cooperative/distributed processing and client/server architecture.
- 2333 • Web-based development including a list of tools used.
- 2334 • SOA –based distributed, web service processing with Enterprise Application Integration  
2335 (EAI), and ESB, and other middle tier architectures.
- 2336 • Rules engines.
- 2337 • Visio Pro.

2338 Title this section of the Technical Proposal “**Relevant Technical Experience.**”

#### 2339 **5.2.2.18 TAB 13 – HIX Responsibilities (4 pages)**

2340 It is important that there is a clear understanding between HIX and the successful Vendor at the  
2341 outset as to the distinction between the Vendor and HIX responsibilities. This Tab within the  
2342 response must provide the Vendors’ understandings of that distinction. Vendors may use broad  
2343 categories in their description. However, the description must be detailed enough to ultimately  
2344 be translated into contract requirements so as to provide the basis for negotiations to this effect.

2345 HIX reserves the right to accept or reject any requirements identified by the Vendor.

2346 Title this section of the Technical Proposal as the “**HIX Responsibilities.**”

#### 2347 **5.2.2.19 TAB 14 – Vendor Assumptions (4 pages)**

2348 The Vendor must document any Vendor assumptions associated with the Technical Proposal.  
2349 While these may have been made in the various sections already documented above, this tab  
2350 will serve as a summary of these assumptions. Reference these assumptions to the particular  
2351 section of the Technical Proposal to which they relate.

2352 **The Vendor Assumptions section must not exceed four pages.**

2353 Title this section of the Technical Proposal as the “**Vendor Assumptions.**”

#### 2354 **5.2.2.20 TAB 15 – Lessons Learned (6 pages)**

2355 The Vendor must provide a discussion of the significant lessons learned from experience at  
2356 previous eligibility projects of similar size and scope, and how the Vendor will apply those les-  
2357 sons to the System Project. “Lessons learned” necessarily implies that some mistakes were  
2358 made either by the Vendor or the Sponsor in a previous project. If this is not the case, then it

2359 should not be documented in this section. The Vendor need not identify the project or the spon-  
2360 sor in this response, but can merely state the lesson learned as advice that will be of benefit to  
2361 the proposed project.

2362 **The Lessons Learned section must not exceed six pages.**

2363 Title this section of the Technical Proposal as the “**Lessons Learned.**”

2364 **5.2.2.21 Appendix A – Financial Status**

2365 Vendors must submit copies of their most recent audited financial statements and report of au-  
2366 dit. These must include at least a balance sheet and income statement. Vendors must also in-  
2367 clude a statement of the Vendor's other contractual obligations which might have an influence  
2368 on the capabilities of the Vendor to perform the conditions of the contract (e.g., shared person-  
2369 nel).

2370 Title this section of the Technical Proposal as the “**Financial Status.**”

2371 **5.2.2.22 Appendix B – Certificate of Authority**

2372 The company must have all necessary business licenses, registrations, and professional certifi-  
2373 cations at the time of the contracting to be able to do business in Alabama. Alabama law pro-  
2374 vides that a foreign corporation (an out-of-state company/firm) may not transact business in the  
2375 state of Alabama until it obtains a Certificate of Authority from the Secretary of State, § 10-2B-  
2376 17.01, et seq., Code of Alabama 1975. To obtain forms for a Certificate of Authority, contact the  
2377 Secretary of State, Corporations Division, (334) 242-5324, <http://www.sos.state.al.us>. The Certif-  
2378 icate of Authority or a letter/form showing application has been made for a Certificate of Authori-  
2379 ty must be placed in this section.

2380 Title this section of the Technical Proposal as the “**Certificate of Authority.**”

2381 **5.2.2.23 Appendix C – Requirements Response Matrix**

2382 In the Requirements Response Matrix, the Vendor must note the degree to which its proposed  
2383 solution currently (at the time of proposal submission) meets each requirement in an operational  
2384 production environment. This matrix must be completed and returned in electronically readable  
2385 form as part of the proposal response. Refer to Appendix K – Form D: Requirements Response  
2386 Matrix for additional details and instructions. Additional requirements for this appendix are de-  
2387 scribed in Section 3.1.

2388 The completed Requirements Response Matrix, provide as a separate document, must be  
2389 placed in this section (e.g., Appendix C) of the Technical Proposal titled “**Requirements Re-**  
2390 **sponse Matrix.**”

2391 **5.2.3 Part 2: Cost Proposal**

2392 The second part of the documents that make up the Vendor’s proposal response must be  
2393 marked “**Cost Proposal**” per specifications in Section 5.2.1. Each Vendor’s proposal response  
2394 package submitted must contain as part of its “**Cost Proposal**” the items listed below in the or-  
2395 der listed:

- 2396 • Cover Page for Cost Proposal, formatted as indicated in Section 5.2.3.1
- 2397 • TAB A – Table of Contents
- 2398 • TAB B – Executive Summary
- 2399 • TAB 1 – Price Schedule I (See Form F)
- 2400 • TAB 2 – Price Schedule II (See Form G)
- 2401 • TAB 3 – Price Schedule III (See Form H)
- 2402 • TAB 4 – Price Schedule IV (see Form I)
- 2403 • TAB 5 – Price Schedule V (see Form J)
- 2404 • TAB 6 – Price Schedule VI (see Form K)
- 2405 • TAB 7 – Price Schedule VII (see Form L)
- 2406 • TAB 8 – Price Schedule VIII (see Form M)

2407 Note all of the forms listed above are found in Appendix K. This current section (Section 5.2.3)  
2408 as well as Section 5.2.3.1 through Section 5.2.3.7 provide a description of each of the above  
2409 bullet items.

2410 The **Cost Proposal** must be submitted in a separately sealed envelope from the Technical Re-  
2411 sponse and provided with the original proposal. The Vendor’s name(s) must be clearly identified  
2412 on the envelope and on the Price Schedules.

2413 **Cover Page for Cost Proposal**

2414 The cover page for the **Cost Proposal** must be a single page, formatted and marked according  
2415 to the response example provided on the next page. This page must be used to identify the be-  
2416 ginning of the Vendor’s Cost Proposal section.

2417 The cover page for the **Cost Proposal** must be a full and first page of this section marked as  
2418 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):** \_\_\_\_\_

2448 **Tab A – Table of Contents**

2449 The Cost Proposal must be submitted with a table of contents that clearly identifies and denotes  
 2450 the location of each section and sub-section of the Cost Proposal. The electronic copy must  
 2451 have hyperlinks to the corresponding sections from the Table of Contents. Each page of the re-  
 2452 sponse must be clearly and uniquely numbered. Additionally, the Table of Contents must clearly  
 2453 identify and denote the location of all enclosures and attachments to the proposal.

2454 **Tab B – Executive Summary**

2455 The Vendor must provide an overview of the Cost Proposal that describes any pricing ap-  
 2456 proaches, discounts, and reasons why the Vendor's combined technical and cost approach is  
 2457 the best value to HIX.

2458 The Annual Costs to the State of Alabama to be paid to the Vendor must be included in the Ex-  
 2459 ecutive Summary for EACH year listed in Table 1, and each Annual Cost must be able to be  
 2460 derived by the State of Alabama from the detailed costs in the Price Schedules provided by the  
 2461 Vendor. In addition, these Annual Costs, when added together, must equal the Vendor's contri-  
 2462 bution to the Total Cost of Ownership for the HIX System included in the Executive Summary.  
 2463 As noted in 5.2.4, the State of Alabama, at its option, may request a "Best and Final Offer."

2464 As part of the Executive Summary, Tables A and B must be completed to partially satisfy the  
 2465 requirement stated above.

2466 **Cost Executive Summary Response Table A – No Transition**

2012	2013	2014	2015	2016	2017	2018

2467  
 2468 The content of the Cost Executive Summary Response Table A will be the Vendor's total cost to  
 2469 be charged to HIX for all products and services during the respective year. The 2014 year is the  
 2470 warranty year in which the successful vendor will operate the Exchange. The costs for years  
 2471 2015-2018 represent the per year costs to HIX of the Vendor continuing to be renewed to oper-  
 2472 ate the Exchange.

2473 Cost Executive Summary Response Table B below is similar in all respects to the definitions  
 2474 given for the table above with the exception that the costs to be entered into this table are to be  
 2475 the annual costs that will accrue to HIX if a decision is made sufficiently early in Year 2015 that  
 2476 HIX intends to either assume all operational costs or to place this responsibility on another con-  
 2477 tractor. This cost must then assume that the Vendor will not only operate the Exchange during  
 2478 2015 but will also make all provisions for the transition of the system over to another organiza-  
 2479 tion. These costs much include all personnel costs, including transition costs, and all software  
 2480 costs. However, hardware costs will be excluded, i.e., no assumptions will need to be made as  
 2481 far as hardware hosting is concerned.

2482



2483

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

2012	2013	2014	2015

2484

2485 The executive summary must provide adequate narrative to explain all assumptions made in the  
 2486 required tables. In addition, it is imperative that the cost figures given in these tables harmonize  
 2487 with the price sheets required as described in the sections below, and any deviation from this or  
 2488 explanations of the harmonization must be explained.

2489 **The Executive Summary section may be no longer than four pages.**

2490 **5.2.3.1 Tabs 1-8 – Price Sheets**

2491 The Pricing Schedules reflect the State precedent of costing labor separately from deliverables.  
 2492 Price Schedule I is intended to reflect labor hours and Price Schedule II is intended to reflect the  
 2493 cost of deliverables themselves. While the two are clearly related, the State recommends that  
 2494 each Vendor apply a sizing factor to determine the deliverables costs. Vendors must account for  
 2495 labor hours as labor, and determine a cost for deliverables using some factor to distribute a por-  
 2496 tion of overall costs to the deliverables.

2497 The Office of the Alabama Health Insurance Exchange RFP Proposal Sheet(s) must be signed  
 2498 and completed per the proposal sheets instructions. The RFP Proposal Sheet must be submit-  
 2499 ted in the separately sealed package with the Pricing Schedules and be notarized as stated in  
 2500 Section 5.2.2.2. The “Firm and Fixed Price for Contract” section on the Proposal Sheet that ac-  
 2501 companies the Pricing Schedules must be completed.

2502 **5.2.3.1.1 Tab 1 – Price Schedule I – DDI Labor**

2503 Vendors are to complete this price schedule by entering the following related to Design, Devel-  
 2504 opment and Implementation (DDI):

- 2505 • Staff by Title (Vendor Project Manager, Business Architect, Systems Architect, etc.)
- 2506 • Number of Staff
- 2507 • Rate per Hour
- 2508 • Estimated Hours (project)
- 2509 • Extended Price
- 2510 • Grand Total Staff
- 2511 • Grand Total Hours
- 2512 • Grand Total Price

2513 The Extended Price must be calculated for each line item listed as the Rate Per Hour times the  
 2514 Estimated Hours (Extended Price = Rate Per Hour \* Estimated Hours). The Grand Total Staff is

2515 the summed total of all staff listed under the # of Staff column. The Grand Total Hours is the  
2516 summed total of all hours listed under the Estimated Hours column. The Grand Total Price is the  
2517 summed total of all prices listed in the Extended Price column. The Grand Total Price must be  
2518 transferred to Price Schedule II and recorded on the proper line as indicted on Schedule II (bot-  
2519 tom of schedule). The Rate per Hour listed on this schedule must be the Rate per Hour charged  
2520 by the Awarded Vendor for the specified staff based on job title. The Awarded Vendor's staff  
2521 Rate per Hour charges must be based on the proposal response "Rate per Hour" in Price  
2522 Schedule I as part of the awarded contract.

2523 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2524 forms as needed.

2525 Price Schedule I must be signed and dated by a person in the Vendor's organization who can  
2526 legally obligate the Vendor to the conditions of this contract. (See Form F Price Schedule I in  
2527 Appendix K).

#### 2528 **5.2.3.1.2 Tab 2 – Price Schedule II – Deliverables**

2529 Price Schedule II must be completed by the Vendor to list the Fixed Total Price the Vendor must  
2530 charge to deliver HIX approved deliverables along with execution as listed on Price Schedule II.  
2531 After the proposal award, this schedule must be used to determine the amount due for each ap-  
2532 proved deliverable based on the contracted proposal Fixed Total Price. Vendors are to com-  
2533 plete this pricing schedule by entering their prices for each deliverable listed. Vendors may add  
2534 additional pertinent tasks/deliverables/requirements based on the Vendor's Health Insurance  
2535 Exchange components or DDI knowledge and experience within each stage of **Price Schedule**  
2536 **II** as applicable. Should Vendors add to or modify this list with, for instance, deliverables they  
2537 deem necessary, overlooked or innovated, they may make such recommendations in their pro-  
2538 posal by adding the line item(s) to Pricing Schedule II where applicable and assigning an ap-  
2539 propriate line item number based on the schema used in Price Schedule II. The Vendor must  
2540 also provide a clear explanation of the requirements and purpose of any added or modified de-  
2541 liverable in a separate attachment. HIX must determine if any line items added or modified on  
2542 Schedule II by the proposing Vendor are acceptable deliverables under the RFP (see Form G  
2543 Price Schedule II in Appendix K). Payments will only be made on the successful completion and  
2544 approval of a deliverable by HIX as itemized in Price Schedule II under the contract.

2545 Each Vendor must calculate their Fixed Proposal Price for a line item to cover their cost for the  
2546 deliverable to include the use of subcontractors. Elements of price applicable to the contract  
2547 such as travel, clerical support, subsistence, training, etc., must also be considered in calculat-  
2548 ing a deliverable's Fixed Proposal Price. Proposing Vendor staff hours expended to produce a  
2549 deliverable must not be used in the overall calculation of the Fixed Proposal Price for a deliver-  
2550 able since staff time is billable at a stated Rate per Hour and can be billed as a separate line  
2551 item.

2552 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2553 forms as needed.

2554 Price Schedule II must be signed and dated by a person in the Vendor's organization who can  
2555 legally obligate the Vendor to the conditions of this contract. The Vendor must fully define any  
2556 commitment of HIX resources not included in the price of the proposal but are necessary to fulfill  
2557 the requirements of the System Project.

#### 2558 **5.2.3.1.3 Tab 3 – Price Schedule III – Hardware and Software**

2559 All third-party products (middleware, database management software, operating system soft-  
2560 ware, compilers, job schedulers, security-related packages, etc.) required to successfully install  
2561 and operate the proposed solution must be identified, describing the cost, quantities, release  
2562 levels, etc., of each of these products.

2563  
2564 The Vendor must also list the itemized costs associated with providing the required hardware  
2565 and systems software needed, specifying the required cache servers, web servers, application  
2566 servers, database servers, and all other associated devices and applicable systems software.  
2567 The Contractor is responsible for obtaining and retaining licenses of current HIX-used products  
2568 necessary to complete the scope of work and requirements of this RFP.

2569  
2570 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2571 forms as needed.

2572 Price Schedule III must be signed and dated by a person in the Vendor's organization who can  
2573 legally obligate the Vendor to the conditions of this contract.

#### 2574 **5.2.3.1.4 Tab 4 – Price Schedule IV – Software Licenses**

2575 The Price Schedule IV must include pricing for any fees related to the licensing of the proposed  
2576 System software product.

2577 • The Vendor must provide the licensing cost for each individual application module and  
2578 third-party tool included as part of the proposed software solution. Software components  
2579 that are necessary to operate and maintain the proposed COTS software, State transfer  
2580 system, or combination hybrid, must be included. The costs for each item are to be  
2581 quoted separately unless bundled pricing is offered.

2582 • The Vendor is responsible for obtaining and retaining appropriate licenses of any current  
2583 HIX-used products necessary to support the proposed software solution.

2584 • The State will pay any required business and technology software license fees separate-  
2585 ly.

2586 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2587 forms as needed.

2588 Price Schedule IV must be signed and dated by a person in the Vendor's organization who can  
2589 legally obligate the Vendor to the conditions of this contract.

#### 2590 **5.2.3.1.5 Tab 5 – Price Schedule V – Software Maintenance Support**

2591 The Price Schedule V must include pricing for the ongoing software annual maintenance fees.

2592     • Any fees related to ongoing maintenance of any included software must be provided, as  
2593     well as any discounts offered. The initial basis for annual maintenance fees must be  
2594     based on the negotiated purchase price for the licensed products

2595     • The State will pay any ongoing software maintenance support fees separately.

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

2598 Price Schedule V 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 **5.2.3.1.6 Tab 6 – Price Schedule VI – Stabilization and Ongoing Operations**

2601 The Price Schedule VI must provide pricing for Stabilization and Ongoing Operations for the an-  
2602 ticipated year following implementation.

2603 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2604 forms as needed.

2605 Price Schedule VI must be signed and dated by a person in the Vendor’s organization who can  
2606 legally obligate the Vendor to the conditions of this contract.

#### 2607 **5.2.3.1.7 Tab 7 – Price Schedule VII – Other Implementation Costs**

2608 The Price Schedule VII must provide pricing for Other Implementation Costs by contract year  
2609 (see Table 1).

2610 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2611 forms as needed.

2612 Price Schedule VII must be signed and dated by a person in the Vendor’s organization who can  
2613 legally obligate the Vendor to the conditions of this contract.

#### 2614 **5.2.3.1.8 Tab 8 – Price Schedule VIII – Pricing Sheet Summary**

2615 All total costs from the previous pricing sheets must be transferred to Pricing Sheet VIII to de-  
2616 termine the final fixed bid price. The Vendor must ensure that all totals match.

2617 This Pricing Schedule must be consistent with the costs given the Executive Summary; replicate  
2618 forms as needed.

2619 Price Schedule VIII must be signed and dated by a person in the Vendor’s organization who can  
2620 legally obligate the Vendor to the conditions of this contract.

#### 2621 **5.2.4 Best and Final Offer**

2622 The “Best and Final Offer” is an option available to the State under the RFP process, which  
2623 permits the State to request a “best and final offer” from one or more Vendors if additional in-

2624 formation is required to make a final decision. Vendors may be contacted asking that they sub-  
2625 mit their “best and final offer,” which must include any and all discussed and/or negotiated  
2626 changes. The State reserves the right to request a “best and final offer” for this RFP, based on  
2627 price/cost alone.

### 2628 **5.2.5 Freedom of Information and Privacy Acts**

2629 Vendors must be aware that all materials associated with the procurement are subject to the  
2630 terms of the Freedom of Information Act (FOIA) and all rules, regulations, and interpretations  
2631 resulting there from including those from the Offices of the Attorney General of the United  
2632 States (US), Health and Human Services (HHS), and Centers for Medicare and Medicaid Ser-  
2633 vices (CMS).

2634 By submission of a proposal, the Vendor agrees that the Privacy Act of 1974, Public Law 93-  
2635 579, and the Regulations and General Instructions issued pursuant thereto are applicable to this  
2636 contract, and to all subcontracts hereunder to the extent that the design, development, opera-  
2637 tion, or maintenance of a system of records as defined in the Privacy Act is involved.

2638 **5.3 Proposal Evaluation Criteria**

2639 **5.3.1 Introduction**

2640 The objective of the proposal evaluation process is to determine the Vendor that will provide the  
2641 most value and functionality in effectively meeting the HIX goals and the requirements of this  
2642 RFP. A comprehensive, fair, and impartial evaluation of proposals received in response to this  
2643 procurement effort will be conducted. Award must be made in the best interest of the State as  
2644 determined by the Proposal Evaluation Committee. Consideration may focus on, but is not limited to:  
2645

- 2646 • 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.  
2647  
2648  
2649
- 2650 • Adequacy and completeness of proposal
- 2651 • Vendors' demonstrated understanding of the project
- 2652 • Compliance with the terms and conditions of the RFP
- 2653 • Experience in providing like services
- 2654 • Qualified staff
- 2655 • Response format as required by this RFP

2656 Proposal Evaluation Committees will conduct the evaluation generally in the following sequence:  
2657

- 2658 1. Receipt of Proposals
- 2659 2. Removal of non-responsive proposals
- 2660 3. Review of Mandatory Requirements
- 2661 4. Committee evaluation and scoring of responsive Technical Proposals
- 2662 5. Oral Presentations – at the option of HIX
- 2663 6. Rank Ordering of Vendors based on Technical Proposal Scoring
- 2664 7. Statistical identification of Top Scoring Vendor Group ( $p < 0.5$ )
- 2665 8. Auditing of Cost Proposals
- 2666 9. Application of Cost Ranking to Top Scoring Vendors
- 2667 10. Reference Checks
- 2668 11. RFP Apparently Successful Vendor Award Recommendation

**2669 5.3.2 Initial Classification of Proposals as Responsive or Non-Responsive**

2670 All proposals will initially be classified as either “responsive” or “non-responsive.” Proposals  
2671 may be found non-responsive at any time during the evaluation process or contract negotiation  
2672 if:

- 2673 • Any of the required information is not provided;
- 2674 • The submitted price is found to be excessive or inadequate as measured by criteria stat-  
2675 ed in the RFP; or
- 2676 • The proposal is not within the plans and specifications described and required in the  
2677 RFP. If a proposal is found to be non-responsive, it will not be considered further.

2678  
2679 Proposals failing to demonstrate that the Vendor meets the mandatory requirements identified in  
2680 Appendix J - Mandatory Proposal Requirements will be deemed non-responsive and not con-  
2681 sidered further in the evaluation process.

**2682 5.3.3 Determination of Responsibility**

2683 The Evaluation Committee will determine whether or not a Vendor has met the standards of re-  
2684 sponsibility. In determining responsibility, the committee may consider factors such as, but not  
2685 limited to, the Vendor’s specialized expertise, ability to perform the work, experience, and past  
2686 performance. Such a determination may be made at any time during the evaluation process and  
2687 through contract negotiation if information surfaces that would result in a determination of non-  
2688 responsibility.

**2689 5.3.4 Evaluation of Proposals**

2690 All responsive proposals will be evaluated based on stated evaluation criteria as well as a  
2691 scored comparative evaluation of all other qualified RFP responses in terms of differing price,  
2692 quality, and contractual factors. These scores will be used by the Department to determine the  
2693 most advantageous offering to the State.

**2694 5.3.5 Completeness of Proposals**

2695 Selection and award will be based on the Vendor’s proposal and other items outlined in this  
2696 RFP. Submitted responses may not include references to information located elsewhere, such  
2697 as Internet web sites or libraries, unless specifically requested by the State in this RFP. Infor-  
2698 mation or materials presented by Vendors outside the formal response will not be considered,  
2699 will have no bearing on any award, and may result in the Vendor being disqualified from further  
2700 consideration.

**2701 5.3.6 Opportunity for Additional Information**

2702 The State reserves the right to contact any Vendor submitting a proposal for the purpose of clar-  
2703 ifying issues in that Vendor’s proposal. Vendors must clearly designate in their proposal a point-  
2704 of-contact for questions or issues that arise in the State’s review of a Vendor’s proposal. Upon



2705 receipt of all proposals, the State will conduct a comprehensive review and evaluation process  
 2706 resulting in a subset of the proposals being designated as “reasonably likely to award.” Vendors  
 2707 whose proposals are determined “reasonably likely to award” may also be required to make an  
 2708 oral presentation in Montgomery, Alabama, to clarify their RFP response or to further define  
 2709 their offer. Oral presentations, if requested, must be at the Vendor’s expense. The State’s in-  
 2710 tent with regard to the oral presentation is to, among other things; gauge the level of compe-  
 2711 tence of proposed staff. Thus, the presentation must be conducted by the key staff proposed in  
 2712 the Vendor’s proposal.

2713 Those Vendors that have been eliminated for any reason will be notified accordingly in a timely  
 2714 manner.

### 2715 **5.3.7 Scoring**

2716 The evaluation process is designed to award the contract to the Vendor that, in the Depart-  
 2717 ment’s sole determination, has the necessary combination of attributes based upon the evalua-  
 2718 tion criteria including, but not limited to, solution, experience, cost, implementation methodology,  
 2719 and staffing. The Vendor’s response will be assessed in two parts: 1) Technical Proposal and 2)  
 2720 Cost Proposal. The Evaluation Committees will first review and evaluate all the Technical Pro-  
 2721 posals and assign points to each response.

2722 **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>

2723

2724 Following the selection of qualifying Vendors based on the Technical Proposal scoring, the Cost  
2725 Proposals will be used to make the final selection for the Proposal Award.

2726 Table 3 presents the various categories that will organize the proposal technical review process.  
2727 These are discussed further in the subsections below.

### 2728 **5.3.7.1 References**

2729 Vendors' Technical and Business Experience score will be partially determined by the strength  
2730 of the references provided.

2731 These references may be contacted to verify Vendor's ability to perform the contract. The State  
2732 reserves the right to use any information or additional references deemed necessary to establish  
2733 the ability of the Vendor to perform the conditions of the contract. Negative references may be  
2734 grounds for proposal disqualification.

### 2735 **5.3.7.2 Mandatory Proposal Requirements (Including Financial)**

2736 The proposal reviewers will determine if a proposal is sufficiently responsive to the RFP's re-  
2737 quirements as stated in Section 5.2.2 and 5.2.3 of the RFP. Appendix J also contains a sum-  
2738 mary listing of Mandatory Proposal Requirements. HIX reserves the right to waive minor vari-  
2739 ances, to reject any and all proposals, and to request clarifications from all Vendors.

2740 The preliminary evaluation will also consider the company's financial stability and the degree of  
2741 corporate, financial, and technical resources at the company's disposal to be drawn upon in  
2742 meeting the objectives of this engagement.

### 2743 **5.3.7.3 Business Overview and Experience**

2744 Reviewers will be considering the Vendors' responses as given in Section 5.2.2.6 through Sec-  
2745 tion 5.2.2.9 in assessing the following aspects of the response:

- 2746 • The overall summary approach to the project as given in the Executive Summary
- 2747 • The potential for success as given in the Company Overview
- 2748 • The prime contractors use of subcontractors and their specialized expertise
- 2749 • The relevant business experience of the proposed project team.

### 2750 **5.3.7.4 Technical Proposal Documentation Evaluation**

#### 2751 **5.3.7.4.1 Proposed Solution Documentation**

2752 The Vendor's response to the Proposed Solution will be evaluated based on how well the Ven-  
2753 dor documents information that justifies the Vendor assertions made in the mandatory Require-  
2754 ments Response Matrix. Narrative information provided in this section must be complete and  
2755 comply with industry technical documentation quality standards.

2756

2757

#### 2758 **5.3.7.4.2 System Development Lifecycle Approach and Methodology**

2759 Each Vendor's response to the System Development Lifecycle Methodology RFP requirements  
2760 will be evaluated on the SDLC models and methodology proposed, and the management con-  
2761 trols identified. The definitions of these words in the current context follow.

2762 **Methodology** – Delineates a logical, clear, and detailed procedure for providing design, devel-  
2763 opment, integration and implementation services for all aspects of the System Project to assure  
2764 that the requirements for all HIX deliverables are met. Approaches that emphasize thorough  
2765 analysis and detailed documentation will generally yield additional points. Examples of suc-  
2766 cessful implementation of proposed methodology will be reviewed; as will the potential risks and  
2767 mitigation activities associated with proposed lifecycle. The timing of the test completion step  
2768 during the implementation sequence for each requirement listed in the Requirements Response  
2769 Matrix must be identified and cross-referenced between the Requirements Matrix and the pro-  
2770 ject management plan.

2771 **Controls** – Management controls that are sufficient to ensure successful completion of all re-  
2772 quirements. Reviewers will be looking for clear objectives, measurement against those objec-  
2773 tives, and corrective actions that will be taken if the measurements indicate that the objectives  
2774 are not being met in accordance with the project time line. Assumptions and constraints must  
2775 be openly revealed as well as a discussion of the flexibility to adapt to a changing environment.

#### 2776 **5.3.7.4.3 Project Management Approach**

2777 The Vendor's response to the Project Management RFP requirements will be evaluated on the  
2778 degree of understanding of the project and the separation of responsibilities and its demonstrat-  
2779 ed ability to manage large, complex enterprise software projects in a manner that ensures quali-  
2780 ty, project success, long-term viability, and lowest cost of ownership. The following provides  
2781 more specific discussion of terms:

2782 **Understanding of Project** – The degree to which proposals demonstrate an understanding and  
2783 awareness of the needs and objectives of the State during the System Project and after imple-  
2784 mentation. The proposal must establish a clear understanding of the scope and complexity of  
2785 the Project and lay out a strategy for managing the volume of work that will be required to pro-  
2786 vide DDI services for the Project.

2787 **Responsibilities** – The degree to which proposals demonstrate a clear understanding of Ven-  
2788 dor responsibilities as well as the delineation between HIX and Vendor (and subcontractor if ap-  
2789 plicable) responsibilities.

#### 2790 **5.3.7.4.4 Project Plan/Schedule**

2791 The Vendor's project plan will be evaluated on both the thoroughness/completeness of the plan  
2792 as well as the quality.

2793 **Completeness** – The degree to which the proposal completely covers the Vendor's project plan  
2794 for completing project initiation, execution, management control, etc. The project plan must  
2795 cover the Vendor's overall intent to provide integration and implementation services for the Sys-

2796 tem. The plan must reflect all of the deliverables and project requirements identified within the  
2797 RFP within the timeframes identified. The Plan/Schedule must include timeframes, staff as-  
2798 signments, and deliverable review periods. Reviewers will be looking for all items identified in  
2799 Section 5.2.2.12.

2800 **Quality** – An assessment as to whether or not the plan completely addresses all activities,  
2801 tasks, deliverables, and phases of the project from initiation through project closeout and turno-  
2802 ver to the State. The project plan will also be evaluated based on how realistic the estimated  
2803 level of effort and timeframes appear.

#### 2804 **5.3.7.4.5 Integration and Implementation Services**

2805 The Vendor must address all the activities and tasks referenced in Section 5.2.2.14.

#### 2806 **5.3.7.4.6 Operations and Hardware Hosting Services**

2807 The Vendor's response to Operations and Hardware Hosting Services will be evaluated on how  
2808 well it meets the needs identified in Sections 3.2.6, 5.2.2.15 and 7.1.26.

#### 2809 **5.3.7.4.7 Project Staffing**

2810 The Vendor's response to Project Staffing will be evaluated based on requirements identified in  
2811 Section 3.5. Staff qualifications and experience as well as the organizational structure will be  
2812 reviewed. The following definitions apply:

2813 **Qualifications and Experience** – An assessment of the Vendor's proposed staff in the areas of  
2814 education, certifications, and training background will be conducted. Included in the assess-  
2815 ment will be a review of Vendor's staff members' recent and sustained design, development,  
2816 and implementation experience in projects of similar scope. Proposals will be reviewed for in-  
2817 stances of project staff member's knowledge and experience with large-scale projects, especial-  
2818 ly programs and systems with components similar or identical to those required.

2819 **Structure** – An evaluation of the Vendor's approach to project organization and staffing. The  
2820 quantity and quality of staff proposed will be assessed as well as the appropriateness and value  
2821 of the role/responsibilities that each staff member is assigned on the project team.

#### 2822 **5.3.7.4.8 Technical Experience**

2823 The Vendor's relevant business and technical experience will be evaluated to determine wheth-  
2824 er or not the Vendor requirements identified in Section 3.4 have been met. This experience will  
2825 be reviewed regarding the relevance, extent, and qualifications as explained further below:

- 2826 • **Relevance** – Evaluation of the Vendor's technical experience and its relevance and ap-  
2827 plicability to the provision of services as described in this RFP.
- 2828 • **Extent** – Evaluation of the depth of the Vendor's technical experience in the areas de-  
2829 scribed in this RFP.

- 2830       • **Qualifications** – Evaluation of the Vendor’s technical experience and capability to deliv-  
2831       er the quality and timeliness of the performance needed to successfully develop, design,  
2832       and implement the project as described in this RFP.

2833       **5.3.7.4.9 Requirements Response Matrix**

2834       The completed Requirements Response Matrix (reference Form D in Appendix K) will be evalu-  
2835       ated as part of this section. The response will be reviewed along with other areas of the pro-  
2836       posal to determine the ability of the Vendor to meet all the system requirements identified by the  
2837       State.

2838       **5.3.7.5 Cost Evaluation**

2839       Once those Vendors who demonstrate their superiority in the Part 1: Technical Proposal, a Cost  
2840       Evaluation step will determine the Vendor that can perform the project in the most cost-effective  
2841       manner. In order to pass this Cost Evaluation step, the Vendor must meet the cost proposal  
2842       documentation requirements described within Section 5.2.3 of the Part 2: Cost Proposal.

2843       **5.3.8 RFP Award Recommendation**

2844       The RFP Evaluation Committee shall provide a written recommendation to the Commissioner of  
2845       Insurance on the Vendor whose proposal has been determined to be by the Evaluation Commit-  
2846       tee the most advantageous to the State. The Commissioner will make the final decision to  
2847       award the contract based on the recommendations of the Evaluation Committee. If the Vendor  
2848       selected is unwilling or unable to perform, the performance bond will be forfeited and HIX may  
2849       award to the next lowest responsible and responsive Vendor most advantageous to the State.

2850       **5.3.9 State and Federal Approvals**

2851       State and federal approvals are required before HIX may award a contract. Appendix D contains  
2852       a copy of the Contract Review Report for Submission to Oversight Committee form that must be  
2853       signed by the selected Vendor. Other required documents that must be signed by the selected  
2854       Vendor are located in Appendices.

2855 **6 CONTRACT TERMS AND CONDITIONS**

2856 **6.1 General Contract Terms**

2857 This contract is made pursuant to and under the authority of §27-2-10(c), Code of Alabama,  
2858 1975.

2859 **6.1.1 Terms**

- 2860 • “ACA” means the Patient Protection and Affordable Care Act, P.L. 11-148, as amended  
2861 by the Health Care and Education Reconciliation Act of 2010, P.L. 111-152 and any oth-  
2862 er amendments.
- 2863 • “Department” is the Alabama Department of Insurance, an agency of the State of Ala-  
2864 bama. “Department” is also deemed to include the HIX. The Department designates the  
2865 HIX as its representative for purposes of facilitating, directing, and monitoring the Ven-  
2866 dor’s performance of the Services for the contract.
- 2867 • “HIX” means the Governor’s Office of the Health Insurance Exchange or any similar suc-  
2868 cessor entity created by Legislation or Executive Order of the Governor. HIX is not a di-  
2869 vision or unit of the Department but is designated by the Department to act as the De-  
2870 partment’s representative for the purposes of this RFP and contract, if any.
- 2871 • “HIX System” is the Alabama Health Insurance Exchange System, a state-of-the-art au-  
2872 tomated system that supports HIX in providing all of the functionality described herein.
- 2873 • “Exchange” is the Alabama Health Insurance Exchange which is the organization and  
2874 automation necessary to enable individuals or companies to purchase health insurance  
2875 from a set of state-regulated and standardized health care plans that is eligible for Fed-  
2876 eral subsidies or small business tax credits. Health insurance exchanges are authorized  
2877 and funded as part of implementing key elements of the ACA.

2878 **6.1.2 Entire Agreement**

2879 This RFP and the Vendor's response thereto shall be incorporated into a contract by the execu-  
2880 tion of a formal agreement. No alteration or variation of the terms of this contract shall be valid  
2881 unless made in writing and duly signed by the parties thereto. Oral understandings of this  
2882 agreement are not incorporated therein and no alterations or variations of the terms thereof  
2883 shall be binding on any of the parties unless made in writing between the parties. The contract  
2884 shall be amended by written agreement duly executed by the parties; every such amendment  
2885 shall specify the date of its provisions and shall be effective as agreed to by the parties. The  
2886 contracts and amendments, if any, are subject to approval by the CMS, approval by the Infor-  
2887 mation Services Division of the Department of Finance, review by the Legislative Contract Re-  
2888 view Oversight Committee, and approval by the Governor of the State of Alabama.

2889 Execution of the contract and posting of the performance bond shall authorize the Vendor to  
2890 undertake performance of the contract and shall entitle Vendor to be reimbursed for costs in-  
2891 curred in such performance, subject to all terms and conditions of the contract.

2892 **6.1.3 Notice to Parties**

2893 Any notice to the Department under the contract shall be sufficient when mailed to the Commis-  
2894 sioner of Insurance c/o Legal Division, Post Office Box 303351, Montgomery, AL 36130-3351.  
2895 Any notice to the Vendor shall be sufficient when mailed to the Vendor at the address given on  
2896 the return receipt from this RFP or on the contract after signing. All notices shall be given by  
2897 certified mail, return receipt requested.

2898 **6.1.4 Headings and Titles**

2899 Any headings or titles used to help identify any part of this RFP or any contract upon which it is  
2900 based are for reference purposes only and shall not be deemed as controlling the interpretation  
2901 or meaning of any provision of this RFP or any contract upon which it shall be based.

2902 **6.1.5 Compliance with Federal and State Requirements**

2903 The Vendor shall perform all services under these contracts in accordance with applicable Fed-  
2904 eral and State statutes, regulations and other guidance issued. HIX retains full operational and  
2905 administrative authority and responsibility over the Alabama Exchange in accordance with the  
2906 requirements of the Federal and State statutes and regulations.

2907 **6.1.6 Contract a Public Record; Public Information**

2908 Once fully executed, this contract shall become a public record under Alabama state law.  
2909 All information received in response to this RFP, including copyrighted material, is deemed pub-  
2910 lic information and become a public record subject to review and copying. The sole exceptions  
2911 are trade secrets as defined in Ala. Code § 8-27-2(1), and other exceptions under Alabama  
2912 state law, that have been properly identified, marked, separated, and documented.

2913 **6.1.7 Beginning Work under Contract**

2914 The effective date of this contract is the date on which it has been fully executed by signature of  
2915 the Governor of Alabama. The Vendor shall not commence work under this contract until such  
2916 time and agrees that it cannot claim, and shall not be entitled to, payment for the services per-  
2917 formed or expenses incurred before the effective date.

2918 **6.1.8 Cooperation with Other Contractors/Vendors**

2919 The State may award other contracts for additional work related to this contract and Vendor  
2920 shall fully cooperate with such other contractors and State employees or designated agents.  
2921 Vendor shall not commit or permit any act which will interfere with the performance of work by  
2922 any other contractor or by State employees or designated agents.

2923



2924 **6.1.9 Term of the Contract**

2925 This contract shall begin on the date of award and shall terminate upon December 31, 2014,  
2926 contingent upon the continued availability of federal funding and the exercise of any renewal  
2927 options. As part of the contract, the Department shall have three one-year renewal options to  
2928 address tasks such as remaining design, development and implementation (DDI) phases, a  
2929 one-year period for stabilization following the initial operational capability (IOC) and additional  
2930 optional maintenance support. Within ninety (90) days prior to the end of the initial contract  
2931 period, the Department may at its discretion, exercise the extension option and allow the period  
2932 of performance to be extended at the rate indicated on the price sheet contained in the RFP.  
2933 The Vendor will provide pricing for each year of the contract, including any extensions. The  
2934 Vendor agrees that if the Department exercises the renewal options that the Vendor is required  
2935 to perform the services pursuant to this RFP for the renewal period for the rate indicated on the  
2936 price sheet of the RFP.

2937 **6.1.10 Contract Content and Other Priority Documents**

2938 This RFP and the Vendor's response shall be incorporated into a contract by the execution of a  
2939 formal agreement. The contract and amendments, if any, are subject to approval by CMS, ap-  
2940 proval by the Information Services Division of the Department of Finance, review by the Legisla-  
2941 tive Contract Review Oversight Committee and approval by the Governor of the State of Ala-  
2942 bama.

2943 The contract shall include the following:

- 2944 • Executed contract
- 2945 • RFP, and any addenda or amendments thereto
- 2946 • Vendor's response to the RFP

2947 In the event of a conflict within the enabling authority such that it affects the scope of work within  
2948 the contract, the conflicts shall be resolved in the following priority:

- 2949 • Applicable Federal statutes and regulations, including the ACA, subsequent regulations  
2950 and guidance
- 2951 • Alabama state law and applicable regulations
- 2952 • Case law of the State of Alabama

2953 **6.1.11 Contract Amendments**

2954 The contract shall be deemed to include all applicable provisions of the ACA and of all State  
2955 and Federal laws and regulations, in each case to the extent applicable to the performance of  
2956 Services, as they may be amended. In the event of any change in the ACA, laws, or regulations,  
2957 which materially affect the operation of the Exchange, or the costs of administering such pro-  
2958 gram, either party, after written notice and before performance of any related work, may apply in  
2959 writing to the other for an equitable adjustment in compensation caused by such material

2960 change. In no event shall the contract be amended unless it is in writing and signed by duly au-  
2961 thorized representatives of the Vendor and the Department.

2962 **6.1.12 Changes to the Statement of Work**

2963 During the contract period, if the Vendor considers that any written or oral communication, in-  
2964 cluding any order, direction, instruction, interpretation, or determination, received from the Pro-  
2965 ject Manager or any other authorized Department representative, or any other act or omission of  
2966 the Department (an "Event") constitutes a change to the scope of the Statement of Work of this  
2967 RFP but is not plainly identified, labeled, or titled as such, the Vendor shall advise the designat-  
2968 ed Department contact person in writing within 10 business days after the Vendor Project Man-  
2969 ager was informed orally or in writing by the Project Manager or any other authorized Depart-  
2970 ment representative of the Event and shall request written confirmation of the Event. The notice  
2971 shall state:

- 2972 • The nature and pertinent circumstances of the communication, act, or omission regarded  
2973 as a change in scope of the Statement of Work by the Vendor
- 2974 • The date of the communication, act, or omission, and the identification of each individual  
2975 involved in such communication, act, or omission, listing his or her name and function
- 2976 • The identification of the documents involved
- 2977 • The substance of any oral communications
- 2978 • The particular technical requirements or contract requirements regarded as changed
- 2979 • The direct and foreseeable consequential effect of the communication, act, or omission  
2980 regarded as a change to the scope of the Statement of Work, including the number of  
2981 hours required from the staff to accomplish the change and the manner and sequence of  
2982 performance or delivery of supplies or services, identifying which supplies or services  
2983 are or shall be affected

2984 The Department shall respond within 10 days of receipt of the Vendor's notice, either:

- 2985 • To countermand the action or communications regarded as an Event
- 2986 • To deny that the Event is a change in the scope of the Statement of Work
- 2987 • To confirm that the Event is a change to the scope of the Statement of Work by issuance  
2988 of a written notice
- 2989 • If the information in the Vendor's notice is inadequate to permit a decision to be made,  
2990 advise the Vendor as to what additional information is required and establish the date by  
2991 which this information shall be furnished

2992 If the Vendor complies with any order, direction, interpretation, or determination, written or oral,  
2993 without providing the notice, in accordance with this section, the Department shall not be liable  
2994 for any increased price, delay in performance, or contract nonconformance by the Vendor.

2995 If the Vendor does not agree with the decision of the Department designee, the Vendor has 30  
2996 days to appeal the decision to the Commissioner of Insurance.

2997 **6.1.13 Additions to Permanent Staff**

2998 Both the Vendor and the Department must agree upon additions to contract-required staff or key  
2999 personnel. The reimbursement of the staff cannot exceed the current Vendor rate being paid for  
3000 equivalent staff.

3001 **6.1.14 Force Majeure**

3002 Neither party to this contract shall be responsible for delays or failures in performance resulting  
3003 from acts beyond the control of such party. Such acts shall include, but not be limited to, acts of  
3004 God, strikes, riots, lockouts, and acts of war, epidemics, fire, earthquakes, or other disasters  
3005 natural or man-made.

3006 **6.1.15 Not a Debt of the State**

3007 It is agreed that the terms and commitments contained herein shall not be constituted as a debt  
3008 of the State of Alabama in violation of Art. XI, § 213, Ala. Const. 1901 (Recomp.). It is further  
3009 agreed that if any provision of this contract shall contravene any statute or Constitutional provi-  
3010 sion or amendment, either now in effect or which may, during the course of these contracts, be  
3011 enacted, then that conflicting provision in the contract shall be deemed null and void. The Ven-  
3012 dor's sole remedy for the settlement of any and all disputes arising under the terms of these  
3013 contracts shall be limited to the filing of a claim with the Board of Adjustment for the State of Al-  
3014 abama as provided in Ala. Code §§ 41-9-60 *et seq.*

3015 **6.1.16 Use of Federal Cost Principles**

3016 For any terms of the contract which allow reimbursement for the cost of procuring goods, mate-  
3017 rials, supplies, equipment, or services, such procurement shall be made on a competitive basis  
3018 (including the use of competitive bidding procedures) where practicable, and reimbursement for  
3019 such cost under these contracts shall be in accordance with federal cost principles. If such re-  
3020 imbursement is to be made with funds derived wholly or partially from Federal sources, such  
3021 reimbursement shall be subject to Vendor's compliance with applicable Federal procurement  
3022 requirements, Office of Management and Budget (OMB) Circular A-87, and the determination of  
3023 costs shall be governed by Federal cost principles.

3024 **6.1.17 Non-assignment**

3025 Vendor may not assign its interest in or obligations under this contract without the express writ-  
3026 ten consent of the Department, which consent will be granted or withheld in the sole discretion  
3027 of the Department. The Department reserves the right to assign its rights and obligations under  
3028 the contract to the HIX should it become a legal entity by legislation or executive order of the  
3029 Governor.

3030

3031 **6.1.18 Subcontracts**

3032 The Vendor must have responsibility for the project management and not subcontract more than  
3033 40 percent of the work to be performed (as measured by the price of labor to be provided). Sub-  
3034 contracts must have advance written approval of the Department for both the subcontracted  
3035 function and the subcontractor. - Subcontractors shall demonstrate the capability to perform the  
3036 function to be subcontracted at a level equal or superior to that of the Vendor. All subcontracts  
3037 shall be in writing, with the subcontractor functions and duties clearly identified, and shall re-  
3038 quire the subcontractor to comply with all applicable provisions of this RFP. The Vendor shall at  
3039 all times remain responsible for the performance by any subcontractors approved by the De-  
3040 partment. The Vendor's performance bond and Vendor's responsibility for damages shall apply  
3041 whether performance or nonperformance was by the Vendor or one of its subcontractors. The  
3042 Department shall not release the Vendor from any claims or defaults of this contract, which are  
3043 predicated upon any action or inaction or default by any subcontractor of the Vendor, even if  
3044 such subcontractor was approved by HIX as provided above. The Vendor shall give the De-  
3045 partment notice in writing by certified or registered mail of any action or suit filed against it by  
3046 any subcontractor. The Vendor shall give the Department immediate written notice of any claim  
3047 made against the Vendor by any subcontractor or Vendor, which in the opinion of the Vendor,  
3048 may result in litigation related in any way to this contract with the State of Alabama.

3049 Payments to any subcontractor for the performance of this contract, including, without limitation,  
3050 expenses or disbursements incurred by the subcontractor, is strictly between Vendor and sub-  
3051 contractor, and subcontractor shall have no claim as against the Department for any payments  
3052 for work performed and expenses or disbursement incurred by Subcontractor relative to this  
3053 contract. If requested by the Department, Vendor will provide the Department with appropriate  
3054 documentation that all amounts due to subcontractor have been paid by Vendor.

3055 The State encourages Vendors to consider the use of minority and small business firms as sub-  
3056 contractors.

3057 **6.1.19 Ownership**

3058 The State of Alabama shall have all rights of ownership in software, any modifications thereof,  
3059 and all associated documentation designed, developed, or enhanced by the Vendor for the HIX  
3060 System in the performance of its duties under this agreement. The Vendor shall obtain for the  
3061 Department any necessary licenses for all commercial or proprietary software not owned by the  
3062 Vendor that are necessary for the performance of the duties and obligations expressed in this  
3063 agreement. Federal funds through a cooperative agreement to support the establishment of a  
3064 state-operated health insurance exchange are the source of funding for this contract. Under 45  
3065 CFR 92.34 and the terms of the cooperative agreement, HHS retains a royalty-free, nonexclu-  
3066 sive, irrevocable license to reproduce, publish or otherwise use, for Federal Government pur-  
3067 poses, the copyright in any work developed under the grant, or a subgrant or subcontract, and  
3068 in any rights to a copyright purchased with grant support. HHS shall be provided with a working  
3069 electronic copy of the software (including object source and code) with the right to distribute it to

3070 others for Federal purposes consistent with and throughout the execution of the Cooperative  
3071 Agreement.

3072 **6.1.20 Firm and Fixed Price**

3073 Refer to Section 4.9 Proposal Prices.

3074 **6.1.21 Relationship of Parties**

3075 The relationship created by the contract is strictly that of independent contractor and not a rela-  
3076 tionship of employer/employee, principal/agent, partnership or joint venture. Under no circum-  
3077 stances shall the Vendor or any subcontractor be entitled to receive the benefits guaranteed to  
3078 State employees under the Merit System Act.

3079 **6.1.22 Conservation of Resources**

3080 To the extent practicable and economically feasible, the Vendor shall utilize products and ser-  
3081 vices that conserve natural resources and protect the environment and are energy efficient.

3082 **6.2 Termination**

3083 This Contract may be terminated by the Department for any and all of the following reasons:

- 3084 • In the event of the insolvency of or declaration of bankruptcy by the Vendor
- 3085 • For any default by the Vendor
- 3086 • In the event sufficient appropriated, obligated funds from either State or Federal sources  
3087 are withheld, reduced or are otherwise unavailable for use in whole or in part in connec-  
3088 tion with this contract, whether as a result of Congressional or state legislative action or  
3089 otherwise
- 3090 • For the convenience of the Department

3091 Each of these is described in the following subsections.

3092 **6.2.1 Termination for Bankruptcy**

3093 The filing of a petition for voluntary or involuntary bankruptcy or a company or corporate reor-  
3094 ganization pursuant to the Bankruptcy Act shall, at the option of the Department, constitute  
3095 grounds for termination effective the date of such filing for voluntary filing and as of the date that  
3096 is sixty (60) days after such filing, if not previously dismissed, for involuntary filing. The Vendor  
3097 shall inform the Department in writing of any such action(s) immediately upon occurrence.

3098

**3099 6.2.2 Termination for Default**

3100 The Department may, by written notice, terminate performance under the contract, in whole or  
3101 in part, for failure of the Vendor to perform any of the material contract provisions. In the event  
3102 the Vendor defaults in the performance of any of the Vendor's material duties and obligations,  
3103 written notice shall be given to the Vendor specifying the default. A copy of the written notice  
3104 shall be sent to the Surety for the Vendor's Performance Bond.

3105 The Vendor shall have ten (10) calendar days, or such additional time as agreed to in writing by  
3106 the Department, after the mailing of such notice to cure any default. In the event the Vendor  
3107 does not cure a default within ten (10) calendar days, or such additional time allowed by the  
3108 Department, the Department at its option may notify the Vendor in writing that performance un-  
3109 der the contract is terminated and proceed to seek appropriate relief from the Vendor and Sure-  
3110 ty. If it is determined, after notice of termination for default, that the Vendor's failure was due to  
3111 causes beyond the control of and without error or negligence of the Vendor, the termination  
3112 shall be deemed a termination for convenience under Section 6.2.4.

**3113 6.2.3 Termination for Unavailability of Funds**

3114 The source of payment for this contract is federal funds awarded through a cooperative agree-  
3115 ment to support establishment of a state-operated health insurance exchange. This contract  
3116 shall be cancelled or the scope of services modified by the Department by written notice provid-  
3117 ed thirty (30) days before the cancellation or modification effective date, within such lesser time  
3118 as may be required by the circumstances, in the event Federal funds designated for this con-  
3119 tract are withheld or reduced or are otherwise unavailable for use in whole or in part in connec-  
3120 tion with this contract, whether as a result of congressional or state legislative action or other-  
3121 wise. In the event of termination or modification due to lack of funds, the Department shall not  
3122 be liable to Vendor for any claimed loss or damage resulting from or relating to the termination  
3123 or modification, provided, however, that Vendor shall be paid for services performed before the  
3124 termination or modification date.

**3125 6.2.4 Termination for Convenience**

3126 The Department may terminate performance of work under the Contract in whole or in part  
3127 whenever, for any reason, the Department, in its sole discretion determines that such termina-  
3128 tion is in the best interest of the State. In the event that the Department elects to terminate the  
3129 contract pursuant to this provision, it shall so notify the Vendor by certified or registered mail,  
3130 return receipt requested. The termination shall be effective as of the date specified in the notice.  
3131 In such event, the Vendor will be entitled only to payment for all work satisfactorily completed  
3132 and for reasonable, documented costs incurred in good faith for work in progress. The Vendor  
3133 will not be entitled to payment for unperformed work, or for anticipated profit, unabsorbed over-  
3134 head, or any other costs.

3135



3136 **6.3 The Vendor’s Duties Upon Expiration/Termination**

3137 **6.3.1 Procedure for Termination**

3138 Prior to the conclusion of the contract, the Vendor shall provide, at no extra charge, full support  
3139 and assistance in turning over the complete and current deliverables to the Department or its  
3140 agent. Specific objectives are to provide for an orderly, complete, and controlled transition to a  
3141 successor Vendor and to minimize any disruption of processing and services provided.

3142 The Vendor must:

- 3143 • Stop work under the contract on the date and to the extent specified in the notice of ter-  
3144 mination
- 3145 • Place no further orders or subcontracts for materials or services, except as may be nec-  
3146 essary for completion of such portion of work under the contract as is not terminated
- 3147 • Terminate all orders and subcontracts to the extent that they relate to the performance of  
3148 work terminated by the notice of termination
- 3149 • Assign to the Department, in the manner and to the extent directed by the Department,  
3150 all of the rights, title, and interest of the Vendor under the orders or subcontracts so ter-  
3151 minated, in which case the Department shall have the right, in its discretion, to settle,  
3152 pay, or deny any or all claims arising out of the termination of such orders and subcon-  
3153 tracts
- 3154 • With the prior approval or ratification of the Department, settle all outstanding liabilities  
3155 and all claims arising out of such termination of orders and subcontracts, the cost of  
3156 which would be reimbursable in whole or in part, in accordance with the provisions of  
3157 these contracts. Failure to obtain prior approval shall result in loss of the Department re-  
3158 imbursement.
- 3159 • Complete the performance of such part of the work as shall not have been terminated by  
3160 the notice of termination
- 3161 • Take such action as shall be necessary, or as the Department shall direct, for the protec-  
3162 tion and preservation of any and all property or information related to these contracts  
3163 which is in the possession of the Vendor and in which the Department has or shall ac-  
3164 quire an interest

3165 **6.3.2 Termination Claims**

3166 After receipt of a notice of termination, Vendor must submit to the Project Manager and the De-  
3167 partment any termination claim in the form and with the certification prescribed by the Project  
3168 Manager and the Department. In no event shall such claim be submitted later than sixty (60)  
3169 days from the effective date of termination. Upon failure of the Vendor to submit its termination  
3170 claim within the time allowed, the Project Manager and the Commissioner of Insurance may,  
3171 subject to any review required by the State procedures in effect as of the date of execution of  
3172 the contract, determine, on the basis of information available, the amount, if any, due to the



3173 Vendor by reason of the termination and shall thereupon cause to be paid to the Vendor the  
3174 amount so determined.

3175 Upon receipt of notice of termination, Vendor must have no entitlement to receive any amount  
3176 for lost revenues or anticipated profits or for expenditures associated with this or in any other  
3177 contract. Vendor shall be paid only by the following upon termination:

- 3178 • At the contract price(s) for completed deliverables and services delivered to and accept-  
3179 ed by the Department
- 3180 • At a price mutually agreed upon by the Vendor and the Department for partially complet-  
3181 ed deliverables

3182 In the event of the failure of the Vendor and the Department to agree in whole or in part as to  
3183 the amounts with respect to costs to be paid to the Vendor in connection with the total or partial  
3184 termination of work pursuant to this article, the Department shall determine on the basis of in-  
3185 formation available the amount, if any, due to the Vendor by reason of termination and shall pay  
3186 to the Vendor the amount so determined.

## 3187 **6.4 Employment**

### 3188 **6.4.1 Nondiscrimination Compliance**

3189 The Vendor shall comply with Title VII of the Civil Rights Act of 1964, Section 504 of the Reha-  
3190 bilitation Act of 1973, the Age Discrimination Act of 1975, Executive Order No. 11246, as  
3191 amended by Executive Order No. 11375, both issued by the President of the United States, the  
3192 Americans with Disabilities Act of 1990, and with all applicable Federal and State laws, rules  
3193 and regulations implementing the foregoing statutes with respect to nondiscrimination in em-  
3194 ployment. The Vendor shall not discriminate against any employee or applicant for employment  
3195 because of a physical or mental disability in regard to any position for which the employee or  
3196 applicant is qualified. The Vendor agrees to take affirmative action to employ, advance in em-  
3197 ployment, and otherwise treat qualified disabled individuals without discrimination based on their  
3198 physical or mental disability in all employment practices.

### 3199 **6.4.2 Immigration**

3200 Vendor shall comply with the requirements of the Immigration Reform and Control Act of 1986  
3201 regarding employment verification and retention of verification forms for any individuals hired on  
3202 or after November 6, 1986, who will perform any labor or services under this contract. Vendor  
3203 further agrees to provide affidavit(s) and furnish documentation that Vendor has enrolled in the  
3204 E-Verify program operated by the U.S. Department of Homeland Security as required by Sec-  
3205 tion 9 of the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (Ala. Act 2011-  
3206 535) and any amendments, and to otherwise comply with the applicable requirements of said  
3207 act during the term of this contract. Vendor shall be responsible for all subcontractor compliance  
3208 with said act and shall provide documentation of said compliance to the Department.

3209 **6.4.3 Small Businesses, Minority-Owned Firms, and Women's Business Enterprises Utilization**  
3210

3211 In accordance with the provisions of 45 CFR Part 74 and Office of Management and Budget  
3212 (OMB) Circular A-102, affirmative steps shall be taken to assure that small businesses, minority-  
3213 owned firms and women's business enterprises are utilized when possible as sources of sup-  
3214 plies, equipment, construction, and services.

3215 **6.4.4 Worker's Compensation**

3216 At all times during the contract, the Vendor shall at its sole costs and expense maintain in force  
3217 worker's compensation insurance for those employees of Vendor performing work under this  
3218 contract who are subject to workers compensation laws. In the event any work is subcontracted,  
3219 the Vendor must require any subcontractor similarly to provide worker's compensation insur-  
3220 ance for all the latter's employees working as a part of this contract. Upon the Department re-  
3221 quest, Vendor shall provide a certificate of insurance evidencing such insurance is in effect.

3222 **6.4.5 Other Insurance**

3223 Vendor shall provide coverage with limits of liability not less than those stated below.

3224 **6.4.5.1 Commercial General Liability – Occurrence Form.** Policy shall include bodily  
3225 injury, property damage, personal injury and contractual liability coverage. Each Occurrence:  
3226 \$1,000,000; General Aggregate: \$2,000,000; Products - Completed Operations Aggregate:  
3227 \$2,000,000; Personal and Advertising Injury: \$1,000,000; Contractual Liability - Written and  
3228 Oral: \$1,000,000; and Fire Legal Liability: \$50,000. The policy shall include the following addi-  
3229 tional insureds: "The State of Alabama, its departments, agencies, boards, commissions, uni-  
3230 versities and its officers, officials, agents, and employees as additional insureds with respect to  
3231 liability arising out of the activities performed by or on behalf of the Vendor." Policy shall contain  
3232 a waiver of subrogation against the State of Alabama, its departments, agencies, boards, com-  
3233 missions, universities and its officers, officials, agents, and employees for losses arising from  
3234 work performed by or on behalf of the Vendor except in instances of liability caused by the State  
3235 of Alabama, its departments, agencies, boards, commissions, universities and its officers, offi-  
3236 cials, agents, and employees.

3237 **6.4.5.2 Automobile Liability.** Bodily Injury and Property Damage for any owned, hired,  
3238 and/or non-owned vehicles used in the performance of this contract. Combined Single Limit  
3239 (CSL): \$1,000,000. The policy shall be endorsed to include the following additional insureds:  
3240 "The State of Alabama, its departments, agencies, boards, commissions, universities and its  
3241 officers, officials, agents, and employees shall be included as additional insureds with respect to  
3242 liability arising out of the activities performed by or on behalf of the Vendor, involving automo-  
3243 biles owned, leased, hired or borrowed by the Vendor."

3244 **6.4.5.3 Umbrella/Excess Liability.** Umbrella/Excess liability in the minimum amount of  
3245 \$10,000,000 (\$1,000,000 for Subcontractors) excess of Commercial General Liability, Automo-

3246 bile Liability and Employers' Liability. The policy shall include the following additional insureds:  
3247 “The State of Alabama, its departments, agencies, boards, commissions, universities and its  
3248 officers, officials, agents, and employees shall be named as additional insureds with respect to  
3249 liability arising out of the activities performed by or on behalf of the Vendor.” Policy shall contain  
3250 a waiver of subrogation against the State of Alabama, its departments, agencies, boards, com-  
3251 missions, universities and its officers, officials, agents, and employees for losses arising from  
3252 work performed by or on behalf of the Vendor.

3253 **6.4.5.4 Professional Liability (Errors and Omissions Liability).** Each Claim Minimum  
3254 Limit: \$5,000,000; Annual Aggregate Minimum Limit: \$5,000,000 (\$1,000,000/\$2,000,000 Ag-  
3255 gregate for subcontractors). In the event that the professional liability insurance required by this  
3256 contract is written on a claims-made basis, Vendor warrants that any retroactive date under the  
3257 policy shall precede the effective date of this contract; and that either continuous coverage will  
3258 be maintained or an extended discovery period will be exercised for a period of two (2) years  
3259 beginning at the time work under this contract is completed. The policy shall cover errors or  
3260 omissions and shall not include an exclusion for professional misconduct or lack of ordinary skill  
3261 for those positions defined in the Scope of Work of this contract.

3262 If the Vendor is providing hosting or other network support, they must provide the following in-  
3263 surance coverage:

3264 **Technology/Network Errors and Omissions Insurance.**

3265 Each Claim \$5,000,000

3266 Annual Aggregate \$5,000,000

3267 Coverage to include:

- 3268 • Hostile action or a threat of hostile action with the intent to affect, alter, copy, corrupt,  
3269 destroy, disrupt, damage, or provide unauthorized access/unauthorized use of a com-  
3270 puter system including exposing or publicizing confidential electronic data or causing  
3271 electronic data to be inaccessible;
- 3272 • Computer viruses, Trojan horses, worms and any other type of malicious or damaging  
3273 code;
- 3274 • Dishonest, fraudulent, malicious, or criminal use of a computer system by a person,  
3275 whether identified or not, and whether acting alone or in collusion with other persons, to  
3276 affect, alter, copy corrupt, delete, disrupt, or destroy a computer system or obtain finan-  
3277 cial benefit for any party or to steal or take electronic data;
- 3278 • Denial of service for which the insured is responsible that results in the degradation of or  
3279 loss of access to internet or network activities or normal use of a computer system;

- 
- 3280 • Loss of service for which the insured is responsible that results in the inability of a third
  - 3281 party, who is authorized to do so, to gain access to a computer system and conduct
  - 3282 normal internet or network activities;
  
  - 3283 • Access to a computer system or computer system resources by an unauthorized person
  - 3284 or an authorized person in an unauthorized manner;
  
  - 3285 • Loss or disclosure of confidential information no matter how it occurs;
  
  - 3286 • Systems analysis;
  
  - 3287 • Software Design;
  
  - 3288 • Systems programming;
  
  - 3289 • Data processing;
  
  - 3290 • Systems integration;
  
  - 3291 • Outsourcing including outsourcing development and design;
  
  - 3292 • Systems design, consulting, development and modification;
  
  - 3293 • Training services relating to computer software or hardware;
  
  - 3294 • Management, repair and maintenance of computer products, networks and systems;
  
  - 3295 • Marketing, selling, servicing, distributing, installing and maintaining computer hardware
  - 3296 or software; and
  
  - 3297 • In the event that the professional liability insurance required by this contract is written on
  - 3298 a claims-made basis, Vendor warrants that any retroactive date under the policy shall
  - 3299 precede the effective date of this contract; and that either continuous coverage will be
  - 3300 maintained or an extended discovery period will be exercised for a period of two (2)
  - 3301 years beginning at the time work under this contract is completed. The policy shall cover
  - 3302 professional misconduct or lack of ordinary skill for those positions defined in the Scope
  - 3303 of Work of this contract.

3304 **6.4.5.5 Fidelity Bond or Crime Insurance.** Fidelity Bond or Crime Insurance in the min-  
 3305 imum amount of \$2,000,000. The bond or policy shall include coverage for third party fidelity.  
 3306 The bond or policy shall include coverage for theft and mysterious disappearance. The bond or  
 3307 policy shall contain no requirement for arrest and conviction. The bond or policy shall cover loss  
 3308 outside the premises of the Named Insured.

3309 **6.4.5.6 Property Coverage.** Property Coverage to insure property under the care custo-  
 3310 dy and control of the Vendor for this contract for full replacement value on an all risk basis.

3311

3312 **6.4.5.7 Additional Insurance Requirements.** The Vendor's insurance coverage shall  
3313 be primary insurance with respect to all other available sources. Coverage provided by the Ven-  
3314 dor shall not be limited to the liability assumed under the indemnification provisions of this con-  
3315 tract.

3316 **6.4.5.8 Notice of Cancellation.** Each insurance policy shall not be suspended, voided,  
3317 canceled, or reduced in coverage or in limits below the amounts set forth herein except after  
3318 thirty (30) days prior written notice has been given to the State of Alabama by Vendor. Such no-  
3319 tice shall be sent directly to the Department and shall be sent by certified mail, return receipt  
3320 requested.

3321 **6.4.5.9 Acceptability of Insurers.** Insurance is to be placed with admitted or approved  
3322 non-admitted insurers in the state of Alabama with an "A.M. Best" rating of not less than A- VII.  
3323 The State of Alabama in no way warrants that the above-required minimum insurer rating is suf-  
3324 ficient to protect the Vendor from potential insurer insolvency.

3325 **6.4.5.10 Verification of Coverage.** Vendor shall furnish the State of Alabama with certifi-  
3326 cates of insurance (ACORD form or equivalent) as required by this contract. The certificates for  
3327 each insurance policy are to be signed by a person authorized by that insurer to bind coverage  
3328 on its behalf or by an authorized representative of the insurer. All certificates are to be received  
3329 and approved by the Department before work commences. Each insurance policy required by  
3330 this contract must be in effect at or prior to commencement of work under this contract and re-  
3331 main in effect for the duration of the project subject to annual renewals. Failure to maintain the  
3332 insurance policies as required by this contract, or to provide evidence of renewal, is a material  
3333 breach of contract. All certificates required by this contract shall be sent directly to the Depart-  
3334 ment. The State of Alabama project/contract number and project description shall be noted on  
3335 the certificate of insurance. Certificates of Insurance shall not be sent to the State of Alabama's  
3336 Risk Management Section.

3337 **6.4.5.11 Subcontractors.** Vendors' certificate(s) shall include all subcontractors as in-  
3338 sureds under its policies or Vendor shall furnish to the State of Alabama separate certificates for  
3339 each subcontractor. All coverages for subcontractors shall be subject to the minimum require-  
3340 ments identified above, except for the provisions pertaining to umbrella coverage and fidelity  
3341 bond or crime insurance.

3342 **6.4.5.12 Exceptions.** If the Vendor or sub-contractor(s) is/are a State of Alabama agency,  
3343 board, commission, or university, none of the above shall apply.

#### 3344 **6.4.6 Employment of State Staff**

3345 To ensure compliance with the Alabama Code of Ethics, Ala. Code §36-25-1, et seq. the Vendor  
3346 shall not knowingly engage and assign to the services hereunder on a full-time, part-time, or  
3347 other basis during the period of these contracts, any professional or technical personnel who is  
3348 or has been in the employ of the State of Alabama during the previous 24 months, without first

3349 acquiring an Ethics Opinion from the Alabama Ethics Commission. The web site for the Ethics  
3350 Commission is: <http://ethics.alabama.gov/default2.aspx>

#### 3351 **6.4.7 Additional Terms and Conditions For Vendor's Personnel**

3352 The Vendor warrants and represents that all persons including independent Vendors and Ven-  
3353 dors assigned by it to the performance of this contract shall be agents of the Vendor and shall  
3354 be fully qualified to perform the work required herein. The Vendor must include a similar provi-  
3355 sion in any contract with any subcontractor selected to perform work there under.

3356 The Department shall have the absolute right to approve or disapprove Vendor's staff assigned  
3357 to this contract, to approve or disapprove any proposed individuals for replacement of staff, and  
3358 to require the removal or reassignment of any Vendor employee or subcontractor employee  
3359 found unacceptable by the Department. The Vendor may terminate any of its personnel as-  
3360 signed to the project for a violation of law or company policy or any other reason without the  
3361 Department's prior approval. Upon written request, Vendor must provide the Department with a  
3362 resume of any member of its staff or its subcontractor's staff assigned to or proposed to be as-  
3363 signed to any aspect of the performance of this contract.

3364 Personnel commitments made in Vendor's proposal shall not be changed except as here-  
3365 inabove provided, or due to a resignation of any named individual. Vendor staffing will include  
3366 the named individuals at the levels of effort proposed in the Vendor's proposal. Replacement of  
3367 any personnel will be with personnel of equal ability and qualifications as determined by the De-  
3368 partment. No diversion of staffing will be made by the Vendor without prior written consent of the  
3369 Department.

3370 The Vendor must provide staff to perform all tasks specified as the Vendor's responsibilities in  
3371 this RFP. The staff level must be maintained at the level stated in the proposal or as authorized  
3372 in writing by the Department for the duration of the contract.

3373 Failure of the Vendor to provide staffing at the contracted and Department approved level may  
3374 result in liquidated damages.

3375 The Vendor will commit all personnel specified in its proposal to this contract unless the De-  
3376 partment exercises its option to have such staff removed. The Department will be provided rea-  
3377 sonable access to appropriate Vendor project management personnel for discussion of prob-  
3378 lems or concerns regarding Vendor staff.

#### 3379 **6.4.8 Federal Involvement Practices Requirements**

3380 The Vendor will not discriminate against any employee or applicant for employment because of  
3381 race, color, religion, sex, national origin, age, marital status, political affiliation, or disability. The  
3382 Vendor will take affirmative action to employ and treat employees during employment without  
3383 discrimination due to their race, color, religion, sex, national origin, age, marital status, political  
3384 affiliation, or disability. Such action will include, but will not be limited to, the following:

- 3385 • Employment
- 3386 • Upgrade



- 3387 • Promotion
- 3388 • Demotion
- 3389 • Transfer
- 3390 • Recruitment
- 3391 • Advertisement for Recruitment
- 3392 • Layoff
- 3393 • Termination
- 3394 • Rates of pay or other compensation
- 3395 • Selection for training (including apprenticeship)

3396 The Vendor agrees to post in conspicuous places, available to employees and applicants for  
3397 employment, notices setting forth these provisions.

3398 The Vendor will in all solicitations or advertisements for employees, placed by or on behalf of  
3399 the Vendor, state that all qualified applicants will receive consideration for employment without  
3400 regard to race, color, religion, sex, national origin, age, marital status, political affiliation, or dis-  
3401 ability except where it relates to a bona fide occupational qualification.

## 3402 **6.5 Guarantees, Warranties, and Certifications**

### 3403 **6.5.1 Taxes**

3404 Vendor shall account for and remit all taxes relating to its performance under this contract, in-  
3405 cluding but not limited to, state, federal, foreign or local taxes, including income tax, withholding  
3406 tax, Social Security tax, pension contributions, and any other form of payroll or other taxes, for  
3407 all Vendor employees. Vendor is solely responsible for any benefit plans Vendor may provide  
3408 for its employees.

### 3409 **6.5.2 Licenses**

3410 Vendor shall maintain in current status all federal, state, and local licenses and permits required  
3411 for the operation of a business conducted by Vendor.

### 3412 **6.5.3 Lobbying**

3413 No funds paid to the Vendor shall be used for the purpose of influencing or attempting to influ-  
3414 ence an officer or employee of any federal or state agency, a member of the United States  
3415 Congress or State legislature in connection with the awarding of any state or federal contract,  
3416 the making of any state or federal grant, the making of any state or federal loan, the entering  
3417 into of any cooperative agreement, and the extension, continuation, renewal, amendment or  
3418 modification of any state or federal contract, grant, loan, or cooperative agreement. Vendor shall  
3419 disclose if any funds other than those paid to Vendor by the Department have been used or will



3420 be used to influence the persons and entities above and will assist in making such disclosures  
3421 to the U.S. Department of Health and Human Services.

#### 3422 **6.5.4 No Guaranteed Quantities/Non-exclusive Contract**

3423 The Department does not guarantee Vendor any minimum or maximum quantity of services or  
3424 goods to be provided under this contract.

3425 Any contract resulting from the RFP shall be awarded with the understanding and agreement  
3426 that it is for the sole convenience of the State of Alabama. The Department reserves the right to  
3427 obtain like goods or services from another source when necessary.

#### 3428 **6.5.5 Security and Release of Information**

3429 The Vendor shall take all reasonable precautions to ensure the safety and security of all infor-  
3430 mation, data, procedures, methods, and funds involved in the performance under these con-  
3431 tracts, and shall require the same from all employees so involved. In compliance with 42 CFR  
3432 §431.300 et seq., the Vendor shall conform to the requirements of Federal and State regulations  
3433 regarding confidentiality of information about eligible beneficiaries. The Vendor shall not release  
3434 any data or other information relating to the HIX System to any third party without prior written  
3435 consent of HIX. This provision covers both general summary data as well as detailed, specific  
3436 data. The Vendor shall not be entitled to use of HIX data in its other business dealings without  
3437 prior written consent of HIX. All requests for program data shall be referred to the HIX Executive  
3438 Director for response.

3439 The Vendor must treat all information, including that relating to beneficiaries and providers,  
3440 which is obtained by the Vendor through his/her performance under the contract as confidential  
3441 information, and shall not use any information so obtained in any manner except as necessary  
3442 for the proper discharge of its obligations and securement of its rights herein, or as otherwise  
3443 provided for herein. The Department, the Attorney General, Federal officials as authorized by  
3444 Federal law or regulations, or the authorized representatives of these parties shall have access  
3445 to all confidential information in accordance with the requirements of State and Federal laws  
3446 and regulations. Any other party will be granted access to confidential information only after  
3447 complying with requirements of State and Federal laws and regulations pertaining to such ac-  
3448 cess. The Department shall have absolute authority to determine if any other party has properly  
3449 obtained the right to have access to this confidential information.

3450 The foregoing restrictions on disclosure and release shall not apply to the extent such infor-  
3451 mation (A) shall have otherwise become publicly available (including, without limitation, any in-  
3452 formation filed with any governmental agency and available to the public) other than as the re-  
3453 sult of a disclosure in breach hereof; (B) becomes available to Vendor on a nonconfidential ba-  
3454 sis from a source other than the Department; or (C) is known by Vendor prior to its receipt from  
3455 the Department party without any obligation of confidentiality with respect thereto. In carrying  
3456 out its obligations under this Section, Vendor shall use at least the same degree of care as it  
3457 employs in maintaining in confidence its own trade secrets and proprietary or confidential infor-  
3458 mation, but in no event less than a reasonable degree of care.

**3459 6.5.6 Federal Nondisclosure Requirements**

3460 Each officer or employee of any person to whom Social Security information is or may be dis-  
3461 closed shall be notified in writing by such person that Social Security information disclosed to  
3462 such officer or employee can be only used for authorized purposes and to that extent and any  
3463 other unauthorized use herein constitutes a felony punishable upon conviction by a fine of as  
3464 much as five thousand dollars (\$5,000.00) or imprisonment for as long as five years, or both,  
3465 together with the cost of prosecution. Such person shall also notify each such officer or employ-  
3466 ee that any such unauthorized further disclosure of Social Security information may also result  
3467 in an award of civil damages against the officer or employee in an amount not less than one  
3468 thousand dollars (\$1,000.00) with respect to each instance of unauthorized disclosure. These  
3469 penalties are prescribed by IRC Sections 7213 and 7431 and set forth at 26 CFR 301.6103(n).

3470 Additionally, it is incumbent upon the Vendor to inform its officers and employees of penalties  
3471 for improper disclosure implied by the Privacy Act of 1974, 5 USC 552a. Specifically, 5 USC  
3472 552a (1) (1), which is made applicable to the Vendors by 5 USC 552a (m) (1), provides that any  
3473 officer or employee of the Vendor who, by virtue of his/her employment or official position, has  
3474 possession of or access to Department records which contain individually identifiable infor-  
3475 mation, the disclosure of which is prohibited by the Privacy Act or regulations established there  
3476 under, and who knowing that disclosure of the specific material is prohibited, willfully discloses  
3477 that material in any manner to any person or agency not entitled to receive it, shall be guilty of a  
3478 misdemeanor and fined not more than five thousand dollars (\$5,000.00).

**3479 6.5.7 Health Insurance Portability and Accountability Act of 1996 Requirements**

3480 All parties shall comply with the provisions of the Health Insurance Portability and Accountability  
3481 Act of 1996 (HIPAA) and any implementing regulations as adopted.

**3482 6.5.8 Share of Contract**

3483 No official or employee of the State of Alabama shall be permitted any share of these contracts  
3484 or any benefit that may arise there from.

**3485 6.5.9 Provision of Gratuities**

3486 Neither the Vendor nor any person, firm, or corporation employed by the Vendor in the perfor-  
3487 mance of these contracts shall offer or give, directly or indirectly, to any employee or agent of  
3488 the State, any gift, money or anything of value, or any promise, obligation or contract for future  
3489 reward or compensation at any time during the term of these contracts.

**3490 6.5.10 Conflict of Interest**

3491 The Vendor covenants that it presently has no interest and shall not acquire any interest, direct  
3492 or indirect, which would conflict in any manner or degree with the performance of its services  
3493 hereunder such that Vendor would be unable to perform its obligations or such performance

3494 would be illegal. The Vendor further covenants that in the performance of these contracts no  
3495 person having any such known interests shall be employed by the Vendor.

3496 **6.5.11 Debarment**

3497 The Vendor certifies that neither it nor, to the best of its knowledge, its principals (officers, direc-  
3498 tors, owners, or subcontractors) are presently debarred, suspended, proposed for debarment,  
3499 declared ineligible, or voluntarily excluded from participation in federal programs or programs  
3500 supported in whole or in part by federal funds.

3501 **6.5.12 Performance Bond**

3502 In order to assure full performance of all obligations imposed on a Vendor contracting with the  
3503 State of Alabama, the Vendor will be required to provide a performance bond in the amount of  
3504 fifteen (15) percent of the total contract value as a guarantee for the delivery and acceptance of  
3505 the services in accordance with the specifications and requirements of this RFP and contract.  
3506 The performance bond must be submitted by the Vendor at least ten (10) calendar days prior to  
3507 the start of the contract date. The form of security guarantee shall be one of the following:

- 3508 • Cashier's check (personal or company checks are not acceptable);
- 3509 • Other type of bank certified check;
- 3510 • Money order;
- 3511 • Surety bond issued by a company authorized to do business in the State of Alabama.

3512 **6.5.13 The bond shall be in force from that date through the term of operations**  
3513 **contract and ninety (90) calendar days beyond and shall be condition on**  
3514 **faithful performance of all contractual obligations. Breach by the Vendor**  
3515 **in any respect of any material provision of the contract, which breach has**  
3516 **not been cured by Vendor after receipt of notice thereof pursuant to Sec-**  
3517 **tion 6.2.2 shall cause the performance bond to become due and payable**  
3518 **to the State of Alabama. The Commissioner of Insurance shall be custodi-**  
3519 **an of the performance bond which shall be made payable to the Commis-**  
3520 **sioner of Insurance. Said bond shall be extended in the event the Depart-**  
3521 **ment exercises its option to extend the operational contract. Indemnifica-**  
3522 **tion**

3523 Vendor shall indemnify and hold the Department harmless from all claims, losses, expenses,  
3524 fees (including attorney's fees and litigation costs), costs and judgments that may be asserted  
3525 against the Department resulting from any acts or omissions of the Vendor, the Vendor's em-  
3526 ployees, the Vendor's subcontractors and the Vendor's agents.

3527  
3528 Without limiting the foregoing paragraph, Vendor shall indemnify and hold the Department  
3529 harmless from all claims, losses, expenses, fees (including attorney's fees and litigation costs),

3530 costs and judgments that may be asserted against the Department for the infringement of any  
3531 patents, trademark, copyright, proprietary right, or right of privacy arising from the Vendor's or  
3532 State's use of any equipment, materials, or information prepared or developed in conjunction  
3533 with performance of the contract. The Vendor shall, in any such suit, satisfy any final judgment  
3534 for infringement. Any Federal sanction or damages, other than those specified herein, imposed  
3535 upon the State due to the Vendor's failure to perform its responsibilities under the contract shall  
3536 be paid by the Vendor.

3537  
3538 This entire indemnification section applies whether or not: 1) the activities involve third-parties or  
3539 employees, subcontractors or agents of the Vendor or Department, or 2) a claim results in a  
3540 monetary obligation that exceeds any contractual commitment.

3541 This entire indemnification section extends to the successors and assigns of the Vendor, and  
3542 this indemnification and release survives the termination of this contract and the dissolution or,  
3543 to the extent allowed by law, the bankruptcy of the Vendor.

3544 In the event the Department is named as a defendant in, or made the subject of, a suit or other  
3545 form of action, the Department has the sole discretion exercisable at any time while the suit or  
3546 matter is pending to either (1) tender defense of the Department to Vendor, in which case, Ven-  
3547 dor shall engage counsel to represent the Department at Vendor's cost and expense, or (2)  
3548 separately engage counsel for the Department, in which case the cost and expense for such  
3549 legal representation shall be paid by Vendor upon the Department's demand. No settlement or  
3550 compromise of any claim, loss, or damage asserted against the Department shall be binding  
3551 upon the Department unless expressly approved by the Department.

#### 3552 **6.5.14 Compliance with Environmental Standards**

3553 The Vendor agrees to comply with all applicable standards, orders, or regulations issued pursu-  
3554 ant to the Clean Air Act, 42 U.S.C. 7401 et seq. and the Federal Water Pollution Control Act, as  
3555 amended 33 U.S.C. 1251 et seq., Executive Order 11738, and other Environmental Protection  
3556 Agency (EPA) regulations.

#### 3557 **6.5.15 Waiver**

3558 No covenant, condition, duty, obligation, or undertaking contained in or made a part of the con-  
3559 tract shall be waived except by written agreement of the parties expressly acknowledging this  
3560 waiver as a modification of the contract.

#### 3561 **6.5.16 Warranties Against Broker's Fees**

3562 The Vendor warrants that no person or selling agency has been employed or retained to solicit  
3563 or secure the contract upon an agreement or understanding for a commission, percentage, bro-  
3564 kerage, or contingent fee except bona fide employees. For breach of this warranty, the Depart-  
3565 ment shall have the right to terminate the contract without liability to the Department.

**3566 6.5.17 Novation**

3567 In the event of a change in the corporate or company ownership of the Vendor, the Department  
3568 may, subject to approval by HHS and a determination by the Department that the successor can  
3569 meet the needs of the Department, recognize the successor's interest in the transfer of the con-  
3570 tract. The new corporate or company entity shall agree to the terms of the original contract and  
3571 any amendments thereto. During the interim between legal recognition of the new entity and the  
3572 Department's execution of the novation agreement, a valid contract shall continue to exist be-  
3573 tween the Department and the original Vendor. When the Department, in its sole discretion de-  
3574 termines sufficient assets necessary for the performance of these contracts have been trans-  
3575 ferred from the original Vendor, the Department shall approve the novation agreement.

**3576 6.6 Disputes and Litigation****3577 6.6.1 Attorney's Fees**

3578 In the event that the State shall prevail in any legal action arising out of the performance or non-  
3579 performance of this Contract, the Vendor shall pay, in addition to any damages awarded, all ex-  
3580 penses of such action including reasonable attorney's fees and costs. This requirement applies  
3581 regardless of whether the Department is represented by staff counsel or outside counsel. Fees  
3582 and costs of defense shall be deemed to include administrative proceedings of all kinds, as well  
3583 as all actions at law or equity.

**3584 6.6.2 Disputes**

3585 Except in those cases where the proposal response exceeds the requirements of the RFP, any  
3586 conflict between the proposal response of the Vendor and the RFP shall be controlled by the  
3587 provisions of the RFP.

3588 Vendor acknowledges that, as a department of State government, the Department is immune  
3589 from being made a defendant in any court of law or equity by operation of Art. I, § 14, Ala.  
3590 Const. 1901 (Official Recompilation), which immunity is not waivable.

3591 For any and all disputes arising under the terms of this contract, the Vendor and the Department  
3592 agree to first utilize appropriate forms of non-binding alternative dispute resolution, including,  
3593 but not limited to, mediation.

3594 The Vendor's sole remedy for the settlement of any and all disputes arising under the terms of  
3595 this contract concerning compensation claimed to be due and payable to the Vendor, or any as-  
3596 pect of the performance of duties by the Vendor shall be limited to the filing of a claim with the  
3597 Board of Adjustment for the State of Alabama.

**3598 6.6.3 Litigation**

3599 Any litigation brought by the Department or the Vendor regarding any provision of the contract  
3600 shall be brought in either the Circuit Court of Montgomery County, Alabama, or the United  
3601 States District Court for the Middle District of Alabama, Northern Division, according to the juris-

3602 dictions of these courts. This provision is not intended to, nor shall it operate to, enlarge the ju-  
3603 risdiction of either of said courts, but is merely an agreement and stipulation as to venue.

## 3604 **6.7 Records**

### 3605 **6.7.1 Records Retention and Storage**

3606 The Vendor will maintain all financial and accounting records, and other evidence pertaining to  
3607 amounts invoiced to the Department under this contract for inspection by any authorized repre-  
3608 sentative of the state or the federal government and make them available upon reasonable ad-  
3609 vance written request at reasonable times during the period of the contract and for three years  
3610 after the date of the final payment by the Department to the Vendor under this contract. If any  
3611 litigation, claim, or audit is commenced before the expiration of the three year period, the rec-  
3612 ords shall be retained until all litigation, claims or audit findings involved the records have been  
3613 resolved.

### 3614 **6.7.2 Inspection of Records**

3615 The Vendor agrees that representatives of the Comptroller General, HHS, the General Account-  
3616 ing Office, the State of Alabama Department of Examiners of Public Accounts, The Department,  
3617 and their authorized representatives shall have the right during business hours to inspect and  
3618 copy such records pertaining to contract performance and costs thereof. The Vendor shall co-  
3619 operate fully with requests from any of the agencies listed above and shall furnish free of charge  
3620 copies of all requested records. The Vendor may require that a receipt be given for any original  
3621 record removed from the Vendor's premises.

3622 The Vendor agrees to make available at its central business office at all reasonable times during  
3623 the period set forth below any of such records of the contracted work for inspection or audit by  
3624 any authorized representative of the Department or their duly authorized representative.

3625 A file and report retention schedule shall be developed by the Vendor and approved by the De-  
3626 partment. The Vendor shall maintain the schedule and the Department will approve all changes.

### 3627 **6.7.3 System Documentation**

3628 The awarded Vendor shall establish and utilize documentation update procedures, including  
3629 status report meetings with HIX, to ensure that the HIX System documentation remains current  
3630 at all times. The Vendor shall maintain the master copy of all HIX System documentation and  
3631 shall furnish the Department with one complete copy by start of operations, and one copy of  
3632 each update. The Vendor shall provide the Project Manager with a complete copy of all system  
3633 documentation (e.g., all detailed system designs, data element dictionary, systems manuals,  
3634 user manuals, provider manuals, etc.) prior to going live. The Vendor shall incorporate any  
3635 agreed-upon requirement change into all necessary documentation promptly upon implementa-  
3636 tion.

## 3637 **6.8 Method of Payment and Invoicing**



3638 The Department shall provide payment to the Vendor in accordance with the Vendor's proposal  
3639 sheet and the Pricing Schedules in Forms F through M in Appendix K of this RFP.

3640 Payment shall be made monthly for the Department-approved Vendor staff hours worked and  
3641 tasks/deliverables/requirements received and approved (as specified in Price Schedule II).

3642 The Vendor shall submit one invoice to the Project Manager and one invoice to Tisha Johnson,  
3643 Department Accountant, on a monthly basis for approved services and deliverables rendered to  
3644 the Department in the previous month. Each monthly invoice shall have a cover letter/memo  
3645 addressed to the Project Manager printed on the Vendor's company letterhead. Attached to the  
3646 Vendor's letter/memo shall be the Vendor's invoice. The invoice shall contain summary level  
3647 descriptions of each invoiced line item. All Vendor staff signed timesheets for the billing period  
3648 must be attached to the invoice. The Vendor's staff resource and the Vendor's Project Lead  
3649 must sign each Vendor staff's timesheet. Items appearing on the monthly Vendor's invoice must  
3650 be line items identified as part of this contract, invoiced according to the Vendor's fixed quoted  
3651 price for deliverables and a computed summary level cost for the Vendor's staff hours worked  
3652 based upon the Vendor's quoted Rate Per Hour for each staff member multiplied by the actual  
3653 hours worked. **The total accumulated hours for each Vendor staff resource must not ex-**  
3654 **ceed the total hours quoted for each staff resource by the Vendor in their proposal re-**  
3655 **sponse.** One full copy of the invoice documentation (cover letter, invoice, and timesheets) shall  
3656 also be provided to the Project Manager.

3657 During the life of the Contract for this RFP, payment of 90 percent of the amount proposal per  
3658 task/deliverable/requirement will be paid to the Vendor following HIX's approval of  
3659 tasks/deliverables/requirements for services rendered with the exceptions noted below. The  
3660 Department will retain an amount equal to 10 percent of each task/deliverable/requirement cost  
3661 (withholding) which will be paid to the Vendor upon acceptance of the system. The Awarded  
3662 Vendor's monthly invoices must show the 10 percent withholding amount for  
3663 task/deliverables/requirements deducted from the total amount of the invoice. The 10 percent  
3664 withholding is payable upon HIX's acceptance of the final software implementation Deliverable  
3665 ("the system"). **The total amount billed under this RFP by the Vendor, including the 10**  
3666 **percent withholding, shall and cannot exceed the total fixed price agreed to under this**  
3667 **contract.**

## 3668 **6.9 Damages**

### 3669 **6.9.1 Liquidated Damages**

3670 Vendor understands that the U.S. Department of Health and Human Services has placed strict  
3671 time constraints on the Department in implementing this project. The firm, critical deadlines that  
3672 currently exist are set out within in the following sections:

- 3673 • Table 1: Project Timetable
- 3674 • Section 5.2.2.11, response Tab 6, SDLC Approach and Methodology
- 3675 • Section 5.2.2.13, response Tab 8, Project Plan



- 3676
- Staffing requirements as outlined Section 3.5.2, Staffing

3677 Vendor understands that meeting deadlines are crucial, and that failing to meet these deadlines  
3678 will cause the State substantial monetary and non-monetary damages. It is agreed by the De-  
3679 partment and the Vendor that, in the event of a failure to meet the contract requirements, dam-  
3680 age shall be sustained by the Department, and that it is and shall be impractical and extremely  
3681 difficult to ascertain and determine the actual damages which the Department shall sustain in  
3682 the event of, and by reason of, such failure. Due to the unknown nature of the acts necessary to  
3683 be undertaken in the event a deadline is not met, the exact cost of such a contingency is impos-  
3684 sible to calculate with mathematical exactness. The Department estimates that any such delay  
3685 will result in daily damages that will exceed \$10,000.00 As a result, Vendor agrees that liquidat-  
3686 ed damages of \$10,000.00 shall be deducted from Vendor's compensation for each and every  
3687 day that the work contemplated in the sections outlined below continues uncompleted beyond  
3688 those dates:

- 3689
- Table 1: Project Timetable
- 3690
- Section 5.2.2.11, response Tab 6, SDLC Approach and Methodology
- 3691
- Section 5.2.2.13, response Tab 8, Project Plan
- 3692
- Staffing requirements as outlined in Section 3.5.2, Staffing

3693 Vendor understands that the Department has outlined requirements of performance expecta-  
3694 tions and service level agreements in Appendix I. Liquidated damages shall also be assessed at  
3695 the rates in Appendix I for such performance expectations and service level agreements.

3696 The imposition of liquidated damages is not in lieu of any other remedy available to the Depart-  
3697 ment. The Department shall withhold from the Vendor reimbursements amounts necessary to  
3698 satisfy any damages imposed.

3699 A decision by the Department not to exercise this damage clause in a particular instance shall  
3700 not be construed as a waiver of the Department's right to pursue future assessment of that per-  
3701 formance requirement and associated damages. The Department may, at its sole discretion,  
3702 return all or a portion of any liquidated damages collected, as an incentive to the Vendor for  
3703 prompt and lasting correction of performance problems.

#### 3704 **6.9.2 Payment of Damages**

3705 Amounts owed the Department due to liquidated damages shall be deducted by the Department  
3706 from any money payable to the Vendor pursuant to this Contract. These amounts may be de-  
3707 ducted from any actual damages claimed by the Department in the event of litigation for non-  
3708 compliance and default.

#### 3709 **6.9.3 Right of Offset**

3710 The Department shall be entitled to offset against any amounts due the Vendor any expenses or  
3711 costs incurred by the Department concerning the Vendor's nonconforming performance or fail-  
3712 ure to perform the contract, including expenses, costs and damages described in this contract.

3713 **6.9.4 Right to Assurance**

3714 If the Department, in good faith, has reason to believe that the Vendor does not intend to per-  
3715 form or continue performing this contract, the Department may demand in writing that the Ven-  
3716 dor give a written assurance of intent to perform. The demand shall be sent to the Vendor by  
3717 certified mail, return receipt requested. Failure by the Vendor to provide written assurance within  
3718 the number of days specified in the demand may, solely at the Department's option, be the ba-  
3719 sis for terminating the contract.

3720

3721 **6.10 Delivery**

3722 **6.10.1 Acceptance**

3723 Materials and deliverables under this contract shall not be deemed accepted by Vendor upon  
3724 delivery. The Department shall notify Vendor whether such deliverable and/or material have  
3725 been accepted pursuant to Sections 2.3.2 and 2.3.3.

3726 **6.10.2 Inspection/Testing**

3727 The Vendor agrees to permit access to its facilities and subcontractor facilities, at reasonable  
3728 times for inspection of the deliverables under this contract. The Department shall have the right  
3729 to test at its own cost the deliverables to be supplied under this contract. Testing shall not con-  
3730 stitute final acceptance of the deliverables. If the Department determines non-compliance of the  
3731 deliverables, the Vendor shall be responsible for the payment of all costs incurred by the State  
3732 for testing and inspection.

3733 **6.10.3 Liens**

3734 The Vendor warrants that the materials and/or deliverables supplied under this contract are free  
3735 of liens.

3736 **6.10.4 Fitness**

3737 The Vendor warrants that any deliverable supplied to the Department shall conform to all re-  
3738 quirements of the contract, and shall be fit for all purposes and uses required by the contract.

3739 **6.10.5 Delivery/Risk of Loss**

3740 Unless stated otherwise in this contract, all prices shall be F.O.B. Destination and shall include  
3741 all delivery and unloading at destination. The Vendor shall bear all risk of loss of conforming ma-  
3742 terials and/or deliverables covered under this contract until received by authorized personnel at  
3743 the Department. Mere receipt does not constitute acceptance. The risk of loss for materials shall  
3744 remain with the Vendor regardless of receipt.

3745 **6.10.6 Nonconforming Tender**

3746 On delivery of nonconforming materials and/or deliverables, the Department may terminate the  
3747 contract for default under the applicable termination clauses in the contract, exercise any of its  
3748 rights and remedies or pursue any other right or remedy available to it.

3749

#### 3750 **6.10.7 Warranty of Services**

3751 The Vendor warrants that all services provided under this contract will conform to industry  
3752 standards and in a professional and workmanlike manner and conform to the requirements of  
3753 this contract. The Department's acceptance of deliverables provided by the Vendor shall not  
3754 relieve the Vendor from its obligations under this warranty. In addition to its other remedies, the  
3755 Project Manager may, at the Vendor's expense, require prompt correction of any services failing  
3756 to meet Vendor's warranty herein upon written notice. Services corrected by Vendor shall be  
3757 subject to all of the provisions of this contract in the manner and to the same extent as the ser-  
3758 vices originally furnished.

#### 3759 **6.10.8 Exclusions**

3760 Except as otherwise set forth in this contract, there are no express or implied warranties of mer-  
3761 chantability or fitness for a particular purpose.

#### 3762 **6.11 Other Requirements**

##### 3763 **6.11.1 The Vendor's Liaison**

3764 The Vendor's Project Manager shall serve as liaison and shall be available and responsible, as  
3765 the need arises, for consultation and assistance with the Department personnel; he/she shall  
3766 attend, upon request, Department meetings, meetings and hearings of legislative committees  
3767 and interested governmental bodies, agencies, and officers; and he/she shall provide timely and  
3768 informed responses to operational and administrative problems whenever arising in administra-  
3769 tion of the HIX System. Whenever the Vendor Project Manager is not available, the Vendor shall  
3770 provide a designated alternate that is fully capable of meeting the requirements of this section.

##### 3771 **6.11.2 HIX System Project Manager**

3772 The Department's Project Manager shall be responsible for coordination of implementation ac-  
3773 tivities with the Vendor. Said Project Manager, his/her designee(s), and Department HIX im-  
3774 plementation personnel shall have reasonable access to the Vendor's project personnel, facili-  
3775 ties, and records for evaluating the quality, appropriateness, and timeliness of deliverables. The  
3776 Project Manager shall have authority on a reasonable basis to call meetings with the Vendor's  
3777 Project Manager or designee and project personnel, as required, and to assign appropriate  
3778 technical personnel of HIX to work with designated staff of the Vendor.

3779 **6.11.3 Financial Disclosure Statement**

3780 The successful Vendor shall be required to complete a financial disclosure statement with the  
3781 executed contract.

3782 **6.11.4 Inspection of Work Performed**

3783 The Department or its authorized representative shall have the right to enter into the premises  
3784 of the Vendor and all subcontractors, or such other places where duties under the contract are  
3785 being performed, to inspect, monitor or otherwise review the work being performed. All inspec-  
3786 tions and evaluations shall be performed in such a manner as will not unduly delay work.

3787 **6.11.5 Survival**

3788 The terms, provisions, representatives, and warranties contained in the contract shall survive  
3789 the development and submission of all required deliverables and the payment of the purchase  
3790 price thereof.

3791 **6.11.6 Amendments in Writing**

3792 After the award of the contract, no amendment to this contract shall be effective unless it is in  
3793 writing and signed by duly authorized representatives of the Vendor and the Department.

3794 **6.11.7 Severability**

3795 If any provision of the contract (including terms incorporated by reference) is declared or found  
3796 to be illegal, unenforceable, or void, then both the Department and the Vendor must be relieved  
3797 of all obligations arising under such provision; if the remainder of the contract is capable of per-  
3798 formance, it shall not, at the sole option of the Department, be affected by such declaration or  
3799 finding and shall be fully performed.

3800 **6.11.8 Choice of Law**

3801 The construction, interpretation, and enforcement of this contract shall be governed by the sub-  
3802 stantive contract law of the State of Alabama without regard to its conflict of law provisions. In  
3803 the event any provision of this contract is unenforceable as a matter of law, the remaining provi-  
3804 sions will remain in full force and effect.

3805 **6.11.9 Effective Date**

3806 Vendor acknowledges and understands that this contract is not effective until it has received all  
3807 requisite State and Federal government approvals and Vendor shall not begin performing work  
3808 under this contract until notified to do so by the Department. Vendor is entitled to no compensa-  
3809 tion for work performed prior to the effective date of this contract.

3810 **6.11.10 Authority**

3811 Each party has full power and authority to enter into and perform this contract, and the person  
3812 signing this agreement has been properly authorized and empowered to enter into this contract.

3813 Each party further acknowledges that it has read this contract, understands it, and agrees to be  
3814 bound by it.

3815

3816 **7 PROJECT ACTIVITIES, TASKS AND DELIVERABLES**

3817 **7.1 Work Activities, Tasks and Deliverables**

3818 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.

3819 This section is presented as a mandatory guide that assists Vendors in responding to the above  
3820 sections of the RFP. Generally, the following tasks and deliverables are required in all accepted  
3821 software engineering methodologies for large software development projects. **However, Ven-**  
3822 **dors are encouraged to propose a plan (see Section 5.2.2.13) that they feel might improve**  
3823 **upon that given in this appendix.** These work activities apply as well to configuring COTS  
3824 components for the purpose of constructing sophisticated systems.

3825

3826 While the activities, tasks and deliverables given below are presented in the general chronologi-  
3827 cal order in which they are normally applied, Vendors are reminded that they must conform to  
3828 the project phasing that has been imposed upon HIX by HHS. The time constraints for each  
3829 phase are given in Table 1 (Project Timetable) and described in detail following Table 2 (Project  
3830 Phases). Vendors must use Table 1 in all sequence and plan responses. More detail on project  
3831 phases is presented in Section 3.3 and Table 2.

3832

3833 Vendors must map the activities, tasks and deliverables discussed in the respective subsections  
3834 of this section to the time and activities described in Table 1. A sequential performance of the  
3835 activities will not satisfy this requirement. For example, only one month is given for the comple-  
3836 tion of Phase 1. Vendors should take into consideration the time and content constraints that  
3837 are imposed by the project phases in developing their plans.

3838

3839 This project consists of many activities, and for each activity there are several tasks that need to  
3840 be performed or completed by the selected Vendor. Generally, these tasks have deliverables  
3841 closely associated with them, and thus the two words are often used interchangeably, since the  
3842 task name is often a descriptor for the deliverable associated with that task. A summary of the  
3843 activities and related tasks to be completed appears in Table 4.

3844

3845 Once the project is underway, the accomplishment of the tasks, as given in the approved Ven-  
3846 dor's plan, will be the basis against which the Vendor's performance will be measured and re-  
3847 imbursement for services will be made.

3848

3849 **Each task listed in the table (and corresponding sections) below describes a project re-**  
3850 **quirement that must be addressed in the Vendor's proposed Project Work Plan. A com-**  
3851 **prehensive initial Project Work Plan is a major required component for responding to**  
3852 **Section 5.2.2.13 of the RFP. The task specifications given in the following subsections**  
3853 **do not need to be replicated by Vendors in their proposals. Instead, when a Vendor ref-**  
3854 **erences a given task by name (including number), this will imply that the vendor agrees**  
3855 **with the specification given. Any deviation from these specifications, including additions**  
3856 **and omissions of particular tasks, must be noted in the Vendor's project plan. In order to**  
3857 **receive scoring credit, Vendors must cross-reference the numeric project requirement**

3858 **identifier from the vendor project plan back to the System requirement row(s) in the**  
3859 **mandatory Requirements Response Matrix provide in a separate document.**

3860 **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

3861

### 3862 **Proposal Response for Specific Components and COTS**

3863 During project planning (starting with the planning done for the proposal), the Vendor must sub-  
 3864 divide each of the Phases into the specific functional components required within each phase.  
 3865 The Vendor will generally propose to develop some of these components from scratch, while  
 3866 others might be satisfied by COTS with very little configuration. For COTS components, the  
 3867 Vendor must provide a brief narrative/justification relative to how the COTS component is suited  
 3868 to support Alabama’s HIX System. It is recognized that anything in between is also possible,  
 3869 e.g., COTS with major configurations. Multiple COTS products may be installed at one time in  
 3870 order to support a given requirement. In this case, the multiple COTS products can be defined  
 3871 as a “component aggregation.” The plan should describe the major component breakdown of  
 3872 the System by *component aggregations* as organized by what the Vendor considers to be an  
 3873 optimal sequence of tasks within each Phase. A *component aggregation* is a set of components  
 3874 that can be described collectively in the planning process. Thus, the detailed plan does not  
 3875 have to be broken down to the specific component level, but to the component aggregate level,  
 3876 and each component aggregate must be assigned a name and a list of included components.  
 3877 The component aggregates must also trace to the functional requirement in the Requirements  
 3878 Response matrix, in order to facilitate tracking of the requirements. Finally, the degree to which  
 3879 any component aggregate will require design/development as opposed to being implemented by  
 3880 an individual COTS component must be described.

### 3881 **HIX Role in the Project**

3882 HIX is to be considered as a full partner throughout the entire project, including both the system  
 3883 development and implementation lifecycles. HIX reserves the right to augment Vendor project  
 3884 efforts with HIX staff personnel or other contract personnel. In addition, the accomplishment all  
 3885 Activities, Tasks and Deliverables described in this appendix must be approved by HIX prior to  
 3886 reimbursement for their accomplishment.

### 3887 **“Plan” Deliverables and Task Action Implications**

3888 All deliverables below that are described as *plans* must be considered “living documents” in the  
 3889 sense that they are not just developed and used for implementation as is true of many plan  
 3890 documents. In many cases, these plan document deliverables require actions that are beyond  
 3891 just updating the documents themselves as the project progresses. In all cases, both the de-  
 3892 termination of the content for updates and the execution of the plans are required. The refer-  
 3893 ence of any of these (or any other) tasks/deliverables in the Vendor proposal necessarily implies

3894 that the Vendor accepts the complete specification of the task and the deliverables contained  
3895 below. Any deviation of this must be documented as indicated in the response described in  
3896 Section 5.2.2.13.

### 3897 **7.1.1 Activity 1: Project Planning**

#### 3898 **Objective**

3899 The objective of project planning is to ensure that the HIX System meets Alabama’s specific re-  
3900 quirements within the specified time and budget constraints. This task will update the approved  
3901 Version 1 (V1) project plan contained in the successful proposal.

#### 3902 **Description**

3903 This process determines the scope of the project management and technical activities; identifies  
3904 process outputs, project tasks, and deliverables; and establishes schedules for project tasks,  
3905 including achievement criteria and required resources to accomplish project tasks.

3906 As a result of successful implementation of the project planning process:

- 3907 • The scope of the work of the project is defined
- 3908 • The feasibility of achieving the goals of the project with available resources and con-  
3909 straints is evaluated
- 3910 • The documentation required is identified
- 3911 • The tasks and resources necessary to complete the work are sized and estimated
- 3912 • Interfaces between components in the project, and with other project and organizational  
3913 units, are defined
- 3914 • Plans for the execution of the project are developed
- 3915 • Plans for the execution of the project are activated

3916 The project planning activity must make provisions to ensure that the project progresses accord-  
3917 ing to the Project Plan that is approved. The project management activity spans the duration of  
3918 the project and the Project Plan is a primary control element of the project. Once the Project  
3919 Plan is approved by HIX, the selected Vendor must maintain and modify the approved Project  
3920 Plan throughout the project, with the approval of HIX, by updating it to reflect the evolving  
3921 schedule, priorities, and resources (i.e., it is a “living document”). This Project Plan must also  
3922 include a high-level description of other activities, tasks, and deliverables such as project as-  
3923 sessment and control, configuration management, risk management, etc. that are defined later  
3924 in this appendix, each of which will have a separate plan. All of the tasks and deliverables in this  
3925 activity contribute to the effective management of the project.

3926 The Vendor plans for the execution of the project must contain descriptions of the associated  
3927 activities and tasks that include, but are not limited to, the following:

- 3928 • Schedules for the timely completion of tasks

- 3929 • Estimation of effort
- 3930 • Resources needed to adequately execute the tasks
- 3931 • Allocation of tasks
- 3932 • Assignment of responsibilities
- 3933 • Quantifications of risks associated with tasks or the process itself
- 3934 • Quality assurance measures to be employed throughout the project
- 3935 • Costs or resource hours associated with process execution
- 3936 • Provision of environment and infrastructure
- 3937 • Definition and maintenance of a lifecycle model that is comprised of stages using the
- 3938 Vendor's defined lifecycle model(s), and which includes the tasks organized by the
- 3939 Phases given above.

- 3940 • **Deliverables**

3941 The following lists the deliverables for the Project Planning activity:

- 3942 • 1.1: Project Plan Review V1 Review and Augmentation
- 3943 • 1.2: Updated Project Plan

3944 The V1 indicator in the name of the Project Plan designates the first version of the Project Plan;  
3945 **Project Plan V1 must be included in the proposal.** The selected Vendor will continue to up-  
3946 date the Project Plan throughout the life of the project.

3947 **Task 1.1: Project Plan V1 Review and Augmentation**

3948 The Project Plan task is for development and execution of the Work Breakdown Structure  
3949 (WBS) and Schedule that describe the Vendor's plans for managing the project. The Project  
3950 Plan creates a consistent, coherent document that is used to guide both Project execution and  
3951 Project control. It will be identified as the baseline plan for future use in comparing current plans  
3952 throughout the life of the project to assess progress. This task will review the V1 plan that was  
3953 provided in the proposal and correct any deficiencies in it that have come to light subsequent to  
3954 its creation. It will also augment the Plan to assure that the documents described below are of  
3955 adequate completeness and quality to be submitted to CMS for approval of continued funding.

3956 At a minimum, the Project Plan must include a high level description of the Vendor's:

- 3957 • Concept of Operations (CONOPS), including (but not limited to):
  - 3958 ○ High level and technical architectural diagrams
  - 3959 ○ Business Process Model Notation (BPMN) diagrams
- 3960 • Project Management Plan (PMP), including (but not limited to):
  - 3961 ○ Project Organization and Staff Management Plan

- 3962           ○ Management Approach and Project Schedule
- 3963           ○ Communications Matrix
- 3964           ○ Performance Measures
- 3965       • Quality Management Plan
- 3966       • Configuration Management Plan
- 3967       • Issue and Risk Management Plan (including the System Risk Register)
- 3968       • Training Plan
- 3969       • Release Plan
- 3970       • Preliminary Detailed Design including the GUI design

3971 More details of these plans are identified later in this document as separate deliverables below.  
3972 The following provides an initial working definition of the terms used above:

- 3973       • **Concept of Operations (CONOPS)** must provide a high level view of the system operations,  
3974       its target environment and the Vendor’s approach toward bringing the System into  
3975       existence. This is documented by a statement of System goals, objectives and rationale  
3976       for developing the System. It must contain a general statement of the system scope, the  
3977       *business process models* (see below), and the high level functional requirements. Any  
3978       significant dependencies or constraints must be enumerated. Various levels of *architectural diagrams*  
3979       (see below) must be included. It must also contain any operational or organizational impacts that the project or its end result will have. Issues and risks may be  
3980       enumerated or referenced to the *Issue and Risk Management Plan* (see below).  
3981
- 3982       • **Architectural Diagrams** must be included in the CONOPS document. These will tell  
3983       how the system will satisfy its functional requirements. Suggested levels for the diagrams include overview, application, information, interface, technology and security and privacy levels.  
3984
- 3985       • **Business Process Models** must be included in the CONOPS document, and contain a  
3986       sufficient number of Business Process Model Notation diagrams to cover the various  
3987       business processes that will be performed or supported by the System. Generally diagrams of the business process are more informative than text in modeling the target system and its interactions with its environment (including other systems).  
3988
- 3989       • **Project Management Plan (PMP)** must describe plans for the management of multiple  
3990       aspects of the project. In addition to the four items described immediately below, plans for the management of the following must be included: schedules, personnel, finances, performance, risk, quality, change requirements, records, procurement, subcontractors, and any other aspect of the project that requires management.  
3991
- 3992       • **Project Organization and Staff Management Plan** must be included in the PMP to describe the organizational structure, roles, and responsibilities of personnel, staffing levels, and other resources that will be utilized to provide successful project management.  
3993
- 3994       • **Project Organization and Staff Management Plan** must be included in the PMP to describe the organizational structure, roles, and responsibilities of personnel, staffing levels, and other resources that will be utilized to provide successful project management.  
3995
- 3996       • **Project Organization and Staff Management Plan** must be included in the PMP to describe the organizational structure, roles, and responsibilities of personnel, staffing levels, and other resources that will be utilized to provide successful project management.  
3997
- 3998       • **Project Organization and Staff Management Plan** must be included in the PMP to describe the organizational structure, roles, and responsibilities of personnel, staffing levels, and other resources that will be utilized to provide successful project management.  
3998

- 3999 A description of the criteria and process used to develop the staffing estimates, criteria,  
4000 and process used to determine staffing qualifications, detailed organizational charts, and  
4001 a resource-loading chart must be included. The organizational structure must identify  
4002 key personnel by name, title and job function, the percentage of time onsite, and wheth-  
4003 er each position will be filled by a Vendor employee or a subcontractor to the Vendor.
- 4004 • **Management Approach and Project Schedule** must be included in the PMP to de-  
4005 scribe the Vendor's approach to management and provide a preliminary list of assump-  
4006 tions, list of required documentation, and master schedule of milestone activities, tasks,  
4007 and deliverables.
  - 4008 • **Communications Matrix** must be included in the PMP to summarize the communica-  
4009 tions planning effort. It can apply to either meetings (e.g., team progress updates,  
4010 monthly project status summary, project status updates, all-hands meeting, etc.) or to  
4011 written documents (monthly updates, e-mail postings, SharePoint access, etc.). The  
4012 particular communication vehicles are listed in the first column, and a number of aspects  
4013 of the event or document are documented in their appropriate columns (e.g., target au-  
4014 dience, message objective, timing, media to be used, responsible sender, feedback  
4015 mechanisms, etc.). The initial matrix set-up is the result of the communications planning  
4016 process; however, versions of the matrix provide living documentation of communica-  
4017 tions as the project proceeds.
  - 4018 • **Performance Measurement** considerations must be included in the PMP to reflect the  
4019 overall control of the project in reaching its intermediate objectives and its ultimate goal.  
4020 Measures must be established that adequately provide one of the three essential ele-  
4021 ments of any control process: (1) objectives, (2) measurement against these objectives,  
4022 and (3) an effective correction capability when the measurements indicate that there is  
4023 deviation from the timely accomplishment of the objectives. This part of the PMP should  
4024 not just state that a control process is in effect, it must also describe the data that will be  
4025 collected, where it will be stored, and the approach for analyzing the data. Include a de-  
4026 scription of the approach for reporting metrics and for identifying and addressing defi-  
4027 ciencies.
  - 4028 • **Quality Management Plan** must describe the Vendor's internal quality processes.
  - 4029 • **Configuration Management Plan** must describe the administrative and technical pro-  
4030 cedures to be used throughout the project lifecycle to control system and project arti-  
4031 facts. The Vendor must specify a tool for monitoring the processes to be followed for  
4032 change and version control, the methods and tools to be used, and the approach to be  
4033 followed. At a minimum, the plan shall describe the approach and scope. The approach  
4034 includes explaining the methodology, integration and configuration management. The  
4035 scope will describe the tasks and activities that will be performed as part of project con-  
4036 figuration management, including configuration identification, system release manage-  
4037 ment, version control, audit control, and roles and responsibilities of person-  
4038 nel/resources.



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- **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.

4073 HIX has developed an initial set of project time constraints given in Table 1. These are rigid  
4074 constraints imposed by ACA and all planning must conform to these constraints.

#### 4075 **Vendor Responsibility**

- 4076
- 4077
- 4078
- 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)



- 4079
- Augment the Plan for approval as indicated in Section 3.3

- 4080
- Review State policies prior to creating the updated plan

4081 **Acceptance Criteria**

- 4082
- 1.1: Project Plan V1

- 4083
- Documentation of the Project Plan V1 as described in this RFP

- 4084
- 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
- 4085

4086 **Task 1.2: Updated Project Plan**

4087 This task addresses subsequent versions of the Project Plan. As stated previously, an initial  
4088 Project Plan must be submitted with the Proposal. At a minimum, on a weekly basis, the Vendor  
4089 must submit updates to the Project Schedule. Updates to the Project Plan will be made as  
4090 needed with a formal review at least quarterly. Updates to the Project Plan and/or Schedule  
4091 must be made on and posted to a centralized location to be defined by HIX. HIX considers the  
4092 Project Plan to be a living document and requires it to be current and immediately accessible.  
4093 When updates are made the Vendor must post a summary or explanation of changes for historical  
4094 purposes.

4095 **Vendor Responsibility**

- 4096
- Update plan as needed to accommodate changes in scope
- 4097
- At a minimum, present changes to the plan on a quarterly basis
- 4098

4099 **Acceptance Criteria**

- 4100
- 1.2: Updated Project Plan

- 4101
- Documentation of the Project Plan as described in this RFP

- 4102
- 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
- 4103

- 4104
- Clear description of what was changed in the plan including GUI updates

4105 **7.1.2 Activity 2: Project Assessment and Control**

4106 **Objective**

4107 The objective of project assessment and control is to monitor the status of project activities and  
4108 take corrective action when required in order to ensure successful delivery of the HIX System.

4109 **Description**

4110 The purposes of project assessment control processes are to determine the status of the project  
4111 and ensure that the project progresses according to plans, schedules, and projected budgets,  
4112 and that it satisfies all technical objectives. This process includes redirecting the project activi-

4113 ties, as appropriate, to correct identified deviations and variations. Redirection may include re-  
4114 planning as appropriate.

4115 As a result of the successful implementation of the project assessment and control process:

- 4116 • Progress of the project is monitored and reported
- 4117 • Interfaces between project elements and with other project and organizational units are  
4118 monitored
- 4119 • Actions to correct deviations from the plan and to prevent reoccurrence of problems  
4120 identified in the project are taken when project targets are not achieved
- 4121 • Project objectives are achieved and recorded
- 4122 • The Vendor Project Manager (VPM) must monitor the execution of the project, providing  
4123 both internal reporting of the project progress and external reporting to HIX
- 4124 • The VPM must investigate, analyze, and resolve problems discovered during the execu-  
4125 tion of the project. The resolution of problems may result in changes to plans. It is the  
4126 VPM's responsibility to ensure that the impact of any change is determined, controlled,  
4127 and monitored. Problems and their resolution must be documented. The VPM must re-  
4128 port, at agreed points, the progress of the project, declaring adherence to the plans and  
4129 resolving instances where progress lags. This includes internal and external reporting as  
4130 required by the organizational procedures and the contract.
- 4131 • The VPM must ensure that the software products and plans are evaluated for satisfac-  
4132 tion of requirements. The VPM must assist the evaluation of the results of software  
4133 products, activities, and tasks completed during the execution of the project for  
4134 achievement of the objectives and completion of the plans.

4135 To accomplish the necessary control in the project, measurement processes will be used to col-  
4136 lect, analyze, and report data relating to the products developed and processes implemented  
4137 within the organizational unit, to support effective management of processes, and to objectively  
4138 demonstrate the quality of the products.

4139 As a result of successful implementation of the measurement process:

- 4140 • The information needs of technical and management processes are identified
- 4141 • An appropriate set of measures, driven by the information needs, are identified and/or  
4142 developed
- 4143 • Measurement activities are defined in the plan
- 4144 • The required data is collected, stored, analyzed and the results interpreted
- 4145 • Information products are used to support decisions and provide an objective basis for  
4146 communication
- 4147 • The measurement processes and measures are evaluated
- 4148 • Improvements are communicated to the measurement process owner

4149 **Deliverables**

4150 The following lists the deliverables for the Project Assessment and Control activity:

- 4151 • 2.1: Weekly Project Status Reports
- 4152 • 2.2: Corrective Action Plan Methodology

4153 **Task 2.1: Weekly Project Status Reports**

4154 This task covers the production of the Weekly Project Status Reports by the Vendor. At a mini-  
4155 mum, the Project Status Report will include accomplishments, critical issues, personnel utilized,  
4156 activity, tasks, defect reporting (as appropriate during the testing and validation tasks) and de-  
4157 liverable status, budget status, and items planned for the next reporting period. It will also sum-  
4158 marize schedule performance and budget performance to compare actual project performance  
4159 with plan(s).

4160 **Vendor Responsibility**

- 4161 • Obtain approval for report format
- 4162 • Complete Weekly Project Status Report
- 4163 • Acceptance Criteria
- 4164 • 2.1: Weekly Project Status Reports
- 4165 • Use of approved format
- 4166 • Inclusion of accomplishments, critical issues, personnel utilized, and items planned for  
4167 the next reporting period
- 4168 • Reporting of identified issues, risks, defects and associated mitigation strategies
- 4169 • Comparison of schedule and budget performance to actual project plan
- 4170 • Provide input and clarifications to the Vendor as needed
- 4171 • Obtain final approval from HIX on all tools that Vendor will use on the project

4172 **Task 2.2 Corrective Action Plan Methodology**

4173 Corrective action plans must address a practical strategy to resolve any impediments, the action  
4174 to be taken, and how it will be carried out. The plan must be organized, purposeful, accountable,  
4175 and measurable. The methodology must provide a template of how the item in need of correc-  
4176 tion will be documented. The template must include a description of the problem to correct, the  
4177 owner accountable for the problem and specify what will be the outcome and how it can be  
4178 measured.

4179 **Vendor Responsibility**

- 4180 • Obtain consensus of corrective action plan template
- 4181 • Use approved corrective action plan template

- 4182 • Conduct analysis of impediment in need of corrective action
- 4183 • Monitor, document and report on status of corrective action
- 4184 • Participate in resolution, and when applicable, involve HIX in the resolution

4185 **Acceptance Criteria**

- 4186 • Task 2.2: Corrective Action Plan Methodology
- 4187 • Inclusion of a corrective action plan template that is acceptable to HIX
- 4188 • Inclusion of measurable actions to gauge success
- 4189 • Inclusion of specific steps to manage the corrective action plan process to acceptable
- 4190 resolution

4191 **7.1.3 Activity 3: Decision Management**

4192 **Objective**

4193 To promote effective decision-making in a timely fashion that considers all of the variables that  
4194 may be impacted.

4195 **Description**

4196 The Vendor must define a decision making strategy that is capable of addressing complex deci-  
4197 sions expected to be required during development. This strategy must be part of the overall  
4198 project management approach. The Vendor must involve relevant parties in decision-making in  
4199 order to draw on experience and knowledge. Circumstances requiring a decision must be iden-  
4200 tified. The Vendor must select and declare the decision making strategy for each decision situa-  
4201 tion. The Vendor must identify desired outcomes and measurable success criteria.

4202 The Vendor must evaluate and balance the consequences of alternative actions, using the de-  
4203 fined decision-making strategy, to arrive at an optimization of, or improvement in, an identified  
4204 decision situation.

4205 The Vendor must record, track, evaluate and report decision-making outcomes to confirm that  
4206 problems have been effectively resolved, adverse trends have been reversed, and advantage  
4207 has been taken of opportunities. The Vendor must maintain records of problems and opportuni-  
4208 ties and their disposition in a manner that permits auditing and learning from experience.

4209 **Deliverables**

4210 The following lists the deliverables for the Decision Management activity:

- 4211 • 3.1: Decision Management Plan
- 4212 • 3.2: Decision Outcomes

4213 **Task 3.1: Decision Management Plan**

4214 Decision management plans must address a practical strategy for decision-making, actions to  
4215 be taken, and implementation approaches. The plan must be organized, purposeful, accounta-  
4216 ble, and measurable. The plan must provide a template of how the item in need of a decision  
4217 will be documented. The template must include a description of the decision to be made,  
4218 stakeholders, pros and cons to each decision considered, actions, deadlines, and must specify  
4219 what will be the outcome and who is responsible. The plan must also address how the decision  
4220 outcomes will be maintained and traced to other decisions that have been made.

4221 **Vendor Responsibility**

- 4222 • Obtain consensus on decision management plan template
- 4223 • Use approved decision management plan template
- 4224 • Conduct analysis of decisions to be made
- 4225 • Monitor, document, and report on status of decision-making
- 4226 • Own or participate in resolution when applicable
- 4227 • Widely communicate decisions made unless a decision is made to restrict communica-  
4228 tion of outcome by the System Project Manager

4229 **Acceptance Criteria**

- 4230 • Task 3.1: Decision Management Plan
- 4231 • Inclusion of a decision management plan that is acceptable to HIX
- 4232 • Inclusion of measurable actions to gauge timeliness of decision making
- 4233 • Inclusion of specific steps to manage the decision management process to acceptable  
4234 resolution

4235 **Task 3.2: Decision Outcomes**

4236 Decision outcomes must be documented and maintained in a central location for easy access.  
4237 The Vendor must describe how they plan to document and communicate decisions.

4238 **Vendor Responsibility**

- 4239 • Obtain consensus of decision outcomes plan
- 4240 • Follow decision outcomes process

4241 **Acceptance Criteria**

- 4242 • Task 3.2: Decision Outcomes
- 4243 • Inclusion of a decision outcomes plan that is acceptable to HIX

4244

#### 4245 **7.1.4 Activity 4: Risk Management**

##### 4246 **Objective**

4247 To identify, analyze, treat, and monitor risks continuously in order to systematically address risk  
4248 throughout the lifecycle of the System, software product, or service. It is inclusive of risks relat-  
4249 ed to the acquisition, development, maintenance, and operation of all components within the  
4250 System.

##### 4251 **Description**

4252 As a result of successful implementation of the risk management process:

- 4253 • The scope of risk management to be performed is determined
- 4254 • Appropriate risk management strategies are defined and implemented
- 4255 • Risks are identified as they develop during the course of the project
- 4256 • Risks are analyzed to determine the priority in which to apply resources to address risk  
4257 abatement
- 4258 • Appropriate treatment is taken to correct or avoid the risk of impact based on its priority,  
4259 probability, and consequence or other defined risk threshold
- 4260 • Risk metrics are defined, applied, and assessed to determine changes in the risk status  
4261 and the progress of the appropriate treatment
- 4262 • Serious risks are identified and mitigated as early in the life cycle as possible. This may  
4263 involve prototyping or limited development as early as the start of the project.

4264 The context of the risk management process must be defined and documented, including a de-  
4265 scription of stakeholder perspective, risk categories, and a description (perhaps by reference) of  
4266 the technical and managerial objectives, assumptions and constraints. Risk thresholds, defining  
4267 the conditions under which a level of risk may be accepted, must be documented. A risk profile  
4268 must be established and maintained. The relevant risk profile must be communicated periodical-  
4269 ly to stakeholders based on their needs.

4270 The risks must be identified by categories defined by the Vendor and approved by HIX. The  
4271 probability of occurrence and consequences of each risk must be estimated. Each risk must be  
4272 evaluated against a set risk threshold for that category. For each risk that is above its risk  
4273 threshold, a recommended treatment strategy must be defined and documented. Measures in-  
4274 dicated the effectiveness of the treatment strategy applied must also be defined and document-  
4275 ed. (Risk treatment strategies include, but are not limited to, eliminating the risk, reducing its  
4276 probability of occurrence or severity of consequence, or accepting the risk).

4277 The Vendor must provide HIX with alternatives for risk treatment and risk action requests. If HIX  
4278 determines that actions must be taken to make a risk acceptable, the appropriate risk treatment  
4279 alternative must be implemented. If HIX accepts the risk that exceeds a threshold, it must be  
4280 considered a high priority and monitored continuously to determine if any further risk treatment  
4281 actions are necessary.

4282 All risks and the risk management process must be continuously monitored for changes. Risks  
4283 whose status has changed must undergo risk evaluation. Measures must be implemented and  
4284 monitored to evaluate the effectiveness of risk treatments. The Vendor must continuously moni-  
4285 tor for new risks throughout the project lifecycle.

4286 Information must be collected throughout the project lifecycle for purposes of improving the risk  
4287 management process and generating lessons learned. The risk management process must be  
4288 periodically reviewed for its effectiveness and efficiency. Information on the risks identified, their  
4289 treatment, and the success of treatments must be reviewed periodically for the purpose of iden-  
4290 tifying systemic project and organizational risks.

4291 **Deliverables**

- 4292 • 4.1: Risk Management Plan
- 4293 • 4.2: Lessons Learned

4294 **Task 4.1 Risk Management Plan**

4295 The Risk Management Plan documents the Vendor's approach to administering the risk man-  
4296 agement process to include identification, evaluation methodology, treatment, monitoring, and  
4297 evaluation of the risk management process. The plan must include any software tools that the  
4298 Vendor will use to log risks and track them to resolution. The plan must include:

- 4299 • Risk management policies describing the guidelines under which risk management is to  
4300 be performed
- 4301 • Risk management process to be implemented
- 4302 • Responsible parties
- 4303 • Continuous improvement process for risk avoidance
- 4304 • Risk categories and profiles
- 4305 • Risk analysis to include probability and consequences
- 4306 • Treatment and monitoring

4307 **Vendor Responsibility**

- 4308 • Document the Risk Management Plan
- 4309 • Implement the Risk Management Plan
- 4310 • Conduct analysis of risks
- 4311 • Monitor, document and report on status of risks
- 4312 • Own or participate in the risk management process when applicable
- 4313 • Involve HIX personnel at the appropriate level in the risk management process so that  
4314 they are totally aware of and able to participate in the response to all risks encountered



4315 **Acceptance Criteria**

- 4316 • Task 4.1: Risk Management Plan
- 4317 • Scope of risk management is determined
- 4318 • Appropriate risk management strategies are defined and implemented
- 4319 • Steps to identify risks that develop during the project are documented
- 4320 • Methods to analyze and determine priority of risks are included.
- 4321 • Identification of what resources must be applied to the process
- 4322 • Risk measures are defined as to how they will be applied, and assessed in order to de-
- 4323 termine whether or not there is a change in the status of risk and the progress of the on-
- 4324 going treatment activities

4325 **Task 4.2 Lessons Learned**

4326 For this task, the Vendor must collect information regarding Lessons Learned from stakeholders  
4327 after each major milestone. Information collected must be documented in a database and re-  
4328 ported. The report must evaluate the lessons learned; evaluate and describe ways to improve in  
4329 future tasks; and identify responsible parties for implementation of the future improvements.

4330 **Vendor Responsibility**

- 4331 • Provide Vendor documented perspective of lessons learned
- 4332 • Continually integrate lessons learned into future project activities

4333 **Acceptance Criteria**

- 4334 • 4.2 Lessons Learned
- 4335 • Incorporation of lessons learned at each major milestone into a report for HIX distribution
- 4336 • Evaluation of lessons learned, including suggestions for improvement
- 4337 • Suggestions for improvement are implemented when there is a general consensus as to
- 4338 their value

4339 **7.1.5 Activity 5: Configuration Management**

4340 **Objective**

4341 The objective of Configuration Management is to establish and maintain the integrity of all iden-  
4342 tified versions of the System (i.e., all component) artifacts throughout the lifecycle of the project,  
4343 and to make them available for reference purposes (e.g., for system backup, rollback and re-  
4344 covery, and problem identification and resolution).

4345 **Description**

4346 As a result of the successful implementation of the configuration management process:

- 4347 • Configuration management strategies are defined
- 4348 • Roles and responsibilities are defined
- 4349 • Items requiring configuration management are defined
- 4350 • Configuration baselines are established
- 4351 • Changes to items under configuration management are controlled
- 4352 • Configuration of released items is controlled
- 4353 • Status of items under configuration management is made available throughout the  
4354 lifecycle
- 4355 • Information on configurations is maintained with an appropriate level of integrity and se-  
4356 curity
- 4357 • Changes to configuration baselines are properly identified, recorded, evaluated, ap-  
4358 proved, incorporated and verified

4359 The configuration management plan must describe the configuration management activities;  
4360 procedures and schedule for performing these activities; the organizations responsible for per-  
4361 forming these activities; and relationship with other organizations such as software development  
4362 or maintenance. A scheme must be established for the evolution of improved software compo-  
4363 nents and their versions to be controlled for the project. For each software component and its  
4364 versions, the following must be identified: the documentation that establishes a baseline, the  
4365 version references, and any other identification details.

4366 The following must be performed:

- 4367 • Identification and recording of change requests
- 4368 • Analysis and evaluation of the changes
- 4369 • Approval or disapproval of the request
- 4370 • Implementation, verification, and release of the modified software component
- 4371 • An audit trail must exist, whereby each modification, the reason for the modification, and  
4372 authorization for the modification can be traced. Control and audit of all processes to  
4373 software controlled items that handle safety- or security-critical functions must be per-  
4374 formed.

4375 Management records and status reports that show the status and history of controlled software  
4376 components, including baselines, must be prepared. Status reports must include the number of  
4377 changes for project, the software component versions, release identifiers, the number of releas-  
4378 es, and comparison of releases.

4379 The functional completeness of the software components against their requirements must be  
4380 assured. This includes an assurance of the physical completeness of the software components  
4381 (e.g., whether their design and code reflect an up-to-date technical description).

4382 The release and delivery of software products and documentation must be formally controlled.  
4383 Master copies of code and documentation must be maintained for the life of the System.

4384 **Deliverables**

4385 The following lists the deliverables for the Configuration Management activity:

- 4386
- 5.1: Configuration Management Plan

4387 **Task 5.1 Configuration Management Plan**

4388 The configuration management plan must define a strategy for the disposition, access, release  
4389 and control of changes to the items that are subject to configuration control. Although ad-  
4390 dressed at a high level in the project plan deliverable, the Vendor must provide the specifics of  
4391 the strategy in its Configuration Management Plan. Items must be identified that are subject to  
4392 configuration control and ensure that the execution is recorded, evaluated, approved, incorpo-  
4393 rated, and verified.

4394 **Vendor Responsibility**

- 4395
- Document Configuration Management Plan
  - 4396 • Implement Configuration Management Plan
  - 4397 • Internally audit adherence to Configuration Management Plan and report findings to HIX

4398 **Acceptance Criteria**

- 4399
- 5.1: Configuration Management Plan
  - 4400 • A configuration management strategy is defined
  - 4401 • Items requiring configuration management are defined
  - 4402 • Configuration baselines are established
  - 4403 • Changes to items under configuration management are controlled
  - 4404 • The configuration of released items is controlled
  - 4405 • Environments are defined including, at a minimum, development, test, UAT, training,  
4406 staging and production environments
  - 4407 • The status of items under configuration management are made available throughout the  
4408 System lifecycle

4409 **7.1.6 Activity 6: Requirements Analysis and Management**

4410 **Objective**

4411 To define, analyze, and maintain traceability of system requirements throughout the lifecycle of  
4412 the System.

4413 **Description**

4414 The purpose of the Requirements Analysis and Management process is to ensure that require-  
4415 ments for the System are validated through user acceptance testing by stakeholders.

4416 The vendor must define a representative set of activity sequences to identify all required ser-  
4417 vices that correspond to anticipated operational and support scenarios and environment. The  
4418 vendor must identify the interaction between users and the System, taking into account human  
4419 capabilities and skill limitations. The vendor must analyze the complete set of requirements. The  
4420 vendor, in conjunction with the project's governance system, must resolve requirement prob-  
4421 lems.

4422 The purpose of system requirements analysis is to transform the defined requirements into a set  
4423 of desired system technical requirements that will guide the design of the System to meet the  
4424 needs of stakeholders. It is recognized that the final System description will include functional  
4425 contributions from both aggregated COTS components and custom components. As a result of  
4426 successful implementation of system requirements analysis:

- 4427 • A defined set of system requirements describing the System to be developed are estab-  
4428 lished
- 4429 • The appropriate techniques are performed to optimize the preferred project solution
- 4430 • System requirements are analyzed for correctness and testability
- 4431 • The impact of system requirements on the operating environment are understood
- 4432 • The requirements are prioritized, sequenced, approved and updated as needed
- 4433 • Consistency and traceability are established between system requirements and re-  
4434 quirements baseline of HIX
- 4435 • Changes to the baseline are evaluated for cost, schedule and technical impact
- 4436 • The system requirements are communicated to all affected parties and baselined

4437 The specific intended use of the System to be developed must be analyzed to specify system  
4438 requirements. The documented system requirement specification must include:

- 4439 • Functions and capabilities of the System
- 4440 • Business, organizational and user requirements
- 4441 • Safety, security, human-factors engineering (ergonomics), interface, operations, and  
4442 maintenance requirements
- 4443 • Design constraints and qualification requirements

4444 The system requirements must be evaluated considering the criteria listed below. The results of  
4445 evaluations must be documented:

- 4446 • Traceability to HIX needs
- 4447 • Consistency with HIX needs
- 4448 • Testability

4449 Software Requirements must be established for the software components of the System. As a  
4450 result:

- 4451 • Requirements allocated to the software components of the System and their interfaces  
4452 are defined
- 4453 • Software requirements are analyzed for correctness and testability
- 4454 • Impacts of software requirements on the operating environment are understood
- 4455 • Consistency and traceability are established between the software requirements and  
4456 system requirements
- 4457 • Prioritization for implementing the software requirements is defined
- 4458 • Software requirements are approved and updated as needed
- 4459 • Changes to the software requirements are evaluated for cost, schedule and technical  
4460 impact
- 4461 • Software requirements are base-lined and communicated to all affected parties

4462 For each software component the Vendor must establish and document software requirements  
4463 (including the quality characteristics specifications) described below:

- 4464 • Functional capability specifications, including performance, physical characteristics, and  
4465 environmental conditions under which the software component is to perform
- 4466 • Interfaces between software components within the HIX System
- 4467 • Interfaces external to the HIX System representing communications to and from the  
4468 software systems of other organizations
- 4469 • Qualification requirements
- 4470 • Safety specifications, including those related to methods of operation and maintenance,  
4471 environmental influences, and stakeholder risk
- 4472 • Security specifications, including those related to compromise of sensitive information
- 4473 • Human factor engineering (ergonomics) specifications, including those related to manual  
4474 operations, human equipment interactions, constraints on personnel, and areas needing  
4475 concentrated human attention, that are sensitive to human errors and training
- 4476 • Data definition and database requirements
- 4477 • Communication specifications, such as web service interface specifications and stand-  
4478 ards-based communication content specifications
- 4479 • Installation and acceptance requirements of the delivered software product at the opera-  
4480 tion and maintenance side
- 4481 • User documentation requirements
- 4482 • User operation and execution requirements

- 4483
- User maintenance requirements

4484 The Vendor must evaluate the software requirements according to the criteria listed below:

- 4485
- Bi-directional traceability (to and from) of system requirements to/from design and
- 4486 to/from test scripts
- 4487
- External consistency with system requirements
- 4488
- Internal consistency
- 4489
- Testability, including testing of both user-based scenarios and standards-based transac-
- 4490 tion testing with other software Systems
- 4491
- Feasibility of software design
- 4492
- Feasibility of operation and maintenance
- 4493
- The results of the evaluation must be documented.

4494 **Deliverables**

4495 The following lists the deliverables for the Requirements Management activity:

- 4496
- 6.1: Requirements Documentation
- 4497
- 6.2: Requirements Validation and Traceability Plan
- 4498
- 6.3: Requirement Change Control Plan

4499 **Task 6.1: Requirements Documentation**

4500 An initial set of HIX System requirements are referenced in Section 3 and in the Requirements  
4501 Response Matrix (reference Form D in Appendix K).

4502 This activity requires the Vendor to analyze and refine the baseline requirements previously  
4503 identified, and to finalize the functional and technical specifications that will be included in the  
4504 HIX System. The validated set of requirements will be updated as subsequent tasks are com-  
4505 pleted. Additionally, the requirements will be used to build test scripts and scenarios, and will be  
4506 fully tested during user acceptance testing. This task must include at a minimum:

- 4507
- Identification and understanding of all requirements
- 4508
- Facilitation of design meetings to confirm and capture all requirements
- 4509
- Validated set of final requirements that are unique, verifiable (testable), bounded and
- 4510 where all relationships and interfaces are defined

4511 **Vendor Responsibility**

- 4512
- Review documentation provided by the State pertaining to the HIX System
- 4513
- Conduct in-depth analysis of existing business, system, and user requirements
- 4514
- Plan, schedule, and conduct requirements analysis meetings with appropriate HIX staff

- 4515 • Document findings of these meetings and prepare draft reports for review and comment
- 4516 by HIX staff
- 4517 • Document a final set of requirements in narrative format
- 4518 • Conduct a walkthrough of the final set of requirements with appropriate HIX staff
- 4519 • Prepare a detailed requirements deliverable that must be used to guide work to be per-
- 4520 formed in subsequent project tasks
- 4521 • Participate in the Requirements Change Control Board process as needed

4522 **Acceptance Criteria**

- 4523 • 6.1: Requirements Documentation
- 4524 • Plan addresses the identification and understanding of requirements throughout the
- 4525 conceptual architectural design, detail design, and testing documentation activities
- 4526 • Inclusion of changes to requirements that HIX approves
- 4527 • Documentation of the Requirements as described in this RFP
- 4528 • Resolution of all outstanding issues related to the requirements

4529 **Task 6.2: Requirements Validation and Traceability Plan**

4530 The Requirements Validation and Traceability Plan documents the Vendor's approach to ensur-  
4531 ing that all requirements are captured and met. The purpose of this task is to describe the Ven-  
4532 dor's approach to review, analyze, and validate requirements throughout the life of the project.  
4533 This task must include at a minimum:

- 4534 • Approach to review and analyze all requirements during design sessions
- 4535 • Approach to validate a common understanding of all requirements during conceptual ar-
- 4536 chitectural design sessions
- 4537 • Strategy for maintaining requirement traceability in all documentation

4538 **Vendor Responsibility**

- 4539 • Validate an approach to obtain common understanding of the requirements in this RFP
- 4540 • Document the process to add and remove requirements that HIX approves via the
- 4541 change control process
- 4542 • Collaborate with HIX for the tool that will create traceability from RFP through operations

4543 **Acceptance Criteria**

- 4544 • 6.2: Requirements Validation and Traceability Plan
- 4545 • Plan addresses the validation of requirements throughout the architectural design, detail
- 4546 design, and testing documentation activities



- 4547 • Inclusion of requirement changes that HIX approves in the change control process
- 4548 • Documentation of the Requirements Validation and Traceability Plan as described in this
- 4549 RFP
- 4550 • Documentation of the tool for tracking requirements

### 4551 **Task 6.3: Requirement Change Control Plan**

4552 The Requirement Change Control Plan describes the Vendor’s approach to requirement change  
4553 control, including the tracking of requirements, software used to track all requirements, reporting  
4554 of requirements, assignment, resolution, and escalation of requirement change control requests.  
4555 This plan will be consistent with the vendor’s configuration control approach.

### 4556 **Vendor Responsibility**

- 4557 • Create Requirement Change Control Plan
- 4558 • Apply changes as requested
- 4559 • Collaborate with HIX on the tool’s user access and reporting requirements

### 4560 **Acceptance Criteria**

- 4561 • 6.3: Requirement Change Control Plan
- 4562 • Provision of a change request form for project staff to complete when a change to a re-
- 4563 quirement is identified
- 4564 • Documentation of the methodology for change requests, review and approval of the re-
- 4565 quests, committee for acceptance or denial of the request, costs associated with the re-
- 4566 quest, resolution, and escalation of the request

## 4567 **7.1.7 Activity 7: Conceptual Architectural Design**

### 4568 **Objective**

4569 To build the basic foundation that defines the structure of the HIX System, including the func-  
4570 tional components, their relationships and interfaces, and the system behavior.

### 4571 **Description**

4572 The system conceptual architectural design activity will identify which system requirement must  
4573 be allocated to which components of the system. As a result of the successful implementation of  
4574 the system conceptual architectural design process:

- 4575 • System architecture design is defined that identifies component aggregations, compo-  
4576 nents, and subcomponents of the HIX System that meets the defined requirements
- 4577 • The System requirements are addressed
- 4578 • The requirements are allocated to the components of the System
- 4579 • Internal and external interfaces of each system component are defined

- 4580 • Verification is performed between the system requirements and the system architectures
  - 4581 • The requirements allocated to the system components and their interfaces are traceable
  - 4582 to the requirement baseline of HIX
  - 4583 • Consistency and traceability between system requirements and system architecture de-
  - 4584 sign are maintained
  - 4585 • The system requirements, the system architecture design, and their relationships are
  - 4586 base-lined and communicated to all affected parties
  - 4587 • Interfaces with other systems are defined
  - 4588 • Human factors and ergonomics knowledge and techniques are incorporated in the sys-
  - 4589 tem design
  - 4590 • Human centered design activities are identified and performed
- 4591 A top-level architecture of the System must be established. The architecture must identify items
- 4592 of hardware, software, operating systems, memory, service packs, product keys and manual
- 4593 operations. Hardware configuration items, software configuration items, and manual operations
- 4594 must be subsequently identified from these items. The system architecture and system require-
- 4595 ments allocated to the items must be documented.
- 4596 The system architecture and the requirements for the items must be evaluated considering the
- 4597 criteria listed below. The results of the evaluations must be documented:
- 4598 • Traceability to system requirements
  - 4599 • Consistency with system requirements
  - 4600 • Appropriateness of design standards and methods used
  - 4601 • Feasibility of the software components to fill their allocated requirements
  - 4602 • Feasibility of operations and maintenance
- 4603 The purpose of the software conceptual architectural design process is to provide a design for
- 4604 the software that implements the software component and can be verified against the require-
- 4605 ments. As a result of successful implementation of the software conceptual architectural design
- 4606 process:
- 4607 • A software conceptual architectural design is developed and base-lined that describes
  - 4608 the software components that will implement the software requirements
  - 4609 • Internal and external interfaces of each software component are defined
  - 4610 • Consistency and traceability are established between software requirements and soft-
  - 4611 ware design
  - 4612 • The requirements for the HIX System have been transformed into an architecture that
  - 4613 describes the System's top level structure and identifies the software components to en-
  - 4614 sure that all requirements for the software component are allocated to its software sub-

4615 components and further refined to facilitate detailed design. The architecture of the soft-  
4616 ware design must be documented.

4617 • A top-level design is developed and documented for the interfaces external to the HIX  
4618 System and between the software components of the System

4619 • A top-level design is developed and documented for the database(s)

4620 • Preliminary versions of user documentation are developed and documented

4621 • Preliminary test requirements and the schedule must be defined and documented for  
4622 software integration

4623 The Vendor must evaluate the architecture of the software component and the interface and  
4624 designs considering the criteria listed below:

4625 • Traceability to the requirements of software component

4626 • External consistency with the requirements of the HIX System

4627 • Internal consistency between the software components of the component aggregation

4628 • Appropriateness of design methods and standards used

4629 • Feasibility of detail design

4630 • Feasibility of operation and maintenance

4631 • The results of the evaluations must be documented.

4632 Conceptual design is the vital stage of the product creation that defines the success or failure of  
4633 the product usability. In this activity, the Vendor performs tasks including defining the method-  
4634 ology for conceptual design with an approach to the design sessions, and the specifications for  
4635 the conceptual design.

4636 **Deliverables**

4637 • 7.1: Conceptual Architectural Design Methodology

4638 • 7.2: Conceptual Architectural system Design

4639 • 7.3: Business Rules Plan

4640 • 7.4: Workflow Plan

4641 **Task 7.1: Conceptual Architectural Design Methodology**

4642 The Conceptual Architectural Design Methodology describes the Vendor's approach to design  
4643 sessions and validation of the design specifications for the HIX System. The outcomes of this  
4644 task must include at a minimum:

4645 • The methodology that will be used for sessions

4646 • Schedule, topics, location, and participants for each design session

- 4647 • The requirements that each session will address, including the strategy to maintain
- 4648 traceability of all requirements during each session
- 4649 • The business process that will be addressed for each design session
- 4650 • The strategy to ensure a final integrated design
- 4651 • A style guide that describes what will be included in the conceptual design specifications
- 4652 that Vendor analysts will use for design layouts
- 4653 • The strategy for design session results and validation of these results
- 4654 • The participant training that will take place prior to the start of design session

**4655 Vendor Responsibility**

- 4656 • Prepare and create a methodology that will be used for conceptual architectural design
- 4657 sessions
- 4658 • Create a schedule, topics, location, and participants for conceptual architectural design
- 4659 sessions
- 4660 • Develop a strategy to ensure a final integrated design
- 4661 • Collaborate with HIX on a style guide for design layouts, staffing, schedule, and busi-
- 4662 ness process
- 4663 • Prepare and develop a strategy for design session results and validation of these results
- 4664 • Create training materials for session participants

**4665 Acceptance Criteria**

- 4666 • 7.1: Conceptual Architectural Design Methodology
- 4667 • Compliance with all the requirements
- 4668 • Completion of participant training sessions prior to the start of the conceptual architec-
- 4669 tural design sessions
- 4670 • Documentation of a comprehensive design style guide
- 4671 • Documentation of the schedule, topics, locations, and participants for each session

**4672 Task 7.2: Conceptual Architectural System Design**

- 4673 • As a result of the design sessions, the Vendor will produce a Conceptual Architectural De-
- 4674 sign incorporating the items identified in the Description above. The design must implement
- 4675 the software component, be verified against the System requirements and:
  - 4676 • The design must be base-lined describing the software components that will implement
  - 4677 the software requirements
  - 4678 • Internal and external interfaces of each software component must be defined

- 4679 • Consistency and traceability must be established between software requirements and  
4680 software design
  - 4681 • The Vendor must transform the requirements for the software into an architecture that de-  
4682 scribes its top level structure and identifies the software components. The Vendor must  
4683 ensure that all requirements for the software component are allocated to its software sub-  
4684 components and further refined to facilitate detailed design. The architecture of the software  
4685 design must be documented.
  - 4686 • The Vendor must develop and document a top-level design for the interfaces external to the  
4687 HIX System and between the software components of any component aggregation
  - 4688 • The Vendor must develop and document a top-level design for the database(s)
  - 4689 • The Vendor must develop and document preliminary versions of user documentation
  - 4690 • The Vendor must define and document preliminary test requirements and the schedule for  
4691 software integration
- 4692 The Vendor must evaluate the architecture of the software component and their interfaces with-  
4693 in the overall design of the HIX System. The results of the evaluations must be documented.

4694 **Vendor Responsibility**

- 4695 • Arrange and facilitate Joint Application Development (JAD) sessions and provide  
4696 minutes to participants for review
- 4697 • Prepare the Conceptual System Design, meeting the requirements as defined in this  
4698 RFP and as defined through the JAD sessions
- 4699 • Document a preliminary set of business rules and workflows
- 4700 • Conduct ongoing presentation of window, screen, business rules, and other layouts and  
4701 obtain HIX subject matter expert approval
- 4702 • Conduct walkthroughs and demonstrations during the Conceptual Architectural System  
4703 Design to enhance HIX understanding and to facilitate the approval process
- 4704 • Facilitate presentation for HIX approval to move to the detail design task of the project

4705 **Acceptance Criteria**

- 4706 • 7.2: Conceptual Architectural System Design
- 4707 • Compliance with all the requirements
- 4708 • Documentation of preliminary business rules and workflows
- 4709 • Design specifications meet the agreed upon style guide
- 4710 • Documentation of the completion of all sessions
- 4711 • Inclusion of steps that allow for review and approval of design specifications by HIX (i.e.,  
4712 decision point)

4713 **Task 7.3: Business Rules Plan**

4714 The Business Rules Plan includes the Vendor’s approach to identification and documentation of  
4715 the business rules. The purpose of this task is for the Vendor to identify the approach used to  
4716 facilitate business rules development with the HIX project team; and to analyze, identify, com-  
4717 pare, validate, refine, and document the HIX business rules related to the HIX System during  
4718 conceptual and detail design. This task must include at a minimum:

- 4719 • Approach to review and analyze all business rules during design sessions
- 4720 • Approach to validate a common understanding of all business rules during design ses-  
4721 sions
- 4722 • Identification of tools that will be used to diagram, present and confirm business rules  
4723 (e.g., decision trees, decision tables, etc.)

4724 **Vendor Responsibility**

- 4725 • Identify and analyze business rules needed by the HIX System
- 4726 • Arrange for and facilitate business rules sessions
- 4727 • Validate an approach to obtain common understanding of the business rules
- 4728 • Document the methodology to identify, diagram and present business rules to HIX for  
4729 approval during conceptual and detail design
- 4730 • Document the process to add and remove business rules that are approved by HIX dur-  
4731 ing the life of the project
- 4732 • Document rules set in human-readable form so that it may be submitted to an HHS re-  
4733 pository

4734 **Acceptance Criteria**

- 4735 • 7.3: Business Rules Plan
- 4736 • Addresses the validation of business rules throughout the conceptual design, detail de-  
4737 sign, and testing documentation activities
- 4738 • Inclusion of changes to business rules that HIX approves
- 4739 • Documentation of the Business Rules

4740 **Task 7.4: Workflow Plan**

4741 The Workflow Plan includes the Vendor’s approach to documentation of the System’s work-  
4742 flows. The purpose of this task is for the Vendor to identify the approach used to facilitate work-  
4743 flow refinement sessions with the HIX project team to analyze, validate, refine, and document  
4744 the HIX workflows related to the HIX System during conceptual and detail design. HIX will pro-  
4745 vide the Vendor with the workflow templates provided by CMS, or templates already modified

4746 for Alabama if available, as a starting point for this task. These workflows will be modified as  
4747 necessary to meet the HIX business needs. This task must include at a minimum:

- 4748 • Approach to review and analyze all workflows during design sessions
- 4749 • Approach to validate a common understanding of all workflows during design sessions
- 4750 • Approach to workflow and workflow rules

4751 **Vendor Responsibility**

- 4752 • Identify all workflows of the System
- 4753 • Facilitate workflow sessions
- 4754 • Validate an approach to obtain common understanding of the workflows
- 4755 • Document the methodology to identify, diagram and present workflows to HIX for ap-  
4756 proval during conceptual and detail design
- 4757 • Document the process to add and remove workflows that are approved by HIX during  
4758 the life of the project

4759 **Acceptance Criteria**

- 4760 • 7.3: Workflow Plan
- 4761 • Addressing the validation of workflows throughout the conceptual design, detail design,  
4762 and testing documentation activities
- 4763 • Inclusion of changes to workflows that HIX approves
- 4764 • Documentation of the Workflow Rules
- 4765

4766 **7.1.8 Activity 8: Detailed Design**

4767 **Objective**

4768 To create system architecture and design documents that incorporate the System requirements.

4769 **Description**

4770 The activities associated with detail design include specifications for all system objects, such as  
4771 programs, screens, interfaces, reports, templates, and forms. The Vendor's responsibilities in-  
4772 clude documentation of the detail design methodology, as well as training for all of the partici-  
4773 pants in the design sessions.

4774 The purpose of the software detailed design activity is to provide a design for the software that  
4775 implements and can be verified against requirements in the software architecture and that is  
4776 sufficiently detailed to permit coding and testing. As a result of successful implementation of the  
4777 software detailed design process:

- 4778 • A detailed design of each software component aggregation, describing the software  
4779 components to be built, is developed



- 4780
    - External interfaces of each software component are defined
  - 4781
    - Consistency and traceability are established between the detailed design and the re-
  - 4782
    - requirements and the Conceptual Architectural design
  - 4783 The Vendor must develop the detailed design for each software component of the HIX System.
  - 4784 The software components must be refined into lower levels containing software subcomponents
  - 4785 that can be coded, compiled, and tested, as appropriate. The detailed design must ensure that
  - 4786 all the software requirements are allocated from the software component aggregations to the
  - 4787 software components. As part of this task, the Vendor must develop and document the de-
  - 4788 tailed design for the database(s).
  - 4789 The Vendor must develop and document a detailed design for the interfaces external to the HIX
  - 4790 System, between the software component aggregations, and between the software components
  - 4791 within the component aggregations. The detailed design of the interfaces must permit coding
  - 4792 without the need for further information.
  - 4793 The Vendor must define and document test requirements and a schedule for testing software
  - 4794 components. The test requirements must include stressing the software component at the limits
  - 4795 of its requirements. Testing requirements must also include compliance testing against accept-
  - 4796 ed industry standards and Section 508 of the U.S. code (regarding handicap access). The
  - 4797 Vendor must update the test requirements and the schedule testing as needed for software in-
  - 4798 tegration.
  - 4799 The Vendor must evaluate the software detailed design and test requirements considering the
  - 4800 criteria listed below. The results of the evaluation must be documented.
  - 4801
    - Traceability to the requirements of the software component
  - 4802
    - External consistency with Conceptual Architectural design
  - 4803
    - Internal consistency between software components of a software component aggrega-
  - 4804
    - tion
  - 4805
    - Appropriateness of design methods and standards used
  - 4806
    - Feasibility of testing
  - 4807
    - Feasibility of operations and maintenance
  - 4808 **Deliverables**
  - 4809
    - 8.1: Detail System Design Session Plan
  - 4810
    - 8.2: Detail System Design Document
  - 4811
    - 8.3: Business Rules Design
  - 4812
    - 8.4: Interface Design
  - 4813
    - 8.5: Forms, Templates, and Notices Detail Design
  - 4814
    - 8.6: Alerts Detail Design
-

- 4815 • 8.7: Reports Detail Design

4816 **Task 8.1: Detail System Design Session Plan**

4817 In the Detail System Design Session Plan task, the Vendor develops and documents the ap-  
4818 proach to design sessions and validation of the design specifications. The outcomes of this task  
4819 must include at a minimum:

- 4820 • The methodology that will be used for design sessions
- 4821 • Schedule, topics, location, and participants for each design session
- 4822 • The requirements that will be addressed for each session including a bi-directional strat-  
4823 egy to maintain traceability of all requirements during session
- 4824 • The business process that will be addressed for each design session
- 4825 • The strategy to ensure a final integrated design
- 4826 • A style guide that describes the design specifications that Vendor analysts will use for  
4827 design layouts
- 4828 • The strategy for design session results and validation of these results
- 4829 • The participant training that will take place prior to the start of design

4830 **Vendor Responsibility**

- 4831 • Prepare and create a methodology that will be used for detail system design sessions
- 4832 • Create a schedule, topics, location, and participants for each detail system design ses-  
4833 sion
- 4834 • Develop a strategy to ensure a final integrated design
- 4835 • Collaborate with HIX on a style guide for design layouts, staffing, schedule, and busi-  
4836 ness process
- 4837 • Prepare and develop a strategy for compiling design session results and validating these  
4838 results
- 4839 • Create training materials for session participants
- 4840 • Conducting training for session participants

4841 **Acceptance Criteria**

- 4842 • 8.1: Detail System Design Session Plan
- 4843 • Documentation of the Detail System Design Plan as described in this RFP
- 4844 • Completion of participant training sessions prior to the start of design sessions
- 4845 • Documentation of a comprehensive design style guide
- 4846 • Documentation of the schedule, topics, locations, and participants for each session

4847 **Task 8.2: Detail System Design Document**

4848 The Vendor develops and validates the Detail System Design (DSD) document in this task. The  
4849 detail system design will describe the system architecture and design at the detailed level and  
4850 provides the programmers sufficient information to develop the HIX System.

4851 At a minimum, the task must include:

- 4852 • Final logical and physical data models
- 4853 • Final data model with all relationships, business rules, definitions, and table domains in-  
4854 cluding look up tables
- 4855 • Final application infrastructure rules including rules to handle data inserts to maintain  
4856 logical consistency between records
- 4857 • Final detailed comprehensive data element dictionary including, at a minimum:
  - 4858 ○ A description of all tables used in the HIX System
  - 4859 ○ A description of each data element within each table
  - 4860 ○ A unique data element number and standard data element name
  - 4861 ○ A narrative description and definition of the data element based on the Alabama  
4862 database naming standards
  - 4863 ○ A table of values for each data element when there is a fixed set of values
  - 4864 ○ The source of each data element
  - 4865 ○ Valid values with definitions
  - 4866 ○ Lists from the data element dictionary in using multiple sorting and filtering meth-  
4867 ods
- 4868 • Final Business Process Model Notation diagram that shows the relationship between  
4869 business processes, input, and outputs
- 4870 • Final network topology diagram including configuration alternatives and all hardware and  
4871 software detail
- 4872 • Final business rules
- 4873 • Final detailed system architecture
- 4874 • Detailed narrative of the entire System and the flow of data through the System including  
4875 diagrams
- 4876 • Detailed narrative of navigation, describing inputs, features, and processes
- 4877 • Final screen/window layout
- 4878 • Final screen narratives with screen/field mapping
- 4879 • Identification of all requirements that are met with the proposed conceptual design

- 4880 • Detailed program logic descriptions and edit logic including, at a minimum, the sources
- 4881 of all input data, each process, all editing criteria, all decision points, and associated cri-
- 4882 teria, interactions with other programs, and all outputs
  
- 4883 • Final layouts for all inputs to include, at a minimum, input names and numbers; data el-
- 4884 element names, numbers, and sources for each input field and examples of each input
  
- 4885 • Final layouts for all outputs to include, at a minimum, output names and numbers; data
- 4886 element names, numbers, and sources for each output field; and examples of each out-
- 4887 put
  
- 4888 • Final layouts for all files to include, at a minimum, file names and numbers; data element
- 4889 names, numbers, number of occurrences, length and type; record names and numbers,
- 4890 and file maintenance data such as number of records, file space, and so forth

#### 4891 **Vendor Responsibility**

- 4892 • Develop the final version of the DSD specifications
  
- 4893 • Conduct walkthroughs and demonstrations during the detail system design to enhance
- 4894 HIX understanding and to facilitate the approval process
  
- 4895 • Conduct ongoing presentations of screen/window, and other layouts and obtaining HIX
- 4896 approval during the detail system design development to facilitate overall HIX approval
  
- 4897 • Facilitate presentation for committee approval to move to the development task of the
- 4898 project

#### 4899 **Acceptance Criteria**

- 4900 • 8.2: Detail System Design Document
  
- 4901 • Documentation of the detail system design according to the requirements of this RFP,
- 4902 and those added through the change control process
  
- 4903 • Documentation of a complete, comprehensive design that is ready for development
  
- 4904 • Resolution of all outstanding issues related to the design
  
- 4905 • Inclusion of steps that allow for review and approval of redesign specifications by HIX
- 4906 (i.e., decision point)

#### 4907 **Task 8.3: Business Rules Design**

4908 The purpose of this task is for the Vendor to facilitate JAD sessions with the HIX project team to  
4909 analyze, identify, validate, refine, and document the HIX business rules related to the HIX Sys-  
4910 tem. The Vendor must summarize the results of the business rules in narrative format. Included  
4911 in this task will be the identification of decision tables, appropriate parameters, and reference  
4912 tables utilized by the business rules. This task must include at a minimum:

- 4913 • Identification and analysis of all business rules to ensure there is a common understand-
- 4914 ing of all rules

- 4915 • Conducting business rule sessions to obtain confirmation of rules, decision tables, refer-  
4916 ence tables, and parameters
- 4917 • Documenting business rules and decision tables
- 4918 • Development of a strategy for tracking rules changes in all documentation

4919 **Vendor Responsibility**

- 4920 • Identify and analyze business rules required by the HIX System
- 4921 • Facilitate business rules design sessions
- 4922 • Ensure common understanding of the business rules
- 4923 • Diagram and present business rules to HIX staff for approval during detail design
- 4924 • Document the process to add and remove business rules approved by HIX during the  
4925 life of the project
- 4926 • Develop the final business rules design

4927 **Acceptance Criteria**

- 4928 • 8.3: Business Rules Design
- 4929 • Addresses the validation of business rules throughout the conceptual design, detail de-  
4930 sign, and testing documentation activities
- 4931 • Inclusion of changes to business rules upon HIX approval
- 4932 • Documentation of the Business Rules Design as described in this RFP

4933 **Task 8.4: Interface Detail Design**

4934 The Interface Detail Design task consists of the Vendor's design and documentation of all Sys-  
4935 tem interfaces. The interface design must include at a minimum:

- 4936 • System configuration diagram showing all HIX System interfaces
- 4937 • Interface design descriptions, including:
  - 4938 ○ Interface identification, including type of interface (such as real-time data trans-  
4939 fer, storage-and-retrieval of data, etc.) to be implemented
  - 4940 ○ Characteristics of individual data elements and data element assemblies (rec-  
4941 ords, messages, files, arrays, displays, reports, etc.) that the interfacing entity(s)  
4942 will provide, store, send, access, receive, etc.
  - 4943 ○ Characteristics of communication methods and protocols that the interfacing enti-  
4944 ty(s) will use for the interface
  - 4945 ○ Characteristics of processing including processing time requirements
  - 4946 ○ Other characteristics, such as physical compatibility of the interfacing entity(s)  
4947 (dimensions, tolerances, loads, plug compatibility, etc.)

- 4948           ○ Traceability to requirements addressed by the interfaces
- 4949           • Any specifications required of other systems to ensure an effective interface with the HIX  
4950           System
- 4951   The documentation for each interface must include:
- 4952           • Detailed interface descriptions including, at a minimum, data elements, editing criteria,  
4953           business rules, HIX, State, and Federal policy requirements driving the informational  
4954           need for the interface, and all decision points and associated criteria, interactions with  
4955           other programs, and all inputs and outputs
- 4956           • Layouts for all interfaces including, at a minimum, file/database names and other identi-  
4957           fiers, number and direction of transmittals, record names, numbers, length and type, as  
4958           well as interface and file maintenance data such as, but not limited to: number of records  
4959           during routine operations, required disk space, file retention, and backup (all of which  
4960           can be the same layouts used in the detail system design so long as they meet all re-  
4961           quirements for both deliverables)
- 4962           • System narratives and module narratives (including structure charts), identifying the pro-  
4963           cess associated with each interface, the purpose of the interface, and interrelationships  
4964           between the program modules involved in the interface
- 4965           • Detailed comprehensive interface description dictionary, including, at a minimum, data  
4966           element names, numbers, descriptions, and definitions (including length and type); valid  
4967           values with definitions; sources for all identified data elements and information transmit-  
4968           tals
- 4969           • Interface and process descriptions showing the flow of major processes and data in  
4970           each of the subsystems and across subsystems
- 4971           • Subsystem name and identification and subsystem data flows
- 4972           • Security implications
- 4973   **Vendor Responsibility**
- 4974           • Prepare and develop an approach to Interface sessions and validation of interface de-  
4975           sign specifications
- 4976           • Prepare and develop a schedule, topics, location, and participants for each DSD session
- 4977           • Facilitate the Interface detail system design sessions
- 4978           • Prepare the final detailed Interface Design as described in this RFP and as defined  
4979           through the JAD sessions
- 4980   **Acceptance Criteria**
- 4981           • 8.4: Interface Detail Design
- 4982           • Documentation of a final interface design that integrates in the detail system design doc-  
4983           ument

- 4984 • Documentation of the Interface Design task according to the requirements of this RFP
- 4985 and those added through the change control process
- 4986 • Documentation of a complete, comprehensive design that is ready for development
- 4987 • Resolution of all outstanding issues related to the design

4988 **Task 8.5: Forms, Templates, and Notices Detail Design**

4989 Concurrently with detail design sessions, the Vendor will create the design specifications for  
4990 all forms, templates, and notices. The design must include at a minimum:

- 4991 • Each template that will be generated with pre-filled data from the HIX System including
- 4992 forms and notices
- 4993 • Each form and notice that will be generated by the HIX System
- 4994 • Any form or notice that will be stored in the Document Management System
- 4995 • Data map sourcing for all prefilled templates

4996 **Vendor Responsibility**

- 4997 • Collaborate with HIX on the final detailed design of the layout, narratives, and data map-
- 4998 ping source for each:
  - 4999 ○ Standardized form or notice generated from the HIX System
  - 5000 ○ Template that will be generated with prefilled data from the HIX System
- 5001 • Facilitate the Forms, Templates, and Notices detail system design sessions
- 5002 • Conduct walkthroughs and demonstrations during the detail system design to enhance
- 5003 HIX understanding and to facilitate the approval process
- 5004 • Develop the final detailed design of the layout and narratives for each form and notice
- 5005 that will be stored in the Document Management System

5006 **Acceptance Criteria**

- 5007 • 8.5: Forms, Templates and Notices Detail Design
- 5008 • Documentation of tools related to document management and template creation
- 5009 • Identification of all forms, templates, and notices
- 5010 • Identification of source of all data that pre-fills templates
- 5011 • Resolution of all outstanding issues related to the design
- 5012 • Documentation of the Forms, Templates, and Notices design as described in this RFP
- 5013 and as defined through the JAD sessions



5014 **Task 8.6: Alerts Detail Design**

5015 Concurrently with detail design sessions, the Vendor will create the design specifications for all  
5016 alerts. The design must include at a minimum:

- 5017 • Each alert required from the HIX System
- 5018 • Description of resolution of alerts

5019 **Vendor Responsibility**

- 5020 • Collaborate with HIX on the final detailed design of the alerts generated by the HIX Sys-  
5021 tem
- 5022 • Facilitate the alerts detail system design sessions
- 5023 • Conduct walkthroughs and demonstrations during the detail system design to enhance  
5024 HIX understanding and to facilitate the approval process
- 5025 • Develop the final detailed design of the Alerts process

5026 **Acceptance Criteria**

- 5027 • 8.6: Alerts Detail Design
- 5028 • Identification and documentation of all alerts generated by the HIX System
- 5029 • Identification of source of all data that is used to generate each alert
- 5030 • Identification of what triggers an alert, when the alert is generated, and how the alert is  
5031 resolved
- 5032 • Resolution of all outstanding issues related to the design
- 5033 • Documentation of Alerts Detail Design as described in this RFP and as defined through  
5034 the JAD sessions

5035 **Task 8.7: Reports Detail Design**

5036 Concurrently with detail design sessions, the Vendor will create the design specifications for all  
5037 reports. The design must include at a minimum:

- 5038 • Each standardized report generated from the HIX System
- 5039 • Data map sourcing for all reports

5040 **Vendor Responsibility**

- 5041 • Collaborate with HIX on the final detailed design of the layout and data mapping source  
5042 for each standardized report generated from the HIX System,
- 5043 • Facilitate the reports detail system design sessions
- 5044 • Conduct walkthroughs and demonstrations during the detail system design to enhance  
5045 HIX understanding and to facilitate the approval process

- 5046 • Collaborate and identify which reports, if any, that will be created by HIX and which re-
- 5047 reports will be developed by the Vendor
- 5048 • Develop the final detailed design of the reports generated by the System

5049 **Acceptance Criteria**

- 5050 • 8.7: Reports Detail Design
- 5051 • Documentation of tools related to reports development
- 5052 • Identification of all reports generated by the HIX System
- 5053 • Identification of HIX or Vendor responsibility for the completion of each report
- 5054 • Identification of source of all data that generates reports
- 5055 • Resolution of all outstanding issues related to the design
- 5056 • Documentation of the Report Detail Design as described in this RFP and as defined
- 5057 through the JAD sessions

5058 **7.1.9 Activity 9: Security**

5059 **Objective**

5060 To create system security design documents that incorporate State and Federal regulations and  
5061 publications, and to assure that these provisions are incorporated into the System requirements  
5062 created for the HIX System.

5063 **Description**

5064 The detail design activities will provide a methodology for processing, capture, storage, trans-  
5065 formation, and dissemination of information during the development of the security design. Doc-  
5066 umenting this information facilitates the successful design, development, and implementation of  
5067 the security for the HIX System. The activities associated with the security design include speci-  
5068 fications for access for all roles and their related security levels.

5069 **Deliverables**

5070 The following lists the deliverables for the Security activity:

- 5071 • 9.1: Security Design Document
- 5072 • 9.2: User Access Security Plan

5073 **Task 9.1: Security Design Document**

5074 Through the Security Design Document, the Vendor describes the approach to security design.  
5075 The design must conform to the State and Federal regulations and publications related to sys-  
5076 tem security requirements and password usage.

5077 This task must also result in a description of the Vendor’s approach to ensure the security of the  
5078 HIX System and the data throughout the project lifecycle. At a minimum, the outcomes of this  
5079 task must include information on:

- 5080 • Accountability, which includes the approach to establishing and maintaining security re-  
5081 sponsibility and accountability
- 5082 • Granting or restricting access to all the applications (including Web-enabled applica-  
5083 tions) and data, auditing security events, auditing security configurations and changes,  
5084 generating security reports, and monitoring the System for vulnerabilities and intrusions
- 5085 • Managing user creation, assignment of new User ID (User Identifica-  
5086 tion)/password/personal identification numbers (PINs), role assignments, and activity  
5087 monitoring
- 5088 • Compliance, including the approach to maintaining compliance with law, standards, and  
5089 best practices
- 5090 • Technical security must include, at a minimum, the approach to each of the following:
  - 5091 ○ Network segmentation
  - 5092 ○ Perimeter security
  - 5093 ○ Application security and data sensitivity classification
  - 5094 ○ Protected Health Information (PHI) and Personally Identifiable Information (PII)  
5095 data elements
  - 5096 ○ Intrusion management
  - 5097 ○ Monitoring and reporting
  - 5098 ○ Host hardening
  - 5099 ○ Remote access
  - 5100 ○ Encryption (128-bit minimum)
  - 5101 ○ Statewide active directory services for authentication
  - 5102 ○ Interface security
  - 5103 ○ Security test procedures
  - 5104 ○ management of network security devices
  - 5105 ○ Security patch management
  - 5106 ○ Defending against viruses and mobile code
  - 5107 ○ Secure Sockets Layer (SSL) for providing communications security over the in-  
5108 ternet
- 5109 • Detailed diagrams must be produced that depict all security-related devices and subsys-  
5110 tems and their relationships with other systems for which they provide controls

5111 **Vendor Responsibility**

- 5112 • Develop a security design that ensures all systems, procedures, and practices are fully
- 5113 secured and protected
- 5114 • Review relevant State and Federal regulations and publications
- 5115 • Document how State policies and procedures will be adhered to
- 5116 • Perform compliance testing

5117 **Acceptance Criteria**

- 5118 • 9.1: Security Design Document
- 5119 • Compliance with all the requirements
- 5120 • Completion of walkthroughs and demonstrations of the Security Design to enhance HIX
- 5121 understanding and to facilitate the approval process
- 5122 • Completion of Security Design Document according to the System requirements as de-
- 5123 fined in this RFP and as defined through the JAD sessions
- 5124 • Provision of references to State and Federal policies within the design document

5125 **Task 9.2: User Access Security Plan**

5126 The Vendor defines the approach to user access security during this task in the User Access  
5127 Security Plan. At a minimum, the plan must include a description of the following:

- 5128 • Types and relationships between the HIX System security elements, e.g., users, groups,
- 5129 and roles
- 5130 • Categorization of access into different security levels that will be defined by HIX to in-
- 5131 clude, at a minimum, users, groups, and roles
- 5132 • Matrix of roles and privileges
- 5133 • Screen/Window level security
- 5134 • Level of authorization/security for specific functions by individual user including module
- 5135 level security for grouping of screens/pages
- 5136 • Field level security including links that route to interfaces
- 5137 • Restrictions on modifying or overriding system edits and audits or altering system func-
- 5138 tionality
- 5139 • Types of online security checks, including security by individual, HIX defined role, loca-
- 5140 tion, files, and fields before allowing access to any files including data, software, code,
- 5141 resources, or any other files resident with or accessed by HIX
- 5142 • Types of Privacy Policy statements such as:
  - 5143 ○ Privacy Policy for External users, e.g., Providers

- 5144 ○ Privacy Policy for Internal users, e.g., HIX
- 5145 ● Types of events that require logging in response to specific situations such as:
  - 5146 ○ Start up and shut down of audit functions
  - 5147 ○ Successful and unsuccessful logons and logoffs
  - 5148 ○ Successful and unsuccessful attempts to access security relevant files and utilities,
  - 5149 including user authentication information
  - 5150 ○ Log information on read, modify, or destroy operations
  - 5151 ○ Configuration changes made during auditing operations
  - 5152 ○ Unsuccessful usage of user identification or authentication mechanisms
  - 5153 ○ Changes to the time or any other sensitive field value
  - 5154 ○ Activities that modify, bypass, or negate system security controls
  - 5155 ○ Use of privileged accounts
  - 5156 ○ Administrator logons, changes to the administrator group, and account lockouts
  - 5157 ○ Actions following log storage failure or exceeding threshold levels
  - 5158 ○ Unsuccessful security attribute revocations
  - 5159 ○ Modifications to user groups within a role
  - 5160 ○ Key recovery requests and associated responses
  - 5161 ○ Access denials resulting from excessive numbers of logon attempts
  - 5162 ○ Blocking or blacklisting of user ID, terminal, or access port
  - 5163 ○ Detected replay attacks
  - 5164 ○ Rejections of new sessions based on limits to number of concurrent sessions
  - 5165 ○ System software installations

5166 **Vendor Responsibility**

- 5167 ● Conduct walkthroughs and demonstrations during the User Access Security Plan devel-  
5168 opment to enhance HIX understanding and to facilitate the approval process
- 5169 ● Collaborate with HIX prior to completing the plan
- 5170 ● Prepare the User Access Security Plan, meeting the requirements as defined in this RFP  
5171 and as defined through the JAD sessions

5172 **Acceptance Criteria**

- 5173 ● 9.2: User Access Security Plan
- 5174 ● Compliance with all the requirements
- 5175 ● Documentation of the method used to collaborate with HIX

5176 **7.1.10 Activity 10: Continuity of Operations**

5177 **Objective**

5178 The objective of Continuity of Operations is to ensure no losses or to minimize losses in the  
5179 event of a disruptive event.

5180 **Description**

5181 In this activity the Vendor must provide a methodology for resumption of applications, data,  
5182 hardware, communications (such as networking) and other IT infrastructure in the event of a  
5183 disaster. The methodology must also address activities for the prevention and detection of an  
5184 event and the regular testing of these controls and strategies to ensure the protection of data.

5185 **Deliverables**

5186 The following lists the deliverables for the Continuity of Operations activity:

- 5187
  - 10.1: Disaster Recovery Plan

5188 **Task 10.1: Disaster Recovery Plan**

5189 The Vendor must develop a Disaster Recovery Plan that provides for adequate backup and re-  
5190 recovery for all HIX System Operations, both manual and automated, including all functions re-  
5191 quired to meet the backup and recovery. The plan must conform to the following State and Fed-  
5192 eral guidelines and standards related to disaster recovery and backup:

- 5193
  - Disaster Recovery Plan in accordance to the "45 CFR 95.621(f)" Federal guideline
  - 5194 • Disaster Recovery Plan in accordance to the State of Alabama policy entitled, "Policy  
5195 700-00: Disaster Recovery"
  - 5196 • State of Alabama – Standard 670-07S1: Backup and Recovery

5197 In the Disaster Recovery Plan, the Vendor must identify every resource that requires backup  
5198 and to what extent backup is required. In addition, the Vendor must identify the software and  
5199 data backup requirements. The plan must include at a minimum the following:

- 5200
  - Recovery procedures from all events ranging from a minor malfunction to a major disas-  
5201 ter
  - 5202 • For offsite environments, roles and responsibilities of Vendor, State and outsourcer staff
  - 5203 • Checkpoint/restart capabilities
  - 5204 • Retention and storage of backup files and software
  - 5205 • Hardware backup for the main processor
  - 5206 • Application and operating system software libraries, including related documentation
  - 5207 • Identification of the core business processes involved in the HIX System
  - 5208 • Documentation of contingency plans

- 5209
- Definition of triggers for activating contingency plans

- 5210
- Plan for replacement of hardware and software

5211 **Vendor Responsibility**

- 5212
- Review all Alabama State policies and procedures and current recovery plans

- 5213
- Collaborate with HIX to create Disaster Recovery Plan

- 5214
- Identify process of maintaining a current plan throughout the life of the project

- 5215
- Create inventories

- 5216
- Create step to step instructions on business continuity and recovery

5217 **Acceptance Criteria**

- 5218
- 10.1: Disaster Recovery Plan

- 5219
- Compliance with all the requirements

- 5220
- Documentation of the method used to collaborate with HIX

- 5221
- Documentation of how the plan meets Alabama State policies

- 5222
- 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

- 5225
- Description of how inventory will be tracked in case recovery procedures are implemented

- 5227
- Documentation of step-by-step procedures for business continuity and system recovery

- 5228
- Documentation of the roles and responsibilities during recovery

- 5229
- Documentation of how plan will be accessed in an emergency scenario and how the plan is secured

5231 **7.1.11 Activity 11: Knowledge Management**

5232 **Objectives**

5233 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  
5234 end users receive knowledge transfer on new procedures during and after the Warranty Period;  
5235 and (3) Sufficient HIX technical staff receives hands-on and classroom training to maintain and  
5236 enhance the HIX System during and after the Warranty Period. Note that the Warranty Period  
5237 is synonymous with Phase 5.  
5238

5239 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  
5240 as a key means to mitigate this risk. HIX wishes to not simply have training delivered, but to  
5241



5242 have the required knowledge incorporated into its overall organizational environment, including  
5243 on-going availability of innovative training materials, and the delivery such role-based items  
5244 such as skill competency lists, job role descriptions, and job evaluation criteria that will help in-  
5245 stitutionalize the competencies that are being introduced to the organization. These things will  
5246 be used to facilitate the expected transition to new staff and a greater level of organizational ma-  
5247 turity in this area.

5248 **Description**

5249 This activity enables the Vendor to demonstrate an understanding of knowledge management  
5250 and knowledge transfer, the Vendor's role in the training-related tasks that are needed to sup-  
5251 port the user, Data Import, Acceptance Testing, and Implementation Tasks of the Project. A  
5252 discussion of the methods proposed to develop and deliver knowledge transfer necessary to  
5253 ensure effective use and reliable operation of the HIX System must be included. Material must  
5254 be used during acceptance testing to verify accuracy, comprehensiveness, understandability,  
5255 and usability. The State will assist in the identification of specific individuals to be included in the  
5256 types of knowledge transfer based on the Vendor's strategy.

5257 The transfer of knowledge to HIX technical support staff will be a key Vendor responsibility as  
5258 the State of Alabama intends to have HIX staff ultimately assume a greater responsibility for the  
5259 operations and maintenance of the HIX System. To prepare for this responsibility, HIX technical  
5260 staff must be adequately integrated with the Vendor's technical team and thoroughly trained.

5261 HIX expects that all training and knowledge management material will be tested to ensure it ad-  
5262 equately fulfills its requirements.

5263 **Deliverables**

- 5264 • 11.1: Knowledge Management Strategy
- 5265 • 11.2: Comprehensive Knowledge Management Plan
- 5266 • 11.3: End User Environment(s)
- 5267 • 11.4: Instructional Materials V1 and \*V2 (defined in Task 11.4)
- 5268 • 11.5: Online User Aids
- 5269 • 11.6: Knowledge Management Progress Report
- 5270 • 11.7: Knowledge Management Final Report
- 5271 • 11.8 Project Staff Preparation Plan

5272 **Task 11.1: Knowledge Management Strategy**

5273 In this task, the Vendor develops the Knowledge Management Strategy, which includes a de-  
5274 scription of the Vendor's proposed approach to develop and deliver knowledge transfer to end  
5275 users and IT staff.

5276 The Knowledge Management Strategy must describe the proposed methods to develop and  
5277 deliver both knowledge transfer and related documentation and must include a discussion of the

5278 Vendor's understanding of HIX knowledge transfer requirements and high-level knowledge  
5279 management strategy. The strategy must also include training the trainers and creation of pow-  
5280 er users to assist with training. The approach must include 17 to 20 training participants per  
5281 class and two (2) trainers per delivery, with the 2<sup>nd</sup> trainer being from HIX.

5282 The Knowledge Management Strategy must describe the methods proposed to integrate the  
5283 development team, and to develop and deliver both classroom and hands-on development ap-  
5284 proaches. The strategy will address, at a minimum, the knowledge transfer requirements for  
5285 technical staff for both pre- and post-implementation periods including a description of how the  
5286 Vendor plans to transfer the knowledge necessary to further develop, maintain, and support the  
5287 applications to State or other private company IT staff.

5288 The outcomes of this task will include, at a minimum:

- 5289 • General approach to user knowledge management strategy using Vendor staff as leads
  - 5290 • Identification of timeframe in which knowledge transfer must be accomplished
  - 5291 • Methods for knowledge transfer already identified by HIX and any additional methods  
5292 recommended:
    - 5293 ○ Joint facilitated classroom knowledge transfer
    - 5294 ○ Computer Based Training (CBT)
    - 5295 ○ Database and environment(s) for practical, hands-on exercises
  - 5296 • Identification of audience/groups, which will include, as a minimum, the public, HIX em-  
5297 ployees, and its technical support staff
  - 5298 • Identification of knowledge transfer resources and materials including:
    - 5299 ○ Integration of the Vendor and HIX team trainers
    - 5300 ○ Space, i.e., training facilities
    - 5301 ○ Equipment
  - 5302 • General content and proposed courses for the knowledge transfer, which must include,  
5303 at a minimum, end user's manual, and online policy documentation (e.g., help)
  - 5304 • General approach to evaluating the effectiveness of knowledge transfer and an im-  
5305 provement plan, specifically identifying threshold points which must be achieved prior to  
5306 the user having access to the System
  - 5307 • Method of technical knowledge transfer delivery
  - 5308 • Day-to-day hands-on technical knowledge transfer approach
  - 5309 • Class synopsis
  - 5310 • Class schedule
  - 5311 • Class duration
-

- 5312 • Number of hours
- 5313 • Locations
- 5314 • Vendor Responsibility
- 5315 • Develop a comprehensive strategy for ensuring all appropriate staff receive knowledge
- 5316 transfer
- 5317 • Develop a strategy to address the knowledge transfer requirements for technical staff for
- 5318 both pre- and post-implementation periods
- 5319 • Plan, schedule, and conduct meetings with appropriate HIX staff to collaborate on strat-
- 5320 egies for resources and materials. Training will be scheduled at the earliest opportunity
- 5321 to ensure the longest possible HIX notification time.
- 5322 • Present roles and responsibilities for the integrated development team. Develop a strat-
- 5323 egy to address the knowledge transfer to develop, maintain, and support the applications
- 5324 to State IT staff such as pre-requisite skills required to receive knowledge transfer,
- 5325 method of training delivery, day-to-day hands-on training approach, class synopsis,
- 5326 class schedule, class duration, number of hours, and training location.

5327 **Acceptance Criteria**

- 5328 • 11.1: Knowledge Management Strategy
- 5329 • Documentation of the Knowledge Management Strategy as described in this RFP
- 5330 • Provision of the proposed approach and methods for knowledge transfer inclusive of de-
- 5331 livery of both classroom and hands-on knowledge
- 5332 • Documentation of the timeframes for knowledge transfer
- 5333 • Identification of the resources and materials/equipment to be used
- 5334 • Identification of the audience/group targeted for knowledge transfer
- 5335 • Documentation of the approach for evaluating the effectiveness of the knowledge trans-
- 5336 fer and improvement plan
- 5337 • Inclusion of regular reporting to HIX management regarding the skill sets of HIX person-
- 5338 nel added to the development team
- 5339 • Documentation of the train-the-trainer strategy

5340 **Task 11.2: Comprehensive Knowledge Management Plan**

5341 The Vendor will create the Comprehensive Knowledge Management Plan to document the plan  
5342 to train all staff, which includes both State and private agency staff. This plan must include at a  
5343 minimum:

- 5344 • Description of the group(s) who will receive knowledge transfer and objectives/expected
- 5345 results of the knowledge transfer

- 
- 5346
- Overview of the knowledge transfer curriculum
- 5347
- Approach to providing knowledge transfer across the State (localized knowledge transfer, train-the-trainer, etc.) and to the pairing and integrating of selected State technical
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- Description of the logistics including schedule, location, duration and dates, roles and responsibilities, and identification of persons/groups who will serve as trainers
  - Written methodology for resolving system problems, including troubleshooting techniques, problem identification and tracking, and problem resolution
  - Description of the logistics and the skills required for HIX technical staff. This will include schedule, location, duration and dates, roles and responsibilities, and identification of persons/groups who will serve as trainers.
  - System documentation and other resources required to familiarize HIX technical staff with the System, produce training materials, and provide the actual knowledge transfer
  - Description and format of the types of materials that will be developed for training
  - Identification of threshold points which must be achieved prior to the user having access to the System
- \*Note: The Vendor must provide knowledge transfer, not only on the HIX System, but also on any additional software products required to support the HIX System. The Vendor must also provide knowledge transfer, as necessary, on the various hardware and network components used during operations (i.e., scanners, Online User Aids, and policies), and the installation of the equipment. The Vendor will provide all resources necessary for knowledge transfer to include facilities and equipment.
- Vendor Responsibility**
- Create a comprehensive plan to ensure all staff are trained prior to implementation
-

- 5384 • Plan, schedule and conduct meetings with appropriate HIX staff to collaborate on  
5385 knowledge transfer curriculum audience, schedule, locations, duration, dates, and  
5386 knowledge transfer materials
- 5387 • Develop a knowledge transfer plan that describes the group(s) who will receive  
5388 knowledge transfer, objectives or expected results of the knowledge transfer, overview  
5389 of the knowledge transfer curriculum, and approach to the pairing and integrating of se-  
5390 lected State technical personnel with Vendor staff
- 5391 • Develop a hands-on knowledge transfer program and classroom training materials
- 5392 • Create prototypes of the types of knowledge transfer materials that will be developed for  
5393 knowledge transfer
- 5394 • Provide environment(s) and resources including facilities, projectors, hardware, and  
5395 software
- 5396 • Provide system documentation, onsite support, and other resources to familiarize trainer  
5397 with the System and post-implementation training staffing
- 5398 **Acceptance Criteria**
- 5399 • 11.2: Comprehensive Knowledge Management Plan
- 5400 • Documentation of the Comprehensive Knowledge Management Plan as described in this  
5401 RFP
- 5402 • Inclusion of a description of the group(s) who will receive knowledge transfer
- 5403 • Provision of an overview of the knowledge transfer curriculum, objectives and approach  
5404 to providing knowledge transfer across the State (on-line training, localized training,  
5405 train-the-trainer, etc.)
- 5406 • Description of the logistics including schedule, location, duration and dates, roles and  
5407 responsibilities and identify persons/groups who will serve as trainers
- 5408 • Inclusion of organizational charts to show mentoring and assignment of developers that  
5409 will be integrated in the Vendor's team
- 5410 • Documentation of the environment(s) and resources including facilities, hardware, soft-  
5411 ware, system documentation, onsite support, and other resources
- 5412 • Inclusion of the description and format of the types of knowledge transfer materials that  
5413 will be developed for knowledge transfer
- 5414 • Identification of threshold points which must be achieved prior to the user having access  
5415 to the System
- 5416 • Documentation of the collaborative process and the outcome of these meetings

5417 **Task 11.3: End User Environment(s)**

5418 In this task, the Vendor will document and establish the End User Environment(s) and related  
5419 knowledge transfer tools. At least one separate Training Environment must be provided to avoid  
5420 disruption of other production and implementation activities. The Training Environment(s) must  
5421 include a database that replicates (or sufficiently emulates) the Production Environment, includ-  
5422 ing copies of all software, databases, tables, and files loaded with sanitized training data.

5423 The Training Environment(s) must be available from the HIX network and appropriately config-  
5424 ured to adequately emulate real world Web system use. Documentation must include an inven-  
5425 tory of all software and data stores that will be duplicated in the Training Environment(s). Note:  
5426 The hardware and software required to support this task must be documented in the Compre-  
5427 hensive Knowledge Management Plan.

5428 **Vendor Responsibility**

- 5429 • Build the End User Environment(s)
- 5430 • Provide specifications required for HIX to add the environment(s) to the Network
- 5431 • Conduct walkthrough and training of the End User Environment(s)
- 5432 • Add sanitized data to the environment(s) that emulates production data
- 5433 • Reset training data as needed

5434 **Acceptance Criteria**

- 5435 • 11.3: End User Environment(s)
- 5436 • Documentation of the necessary hardware and software to support the efficient ongoing  
5437 operation and maintenance of the Environment(s)
- 5438 • Provision of Environment(s) that mirrors the production environment
- 5439 • Provision of enough equipment for each individual to work independently on the com-  
5440 puter (without sharing)
- 5441 • Documentation of trainers' ability to refresh training data and environment without IT in-  
5442 tervention

5443 **Task 11.4: Instructional Materials V1 and \*V2**

5444 The symbol \*V2 is used in this document to indicate a continuum of updates throughout the  
5445 System lifecycle. V1 is the initial version; \*V2 are subsequent continuously updated versions.  
5446 In this case, all instructional materials must be updated with lessons learned from instructional  
5447 sessions and any system enhancements and must be delivered to, and become the property of,  
5448 the HIX upon the completion of the implementation period (Phase 5).

5449 In this task, the Vendor delivers the materials for Technical Knowledge transfer. The knowledge  
5450 transfer materials must be designed for hands-on use in a classroom, lab situation, and com-  
5451 puter based training for future reference by users and technical staff when the HIX System is

5452 operational. The Vendor is responsible for creating an instructor’s manual and a student manual  
5453 to be used during all classroom sessions. The Vendor must provide an electronic version of all  
5454 end user instructional material, as well as hard copies of this material for review purposes and  
5455 for classroom sessions. The user manual must include additional practical exercises in the  
5456 back of the manual that the end user can complete upon return to their work location. Both  
5457 manuals must include curriculum by functionality, with sufficient examples and exercises to ac-  
5458 complish the stated objective of assuring that end users gain the skills necessary to perform  
5459 their job functions in the HIX System framework.

5460 The Vendor must also create any other necessary instructional aides such as presentation out-  
5461 lines and audiovisual materials. In addition to classroom instructional materials, the Vendor  
5462 must create web-based Computer Based Training (CBT) that provides the same level of detail  
5463 as classroom instruction; however, the CBT will guide the user through each function of the Sys-  
5464 tem and provide direct entry and practice. The most effective instructional materials for HIX  
5465 System and user training must be used, including the consideration of Web Based Tutorials  
5466 (WBTs), videos, and virtual classrooms. An introduction to these items must be provided during  
5467 the classroom instruction, with the intent that these materials supplement the instruction re-  
5468 ceived by students upon their return to their work location.

5469 As instructional material is developed, corresponding skill competency lists, job descriptions,  
5470 and performance evaluation criteria will also be developed with the aim of integrating the sys-  
5471 tem’s human requirements into the HIX Human Resources infrastructure. All instructional mate-  
5472 rial must be compatible with the HIX technical environment.

5473 The vendor must incorporate a means by which instructional materials are effectively tested to  
5474 ensure they fulfill their requirements and are suitable to their intended audience.

#### 5475 **Vendor Responsibility**

- 5476 • Create instructor’s manual and a student user manual to be used during all classroom  
5477 sessions
- 5478 • Develop CBT for testing
- 5479 • Demonstrate the CBT
- 5480 • Train staff on the use and maintenance of the CBT
- 5481 • Design instructional materials for hands-on use in a classroom, lab situation, or future  
5482 reference by technical staff when the System is operational
- 5483 • Update/revise instructional materials to remain current with system enhancements and  
5484 as a result of lessons learned

#### 5485 **Acceptance Criteria**

- 5486 • 11.4: Instructional Materials V1 and \*V2
- 5487 • Documentation and delivery of materials listed in the RFP requirements and the  
5488 Knowledge Management Strategy and Plan



- 5489 • Provision of sufficient number of copies of Instructor and Student Instructional Manuals
- 5490 • Materials that support end user and instructor needs written on a 7th grade level
- 5491 • Delivery of an electronic version of all end user instructional material, as well as hard
- 5492 copies of this material for review purposes and for classroom sessions
- 5493 • Delivery of necessary instructional aides such as presentation outlines and audiovisual
- 5494 materials and include WBTs, videos, and virtual classrooms
- 5495 • Delivery of CBT for testing
- 5496 • Demonstration of the CBT
- 5497 • Documentation of maintenance and change procedures for the CBT
- 5498 • Delivery of revised materials based on lessons learned and system enhancements (\*V2)

5499 **Task 11.5: Online User Aids**

5500 This task requires the Vendor to produce online policy and user aids, including web page and  
5501 field help, an Online User Interface Guide, and an industry standard Electronic Performance  
5502 Support System (EPSS), all functioning as an integral part of the HIX System . The Online User  
5503 Interface Guide and EPSS may be delivered in electronic format only, but also be printable by  
5504 the end user if desired.

5505 The Vendor must design and develop the Online User Interface Guide and EPSS to include:

- 5506 • Features most used in the HIX System
- 5507 • Features hardest to understand
- 5508 • Problems most significant to the end user
- 5509 • Features that cause the most calls to a help desk
- 5510 • Features that would potentially result in less instruction required, supplementing the in-
- 5511 struction already received
- 5512 • Simulations to help the user do a task

5513 The EPSS must address the usage of the System from a business process (workflow) perspec-  
5514 tive, describing how to accomplish business processes associated with the System. It must be  
5515 easy to use by enabling users to quickly locate the particular help they need with options such  
5516 as “How do I...?” and step-by-step procedures. The Online User Interface Guide must link to  
5517 HIX Policy Manuals to allow the user to identify the policy or regulation directing or yielding an  
5518 eligibility outcome.

5519 **Vendor Responsibility**

- 5520 • Incorporate online aids in system test scripts and end user instructional manuals
- 5521 • Demonstrate Online User Aids

5522 • Collaborate with HIX on content

5523 • Revise as needed

5524 **Acceptance Criteria**

5525 • 11.5: Online User Aids

5526 • Delivery of Online User Aids as described in this RFP

5527 • 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  
5528  
5529

5530 **Task 11.6: Knowledge Management Progress Report**

5531 In this task, the Vendor will provide a Knowledge Management Progress Report on a weekly  
5532 basis upon the commencement of knowledge transfer. The report must describe the method for  
5533 reporting, reviewing, and improving knowledge transfer and must include the following at a min-  
5534 imum:

5535 • Names of persons receiving knowledge transfer

5536 • Dates of instruction

5537 • Length of instruction

5538 • Vendor comments regarding the instructional session

5539 • List of persons who were scheduled for training who did not attend

5540 • Identify knowledge transfer issues and plans to address them

5541 • Technical staff-specific recommendations for additional knowledge transfer based on  
5542 roles and responsibilities

5543 • Detailed report that will outline the strengths and weaknesses of individual participants  
5544 with regards to the skills and expertise required for the design, development, mainte-  
5545 nance, and operations of the HIX System

5546 The outcomes of this task must also include a description of the evaluation techniques to gauge  
5547 the effectiveness of knowledge transfer, preferably using a standard four-level evaluation ap-  
5548 proach:

5549 • Level 1 – Trainee Satisfaction, collected at completion of knowledge transfer

5550 • Level 2 – Pre-Test and Post-Test skills evaluated at the point of knowledge transfer

5551 • Level 3 – Impact on Job Performance, evaluated randomly based on on-the-job-training  
5552 (OJT) evaluations when the trainee is back on the job

5553 • Level 4 – Organizational Knowledge transfer Impact, sampled randomly, and measured  
5554 throughout the life of the contract (if feasible)

5555 This evaluation process may yield updates and modifications to improve the knowledge transfer  
5556 approach, curriculum, and materials to ensure knowledge transfer goals are met.

5557 **Vendor Responsibility**

- 5558 • Develop a methodology for reporting, reviewing, and improving knowledge transfer
- 5559 • Provide knowledge transfer and track attendance
- 5560 • Evaluate knowledge transfer effectiveness using the four-level evaluation approach
- 5561 • Design a method to collect information from trainees and their supervisors to evaluate  
5562 the effectiveness of the technical knowledge transfer
- 5563 • Identify knowledge transfer issues and collaborate on possible modifications to resolve  
5564 issues
- 5565 • Survey State employees following completion of knowledge transfer and deliver results  
5566 to State but unseen by instructors

5567 **Acceptance Criteria**

- 5568 • 11.6: Knowledge Management Progress Report
- 5569 • Documentation of the Knowledge Management Progress Report as described in this  
5570 RFP
- 5571 • Provision of recommendations for improvement to the knowledge management ap-  
5572 proach, curriculum, and materials and any short term solutions to improve the following  
5573 week's instructional sessions

5574 **Task 11.7: Knowledge Management Final Report**

5575 The Vendor must provide the Knowledge Management Final Report after completion of class-  
5576 room training. The report must cover aspects of the knowledge transfer activity, including at a  
5577 minimum:

- 5578 • Final classroom training report
- 5579 • Demonstration that all knowledge transfer sessions were held, and that knowledge  
5580 transfer covered all areas required in the approved Comprehensive Knowledge Man-  
5581 agement Plan
- 5582 • Gap analysis of the difference between the pre-training state and desired state of worker  
5583 proficiency in using the System to perform their daily responsibilities
- 5584 • Evaluation of the readiness of trained staff to make the best use of the HIX System
- 5585 • Evaluation of impact on job performance and organizational training impact
- 5586 • Updated Instructional Materials (\*V2)

5587 **Vendor Responsibility**

- 5588 • Evaluation of impact on job performance and organizational training impact
- 5589 • After training sessions are complete, plan, schedule, and conduct meetings with appropriate HIX staff to collaborate on changes needed for updating Instructional Materials
- 5590 (\*V2)
- 5591

5592 **Acceptance Criteria**

- 5593 • 11.7: Knowledge Management Final Report
- 5594 • Provision of a final report Provision of documentation on all sessions that were held
- 5595 • Provision of documentation that all end users were trained
- 5596 • Provision of a gap analysis of the difference between the pre-training state and desired
- 5597 state of worker proficiency in using the System to perform their daily responsibilities
- 5598 • Provision of the final recommended changes that will be made for the Instructional Mate-
- 5599 rials (\*V2)

5600 **Task 11.8: Project Staff Preparation Plan**

5601 In this task, the Vendor will create the Project Staff Preparation Plan, which describes the Ven-

5602 dor's approach to preparing project staff for each task of the project. This plan must address, at

5603 a minimum, training prior to the start of each activity, such as how users will be trained and pre-

5604 pared for design sessions, requirements validation, testing, Federal review, and others as

5605 needed.

5606 **Vendor Responsibility**

- 5607 • Develop a plan to prepare project staff for each task of the project
- 5608 • Evaluate project team needs by conducting interviews, reviewing current State practices
- 5609 and by reviewing lessons learned on other similar projects

5610 **Acceptance Criteria**

- 5611 • 11.12: Project Staff Preparation Plan
- 5612 • Documentation of the Project Staffing Preparation Plan as described in this RFP
- 5613 • Inclusion of all knowledge transfer that will be required to start each activity including
- 5614 timeframes, attendee suggestions, and materials that will be used
- 5615 • Identification of the methodology used to create this plan

5616 **7.1.12 Activity 12: Implementation Management**

5617 The scope of the Implementation Management effort will be directed toward the initiation of the

5618 HIX System, with special concentration on the management of the operational and Information

5619 Technology components.

5620 **Description**

5621 The Implementation Management activity is directed at maximizing positive response to the HIX  
5622 System by effectively managing stakeholder expectations and helping to ensure smooth adop-  
5623 tion of the System.

5624 **Deliverables**

- 5625 • 12.1: Comprehensive Implementation Management and Communication Plan

5626 **Task 12.1: Comprehensive Implementation Management and Communication Plan**

5627 In this task, the Vendor will develop a Comprehensive Implementation Management and Com-  
5628 munication Plan that describes the Vendor’s approach to integrating HIX and Vendor Project  
5629 staffing teams, and a plan to manage the expectations of varying groups of stakeholders who  
5630 have different information needs. At a minimum, the plan must include:

- 5631 • Awareness of the branding and marketing strategies for the HIX System to prepare end  
5632 users for the open enrollment period beginning October 2, 2013
- 5633 • The objectives, goals, and tasks to be completed as well as the timeframe for completion
- 5634 • Needs, expectations, and roles and responsibilities of stakeholders
- 5635 • Schedule for “road show” staff

5636 **Vendor Responsibility**

- 5637 • Plan, schedule and conduct meetings with appropriate HIX staff to collaborate on strate-  
5638 gies for communication with all stakeholders, which includes internal project staff

5639 **Acceptance Criteria**

- 5640 • 12.1: Comprehensive Implementation Management and Communication Plan
- 5641 • Documentation of the Implementation Management and Communication Plan as de-  
5642 scribed in this RFP
- 5643 • Inclusion of organizational charts to integrate the HIX and Vendor team
- 5644 • Creation of a map of the locations for the “road show”

5645 **7.1.13 Activity 13: Master Data Management and Alabama Shared Services**

5646 **Objective**

5647 In this task, the Vendor will develop a Master Data Management Plan that includes the identifi-  
5648 cation of potentially shared services from the Federal Hub or other Alabama software systems  
5649 such as the MyAlabama.gov Portal, Alabama Health Information Exchange, and Medicaid. In  
5650 addition, potentially shared services offered by the Alabama HIX to other State entities must be  
5651 identified. At a minimum, the plan must include evaluation for the reuse of:

- 5652 • Portal services

- 5653 • Identity and Access Management services
- 5654 • Person matching services such as Enterprise Master Person Index systems
- 5655 • Provider directories
- 5656 • Employee directories
- 5657 • Organizational directories
- 5658 • Data dictionary services
- 5659 • Eligibility services
- 5660 • Residency services
- 5661 • Citizenship services
- 5662 • Employment services
- 5663 • Plan information services, e.g. Federal Hub
- 5664 • Financial services
- 5665 • Communication services
- 5666 • Auditing services
- 5667 • Security services
- 5668 **Vendor Responsibility**
- 5669 • Plan, schedule and conduct meetings with appropriate HIX staff and other State staff to  
5670 collaborate on strategies for maximum reuse of software services available from the  
5671 Federal or within the State of Alabama.
- 5672 • Assist the State and State-designated third parties in performing security reviews and  
5673 testing of the HIX System and HIX System operations according to State and Federal  
5674 best practices including vulnerability assessment and penetration testing, at State  
5675 scheduled times with minimum effect on production System availability.
- 5676 • Provide monthly patching and security compliance reports and monthly reports of user  
5677 concurrency, system performance, hardware allocations, and system operational status  
5678 to the State within 24 hours, Monday to Friday.
- 5679 • Assist the State and State-designated third parties in performing security reviews and  
5680 testing of the HIX System and HIX System operations according to State and Federal  
5681 best practices including vulnerability assessment and penetration testing, at State  
5682 scheduled times with minimum effect on production System availability.
- 5683 • Provide monthly patching and security compliance reports and monthly reports of user  
5684 concurrency, system performance, hardware allocations, and system operational status  
5685 to the State within 24 hours, Monday to Friday.
- 5686

- 5687 • Vendor will provide descriptions of infrastructure which support the HIX operations quar-  
5688 terly. This will include, but not be limited to:
  - 5689 ○ Operational components, such as server counts with server
  - 5690 ○ Specifications, network storage needs, load balancers, logging
  - 5691 ○ Systems, network bandwidth needs, resource pools, etc.
  - 5692 ○ Security components, such as network firewalls, web application
  - 5693 ○ Firewalls, XML gateways, intrusion detection/prevention systems, etc.
- 5694 • Apply COTS application security patching and other application patching to the produc-  
5695 tion environment systems within a month of release to the general public. The vendor  
5696 will ensure testing, compatibility and validation of the patches. Any patches that the  
5697 vendor advises against that would affect production adversely will be reviewed with the  
5698 State for determination of installation or delay.

5699 **Deliverables and Acceptance Criteria**

- 5700 • 13.1 Master Data Management Plan
- 5701 • 13.2 Enterprise Architecture Viewpoint documentation and diagrams
- 5702 • 13.3 Interoperability and Integration Interface Development Schedule
- 5703 • 13.4 Interoperability and Integration Testing and Implementation Plan
- 5704 • 13.5 Alabama Security Assessment Compliance Plan
- 5705 • 13.6 Final Set of Data Center Service Level Agreements (SLA)
- 5706 • Data integrity, data consistency, data standardization and data concurrency evaluations
- 5707 • Data security evaluations
- 5708 • Plans for security incidents, maintenance outages, unplanned outages, patches, up-  
5709 grades, and incident handling

5710 **7.1.14 Activity 14: Development**

5711 **Objective**

5712 To develop and document the HIX System to achieve the System requirements established in  
5713 detail design.

5714 The word “development” usually refers to the coding of a system or component that is not al-  
5715 ready in existence, e.g., starting from scratch. In the context here, it refers to all of the following:

- 5716 • Vendor coding a component that has not been in existence in any form whatsoever
- 5717 • Vendor migrating a component (e.g., from another state or from a similar functional  
5718 component to which the Vendor has access) and making whatever modifications might  
5719 be required to apply it to the HIX System



5720 • Vendor configuring an existing component that performs a near identical function to the  
5721 target component

5722 • Vendor integrating a COTS product with configuration or significant modification

5723 • Vendor integrating a COTS product without modification

5724 In other words, the word “development” is being used in a broad sense to refer to bringing the  
5725 System components into a state of functionality regardless of how this is done.

5726 **Description**

5727 The purpose of the development activity is to produce executable software components that  
5728 properly reflect the software design. As a result of successful implementation of the software  
5729 construction process:

5730 • Verification criteria are defined for all software components against their requirements

5731 • Software components defined by the design are produced

5732 • Consistency and traceability are established between software components and re-  
5733 quirements and design

5734 • Verification of the software components against the requirements and the design is ac-  
5735 complished

5736 • Documentation has been developed for the following:

5737 ○ Each software component and database

5738 ○ Test procedures and data for testing each software component and database

5739 • Each software component and database has been tested to ensure that requirements  
5740 have been satisfied. The test results must be documented. The Vendor must update the  
5741 user documentation as necessary.

5742 • Test requirements and schedule have been updated for software integration

5743 • Software coding test results have been evaluated based on the criteria listed below. The  
5744 results of the evaluations must be documented:

5745 ○ Traceability to the requirements and the design of the software component

5746 ○ External consistency with the requirements and design of the software compo-  
5747 nent

5748 ○ Internal consistency between software component requirements

5749 ○ Test coverage of software components

5750 ○ Appropriateness of coding methods and standards used

5751 • Feasibility of software integration and testing has been verified

5752 • Feasibility of operation and maintenance has been verified

5753 **Deliverables**

- 5754 • 14.1: Software Development Plan
- 5755 • 14.2: Weekly Construction Summary Report
- 5756 • 14.3: Development Library

5757 **Task 14.1: Software Development Plan**

5758 The Vendor will create the Software Development Plan, which must describe the Vendor's  
5759 methods and processes for a systematic, documented approach for all software development  
5760 activities and the environment in which this work will be accomplished.

5761 This task must address the following elements:

- 5762 • Software Development Methods – Description of the software development methods that  
5763 will be used in the project, including descriptions of manual and automated tools and  
5764 procedures that will be used in support of these methods
- 5765 • Standards for Software Products – Description of the standards to be followed for de-  
5766 sign, code, and testing
- 5767 • Coding Standards – Description of each programming language used and, at a mini-  
5768 mum, format for, header and other comments, naming conventions, use of program-  
5769 ming language constructs or features, and the approach and methodology to construc-  
5770 tion
- 5771 • Quality Assurance - Activities that ensure adherence to design and development re-  
5772 quirements

5773 **Vendor Responsibility**

- 5774 • Document the software development methods
- 5775 • Document the standards for software products
- 5776 • Document the coding standards in compliance with the following State of Alabama Med-  
5777 icaid guidelines and standards such as:
  - 5778 ○ Database Coding Guidelines
  - 5779 ○ Development and Maintenance of Database
  - 5780 ○ Handling Special Request
  - 5781 ○ Handling Database Objects
  - 5782 ○ Development and Maintenance of Web Application
  - 5783 ○ Framework Programming Language
  - 5784 ○ Document the quality assurance activities
  - 5785 ○ Identify the qualifications necessary for State development staff

5786 **Acceptance Criteria**

- 5787 • 14.1: Software Development Plan
- 5788 • Use of a proven software development methodology
- 5789 • Documentation of the Software Development Plan as described in this RFP
- 5790 • Documentation of how HIX staff will be integrated into the Vendor's team for software
- 5791 development

5792 **Task 14.2: Weekly Construction Summary Report**

5793 In the task, the Vendor will create the Weekly Construction Summary Report, which summarizes  
5794 the work carried out during Construction. The report will contain, at a minimum:

- 5795 • Introduction covering Construction objectives and outcomes
- 5796 • Major products developed, delivered, or updated by Construction
- 5797 • Identification of all issues that have arisen during these tasks and resolutions (identifica-  
5798 tion of issues/risks that may impact future tasks)
- 5799 • Confirmation of quality assurance/product assurance review (identification of review  
5800 standards for future tasks)
- 5801 • Confirmation of walkthrough and transfer of knowledge
- 5802 • Final report that confirms that the stage is complete

5803 **Vendor Responsibility**

- 5804 • Conduct the construction tasks
- 5805 • Provide additional support to State developers
- 5806 • Prepare a Weekly Construction Summary Report to HIX

5807 **Acceptance Criteria**

- 5808 • 14.2: Weekly Construction Summary Report
- 5809 • Documentation of the Weekly Construction Summary Report according to the require-  
5810 ments of this RFP
- 5811 • Accessibility of reports to project staff
- 5812 • Provision of comprehensive reports and identification of all tests performed (failures and  
5813 successes)
- 5814 • Documentation of solutions and assurances that all issues and risks that may impact fu-  
5815 ture tasks have been identified and resolved
- 5816 • Documentation of the major products and deliverables developed, delivered, or updated  
5817 in the Development Activity

5818 **Task 14.3: Development Library**

5819 The Vendor will create the Development Library, which consists of the program source code,  
5820 code documentation, executable software, and associated artifacts to build and operate the HIX  
5821 System. HIX has standardized on the Team Foundation Server as the repository for software  
5822 source code, and this must be used as the source code library. At a minimum, the outcomes of  
5823 this task must include detailed descriptions of the following:

- 5824 • Tools (CASE and configuration management) and business processes to control soft-  
5825 ware development, including check-in/check-out procedures and a responsibility audit  
5826 trail
- 5827 • Business processes and procedures for controlling migration of code from design  
5828 through coding and testing as well as promotion into production
- 5829 • Organization structure to control all system development and maintenance
- 5830 • Structure and maintenance of non-production environments (e.g., system integration  
5831 test, user acceptance testing, knowledge transfer, and other environments), including  
5832 the timing of the promotion of changes to the non-production environments
- 5833 • Software development management process including the migration of code from design  
5834 to production and including diagrams and other graphical devices to communicate the  
5835 processes
- 5836 • Assessment of existing HIX environments and recommendations of any changes neces-  
5837 sary to accomplish system installation, operations and maintenance

5838 **Vendor Responsibility**

- 5839 • Create the Development Library
- 5840 • Maintain a change control process to document discrepancies and their resolution, and  
5841 to manage changes to programs and libraries
- 5842 • Support the review of the Development Library

5843 **Acceptance Criteria**

- 5844 • 14.3: Development Library
- 5845 • Creation and management of a Development Library as described in this RFP
- 5846 • Documentation of the Development Library as described in this RFP
- 5847 • Documentation of the tools used to create and maintain the library
- 5848 • Documentation of the procedures, roles, and responsibility for the creation and mainte-  
5849 nance of the library
- 5850 • Audit trail for the Development Library

5851

5852 **7.1.15 Activity 15: System Integration**

5853 **Objective**

5854 To bring together the components into one system that meets all System requirements.

5855 **Description**

5856 The Vendor will perform the process of bringing together component subsystems, while ensuring that those subsystems function as a whole.

5858 The purpose of the system integration activity is to integrate the system components (including  
5859 software components, hardware components, manual operations, and other components, as  
5860 necessary) to produce a complete system that will satisfy the System design expressed in the  
5861 HIX System requirements. As a result of successful implementation of the system integration  
5862 process:

- 5863 • Strategies are developed to integrate the System according to the priorities of the system requirements
- 5864
- 5865 • Criteria are developed to verify compliance with the system requirements allocated to
- 5866 the system components, including the interfaces between system components
- 5867 • The system integration is verified using the defined criteria
- 5868 • Regression strategies are developed and applied to retesting the System when changes
- 5869 are made
- 5870 • Consistency and traceability are established between the system design and the integrated system components
- 5871
- 5872 • An integrated system is constructed that demonstrates compliance with the system design
- 5873
- 5874 • An integrated system is constructed that demonstrates a complete set of usable deliverable system components
- 5875
- 5876 • The configured software components are integrated, with configured hardware components, manual operations, and other components as necessary, into the HIX System. The component aggregates must be tested, as they are developed, against their requirements. The integration and test results must be documented.
- 5877
- 5878
- 5879

5880 For each qualification requirement of the System, a set of tests, test cases (inputs, outputs, test  
5881 criteria), and test procedures for conducting system qualification testing must be developed and  
5882 documented. The integrated system must be evaluated based on the criteria listed below. The  
5883 results of the evaluations must be documented.

- 5884 • Test coverage of system requirements
- 5885 • Appropriateness of test methods and standards used
- 5886 • Conformance to expected results

- 5887       • Feasibility of system qualification testing
- 5888       • Feasibility of operation and maintenance
- 5889       The software integration process combines software components, consistent with the software  
5890       design, that demonstrate that the System software requirements are satisfied on a complete  
5891       operational platform (which may be emulated as long as assurance is given that there will be no  
5892       recognizable differences in function or performance to actual live implementation). As a result  
5893       of successful implementation of the software integration process:
- 5894       • Integration strategies are consistent with the software design and prioritized software re-  
5895       quirements
- 5896       • Verification criteria for software components are developed that ensure compliance with  
5897       the software requirements allocated to the items
- 5898       • Software components are verified using the defined criteria
- 5899       • Software components as defined by the integration strategy are produced
- 5900       • The results of integration testing are recorded
- 5901       • Consistency and traceability are established between software design and software  
5902       components
- 5903       • A regression testing strategy is developed and applied for re-verifying software compo-  
5904       nents when a change (including fault correction, associative requirement modification,  
5905       re-design and re-coding) occurs
- 5906       The Vendor must develop an integration plan to integrate the software components and soft-  
5907       ware component aggregations into the HIX System. The plan must include test requirements,  
5908       procedures, data, responsibilities, and schedule. The plan must be documented.
- 5909       The Vendor must integrate all the software components and test as the component aggregates  
5910       are developed in accordance with the integration plan. It must be ensured that each component  
5911       aggregate satisfies the requirements of the HIX System and that the software component ag-  
5912       gregate is integrated at the conclusion of the integration activity. The integration and test results  
5913       must be documented.
- 5914       The Vendor must update the user documentation as necessary.
- 5915       The Vendor must develop and document for each qualification requirement of the software  
5916       component, a set of tests, test cases (inputs, outputs, test criteria), and test procedures for con-  
5917       ducting software qualification testing. The Vendor must ensure that the integrated software  
5918       component is ready for software qualification testing.
- 5919       The Vendor must evaluate the integration plan, design, code, test, test results, and end-user  
5920       documentation according to the criteria listed below. The results of the evaluations must be  
5921       documented.
- 5922       • Traceability to system requirements

- 5923 • External consistency with system requirements
- 5924 • Internal consistency
- 5925 • Test coverage of the requirements of the software component
- 5926 • Appropriateness of test and method used
- 5927 • Conformance to expected results
- 5928 • Feasibility of software qualification testing
- 5929 • Feasibility of operation and maintenance

5930 **Deliverables**

- 5931 • 15.1 System Integration Strategy
- 5932 • 15.2: System Integration Plan

5933 **Task 15.1: System Integration Strategy**

5934 The System Integration Strategy will describe the Vendor’s approach to integrating the graphical  
5935 user interface, the business layer, and the data layer correctly. The strategy must address all  
5936 integration tasks, regardless of whether an automated or manual method is recommended and  
5937 must include the following:

- 5938 • The general approach to be used to integrate the System in an iterative and progressive  
5939 manner
- 5940 • Description of how previous project activities and tasks support system integration
- 5941 • Description of the integration of hardware and software
- 5942 • Description of the various components to be integrated (e.g., code, COTS)
- 5943 • Description of the tools and processes to be used
- 5944 • Quality assurance activities to ensure adherence to design and development require-  
5945 ments
- 5946 • Description of monitoring and tracking of modules that fail testing and are sent back for  
5947 debugging and modification
- 5948 • Description of involvement of State resources in system integration

5949 **Vendor Responsibility**

- 5950 • Collaborate with HIX on the System Integration Strategy
- 5951 • Document the System Integration Strategy
- 5952 • Document controls for error handling



5953 **Acceptance Criteria**

- 5954 • 15.1 System Integration Strategy
- 5955 • Documentation of the System Integration Strategy as described in this RFP
- 5956 • Documentation of the risks and mitigation strategies for integration
- 5957 • Documentation of the approach to verification and validation

5958 **Task 15.2: System Integration Plan**

5959 In the System Integration Plan task, the Vendor will describe in detail the plans to execute the  
5960 strategy and any changes that need to be made to the strategy. At a minimum, the outcomes of  
5961 this task must include:

- 5962 • Method for determining the order of system integration
- 5963 • System integration tasks that identify in detail the tasks and subtasks that must be per-  
5964 formed to complete system integration
- 5965 • Tasks listed in order of required occurrence, and including work schedules, timeframes,  
5966 and all task dependencies
- 5967 • Resource requirements that identify the required personnel and equipment needed to  
5968 perform each identified task and subtask

5969 **Vendor Responsibility**

- 5970 • Collaborate with HIX on the System Integration Plan
- 5971 • Document the System Integration Plan

5972 **Acceptance Criteria**

- 5973 • 15.2 System Integration Plan
- 5974 • Documentation of the System Integration Plan as described in this RFP
- 5975 • Documentation of the risks and mitigation strategies for integration
- 5976 • Documentation of the approach to verification and validation

5977 **7.1.16 Activity 16: System Implementation**

5978 **Objectives**

- 5979 • To provide the environments to support efficient and effective design, development, test-  
5980 ing, knowledge transfer, operation, and maintenance of the HIX System.
- 5981 • To put into production a tested and operational HIX System with minimal disruption to  
5982 applicant/beneficiaries and State personnel.
- 5983 • To provide Help Desk Support during the implementation phase period.

- 5984       • To certify the System meets contract requirements and validate the statewide implemen-  
5985       tation process.

5986       **Description**

5987       The Vendor must specify all Hardware and Software necessary to design, develop, test, oper-  
5988       ate, and maintain the HIX System based on an analysis of what is already available to HIX. Any  
5989       technology solution must adhere to Alabama standards and the Vendor must ensure that all  
5990       software applications that support the operation of the HIX System also:

- 5991       • Support interfaces with other applicable systems  
5992       • Enable workflow, document imaging and management and e-forms

5993       The activity includes identification of all hardware, software, and licensing necessary for all en-  
5994       vironments for design, development, testing, knowledge transfer, implementation, operation,  
5995       and maintenance of the HIX System. Specification of each hardware, software and licensing  
5996       recommended must be provided to ensure proper evaluation. Timeframes must be provided for  
5997       each recommendation as to when it must be available in relation to the project plan.

5998

5999       The Vendor must implement all HIX System functionality. The HIX System must satisfy busi-  
6000       ness and technical requirements specified in this document. All functions must work correctly  
6001       and efficiently according to the approved Implementation Plan.

6002

6003       **Deliverables**

- 6004       • 16.1: Hardware and Software Plan  
6005       • 16.2: Statewide Implementation Plan  
6006       • 16.3: Network, Desktop and Production Requirements  
6007       • 16.4: Final Readiness Assessment

6008       **Task 16.1: Hardware and Software Plan**

6009       The Vendor must produce a Hardware and Software Plan to describe all hardware and software  
6010       necessary to support an efficient and effective design, development, testing, knowledge trans-  
6011       fer, and production environment for the HIX System. It will address the following:

6012       Production Hardware and Software:

- 6013       • An inventory of all hardware and software necessary for the HIX System to support the  
6014       production environment  
6015       • An inventory of all hardware and software necessary for efficient ongoing operation and  
6016       maintenance of the HIX System

- 6017       • Disaster recovery provisions to include hardware and software necessary to standup a  
6018       Disaster Recovery site that can assume all of the functions of the production environ-  
6019       ment

6020    Non-production Hardware and Software:

- 6021       • An inventory of all hardware and software necessary to support design, development,  
6022       testing, staging and knowledge transfer environments
- 6023       • An inventory of all hardware and software necessary for the efficient design, develop-  
6024       ment, testing, staging, knowledge transfer, and implementation of the HIX System
- 6025       • An inventory of any other hardware or software identified by the Vendor as being neces-  
6026       sary to support the HIX System

6027    **Vendor Responsibility**

- 6028       • Collaborate with State on the necessary hardware, software and disaster recovery provi-  
6029       sions
- 6030       • Collaborate with State to identify procurement, licensing and other requirements for the  
6031       specified software
- 6032       • Conduct ongoing reviews of the hardware and software performance and reliability to  
6033       determine if hardware requires additional capacity
- 6034       • Ensure that hardware and software requirements identified in the plan meet or exceed  
6035       the service level agreements located in Appendix I.
- 6036       • Ensure that all software applications that support the operation of the HIX System are  
6037       capable of supporting interfaces with other related systems
- 6038       • Ensure that all software applications that support the operation of the HIX System are  
6039       supported in all environments such as production, development, staging, and test envi-  
6040       ronments

6041    **Acceptance Criteria**

- 6042       • 16.1: Hardware and Software Plan
- 6043       • Description of the methodology used for identifying the capacity for the HIX System  
6044       hardware and software and the support of the entire project, including at a minimum the  
6045       file sizes, transaction volumes, computer loads, and response
- 6046       • Documentation of the inventory for hardware and software and their use
- 6047       • Inclusion of hardware and software specifications that meet all the requirements of this  
6048       RFP

6049 **Task 16.2: Statewide Implementation Plan**

6050 The Vendor will create the Implementation Plan, which describes the plan for implementation  
6051 and how the objectives of the plan will be achieved. At a minimum, the outcomes of this task  
6052 must include:

- 6053 • A description of the activities needed immediately prior to implementation such as identi-  
6054 fication of the number, type, skill level, and roles of the personnel needed, and a defini-  
6055 tion of the issue management process
- 6056 • A description that communicates the plan for implementation, including a description of  
6057 the pre-implementation dry run of all associated procedures and processes
- 6058 • A description of the implementation activities, including a description of each task and  
6059 inclusion of the schedule, including timelines and dependencies such as completion of  
6060 knowledge transfer
- 6061 • Checklist of all items that must be verified prior to onset of production operations
- 6062 • Checklists of work to be performed and/or outputs to be produced on the first day and at  
6063 the end of the first week, month, quarter, and year of operation
- 6064 • A roll back plan to include in detail what will be done if the implementation does not suc-  
6065 ceed. This plan must include risks (decision points and triggers), identification of individ-  
6066 ual decision makers and recovery actions to be taken.

6067 **Vendor Responsibility**

- 6068 • Develop implementation strategy
- 6069 • Collaborate on checklists of items to verify prior to the onset of operations, on the first  
6070 day of operations, and at the ends of the first week, month, quarter, and year of opera-  
6071 tions
- 6072 • Collaborate with HIX on decision points and triggers that may require roll-back
- 6073 • Create procedures and processes for implementation
- 6074 • Discuss with HIX the benefits and disadvantages of the “big bang” implementation strat-  
6075 egy, and update the implementation strategy accordingly

6076 **Acceptance Criteria**

- 6077 • 16.2: Statewide Implementation Plan
- 6078 • Documentation of the Statewide Implementation Plan as described in this RFP
- 6079 • Documentation of the activities that must occur immediately, prior to, during, and after  
6080 implementation
- 6081 • Documentation of a dry run of all associated procedures and processes
- 6082 • Use of a proven methodology for Statewide implementation

- 6083 • Identification of the lessons learned, risks, and mitigation plans for Implementation
- 6084 • Inclusion of a comprehensive roll-back plan and the decision points and triggers for
- 6085 when this action may need to be taken
- 6086 • Inclusion of comprehensive checklists and the methodology used to collaborate with HIX

6087 **Task 16.3: Network, Desktop and Production Requirements**

6088 The Vendor must create the Network, Desktop, and Production Requirements, which must de-  
6089 tail the needed enhancements to the State network and HIX desktops to support the HIX Sys-  
6090 tem. At a minimum, the outcomes of this task must include:

- 6091 • Network Requirements Specification which will present the network configuration and  
6092 identify the components needed to operate the HIX System
- 6093 • An inventory of the network, communication and data storage components necessary to  
6094 support the HIX System and its users
- 6095 • An inventory of all components that need to be purchased, and when they need to be  
6096 purchased
- 6097 • An outline of how the Vendor will ensure that all components of the architecture are  
6098 compatible and can handle the specified capacity requirements

6099 The Production Environment must be able to support all interfaces with external entities and  
6100 must integrate into the existing HIX technical architecture. The requirements document must  
6101 contain a platform architecture schematic that illustrates the technology components of the HIX  
6102 System and how State employees, providers and others accomplish access to the System.  
6103 Desktop specifications will define the minimum desktop configuration required for the HIX Sys-  
6104 tem and identify HIX desktops requiring upgrades or replacement.

6105 **Vendor Responsibility**

- 6106 • Evaluate the network and desktop production needs for a statewide system which must  
6107 address the needs of all stakeholders
- 6108 • Provide adequate time for the HIX to ensure infrastructure is in place
- 6109 • Review current network configuration and desktops to identify needs

6110 **Acceptance Criteria**

- 6111 • 16.3: Network, Desktop and Production Requirements
- 6112 • Documentation of the Network Requirements Specification
- 6113 • Inclusion of an inventory to operate the HIX System , identification of all items required  
6114 for purchase, and specification of timeframe for each purchase
- 6115 • Documentation of plans (including all schematics) for operational capacity management  
6116 that assures architectural compatibility and support of all interfaces within the HIX re-  
6117 quired architecture

- 6118 • Documentation of desktop configuration and identification of variances in inventory for  
6119 HIX equipment

#### 6120 **Task 16.4: Final Readiness Assessment**

6121 The Vendor will create the Final Readiness Assessment to assist in the determination of final  
6122 implementation readiness. At a minimum, the assessment must address the following:

- 6123 • Status of data import efforts
- 6124 • Disaster Recovery is documented and ready
- 6125 • User acceptance testing approval including documentation of completion of testing and  
6126 HIX acceptance of results
- 6127 • Knowledge transfer sign-off, documenting that technical, user and super-user knowledge  
6128 transfer has been completed and approved by HIX
- 6129 • An Assessment Summary that includes the analysis completed, risks, and mitigation as-  
6130 sociated with implementation and a recommendation for proceeding
- 6131 • Readiness that all locations, System users, and security profiles have been identified  
6132 and set up in the HIX System
- 6133 • System Reliability and Performance is operating and ready for deployment
- 6134 • Help Desk is ready and staffed for deployment
- 6135 • Power-users available and ready to assist at various sites for initial deployment

#### 6136 **Vendor Responsibility**

- 6137 • Certify that the HIX System , its domains, functions, data, processes, operational proce-  
6138 dures, staffing, telecommunications, and all other associated support are in operation
- 6139 • Ensure all contingency plans are in order
- 6140 • Co-facilitate presentation for committee approval to move to the Implementation phase  
6141 of the project

#### 6142 **Acceptance Criteria**

- 6143 • 16.4: Final Readiness Assessment
- 6144 • Documentation of the Final Readiness Assessment as described in this RFP
- 6145 • Documentation of all status of operational inception and performance as of assessment  
6146 preparation date
- 6147 • Delivery and acceptance of all other required deliverables
- 6148 • Resolution of all issues
- 6149 • Receipt of the HIX agreement to proceed to Transition to Operations

**6150 7.1.17 Activity 17: Testing****6151 Objective**

6152 To ensure that the operations and hardware/software/network aspects of the HIX System are  
6153 functioning as designed so that all System requirements and related System functions are com-  
6154 plete and accurate, and that all requirements have been satisfied.

**6155 Description**

6156 Testing will ensure the operations, hardware/software and telecommunications aspects of the  
6157 HIX System are functioning as designed. The activity begins with development of the Vendor's  
6158 strategy to manage the testing, followed by plans for each form of testing. Continuing deliveries  
6159 of test result reports ensures appropriate communication of the actual status of the testing.

6160 HIX defines software as the code artifacts necessary to make the application function, as well  
6161 as all of the documentation necessary to produce and deliver the System. In this view, docu-  
6162 ment objects (Plans, schedules, etc.) are controlled for the same purposes throughout the life  
6163 cycle as code objects are, even if in a different configuration management application.

6164 HIX regards testing in a holistic fashion throughout the entire life cycle involving both static test-  
6165 ing (reviews, simulation, analysis) and the dynamic testing (code execution and test qualifica-  
6166 tion). In each case, the Vendor and HIX have to choose and apply the appropriate level of test  
6167 rigor to the tests being run. This choice will be guided by the level of risk involved. So, for ex-  
6168 ample, while not every system feature will undergo every possible test, those features deter-  
6169 mined to have a high level of risk (for example, new interfaces) must have a higher level of test  
6170 rigor applied from the start of their life cycle (requirements) all the way through their User Ac-  
6171 ceptance Testing. Ideally these risk-based test activities would occur as soon in the life cycle as  
6172 possible.

6173 HIX expects the same level of professional training and experience in the Vendor's testers as it  
6174 finds in its developers and other staff. HIX expects that testing is not simply a demonstration  
6175 that the System works, but in addition, the effort necessary to discover the conditions in which it  
6176 does not.

6177 The purpose of the system qualification testing processes is to ensure that the implementation  
6178 of each system requirement is tested for compliance and that the System is ready for delivery.  
6179 As a result of successful implementation of the systems qualification testing process:

- 6180 • Criteria for evaluating compliance with system requirements are developed
- 6181 • The integrated system is tested using the defined criteria
- 6182 • Test results are recorded
- 6183 • Readiness of the System for delivery is assured

6184 System qualification testing must be conducted in accordance with the qualification require-  
6185 ments specified for the System. It must be ensured that the implementation of each system re-  
6186 quirement is tested for compliance and that the System is ready for delivery. The qualification  
6187 testing results must be documented.



6188 The System must be evaluated considering the criteria listed below. The results of the evalua-  
6189 tions must be documented.

- 6190 • Test coverage of system requirements
- 6191 • Conformance to expected results
- 6192 • Feasibility of operation and maintenance

6193 The Vendor must support audits. The results of the audits must be documented. Upon success-  
6194 ful completion of the audits, the Vendor must update and prepare the deliverable software prod-  
6195 uct or software installation and software acceptance support.

#### 6196 **Software Qualification Testing Process**

6197 The purpose of the software qualification testing process is to confirm that the integrated soft-  
6198 ware product meets its defined requirements. As a result of the successful implementation of  
6199 the software qualification testing process:

- 6200 • Criteria for the integrated software are developed that demonstrate compliance with the  
6201 software requirements
- 6202 • Integrated software is verified using the defined criteria
- 6203 • Test results are recorded
- 6204 • A regression testing strategy is developed and applied for retesting the integrated soft-  
6205 ware when a change to software components is made

6206 The Vendor must conduct qualification testing in accordance with the qualification requirements  
6207 for the software component. It must be ensured that the implementation of each software re-  
6208 quirement is tested for compliance. The qualification testing results must be documented.

6209 The Vendor must update the user documentation as necessary.

6210 The Vendor must evaluate the design, code, test, test results, and user documentation consid-  
6211 ering the criteria listed below. The results of the evaluations must be documented.

- 6212 • Test coverage of the requirements of software component
- 6213 • Conformance to expected results
- 6214 • Feasibility of system integration testing, if conducted
- 6215 • Feasibility of operation and maintenance

6216 The Vendor must support audits. The results of the audit must be documented. If both hardware  
6217 and software are under development or integration, the audits may be postponed until the sys-  
6218 tem qualification testing.

6219 Upon successful completion of the audits, the Vendor must update and prepare the deliverable  
6220 software product for system integration, system qualification, software installation, or software  
6221 acceptance support as applicable.

#### 6222 **Deliverables**

- 6223 • 17.1: Master Test Plan
- 6224 • 17.2: Unit and Integration Test Plan and Documentation
- 6225 • 17.3: System Test Plan
- 6226 • 17.4: Interface Test Plan
- 6227 • 17.5: Performance, Volume and Stress Test Plan
- 6228 • 17.6: Import Test Plan
- 6229 • 17.7: System Test Scripts
- 6230 • 17.8: Import Test Results Report
- 6231 • 17.9: Performance Monitoring Plan & Weekly Report
- 6232 • 17.10: Operational Readiness Report

6233 **Task 17.1: Master Test Plan**

6234 The Master Test Plan must address the Vendor’s test strategy and outline the plan for all levels  
6235 of testing. The Vendor must address, at a minimum, the following:

- 6236 • Approach to testing including testing philosophy, test data, test standards, verification  
6237 approach, approach to non-testable requirements, test tasks, test techniques and meth-  
6238 ods, etc.
- 6239 • Testing processes including test preparations, orientation and kickoff, test execution, test  
6240 monitoring, test status meetings and reporting, closure evaluation criteria, etc.
- 6241 • Approach to creating the test environments needed

6242 For each type of testing, the Vendor must use an appropriate mix and volume of transactions  
6243 and data to represent an appropriate mix of work for that type of testing.

6244 In addition, the Vendor must incorporate into the test strategies and plans any Alabama proce-  
6245 dures that provide guidance for information systems engineering related project management  
6246 activities and quality assurance practices and procedures.

6247 **Vendor Responsibility**

- 6248 • Develop a strategy for testing the System processes and creating test environments for  
6249 all levels of testing

6250 **Acceptance Criteria**

- 6251 • 17.1: Master Test Plan
- 6252 • Documentation of the Test Management Strategy as described in this RFP using proven  
6253 methodologies and best practices

- 6254 • Documentation of the knowledge transfer materials that will be used to provide orienta-  
6255 tion and kickoff for testing
- 6256 • Identification of the tools and reports that will be used to support all testing efforts

6257 **Task 17.2: Unit and Integration Test Plan and Documentation**

6258 The Vendor will develop the Unit and Integration Test Plan to ensure that the various objects  
6259 that make up the application are individually tested. This plan will document the Vendor's plan to  
6260 execute and document the results of unit and integration testing, which must include at a mini-  
6261 mum:

- 6262 • User Interface Unit Test: verifies the graphical user interface (GUI) is usable and works  
6263 as specified. Testing addresses navigational standards, font size, page margins, and  
6264 validation that all the data fields are present. It also includes testing navigational paths,  
6265 such as ensuring that using the tab key takes the user to the next appropriate field.
- 6266 • Business Layer Unit Test: ensures that both valid and invalid data are processed cor-  
6267 rectly. This occurs by testing the process as expected (valid data) or by performing "pre-  
6268 scribed error handling" (invalid data).
- 6269 • Data Layer Unit Test: ensures that both data queries and updates are being performed  
6270 correctly
- 6271 • Unit Integration Test: validates that the graphical user interface, the business layer, and  
6272 the data layer integrate correctly

6273 **Vendor Responsibility**

- 6274 • Coordinate with HIX on questions and problems relating to unit testing of the HIX Sys-  
6275 tem
- 6276 • Document detailed steps required to conduct the unit test, including expected results
- 6277 • Develop the criteria for promotion from unit to integration test
- 6278 • Provide tool for tracking the test to be conducted and the results of the test
- 6279 • Identify mechanisms to prove results

6280 **Acceptance Criteria**

- 6281 • 17.2: Unit and Integration Test Plan and Documentation
- 6282 • Unit and Integration Test Plan and Documentation meeting the requirements as defined  
6283 in this RFP
- 6284 • Description of the concept for testing and HIX approval throughout the lifecycle for unit  
6285 and integration testing
- 6286 • Documentation of a summary of the status of unit and integration testing, including num-  
6287 bers of problems identified by type of problem, numbers of problems corrected, any sig-

6288 nificant outstanding issues, the effect of any findings on the Implementation schedule,  
6289 and so forth

6290 • Documentation of corrective actions taken and retest documentation for all problems  
6291 identified in the initial unit and integration tests as well as all regression test efforts

6292 • Assurance that unit and integration testing have been performed and that software pro-  
6293 grams function correctly

### 6294 **Task 17.3: System Test Plan**

6295 In the System Test Plan task, the Vendor documents an agreed upon plan to test all the busi-  
6296 ness processes and business edits described in the detail system design sessions and in the  
6297 requirements. System test confirms that the System performs properly, both from a functional  
6298 and technical perspective. The plan must include a schedule for system test. This plan must al-  
6299 so include:

6300 • Format that will be used for system test scripts which includes the approach to ensure  
6301 end to end test scenarios will map bi-directionally to business processes and require-  
6302 ments

6303 • How testing of all batch processes and reports generation will be incorporated in the test  
6304 scripts

6305 • Identification of any automated tools that will be used for testing (HIX expects the Ven-  
6306 dor to have the capability to automate regression testing, and will evaluate this capability  
6307 in the proposal.)

6308 • Regression testing procedures to ensure previously tested scripts are retested to ensure  
6309 modifications to the System have not created new defects

6310 • Testing defect management and prioritization of defects including the role of the Vendor  
6311 and HIX teams and also including at a minimum:

6312 ○ Reporting

6313 ○ Defect Classification

6314 ○ Priority of the defect and how this is assigned

6315 ○ When a defect is a not currently part of the agreed to requirements – the escala-  
6316 tion process

6317 ○ Closing a defect once fixed and tested

### 6318 **Vendor Responsibility**

6319 • Identify functionality being tested, based on the Detail System Design Document (DSD)  
6320 and JAD requirement sessions

6321 • Conduct knowledge transfer sessions to the appropriate State personnel

6322 • Identify tools to be used and reports to be created

6323 **Acceptance Criteria**

- 6324 • 17.3: System Test Plan
- 6325 • Documentation of the System Test Plan, meeting the requirements as defined in this
- 6326 RFP
- 6327 • Finalization of the System Test Plan and securing of HIX approval prior to beginning the
- 6328 systems test task
- 6329 • Documentation of the plan to communicate the summary of the status of system testing,
- 6330 including numbers of problems identified by type of problem, numbers of problems cor-
- 6331 rected, any significant outstanding issues, and the effect of any findings on the Imple-
- 6332 mentation schedule
- 6333 • Documentation of the tool(s) to be used for system test
- 6334 • Documentation of the roles and responsibilities for system test, defect prioritization, es-
- 6335 calation of issues, and regression test
- 6336 • Documentation of the timelines for system test

6337 **Task 17.4: Interface Test Plan**

6338 This task results in the Vendor's development of the Interface Test Plan to facilitate the suc-  
6339 cessful testing of each interface in each task of testing, to ensure validation of the data ex-  
6340 changes and to validate that the requirements have been implemented as designed. The scope  
6341 of this task includes all middleware, and testing through the middleware and through the partner  
6342 systems components. In the Interface Test Plan, the Vendor must also include how interface  
6343 testing will be incorporated in the system test scripts.

6344 **Vendor Responsibility**

- 6345 • Coordinate with HIX on questions and problems relating to interface testing of the HIX
- 6346 System
- 6347 • Identify functionality being tested, based on the DSD and JAD requirement sessions
- 6348 • Identify HIX or outside resources required
- 6349 • Conduct transfer of transfer sessions for the appropriate State personnel
- 6350 • Identify tools to be used and reports to be created

6351 **Acceptance Criteria**

- 6352 • 17.4: Interface Test Plan
- 6353 • Documentation of the Interface Test Plan, meeting the requirements as defined in this
- 6354 RFP
- 6355 • Documentation of the timelines for interface testing

- 6356           • Finalization of the Interface Test Plan and securing of HIX approval prior to beginning  
6357           the interface test task

6358    **Task 17.5: Performance, Volume and Stress Test Plan**

6359    In the Performance, Volume and Stress Test Plan, the Vendor documents the plan to verify that  
6360    the application performs within the agreed to performance requirements when under production  
6361    loading. The Vendor must document the plan to ensure performance and volume, and stress  
6362    testing will be executed and documented. The plan must include at a minimum the following:

- 6363           • Identification of any automated tools that will be used in performance and stress testing
- 6364           • How performance testing will check for the availability and capability of system re-  
6365           sources including items such as Central Processing Unit (CPU), memory, network, etc.
- 6366           • How the Vendor will measure response times, transaction rates, and other time-sensitive  
6367           requirements
- 6368           • Volume testing to verify that the application performs correctly and is usable with produc-  
6369           tion volumes of data
- 6370           • Stress testing to verify the applications behavior under conditions that overload its re-  
6371           sources
- 6372           • The results of this test must be provided for validation and verification of the tests per-  
6373           formed

6374    **Vendor Responsibility**

- 6375           • Coordinate with HIX on questions and problems relating to performance and stress test-  
6376           ing of the HIX System
- 6377           • Prepare test specifications and environments in which the tests will be performed
- 6378           • Document description of the performance and stress being tested, based on the DSD  
6379           and JAD requirement sessions
- 6380           • Conduct knowledge transfer sessions to the appropriate HIX personnel
- 6381           • Collaborate with HIX on performance expectations

6382    **Acceptance Criteria**

- 6383           • 17.5: Performance, Volume and Stress Test Plan
- 6384           • Documentation of the Performance, Volume and Stress Test Plan according to the re-  
6385           quirements in this RFP
- 6386           • Provision of a test tracking system and the plan for each test type
- 6387           • Documentation of detailed steps required to conduct the performance and stress test,  
6388           including expected results
- 6389           • Description of the data that will be used for the various tests

- 6390 • Description of how each test will be performed and the types of tests to be performed
- 6391 • Description of the validation process of each test to ensure proof of the results and ac-
- 6392 tion taken
- 6393 • Description of the corrective action steps that will be taken to ensure performance meets
- 6394 HIX expectations
- 6395 • Test specifications that include, at a minimum, types of tests to be performed, how the
- 6396 tests will be performed, the roles and responsibilities of personnel performing the tests
- 6397 and validating the results, and tools used to perform the tests

6398 **Task 17.6: Import Test Plan**

6399 In this task, the Vendor must develop the Import Test Plan to facilitate the successful testing of  
6400 data import procedures. At a minimum, this testing will address the following:

- 6401 • Test scripts
- 6402 • Test environment
- 6403 • Test data
- 6404 • Schedule

6405 **Vendor Responsibility**

- 6406 • Coordinate with HIX on questions and problems relating to the import test plan
- 6407 • Create the detailed scripts required to conduct the import test, including expected results
- 6408 • Identify the approach to ensure data will not be lost during import process
- 6409 • Identify the test environment to be used and take steps to ensure the test will not inter-
- 6410 fere with other testing

6411 **Acceptance Criteria**

- 6412 • 17.6: Import Test Plan
- 6413 • Documentation of the Import Test Plan according to the requirements in this RFP
- 6414 • Documentation of detailed steps, dependencies, and how each test will be performed
- 6415 • Description of the validation process of each test to ensure proof of the results
- 6416 • Description of the corrective actions that will be taken to prevent data loss and data in-
- 6417 tegrity issues
- 6418 • Test specifications that include at a minimum types of tests to be performed, test scripts,
- 6419 how the tests will be performed, the roles and responsibilities of personnel performing
- 6420 the tests, validation of the results, and tools used to perform the tests



- 6421 • Documentation of the plan to provide a summary of the status of import testing, including  
6422 numbers of problems identified by type of problem, numbers of problems corrected, any  
6423 significant outstanding issues, and the effect of any findings on the schedule

6424 **Task 17.7: System Test Scripts**

6425 The Vendor's System Test Scripts are provided prior to commencement of system testing. The  
6426 Vendor's test scripts must include at a minimum:

- 6427 • A description or identifier for the requirement being tested  
6428 • Unique identifier and name for each script created  
6429 • A place to enter the tester's name for future reference  
6430 • Start and End Date field to provide documentation on when the script was initially exe-  
6431 cuted and when it was completed  
6432 • Dependency Data that must be loaded in the System prior to execution of the script  
6433 • Step number and detailed instructions on what the tester must perform  
6434 • Expected results documented in detail to provide the tester with the exact results they  
6435 must view when completing each test step  
6436 • Actual results to document the results of each step and document any associated defect  
6437 number (when a defect is identified)  
6438 • Place for the System version to be documented

6439 **Vendor Responsibility**

- 6440 • Coordinate with HIX on questions and problems relating to the test scripts  
6441 • Coordinate with HIX to identify "real practices" to ensure end to end testing reflects how  
6442 end users will interface with the System  
6443 • Create tests scripts based on comprehensive detail design documentation

6444 **Acceptance Criteria**

- 6445 • 17.7: System Test Scripts  
6446 • Documentation of the System Test Scripts according to the requirements in this RFP  
6447 and defined through the JAD sessions  
6448 • Steps to ensure any design changes are reflected in the system test scripts  
6449 • Finalization of the System Test Scripts and HIX approval prior to beginning the system  
6450 test task  
6451 • Receipt of approval of changes during testing to system test scripts in advance of exe-  
6452 cuting the test script  
6453 • Provision of sufficient detail in the scripts to allow HIX System users to perform testing

- 6454
- Inclusion of interface testing in test scripts

- 6455
- Provision of comprehensive scripts that test all features of the System from end to end

6456 **Task 17.8: Import Test Results Report**

6457 The Vendor must create the Import Test Results in this task. The report will include, at a mini-  
6458 mum:

- 6459
- A status report as demonstrated by test results, identification of any remaining deficiencies, limitations, or constraints that were detected by the testing performed and a description of its impact on import software performance, an assessment of how any differences between the test environment and the production environment affects test results, and recommended improvements in the design, operation, or testing of the import software
- 6460
- Detailed results of the import and interface testing including information such as a description of the test data set, results of the testing, completion status of each test case, identification of the test case with an explanation of the problem(s) that occurred (if applicable), and the test procedure step(s) in which the problems occurred, documentation of the number of times the procedure or step was repeated in attempting to correct the problem(s) and the outcome of each attempt
- 6461
- A test log containing a chronological record of the testing covered by the report including dates, times, and locations of tests performed, hardware and software configurations used for each test and the individuals who performed the activity
- 6462
- 6463
- 6464
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- 6472
- 6473

6474 **Vendor Responsibility**

- 6475
- Creation of a test log containing a chronological record of the testing covered by the report including dates, times, and locations of tests performed, hardware and software configurations used for each test and the individuals who performed the activity
- 6476
- Collaboration with HIX to determine if import plan requires modifications to ensure no data loss
- 6477
- 6478
- 6479

6480 **Acceptance Criteria**

- 6481
- 17.8 Import Test Results Report
- 6482
- Submission of a final data import report to HIX which includes everything documented in the import plan and what is listed in the RFP requirements
- 6483
- Documentation of tests performed
- 6484
- Inclusion of documentation of data import issues, data integrity problems, and mitigation recommendations
- 6485
- Inclusion of any problems with the testing environment and mitigation to correct problems
- 6486
- 6487
- 6488

- 6489       • Documentation of the detailed results of the import test such as description of the im-  
6490       ported files, results of the import, explanation of the problem(s) that occurred (if applica-  
6491       ble) with resolutions, and a log of data that was imported.

### 6492 **Task 17.9: Performance Monitoring Plan and Weekly Report**

6493 In this task, the Vendor creates the Performance Monitoring Plan, which encompasses planning  
6494 for, managing, and executing the monitoring, trouble-shooting, and fine-tuning of system per-  
6495 formance prior to full implementation of the HIX System. The Vendor must conduct performance  
6496 monitoring and testing throughout system test and user acceptance, period to ensure that the  
6497 HIX System performance requirements are met and that there is satisfactory user performance  
6498 and interactive response time.

6499 The plan's methodology for monitoring performance or achieving improved efficiency within the  
6500 HIX System must include at a minimum:

- 6501       • Identification of performance monitoring tools, their purpose, and use
- 6502       • Areas to be monitored for performance, at a minimum, this must include network load,  
6503       response time, query retrieval response, stress load response, database normalization  
6504       impact, and screen navigation response time.

6505 All performance monitoring results and summaries must be made available for review on a  
6506 weekly basis. At a minimum, the weekly report must include:

- 6507       • Performance summaries
- 6508       • Identification of problem performance areas
- 6509       • Activities underway to correct performance issues
- 6510       • Performance issues resolved from the previous reporting period (final report)

### 6511 **Vendor Responsibility**

- 6512       • Prepare and submit the Performance Monitoring Plan and Weekly Reports to HIX
- 6513       • Make recommendations for changes to hardware or software requirements to improve  
6514       performance
- 6515       • Perform tests
- 6516       • Make the necessary changes to ensure performance standards are met

### 6517 **Acceptance Criteria**

- 6518       • 17.9: Performance Monitoring Plan and Weekly Reports
- 6519       • Documentation of a Performance Monitoring Plan and Weekly Reports to HIX according  
6520       to the requirements in this RFP
- 6521       • Documentation of performance monitoring tools and areas to be monitored for perfor-  
6522       mance

6523 • Documentation of performance monitoring weekly results and summaries including per-  
6524 formance summaries, identification of problem performance areas, and activities under-  
6525 way to correct performance areas

6526 • Documentation of performance issues resolved in the last reporting period

6527 • Documentation of weekly tests performed

6528 • Documentation of tests to be performed the following week

### 6529 **Task 17.10: Operational Readiness Report**

6530 The Vendor will produce the Operational Readiness Report, which certifies that the HIX System,  
6531 its domains, functions, data, processes, operational procedures, staffing, telecommunications,  
6532 and all other associated support are in place and ready for operation. This readiness report will  
6533 identify if the System is ready for UAT.

### 6534 **Vendor Responsibility**

6535 • Demonstrate readiness for UAT

6536 • Validate that all system test is complete

6537 • Facilitate presentation for committee approval to move to the UAT task of the project

### 6538 **Acceptance Criteria**

6539 • 17.10: Operational Readiness Report

6540 • Documentation that the HIX System , its domains, functions, data, processes, operation-  
6541 al procedures, staffing, telecommunications, hardware, network, and all other associated  
6542 support are in place and ready for operation

6543 • Validation that user test environment is operational

6544 • Validation that user testing stations are operational

6545 • Resolution of all issues identified as design issues

6546 • Resolution of all defects that prevent completion of test scripts

6547 • Inclusion of steps that allow for review and approval of UAT readiness by HIX (i.e., deci-  
6548 sion point)

### 6549 **7.1.18 Activity 18: Quality Assurance**

#### 6550 **Objective**

6551 To provide assurance that work products and processes comply with predefined provisions and  
6552 plans.

#### 6553 **Description**

6554 As a result of the successful implementation of the software quality assurance process:

- 6555 • A strategy for conducting quality assurance is developed
- 6556 • Evidence of software quality assurance is produced and maintained
- 6557 • Problems and/or non-conformance with requirements are identified and recorded
- 6558 • Adherence of products, processes and activities to the applicable standards, procedures  
6559 and requirements are verified
- 6560 Software quality assurance process implementation consists of the following tasks:
  - 6561 • A quality assurance process suitable to the project must be established
  - 6562 • The objectives of the quality assurance process ensure that the software products and  
6563 processes employed for providing those software products comply with their established  
6564 requirements and adhere to their established plans
  - 6565 • The quality assurance process must be coordinated with the related software verifica-  
6566 tion, software validation, software review, and software audit processes to ensure the  
6567 standards for each are implemented. Scheduled and ongoing assurance activities and  
6568 tasks must be executed. When problems or non-conformance with contract require-  
6569 ments are detected, they must be documented and serve as input to the problem resolu-  
6570 tion process. Records of these activities and tasks, their execution, problems, and prob-  
6571 lem resolutions must be prepared and maintained. Records of quality assurance activi-  
6572 ties and tasks must be made available to HIX as specified in the contract.
  - 6573 • The Vendor must ensure that HIX project management staff responsible for assuring  
6574 compliance with contract requirements have the freedom, resources, and authority to  
6575 permit objective evaluations and to initiate, effect, resolve, and verify problem resolu-  
6576 tions.
- 6577 Product assurance will be obtained through the following tasks:
  - 6578 • All plans required by the contract are documented, comply with the contract, are mutual-  
6579 ly consistent, and are being executed as required
  - 6580 • Software products and related documentation comply with the contract and adhere to  
6581 the plans
  - 6582 • Deliveries of software products have fully satisfy their contractual requirements and are  
6583 acceptable to HIX
- 6584 Process Assurance consists of the following tasks.
  - 6585 • Lifecycle processes (supply, development, operations, maintenance, and support pro-  
6586 cesses, including quality assurance) employed for the project comply with the contract  
6587 and adhere to the plans
  - 6588 • Internal software engineering practices, development environment, test environment,  
6589 and libraries comply with the contract

- 6590 • Applicable prime-contract requirements are passed down to the subcontractor, if used  
6591 and that and that the subcontractor software products satisfy prime-contract require-  
6592 ments
- 6593 • HIX and other parties are provided the required support and cooperation in accordance  
6594 with the contract, negotiations, and plans
- 6595 • Software product and process measurements are in accordance with established stand-  
6596 ards and procedures
- 6597 • Staff assigned has the skill and knowledge needed to meet the requirements of the pro-  
6598 ject and receive any necessary knowledge transfer

6599 The Vendor must provide a plan to monitor Quality Assurance throughout the life of the project.  
6600 The Vendor will ensure that this plan will assess the Vendor's internal organization standards  
6601 and methodologies. It is the desire of HIX that strong internal controls will assure that products,  
6602 services, and implementations of lifecycle processes meet enterprise quality goals and achieve  
6603 HIX satisfaction.

6604 Quality Assurance will further ensure the operations and hardware/software and telecommuni-  
6605 cations aspects of the HIX System are functioning as designed. The activity begins with devel-  
6606 opment of the Vendor's strategy to manage quality assurance, followed by a plan for conducting  
6607 Quality Assurance throughout the System lifecycle. Quality Assurance results reports ensure  
6608 appropriate communication of the actual status of level of the Vendor's quality and must be  
6609 based on verification and validation tasks, interviews, audits, predictive analysis, project re-  
6610 views, staff reviews, etc.

#### 6611 **Deliverables**

- 6612 • 18.1: Quality Assurance Plan
- 6613 • 18.2 Quality Assurance Reviews

#### 6614 **Task 18.1 Quality Assurance Plan**

6615 The Vendor will create the Quality Assurance Plan for the purposes of describing its approach  
6616 to maintain high-quality standards, achieve HIX satisfaction, and ensure internal quality controls  
6617 of product and processes throughout the life of the project. It will include topics such as:

- 6618 • Quality standards, methodologies, procedures, and tools to be monitored
- 6619 • Issue documentation, reporting and resolution
- 6620 • Measurement of HIX satisfaction
- 6621 • Documentation and publication with HIX of internal review or audit findings
- 6622 • Staff assigned to implementing the Quality Assurance Plan and the extent of the staff's  
6623 autonomy

6624 A plan for conducting quality assurance process activities and tasks must be developed, docu-  
6625 mented, implemented, and maintained for the life of the System. The plan must include the fol-  
6626 lowing:

- 6627 • Quality standards, methodologies, procedures, and tools for performing the quality as-  
6628 surance activities
- 6629 • Procedures for contract review and coordination thereof
- 6630 • Procedures for identification, collection, filing, maintenance, and disposition of quality  
6631 records
- 6632 • Resources, schedule, and responsibilities for conducting quality assurance activities
- 6633 • Selected activities and tasks from supporting processes, such as software verification,  
6634 software validation, software review, software audit, and software problem resolution

#### 6635 **Vendor Responsibility**

- 6636 • Develop an approach and collaborate with HIX to create the Quality Assurance Plan
- 6637 • Communicate to Vendor staff Quality Assurance standards and the organization's ap-  
6638 proach to monitoring

#### 6639 **Acceptance Criteria**

- 6640 • 18.1: Quality Assurance Plan
- 6641 • Documentation of the Quality Assurance Plan as described in this RFP
- 6642 • Inclusion of methodology for developing the plan
- 6643 • Use of industry standards (e.g., ISO/IEC, IEEE)
- 6644 • Inclusion of enough detail to implement the Quality Assurance Plan

#### 6645 **Task 18.2: Quality Assurance Reviews**

6646 During this task the Vendor conducts, documents and communicates Quality Assurance Re-  
6647 views as outlined in the plan. All areas that are identified in the Quality Assurance Plan must be  
6648 addressed at each review and an explanation as to why an area is 'not applicable' at the time of  
6649 review must be provided. Quality Assurance Reviews must at a minimum:

- 6650 • Be ongoing, but formally reported monthly, at each milestone, and at the special request  
6651 of HIX
- 6652 • Include lessons learned at each milestone review
- 6653 • Specify activities monitored, reviewed, audited, etc.
- 6654 • Contain corrective actions to be taken when applicable
- 6655 • Contain assessment of HIX satisfaction
- 6656 • Reflect the implementation of the Quality Assurance Plan



6657 **Vendor Responsibility**

- 6658 • Conduct Quality Assurance reviews
- 6659 • Prepare reports on Quality Assurance Reviews

6660 **Acceptance Criteria**

- 6661 • 18.2: Quality Assurance Reviews
- 6662 • Transparency to the review process
- 6663 • Adherence of products, processes and activities to the applicable standards, procedures  
6664 and requirements
- 6665 • Supports the Quality Assurance Plan
- 6666 • Predictive rather than reactive to project quality issues
- 6667 • HIX satisfaction level is higher than average

6668 **7.1.19 Activity 19: Software Verification**

6669 **Objective**

6670 The objective of Software Validation is to confirm that each software work product and/or ser-  
6671 vice of the process or project properly reflects the specified requirements, i.e., that the software  
6672 was built according to the specified requirements. Verification activities can occur in the Quality  
6673 Assurance or testing project processes. They are included here to elaborate the nature and im-  
6674 portance of verification activities.

6675 Validation ensures that 'you built the right thing'. Verification ensures that 'you built it right'. Vali-  
6676 dation confirms that the product, as provided, will fulfill its intended use.

6677 **Description**

6678 As a result of successful implementation of the software verification process:

- 6679 • Software verification strategies developed and implemented
- 6680 • Criteria for verification of all required software work products is identified
- 6681 • Required verification activities are performed
- 6682 • Defects are identified and recorded
- 6683 • Results of the verification activities are made available to HIX and other involved parties

6684 A determination must be made if the project warns of verification effort and the degree of organ-  
6685 izational independence of that effort needed. The project requirements must be analyzed for  
6686 criticality. Criticality may be gauged in terms of:

- 6687 • The potential of an undetected error in the system or software requirement for causing  
6688 death or personal injury, mission failure, or financial or catastrophic equipment loss or  
6689 damage

6690       • Maturity of a risk associated with the software technology being used

6691       • Availability of funds and resources

6692       Based on the scope, magnitude, complexity, and criticality analysis above, target lifecycle activities and products requiring verification must be determined. Verification activities and tasks, including associated methods, techniques and tools for performing the tasks, must be selected for the target lifecycle activities and software products.

6696       Based on the verification tasks determined, a verification plan must be developed and documented. The plan for verification activities may be incorporated into the Quality Assurance or testing plans, or may stand alone. The plan must address the lifecycle activities and software product subject to verification, the required verification tasks for each lifecycle activity in software product, and related resources, responsibilities, and schedule. The plan must address procedures for forwarding verification reports to HIX and other involved organizations.

6702       The plan for verification activities must be implemented. Problems and non-conformance is detected by the verification effort must be entered into the software problem resolution process. All problems and non-conformances must be resolved. Results of the verification activity must be made available to HIX and other involved organizations.

6706       Verification activities consist of the following tasks:

6707       Requirement verification must be verified considering the criteria listed below:

6708       • The system requirements are consistent, feasible, and testable

6709       • The system requirements of inappropriately allocated to hardware items, software components, and manual operations according to the design criteria

6711       • The software requirements are consistent, feasible, testable, and accurately reflect system requirements

6713       • The software requirements related to safety, security, and criticality are correct as shown by suitably rigorous methods

6715       The Design verification must be verified considering the criteria listed below:

6716       • The design is correct and consistent with and traceable to requirements. The design implements proper sequence of events, inputs, outputs, interfaces, logic flow, allocation of timing and sizing of budgets, and error definition, isolation, and recovery.

6719       • Selected design can be derived from requirements

6720       • The design implements safety, security, and other critical requirements correctly as shown by suitably rigorous methods

6722       The Code verification must be verified considering the criteria listed below:

6723       • The code is traceable to design and requirements, testable, correct, and compliant with requirements and coding standards

6725 • The code implements proper event sequence, consistent interfaces, correct data and  
6726 control flow, completeness, appropriate allocation of timing and sizing budgets, and error  
6727 definition, isolation, and recovery

6728 • Selected code can be derived from design or requirements

6729 • The code implements safety, security, and other critical elements correctly as shown by  
6730 suitably rigorous methods

6731 The Integration verification must be verified considering the criteria listed below:

6732 • The software components have been completely and correctly integrated into the HIX  
6733 System

6734 • The hardware items, software components, and manual operations of the System have  
6735 been completely and correctly integrated into the System

6736 • The integration tasks have been performed in accordance with and integration plan

6737 • The Documentation must be verified considering the criteria listed below:

6738 • The documentation is adequate, complete, and consistent

6739 • Documentation preparation is timely

6740 • Configuration management of documents follows specified procedures

#### 6741 **Deliverables**

6742 No deliverable is required but the verification activity must be mapped and incorporated into  
6743 Quality Assurance, Testing, or other project deliverables.

### 6744 **7.1.20 Activity 20: Software Validation**

#### 6745 **Objective**

6746 To confirm that the intended use of a given software work product is fulfilled, i.e., that the soft-  
6747 ware will fulfill its intended use. It goes beyond just assuring that the software meets the re-  
6748 quirements; it assures that the requirements themselves were defined and interpreted properly.  
6749 Validation activities can occur in the Quality Assurance project processes. They are included  
6750 here to elaborate the nature and importance of validation activities.

#### 6751 **Description**

6752 As a result of successful implementation of the software validation process:

6753 • Validation strategies are developed and implemented

6754 • Criteria for validation of all work products are identified

6755 • Required validation activities are performed

6756 • Problems are identified and recorded

- 6757 • Evidence is provided that the software products as developed are suitable for their in-  
6758 tended use
- 6759 • Results of validation activities are available to HIX and other involved parties
- 6760 The software validation process consists of the following tasks:
- 6761 • Determination if a task or group of tasks warrants a validation effort, and the degree of  
6762 organizational independence which that effort will require
- 6763 • If a task or groups of tasks warrants a validation effort, a validation process must be es-  
6764 tablished to validate the System or software product. Validation tasks defined below, in-  
6765 cluding associated methods, techniques, and tools for performing tasks, must be select-  
6766 ed. If the project warrants an independent effort, a qualified organization responsible for  
6767 conducting the effort must be selected. HIX must be assured of the independence and  
6768 qualifications of the organization to perform the validation tasks. A validation plan must  
6769 be developed and documented. Validation activities may be incorporate into the Quality  
6770 Assurance plan or may stand alone. The plan must include, but is not limited to, the fol-  
6771 lowing:
- 6772 ○ Items subject to validation
- 6773 ○ Validation tasks to be performed
- 6774 ○ Resources, responsibilities, and schedule for validation
- 6775 ○ Procedures for forwarding validation reports to HIX and other parties
- 6776 • Validation activities must be implemented. Problems and non-conformances detected by  
6777 the validation effort must be entered into the problem resolution process. All problems  
6778 and non-conformance must be resolved. Results of the validation activity must be made  
6779 available to HIX and other involved organizations.
- 6780 • The validation activity (which could be testing, analysis, modeling, simulation, or other  
6781 means) consists of the following tasks:
- 6782 ○ Prepare selected test requirements test cases and test specifications for analyz-  
6783 ing test results
- 6784 ○ Ensure that these test requirements, test cases, and test specifications reflect the  
6785 particular requirements for the specific intended use
- 6786 ○ Conduct selected tests, including:
- 6787 ○ Testing with stress, boundary, and singular input
- 6788 ○ Testing the software products for its ability to isolate and minimize the effect of  
6789 errors, that is, graceful degradation. Upon failure, request for operator assistance  
6790 upon stress, boundary, and singular condition.
- 6791 ○ Testing those representative users can successfully achieve their intended tasks  
6792 using the software product

- 6793                   ○ Validate that the software product satisfies its intended use, and test the software  
6794                   product as appropriate in selected areas of the target environment

6795   **Deliverables**

6796   No deliverable is required, but the validation activity may be mapped and incorporated into  
6797   Quality Assurance deliverables.

6798   **7.1.21 Activity 21: Software Reviews**

6799   **Objectives**

6800   To maintain a common understanding with the stakeholders of the progress against objectives  
6801   of the agreement and what must be done to help ensure the development of a product that sat-  
6802   isfies the stakeholders. Software reviews are at both project management and technical levels  
6803   and are held throughout the life of the project.

6804   **Description**

6805   As a result of the successful implementation of the software review process:

- 6806           • Management and technical reviews are held based on the needs of the project
- 6807           • The status and products of activity of the process are evaluated to review activities and  
6808           progress
- 6809           • Review results are made known to all affected parties in a timely fashion
- 6810           • Action items resulting from reviews are tracked to closure
- 6811           • Risks and problems are identified and recorded

6812   Software review process implementation consists of the following tasks:

- 6813           • Periodic reviews are held at predetermined milestones as specified in the project plan.  
6814           Stakeholders determine the need for any ad hoc reviews in which parties may partici-  
6815           pate.
- 6816           • All resources required to conduct the reviews are provided. These resources include  
6817           personnel, location, facilities, hardware, software, and tools.
- 6818           • The parties that participate in a review must agree on the following items of each review:  
6819           meeting agenda, software products (result of an activity) and problems to be reviewed,  
6820           scope and procedures, and entry and exit criteria for the review
- 6821           • Problems detected during the reviews must be recorded and entered into the problem  
6822           resolution process
- 6823           • The review results must be documented and distributed. This communication includes  
6824           adequacy of review (for example, approval, disapproval, or contingent approval) of the  
6825           review results.

- 6826 • Participating parties must agree on the outcome of the review, and any action item(s),  
6827 including responsibilities and closure criteria
- 6828 • Project management reviews must evaluate project status relative to the applicable pro-  
6829 ject plans, schedules, standards, and guidelines. The outcome of the review must be consid-  
6830 ered by appropriate management and must provide the following:
- 6831 • Activity progress compared to plan, based on an evaluation of the activity or software  
6832 project status
- 6833 • Continued global control of the project to adequately allocate resources
- 6834 • Project direction changes or determination of the need for alternate planning
- 6835 • Evaluation and management of the risk issues that may jeopardize the success of the  
6836 project
- 6837 Technical reviews consist of the following tasks and are held to evaluate software products or  
6838 services under consideration and provide evidence that:
- 6839 • They are complete
- 6840 • They comply with their standards and specifications
- 6841 • Changes to them are properly implemented, and affect only those areas identified by the  
6842 configuration management processes
- 6843 • They adhere to applicable schedules
- 6844 • They are ready for the next planned activity
- 6845 • The development, operation, or maintenance is being conducted according to the plans,  
6846 schedules, standards, and guidelines of the project
- 6847 **Deliverables**
- 6848 The Software Review Plan must either be incorporated into the Quality Assurance Plan, or be a  
6849 standalone plan.
- 6850 **7.1.22 Activity 22: Software Problem Resolution Process**
- 6851 **Objective**
- 6852 To ensure that all discovered problems are identified, analyzed, and managed, and that there is  
6853 a controlled resolution.
- 6854 **Description**
- 6855 As a result of the successful implementation of the software problem resolution process:
- 6856 • A problem management strategy is developed
- 6857 • Problems are recorded, identified and classified
- 6858 • Problems are analyzed and assessed to identify acceptable solutions

- 6859 • Problem resolution is implemented
- 6860 • Problems are tracked to closure
- 6861 • The status of all problems reported is known

6862 **Deliverables**

- 6863 • 22.1: Software Resolution Plan

6864 **Task 22.1: Software Resolution Plan**

6865 A Software Resolution Plan must be established for handling all problems (including non-  
6866 conformance). The process must comply with the following:

- 6867 • The process must be closed-loop, ensuring that all detected problems are reported and  
6868 entered into the problem resolution process
- 6869 • Action is initiated on detected problems
- 6870 • Relevant parties are advised of the existence of the problem(s) as appropriate
- 6871 • Causes are identified, analyzed, and, where possible, eliminated
- 6872 • Resolution and disposition are achieved
- 6873 • Status is tracked and reported
- 6874 • Records of the problems are maintained

6875 The process must include a methodology for characterizing and prioritizing the problems. Each  
6876 problem must be classified by the category and priority to facilitate trend analysis and problem  
6877 resolution. Analysis must be performed to detect trends in the problems reported. Problem res-  
6878 olutions and dispositions must be evaluated to ensure the problems have been resolved, ad-  
6879 verse trends have been reversed, changes have been correctly implemented in the appropriate  
6880 software products and activities, and to determine whether additional problems have been intro-  
6881 duced.

6882 When problems (including non-conformances) have been detected in a software product or ac-  
6883 tivity, a problem report must be prepared to describe each problem detected. The report must  
6884 include the following:

- 6885 • How the problem was detected
- 6886 • Analysis of the problem
- 6887 • Resolution of the problem and its cause
- 6888 • Trend detection across problems.

6889 **Vendor Responsibility**

- 6890 • Prepare the Software Resolution Plan
- 6891 • Implement the Software Resolution Plan



- 6892 • Participate in the resolution process when applicable

6893 **Acceptance Criteria**

- 6894 • 22.1 Software Resolution Plan
- 6895 • Documentation of process to detect, document, and track software
- 6896 • Criteria for resolution to include identification of individuals responsible

6897 **7.1.23 Activity 23: User Acceptance Testing**

6898 **Objectives**

6899 The objective of User Acceptance Testing is to implement a vigorous UAT process in order to  
6900 put into production a tested and operational system. HIX regards UAT to be an incremental pro-  
6901 cess that may occur throughout the lifecycle, culminating with system-level acceptance.

6902 **Description**

6903 The Vendor is responsible for participating in and supporting HIX users in acceptance testing of  
6904 the entire HIX System. UAT enables HIX to ensure that the System meets the functional, tech-  
6905 nical, and operational requirements. This activity includes preparation of the test environment,  
6906 specification of dates and times for end users to conduct testing, knowledge transfer for any  
6907 tools that will be used to assist end users during testing or for the production or viewing of re-  
6908 sults, and reporting of test results. Testing will ensure the operations, hardware/software and  
6909 telecommunications aspects of the HIX System are functioning as designed, will certify the Sys-  
6910 tem meets contract requirements, and will validate the statewide implementation process.

6911 **Deliverables**

- 6912 • 23.1: UAT Test Environment and Tools
- 6913 • 23.2: Weekly UAT Status Reports
- 6914 • 23.3: Operational Readiness Report

6915 **Task 23.1: UAT Test Environment and Tools**

6916 In the UAT Test Environment and Tools task, the Vendor will create a test environment specifi-  
6917 cally for the purpose of user acceptance testing, an environment which must be a copy of the  
6918 production environment. The Vendor will be responsible for the creation and maintenance of the  
6919 UAT environment.

6920 **Vendor Responsibility**

- 6921 • Create test environment and make corrections as needed
- 6922 • Ensure that all modifications to the HIX System software or files are thoroughly docu-  
6923 mented and System tested prior to transferring new versions to UAT
- 6924 • Ensure that data is imported to the UAT test environment and data parameters are ap-  
6925 proved by HIX

- 6926 • Assist with the acceptance test schedule and procedures including such activities as  
6927 running batch jobs
- 6928 • Provide the capability to roll back the test database to checkpoint status as well as the  
6929 frequency of refresh
- 6930 • Assist HIX in implementation of the acceptance test with respect to generation of test  
6931 transactions, data, and files, as well as analysis of reasons for unanticipated processing  
6932 results
- 6933 • Provide appropriate staff in UAT facility to provide technical and/or business assistance  
6934 to support HIX testing

6935 **Acceptance Criteria**

- 6936 • 23.1: UAT Test Environment and Tools
- 6937 • Creation and maintenance of a test environment specifically for the purposes of user ac-  
6938 ceptance testing
- 6939 • Provision of knowledge transfer to the acceptance testing team and subject matter ex-  
6940 perts to assist in understanding the HIX System, the defect tracking system, and the  
6941 testing procedures
- 6942 • Provision of an acceptance test tracking system which will record scenarios, indicate sta-  
6943 tus, track test results, and produce reports by functional area and status to be used for  
6944 all testing tasks
- 6945 • Steps to ensure that UAT environment mirrors the production environment including both  
6946 controlled test data and representative real production data.
- 6947 • Execution of acceptance test cycles according to an agreed upon schedule

6948 **Task 23.2: Weekly UAT Status Reports**

6949 The Vendor will provide a weekly report to document activities related to UAT and to identify  
6950 issues and problems discovered during user acceptance testing for each week of testing. At a  
6951 minimum, the report must include documentation of individual problems found including the  
6952 problem statement, tester name, date, resolution provided, and name of the person providing  
6953 resolution, plan for further testing, summary of problems found, and a graphic representation of  
6954 problem resolution progress from week to week.

6955 **Vendor Responsibility**

- 6956 • Provide timely responses to discrepancy notices
- 6957 • Develop a HIX approved report

6958 **Acceptance Criteria**

- 6959 • 23.2: Weekly UAT Status Reports

- 6960 • Creation and distribution of the Weekly UAT Status Reports including a description of all  
6961 problems/defects identified for each week of testing and the corrective steps taken
- 6962 • Correction, at no cost to the State, of any problems resulting from incorrect computer  
6963 program code, incorrect data conversion, incorrect or inadequate documentation, or from  
6964 any other failure to meet RFP specifications or performance standards

### 6965 **Task 23.3: Operational Readiness Report**

6966 In the Operational Readiness Report task, the Vendor will certify that the HIX System, its do-  
6967 mains, functions, data, processes, operational procedures, staffing, telecommunications, and all  
6968 other associated support are in place and ready for operation. This readiness report will identify  
6969 if the System is ready for implementation.

#### 6970 **Vendor Responsibility**

- 6971 • Certify that the HIX System, its domains, functions, data, processes, operational proce-  
6972 dures, staffing, telecommunications, and all other associated support are in place and  
6973 ready for operation
- 6974 • Secure documented HIX approval that the System is ready to go live

#### 6975 **Acceptance Criteria**

- 6976 • 23.3: Operational Readiness Report
- 6977 • Documentation that the HIX System, its domains, functions, data, processes, operational  
6978 procedures, staffing, telecommunications, hardware, network, and all other associated  
6979 support are in place and ready for operation
- 6980 • Resolution of all issues identified as design issues
- 6981 • Resolution of all defects that prevent use in production
- 6982 • Inclusion of steps that allow for review and approval of UAT completion by HIX (i.e., de-  
6983 cision point)
- 6984 • Completed documentation that the Disaster Recovery and Business Continuity support  
6985 for the System

### 6986 **7.1.24 Activity 24: Transition to Operations**

#### 6987 **Objective**

6988 To provide cost-effective support for the transition of a tested and approved software product to  
6989 productive use by the System Stakeholders

#### 6990 **Description**

6991 Pre-delivery software maintenance processes include planning for post-delivery operations,  
6992 supportability, and logistics determination. Post-delivery activities include software modification  
6993 and operational support, such as knowledge transfer or operation of a help desk. The Vendor

6994 must ensure that operational support and continuing maintenance of the HIX System is suc-  
6995 cessfully transitioned to HIX.

6996 The word “maintainer” is used in this and other activity and task descriptions. Since mainte-  
6997 nance during the one year implementation period (Phase 5) is the responsibility of the Vendor,  
6998 the word Vendor is synonymous with the word “maintainer” in this context.

6999 As a result of successful implementation of this process:

- 7000 • Maintenance strategies are developed to manage modification and migration of products  
7001 according to the release strategy
- 7002 • The impact of changes to the existing system on organization, operations or interfaces  
7003 are identified
- 7004 • System and software documentation is updated as needed
- 7005 • Modified products are developed with associated tests that demonstrate their require-  
7006 ments are not compromised
- 7007 • Product upgrades are migrated to the HIX environment
- 7008 • The System software modification information is communicated to all parties

7009 Process implementation requires the maintainer to develop, document, and execute plans and  
7010 procedures for conducting the activities and tasks of the software maintenance process. The  
7011 maintainer must establish procedures for receiving, recording, and tracking problem reports and  
7012 modification requests from the users, and providing feedback to the user. Whenever problems  
7013 are encountered, they must be recorded and entered into the problem resolution process. The  
7014 maintainer must implement (or establish organizational interfaces with) the configuration man-  
7015 agement process used to manage modifications to the existing System.

7016 The Problem and Modification Analysis Process consists of the following tasks:

- 7017 • The maintainer must analyze the problem report or modification request for its impact on  
7018 the organization, the existing system, and the interfacing systems for the following:
  - 7019 ○ Type; for example, corrective, improvement, preventative, or adaptive to new en-  
7020 vironment
  - 7021 ○ Scope; for example, size of modification, cost involved, time to modify
  - 7022 ○ Criticality; for example, impact on performance, safety, or security
- 7023 • The maintainer must replicate or verify the problem. Based on the analysis, the main-  
7024 tainer must develop options for implementing the modification
- 7025 • The maintainer must document the problem/modification request, the analysis results,  
7026 and implementation options
- 7027 • The maintainer must obtain approval for the selected modification option as selected in  
7028 the contract

7029 In the Modification Implementation activity the maintainer must conduct analysis and determine  
7030 which documentation, software components, and versions thereof need to be modified. They  
7031 must be documented.

7032 Test evaluation criteria for testing and evaluating software components and their component  
7033 aggregations within the HIX System must be defined and documented. The complete and cor-  
7034 rect implementation of the new and modified requirements must be ensured. It must also be  
7035 ensured that the original, unmodified requirements were not affected. The test results must be  
7036 documented.

7037 The Maintenance Review/Acceptance activity consists of the following tasks:

- 7038 • The maintainer must conduct reviews with the organization authorizing the modification  
7039 to determine the integrity of the modified System
- 7040 • The maintainer must obtain approval for the satisfactory completion of the modification  
7041 as specified in the contract

#### 7042 **Deliverables**

- 7043 • 24.1: Transition Plan
- 7044 • 24.2: Post-Implementation Evaluations
- 7045 • 24.3: Updated System Documentation

#### 7046 **Task 24.1: Transition Plan**

7047 The Vendor will create the Transition Plan, which describes the activities and timelines neces-  
7048 sary to transition the operations and maintenance of the HIX System to State staff, including  
7049 knowledge transfer, mentoring, and hands-on experience, and identifying the components and  
7050 criteria required to perform final transition to State staff.

7051 “State staff” in this context can either refer to employees of the State or to contract employees.  
7052 At the conclusion of the one year System operation period (Phase 5), it is the intent of HIX to  
7053 operate the System in the most expedient manner for the citizens of Alabama.

7054 The Transition Plan must include, at a minimum:

- 7055 • Transition planning information which defines the approach, activities and schedule for  
7056 the transition including plans for the Vendor’s assistance in performing operations and  
7057 maintenance prior to and during the one-year Warranty Period (i.e., Phase 5). The tran-  
7058 sition planning section will include the readiness assessment approach and a transition  
7059 activity matrix, which lists each State staff person to be included in transition activities,  
7060 identifies the activity that each person will be involved in, and provides the schedule for  
7061 each activity by person.
- 7062 • Final System turnover, which must include information such as system performance  
7063 monitoring and tuning, all software used to operate the System, updated source code,  
7064 production control and System operations, up-to-date documentation, etc.

- 7065
- Staffing recommendations for ongoing operations and maintenance of the HIX System. The staffing recommendation must include a recommendation for staffing levels by position, an organizational chart, and roles and responsibilities descriptions for each position.
- 7066
- 7067
- 7068
- Final System Turnover Assessment, which consists of two components:
    - An analysis of the System against any new Federal and State mandates, any outstanding design considerations not part of the current contract, and an assessment of staff readiness to support the System, including an identification of areas that present risk to the turnover
    - Turnover results report documenting completion and results of the turnover plans, as well as current System status information, outstanding problems, and recommendations for System enhancements, if any. This is completed upon successful turnover to HIX.
- 7069
- 7070
- 7071
- 7072
- 7073
- 7074
- 7075
- 7076

7077 **Vendor Responsibility**

- 7078
- Assess the readiness of State technical staff to assume full operations and maintenance of the System
- 7079
- 7080
- Provide warranty support (i.e. fix all faults detected) during the Warranty Period including monitoring System processing and performance
- 7081
- 7082
- Complete knowledge transfer and transition for State staff to support the System

7083 **Acceptance Criteria**

- 7084
- 24.1: Transition Plan
- 7085
- Documentation of the Transition Plan as described in this RFP
- 7086
- Inclusion of comprehensive detailed organization charts with roles and responsibilities
- 7087
- Provision of a final turnover result report
- 7088
- Correction of any outstanding defects in the System prior to transition

7089 **Task 24.2: Post-Implementation Evaluations**

7090 The Vendor will conduct post-implementation evaluations, report on the evaluations, and develop an improvement plan regarding the effectiveness of the implementation. The purpose of the Post-Implementation Evaluation is to assess:

7091

7092

- 7093
- Whether the implementation achieved the defined goals
- 7094
- Whether the System is operating efficiently and effectively
- 7095
- The level of acceptance of the System by users
- 7096
- Was the knowledge transfer effective
- 7097
- Are the users following the defined policies and processes

- 7098
- Are there areas for business improvement

7099 The Vendor will prepare and execute a plan to conduct two post-implementation evaluations,  
7100 the first one scheduled for six months following implementation, and the second one after one  
7101 year, at the end of the Post-Implementation Support Period.

7102 Following each post-implementation review, the Vendor will be required to prepare a written Im-  
7103 plementation Review report recapping each review session and providing an assessment of the  
7104 implementation status.

7105 In addition to the Implementation Review Report, the Vendor will submit an Implementation Im-  
7106 provement Recommendation Report outlining recommendations for improvement to the HIX  
7107 System implementation. The final Implementation Improvement Recommendation Report will  
7108 summarize overall findings and project status, and identify recommended activities for im-  
7109 provement to be undertaken in the medium and long-term. A comparison of actual performance  
7110 to goals will be included.

7111 **Vendor Responsibility**

- 7112
- Develop evaluation format and content in conjunction with HIX
- 7113
- Obtain input for evaluations
- 7114
- Analyze and summarize results of post-implementation evaluations
- 7115
- Develop recommendations for improvement

7116 **Acceptance Criteria**

- 7117
- 24.2: Post-Implementation Evaluations
- 7118
- Documentation of the Post Implementation Evaluation as described in this RFP
- 7119
- Documentation of future enhancement recommendations based on the analysis con-  
7120 ducted for final turnover
- 7121
- Inclusion of lessons learned

7122 **Task 24.3: Updated System Documentation**

7123 The Vendor must submit to HIX the current and complete versions of all HIX System documen-  
7124 tation in a form consistent with all applicable State standards. This documentation will include,  
7125 but is not limited to:

- 7126
- Requirements documents that document how each requirement was met
- 7127
- System architecture and design documents, which are updated with any changes that  
7128 occurred during design, development, testing, and implementation
- 7129
- Development Library, which includes any changes made from the original documenta-  
7130 tion (created in development)



- 7131       • Instructional materials, which include any changes necessary based on lessons learned  
7132       during knowledge transfer and implementation

7133       **Vendor Responsibility**

- 7134       • Identify which deliverables require revisions  
7135       • Discuss the identified deliverables with HIX to ensure there is a comprehensive list

7136       **Acceptance Criteria**

- 7137       • 24.3: Updated System Documentation  
7138       • Updating and submission of all deliverables that required revision  
7139       • Complete, accurate, and up-to-date documentation at transition

7140       **7.1.25 Activity 25: Documentation Management**

7141       **Objective**

7142       The objective of Documentation Management is to develop and maintain the recorded software  
7143       information produced by the process.

7144       **Description**

7145       As a result of the successful implementation of the software documentation management pro-  
7146       cess:

- 7147       • The strategy identifying the documentation to be produced during the lifecycle of the  
7148       software product or services is developed
- 7149       • The standards to be applied for the development of the software documentation are  
7150       identified
- 7151       • Document specification templates are used to establish agreed-upon outlines for each  
7152       document type
- 7153       • Documentation to be produced by the process or project is identified
- 7154       • The content and purpose of all documentation is specified, reviewed, and approved  
7155       through the use of document specification templates
- 7156       • Documentation is developed and made available in accordance with identified standards
- 7157       • Documentation is maintained in accordance with defined criteria

7158       During design and development each identified document must be designed in accordance with  
7159       applicable documentation standards for medium, format, content description, page numbering,  
7160       figure/table placement, proprietary/security, marketing, packaging, and other presentation items.  
7161       The source and appropriateness of input data for the documents must be confirmed through the  
7162       use of a document-specific documentation template approved by HIX not less than 30 days be-  
7163       fore its intended use. Automated documentation support tools may be used. The prepared doc-  
7164       uments must be reviewed and edited for format, technical content, and presentation style

7165 against their documentation standards. Documents must also be approved for adequacy by au-  
7166 thorized personnel prior to use.

7167 The Production Activity consists of the following tasks and considerations:

- 7168 • The document specification template and completed document must be produced and  
7169 provided in accordance with the plan
- 7170 • Production and distribution of documents may use paper, electronic, or other media
- 7171 • Master material must be stored in accordance with the requirements for record retention,  
7172 security, maintenance, and backup
- 7173 • Control must be established in accordance with the software configuration management  
7174 process

7175 The Maintenance activity consists of the following tasks:

- 7176 • Documentation must be updated as required based on the tasks performed during the  
7177 software maintenance
- 7178 • For those documents that are under configuration management, modification must be  
7179 managed in accordance with the software configuration management process

#### 7180 **Deliverables**

- 7181 • 25.1: Document Management Plan

#### 7182 **Task 25.1: Document Management Plan**

7183 The Vendor will document a plan that identifies the documentation to be produced during the  
7184 lifecycle of the software product. The plan must be developed, documented, and implemented.  
7185 For identified documentation, the following must be included:

- 7186 • Title or name
- 7187 • Purpose and content
- 7188 • Intended audience
- 7189 • Procedures and responsibilities for inputs, development, review, modification, approval,  
7190 production, storage, distribution, maintenance, and configuration management
- 7191 • Schedule for intermediate and final versions

#### 7192 **Vendor Responsibility**

- 7193 • Produce Document Management Plan
- 7194 • Implement Document Management Plan
- 7195 • Audit processes for conformity to the Document Management Plan

#### 7196 **Acceptance Criteria**

- 7197 • 25.1 Document Management Plan

- 7198 • The strategy identifying the documentation to be produced during the lifecycle of the  
7199 software product or services is developed
- 7200 • The standards to be applied for the development of the software documentation are  
7201 identified
- 7202 • Documentation to be produced by the process or project is identified
- 7203 • The content and purpose of all documentation is specified, reviewed, and approved
- 7204 • Documentation is developed and made available in accordance with identified standards
- 7205 • Documentation is maintained in accordance with defined criteria

## 7206 **7.1.26 Activity 26: Operations**

### 7207 **Objective**

7208 The objective of operations is to operate the software product in its intended environment, and  
7209 to provide support of the software product to HIX.

### 7210 **Description**

7211 The Vendor is expected to prepare HIX for its role as Operator of the System, and that opera-  
7212 tional support and continuing maintenance of the HIX System is successfully transitioned to  
7213 HIX.

7214 HIX expects that the System will be supported by two help desk systems – the first will be public  
7215 facing and will receive and service calls from the recipients of benefits. This will be a Vendor  
7216 responsibility to plan and implement. The Vendor will be required to produce a plan for this ca-  
7217 pability and to implement it during Phase 5.

7218 The second call center capability is that of an HIX-internal help desk for functional or technical  
7219 assistance with the HIX System. This will also be a Vendor responsibility to plan and imple-  
7220 ment.

7221 The Vendor will put into production a tested and operational HIX System with minimal disruption  
7222 to applicant/beneficiaries and HIX personnel through the provision of Help Desk Support during  
7223 implementation.

7224 As a result of the successful implementation of the software operation process:

- 7225 • An operation strategy is defined
- 7226 • Conditions for the correct operation of the software in its intended environment are iden-  
7227 tified and evaluated
- 7228 • Software is tested and determined to operate in its intended environment
- 7229 • The software is operational in its intended environment
- 7230 • Assistance and consultation is provided to HIX for the software product, in accordance  
7231 with the contract

7232 The Preparation for Operation activity consists of the following:

7233 • The Vendor must develop a plan and set operational standards for performing activities  
7234 and tasks of this process. The plan must be documented and executed.

7235 • The Vendor must establish procedures for receiving, recording, resolving, tracking prob-  
7236 lems, and providing feedback. Whenever problems are encountered, they must be rec-  
7237 orded and entered into the software problem resolution process.

7238 • The Vendor must establish procedures for testing the software product in its operational  
7239 environment, for entering problem reports and modification requests to the software  
7240 maintenance process, and for releasing the software product for operational use.

7241 Operation Activation and Checkout must be performed for each release of the software product,  
7242 and the Vendor must perform this operational testing. Upon satisfying the specified criteria, the  
7243 Vendor will release the software product for operational use. The Vendor must ensure that the  
7244 software code and databases initialize, execute, and terminate as described in the plan. The  
7245 Vendor must activate the System in its intended operational situation to deliver instances of ser-  
7246 vice or continuous service according to its intended purpose.

7247 Continuous service capacity and quality must be maintained when the System replaces an ex-  
7248 isting system that is being retired. During the specified period of changeover or concurrent op-  
7249 eration, the Vendor must manage the transfer services so that the continuing conformance to  
7250 persistent stakeholder needs is achieved.

7251 Operational Use is defined by the following tasks. The system must be operated in its intended  
7252 environment according to the user documentation. Operating in the intended environment in-  
7253 cludes developing criteria for operational use so that compliance with agreed requirements can  
7254 be demonstrated. It also includes performing operational testing of each release of the product,  
7255 and assessing adherence to specified criteria. Risks to product operation must be identified and  
7256 monitored. The Vendor must monitor operational services on a regular basis, where appropri-  
7257 ate, against defined criteria.

7258 Customer Support is defined as having the Vendor provide assistance and consultation to users  
7259 as requested. These requests and subsequent actions must be recorded and monitored. Assis-  
7260 tance and consultation includes the provision of knowledge transfer, documentation, and other  
7261 support services required for effective use of the product. The Vendor must forward user re-  
7262 quests as necessary to the software maintenance process for resolution. These requests must  
7263 be addressed and the actions that are planned and taken must be reported to the originators of  
7264 the requests. All resolutions must be monitored to conclusion. All resolutions must be held to a  
7265 defined level of performance standards, such as length of wait times, speed of resolution, etc.

7266 In the Operational Problem Resolution activity the operator must submit identified problems to  
7267 the software problem resolution process. If there is a temporary workaround available, the orig-  
7268 inator of the problem report must be given the option to use it. Releases that include previously  
7269 omitted functions or features, and systems improvements, must be applied to the operational  
7270 software product using the defined software maintenance process.

7271 The Vendor is responsible for planning and preparing State staff to support the HIX System  
7272 through training and knowledge transfer. Activities and timeframes for the transition to opera-  
7273 tions and maintenance are defined in the plan. Evaluations and operating procedures must pro-  
7274 vide information to keep the HIX System in use in the most effective manner possible. Updated  
7275 documentation ensures that all affected personnel have the needed information to support and  
7276 use the HIX System.

7277 The Vendor must provide written help desk procedures and the staff required to respond to user  
7278 questions regarding the HIX System, including the deployment. The Vendor will ensure that,  
7279 prior to deployment, a Help Desk support System is available and Help Desk staff is trained in  
7280 the HIX System. The Help Desk Plan and the Help Desk Transition Plan must clearly state the  
7281 roles and responsibilities through Implementation. The Procedure manual will specify the pro-  
7282 cesses to follow to support the Help Desk.

7283 **Deliverables**

- 7284 • 26.1: Operating Procedures
- 7285 • 26.2: Help Desk Transition Plan
- 7286 • 26.3: Help Desk Plan; Public Facing Help Desk Plan
- 7287 • 26.4: Help Desk Procedures manual

7288 **Task 26.1: Operating Procedures**

7289 The Vendor will document the Operating Procedures to assist programmers and other technical  
7290 staff in operation and maintenance of the System. These procedures help define and provide  
7291 understanding of System operations and performance. The operations procedures will address  
7292 all facets of the technical operation of the System including the following topics:

- 7293 • System troubleshooting and system tuning procedures
- 7294 • System administration procedures, such as file management and code management
- 7295 • System interface processing procedures
- 7296 • Online and batch processing procedures
- 7297 • System backup and recovery procedures
- 7298 • System password and user ID maintenance procedures
- 7299 • Unique processing procedures
- 7300 • Report generation procedures
- 7301 • Menu structures, chaining, and system command mode operations procedures
- 7302 • Job scheduling/dependencies procedures, if applicable
- 7303 • Job cycles (daily, weekly, monthly, quarterly, annually, and special) procedures, if appli-  
7304 cable

- 7305
- System monitoring tool procedures

7306 **Vendor Responsibility**

- 7307
- Collaborate on the content and format of the Operating Procedures

- 7308
- Create manuals

7309 **Acceptance Criteria**

- 7310
- 26.1: Operating Procedures

- 7311
- Documentation of the Operating Procedures as described in this RFP

- 7312
- Provision of comprehensive manual that supports HIX System operations

7313 **Task 26.2: Help Desk Transition Plan**

7314 The Vendor will provide and execute a Help Desk Transition Plan, which outlines all activities  
7315 necessary for an orderly turnover to HIX of all help desk activities including usage of scripts and  
7316 decision trees.

7317 **Vendor Responsibility**

- 7318
- Review lessons learned from implementation

- 7319
- Incorporate best practices and lessons learned into the transition plan

- 7320
- Create a checklist of all the necessary activities for transition

7321 **Acceptance Criteria**

- 7322
- 26.2: Help Desk Transition Plan

- 7323
- Documentation of the Help Desk Transition Plan as described in this RFP and Help  
7324 Desk Plans

- 7325
- Documentation of the necessary steps, resources, and activities that must be completed  
7326 to transition the help desk

7327 **Task 26.3: Help Desk Plan, Public Facing Help Desk Plan**

7328 The Vendor will create a HIX-Internal Help Desk Plan for operations, including integrated Ven-  
7329 dor and State staffing, communications, procedures, and reporting mechanisms. It will include  
7330 topics, such as appropriate Vendor and State staffing levels, skills required, role of power-users,  
7331 response times, and call routing.

7332 The Vendor will also create a Public Facing Help Desk Plan to address the need of HIX to re-  
7333 spond to requests for help from the public. 100% call recording is required for the Public facing  
7334 Help Desk. Recordings will be maintained a minimum of 12 months. Call recording must be  
7335 included in the Disaster Recovery Plan. The Public Facing Help Desk Plan will include integrat-  
7336 ed Vendor and State staffing, communications, procedures, and reporting mechanisms. It will

7337 include topics, such as appropriate Vendor and State staffing levels, skills required, role of power-users, response times, and call routing.  
7338

7339 **Vendor Responsibility**

- 7340 • Develop an approach and collaborate with HIX to create HIX-Internal Help Desk Plan
- 7341 • Develop an approach and collaborate with HIX to create the Public Facing Help Desk  
7342 Plan
- 7343 • Document qualifications of Help Desk staff
- 7344 • Provide Vendor staff (a minimum two Spanish speaking agents) to answer questions  
7345 that HIX staff are unable to answer
- 7346 • Provide Vendor staffing plan to support Help Desk

7347 **Acceptance Criteria**

- 7348 • 26.3: Help Desk Plan
- 7349 • Documentation of the Help Desk Plan as described in this RFP
- 7350 • Inclusion of methodology for developing the plan
- 7351 • Inclusion of organization charts to document HIX and Vendor integrated team
- 7352 • Documentation of HIX versus Vendor roles and responsibilities
- 7353 • Identification of performance standards

7354 **Task 26.4: Help Desk Procedures Manual**

7355 The Vendor will create a Help Desk Procedures Manual, which defines and documents the help  
7356 desk processes and procedures for both HIX-Internal Help Desk and the Public Facing Help  
7357 Desk. These procedures will include at a minimum, problem identification and initial diagnosis,  
7358 problem escalation procedures, problem ticketing, problem logging, assignment of priority, and  
7359 ability to search through previous problems to find resolutions for new problems.

7360 **Vendor Responsibility**

- 7361 • Collaborate with staff on the procedures needed to support the Help Desks
- 7362 • Review State's current problem escalation, ticketing, logging, and assignment proce-  
7363 dures
- 7364 • Make recommendations for improvement on current procedures

7365 **Acceptance Criteria**

- 7366 • 26.4: Help Desk Procedures Manual
- 7367 • Documentation of the Help Desk Procedure Manuals as described in this RFP
- 7368 • Inclusion of recommendations for improvement on current procedures



7369 **7.1.27 Activity 27: Federal Review and Certification**

7370 **Objective**

7371 To have all information needed for CMS review and monitoring activities.

7372 **Description**

7373 At the earliest opportunity, HIX plans to request a Federal review in order to determine if the HIX  
7374 System is federally compliant. The Vendor will assist HIX in preparing for and conducting these  
7375 reviews.

7376 **Deliverables**

- 7377
  - 27.1: Assist with Federal Review

7378 **Task 27.1: Assist with Federal Review**

7379 The Vendor must prepare documentation for submission to the Federal Government to support  
7380 Federal review and approval of the HIX System. The Vendor will create the Federal Review and  
7381 Monitoring Package, which documents the CMS Review and Monitoring activities that lead up to  
7382 a final official review. The Review and Monitoring Package will be used to help assure a suc-  
7383 cessful review of the HIX System post-implementation. The Federal Review and Monitoring  
7384 Package will include at a minimum:

- 7385
  - Complete Review and Monitoring Activity Documentation
  - 7386 • Complete review of any deficiency found in interim review
  - 7387 • Any System documentation requested for the review, which may include:
    - 7388 ○ System Documentation
    - 7389 ○ User Manuals
    - 7390 ○ Operating Procedures
    - 7391 ○ Acceptance Test Results
    - 7392 ○ Substantive and representative samples of reports

7393 **Vendor Responsibility**

- 7394
  - Support monitoring activities as requested prior to completion of contract
  - 7395 • Create the necessary documentation needed for the CMS review
  - 7396 • Provide resources onsite to support HIX in the review process

7397 **Acceptance Criteria**

- 7398
  - 27.1: Federal Review and Monitoring Package Interim and Final
  - 7399 • Documentation of the Federal Review and Monitoring Package Interim and Final as de-  
7400 scribed in this RFP

- 7401 • Documentation of any corrective action plans or next steps necessary based on the re-
- 7402 view
- 7403 • Delivery of any additional materials requested by CMS

7404

## 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 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.
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 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.

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 to 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

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## 7406 APPENDIX B: HIX GUIDANCE ON HIGH QUALITY RFP RESPONSES

7407 In order to provide HIX an overall understanding of the Proposed Solution, it may be useful for  
7408 the Vendor to review the following points as the Vendor self-evaluates its own proposal prior to  
7409 submission to HIX: :

- 7410 • HIX intends to select a qualified Vendor to design, develop, and implement a System for  
7411 HIX that conforms to the specifications of this RFP
- 7412 • Ensure that the System conforms to the following general criteria (not a comprehensive  
7413 list):
  - 7414 ○ Leads to the same customer experience regardless of the portal from which it is  
7415 accessed (no wrong door)
  - 7416 ○ The Vendor’s solution should address how the HIX would host an eligibility sys-  
7417 tem that supports not only the HIX, but also requires integration with the current  
7418 Medicaid and CHIP systems for the purpose of making a MAGI determination for  
7419 eligibility.
  - 7420 ○ **NOTE: It has now been determined that the proposed HIX System must in-  
7421 clude an Eligibility Determination component capable of making MAGI de-  
7422 terminations for HIX, Medicaid and CHIP programs. Vendors must proceed  
7423 with the understanding that the proposal must include cost estimates for  
7424 the entire eligibility function. Vendors must not present proposals that as-  
7425 sume that another agency will provide this functionality.** Seamlessly inte-  
7426 integrates the System with the CMS “Federal Hub”, when (if) directed by the state of  
7427 Alabama (assuming CMS is able to participate in integration activities within the  
7428 Project Timeline requirements of the Alabama HIX implementation – See Table  
7429 1)
  - 7430 ○ Seamlessly integrates the System with the System for Electronic Rate and Form  
7431 Filing (SERFF), when (if) directed by the state of Alabama (assuming SERFF is  
7432 able to participate in integration activities within the Project Timeline require-  
7433 ments of the Alabama HIX implementation – See Table 1)
  - 7434 ○ Seamlessly integrates the System with the MyAlabama.gov citizen portal
  - 7435 ○ Meets all requirements on interoperability standards
  - 7436 ○ Meets or exceeds Federal certification and performance standards
  - 7437 ○ Performs to the requirements of the ACA
  - 7438 ○ Meets or exceeds all seven conditions and standards as defined in the CMS pub-  
7439 lication *Enhanced Funding Requirements: Seven Conditions and Standards of*  
7440 *April 2011* including:
    - 7441 ▪ Uses a modular, flexible approach to systems development, including  
7442 the use of open interfaces and exposed application programming inter-  
7443 faces; the separation of business rules from core programming; and the



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- 7444 availability of business rules in both human and machine readable for-  
7445 mats
- 7446           ▪ Aligns to and advances increasingly in Medicaid Information Technolo-  
7447 gy Architecture (MITA) maturity for business architecture, data, and the  
7448 continuing evolution of the MITA initiative to facilitate ease of participa-  
7449 tion in the exchange and interaction of data.
- 7450           ▪ Ensures alignment with, and incorporation of, industry standards: the  
7451 Health Insurance Portability and Accountability Act of 1996 (HIPAA) se-  
7452 curity, privacy and transaction standards; accessibility standards estab-  
7453 lished under section 508 of the Rehabilitation Act, or standards that  
7454 provide greater accessibility for individuals with disabilities, and compli-  
7455 ance with Federal civil rights laws; standards adopted by the Secretary  
7456 under Section 1104 of the ACA; and standards and protocols adopted  
7457 by the Secretary under Section 1561 of the ACA
- 7458           ▪ Enforces “encryption in flight” and “encryption at rest” for all data subject  
7459 to HIPAA privacy and security categories
- 7460           ▪ Promotes sharing, leveraging, and reuse of Medicaid technologies and  
7461 systems within and among states
- 7462           ▪ Supports accurate and timely processing of claims of eligibility and ef-  
7463 fective communications with providers, beneficiaries, and the public
- 7464           ▪ Produces transaction data, reports, and performance information that  
7465 would contribute to program evaluation, continuous improvement in  
7466 business operations, and transparency and accountability
- 7467           ▪ Ensures seamless coordination and integration with the Alabama Health  
7468 Information Exchange (and allows interoperability with other health in-  
7469 formation exchanges, public health agencies (including the Children’s  
7470 Health Insurance Program (CHIP)), human services programs, and  
7471 community organizations providing outreach and enrollment assistance  
7472 services
- 7473           ○ Is built within the framework of an adaptive Web Service Oriented Architec-  
7474 ture (SOA)
- 7475           ○ Features an adaptive enterprise service bus (ESB) and web service orches-  
7476 trator that can federate with, adapt to, and/or allow other business process in-  
7477 teractions between the HIX System and the Medicaid ESB
- 7478           ○ Provides web-based application accessible to potential enrollees and to  
7479 community-based access points where enrollment may be facilitated
- 7480           ○ Capitalizes on cloud computing capabilities where they are applicable
- 7481           ○ Uses a relational database structure
-

- 7482 ○ Includes multiple security levels utilizing user and role based security and ap-  
7483 plication access capabilities
- 7484 ○ Is (preferably) server based (no client-based software other than browser)
- 7485 ○ Uses electronic data and automated processes whenever possible
- 7486 ○ Creates a unique identifier for each user and small business subscribers to  
7487 the SHOP Exchange
- 7488 ○ Includes on-site scanning of enrollment material and an interface to a docu-  
7489 ment management system that provides electronic record retrieval
- 7490 ○ Provides both a member self-service web portal (for both SHOP and Individ-  
7491 ual consumers) and a staff worker web portal
- 7492 ○ Provides a comprehensive automated workflow that navigates users from  
7493 one area to another based on information entered by the user and/or HIX  
7494 business processes
- 7495 ○ Provides tracking and quality assurance mechanism to ensure that infor-  
7496 mation entered at any entry point is as clean as possible and is processed as  
7497 efficiently as possible
- 7498 ○ Electively passes business process information through a configurable rules  
7499 engine and validation mechanism that supports web service calls from the  
7500 ESB, allowing for quick and accurate processing of applications including  
7501 flexible validation of data, monitoring of data, changes to information, chang-  
7502 es to workflow, and renewals
- 7503 ○ Consumes easily manageable sets of rules within the rules engine that are  
7504 maintainable by non-technical staff, e.g., the do not require a level of exper-  
7505 tise that would hinder the ability to implement, alter, and maintain current and  
7506 new programs
- 7507 ○ Obtains verification information from the federal data services hub when (if)  
7508 directed by the state of Alabama
- 7509 ○ Utilizes web services to enable remote identity proofing for new enrollees
- 7510 ○ Allows future changes in Alabama HIX programs to be implemented accu-  
7511 rately, efficiently, and timely in an easily configurable manner
- 7512 ○ Offers a business intelligence capability including a comprehensive suite of  
7513 built-in-reports
- 7514 ○ Includes a user-friendly ad hoc reporting system
- 7515 ○ Obtains plan information for create plan, update plan, and delete plan from  
7516 the System for Electronic Rate and Form Filing (SERFF) when (if) directed by  
7517 the state of Alabama

- 7518 ○ Maximizes the use of the Internet/Intranet as an operational tool to perform
- 7519 HIX and other related support functions; e.g., uses the Internet to enhance
- 7520 receipt and distribution of information to HIX staff, other state agencies, fed-
- 7521 eral agencies, private entities, and the recipient community
- 7522 ○ Is scalable to allow for increased enrollment in subsequent years
- 7523 ○ Is rigorously tested and properly installed prior to the start of operations or
- 7524 production implementation
- 7525 ○ Meets federally required timeframes as defined in the ACA
- 7526 ○ Meets timeframes required by the State in order to meet their business needs
- 7527 that are defined in Table 1
- 7528 It is expected that the selected Vendor will utilize automated design, development, and testing
- 7529 tools to the maximum extent possible to achieve these stated goals and to achieve cost and
- 7530 schedule efficiencies.

---

**7531 APPENDIX C: SAMPLE COMPUTER ACCEPTABLE USE AGREEMENT**

7532 *In order to help keep the computer network environment safe, there are a few steps that*  
7533 *need to occur prior to a non-Alabama HIX computer laptop plugging into the network.*  
7534 *There are basically three parts to the process described in detail below.*

**7535 Part I**

7536 *If you, as an Alabama HIX staff member, have someone external scheduled for a visit,*  
7537 *please check with him/her prior to his/her visit to inquire if he/she will need to plug in any*  
7538 *computers/laptops to the network. If so, send the visitor the checklist in Part III of this*  
7539 *document in advance of his/her visit to help ensure he/she prepares his/her comput-*  
7540 *er/laptop with any required updates and anti-virus definitions. Also, inform your visitor*  
7541 *to be sure to arrive with enough time before requiring network access to have his/her*  
7542 *computer/laptop verified prior to plugging in.*

7543 *If your visitor does not need access to any State of Alabama network, then*  
7544 *none of this applies.*

**7545 Part II**

7546 *Upon check-in at the reception desk, the visitor (or Contractor/Vendor) will check on*  
7547 *the sign in sheet whether or not he/she needs access to the State of Alabama network.*  
7548 *If the visitor checks “Yes,” he/she will be directed to a HIX staff member to have*  
7549 *his/her computer/laptop verified for safety prior to plugging into the state network.*

7550 *At that time, the visitor will provide his/her name and contact information on the Check-*  
7551 *list Form. The HIX representative will then give the visitor (or Contractor/Vendor) an*  
7552 *estimated time when the verification process is complete.*

7553

**7554 Part III (for HIX staff member)**

7555 Below is a list of items that need to be checked before attaching a non-HIX computer/laptop to  
7556 the network.

7557 *Under NO circumstances should you install or uninstall anything on the computer/laptop.*  
7558 *Only check for these items, document any missing items and give the visitor (or Contrac-*  
7559 *tor/Vendor) that information when his/her computer/laptop is returned. If the visitor (or*  
7560 *Contractor/Vendor) is willing to update the computer/laptop and have it rechecked, that*  
7561 *is acceptable. However, the visitor cannot plug into the network until the comput-*  
7562 *er/laptop passes inspection.*

7563 Fill out the contact information at the bottom of this form first.

7564 Check for any form of Anti-Virus program that will prevent the device from becoming infected.

7565 Verify that the Anti-Virus program is enabled and is actively checking the system for suspicious  
7566 programs and files.

7567 Check to see if there are any viruses that were detected by the software. Verify that the Anti-  
7568 Virus definition is up to date.

7569 Make sure that the Operating System (OS) has the latest service pack.

7570 Check to see that Microsoft Critical Updates are installed to ensure that the Operating System is  
7571 patched with security fixes. To do this:

- 7572 • Go to Control Panel
- 7573 • Add/Remove Programs
- 7574 • Check the box to Show Updates
- 7575 • Scroll to the bottom of the list to see the last date of the installed updates
- 7576 • If the last update was more than a month ago, there are probably updates that are  
7577 needed, since Microsoft published updates normally every month

7578 Identify any applications that could be a security risk when connecting the device to the network.  
7579 Some programs that are of concern are:

- 7580 • Zone Alarm
- 7581 • Bare share

7582 Document any items that are missing and return the computer/laptop with the information to the  
7583 visitor or Contractor/Vendor. Inform the visitor that if he/she would like to perform the updates  
7584 and resubmit it for approval, that is possible.

7585  
7586

**Contact Information:**

Name: \_\_\_\_\_ Date and time: \_\_\_\_\_

7587

7588 Phone Number (where visitor or Contractor/Vendor can be reached if needed during the validation  
7589 process): \_\_\_\_\_

7590 Company:

**7591 Technician Information:**

7592 Name of HIX staff member performing validation:

7593 Estimated time to complete validation:

7594

7595 ***This computer/laptop has been:***

7596 Approved

7597 Denied

7598 If the computer/laptop is **approved**, it has been validated and is allowed to connect to the Ala-  
7599 bama state network. The visitor (or Contractor/Vendor) must please review the "S600-06 Com-  
7600 puter Acceptable Use" and "S600-07 Mobile Computing Devices" policies and sign below.

7601 If the computer/laptop is **denied**, it is not allowed to connect to the Alabama state network until  
7602 updates are installed and the computer/laptop is re-verified and approved.

7603 I, (print name) \_\_\_\_\_ have read and agree to the Alabama HIX  
7604 Computer Acceptable Use policies.  
7605

7606 Signature \_\_\_\_\_ Date \_\_\_\_\_  
7607

7608 **PLEASE NOTE**

7609 Documents in the following Appendices must be signed AFTER contract award and prior to the meeting  
7610 of the Legislative Contract Oversight Committee Meeting:

- 7611
- Appendix D: Contract Review Report for Submission to Oversight Committee
- 7612
- Appendix E: Immigration Status
- 7613
- Appendix F: Letter Regarding Reporting to Ethics Commission
- 7614
- Appendix G: Instructions for Certification Regarding Debarment, Suspension, Ineligibility
- 7615 and Voluntary Exclusion
- 7616

7617 The following represents an example of a contract:

7618 **Sample Contract**

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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: \_\_\_\_\_  
Jim L. Ridling  
Commissioner  
Alabama Department of Insurance

By: \_\_\_\_\_  
Taxpayer ID Number: \_\_\_\_\_

APPROVED AS TO FORM ONLY:

\_\_\_\_\_  
Legal Counsel  
Alabama Department of Insurance

APPROVED:

\_\_\_\_\_  
Robert Bentley  
Governor, State of Alabama



7667 **DATE APPENDIX D: CONTRACT REVIEW REPORT FOR SUBMISSION TO**  
 7668 **OVERSIGHT COMMITTEE**

7669 **Contract Review Permanent Legislative Oversight Committee**

7670 Alabama State House

7671 Montgomery, Alabama 36130

7672  
 7673 **CONTRACT REVIEW REPORT**

7674 (Separate review report required for each contract)

7675  
 7676 Name of State Agency: Alabama Department of Insurance

7677  
 7678 Name of Contractor:

7679  
 7680  
 7681 Contractor's Physical Street Address(No. P.O. Box) City State

7682  
 7683 \* Is Contractor organized as an Alabama Entity in Alabama? Yes \_\_\_\_\_ NO \_\_\_\_\_

7684 \* If not, has it qualified with the Alabama Secretary of State to do business in Alabama? Yes \_\_\_\_\_ No \_\_\_\_\_

7685  
 7686 Is Act 2001-955 Disclosure Form Included with this Contract? YES \_\_\_\_\_ NO \_\_\_\_\_

7687 Does Contractor have current member of Legislature or family member of Legislator employed? Yes \_\_\_\_\_ No \_\_\_\_\_

7688  
 7689 Was a Lobbyist/Consultant Used to Secure this Contract OR affiliated with this contractor? YES \_\_\_\_\_ NO \_\_\_\_\_

7690 If Yes, Give Name: \_\_\_\_\_

7691  
 7692 Contract Number: \_\_\_\_\_

7693 Contract/Amendment Total: \$ \_\_\_\_\_ (estimate if necessary)

7694 % of State Funds: \_\_\_\_\_ % of Federal Funds: \_\_\_\_\_ % Other Funds: \_\_\_\_\_

7695 \*\*Please Specify source of Other Funds (Fees, Grants, etc.) \_\_\_\_\_

7696 Date Contract Effective: \_\_\_\_\_ Date Contract Ends: \_\_\_\_\_

7697 Type of Contract: NEW: \_\_\_\_\_ RENEWAL: \_\_\_\_\_ AMENDMENT: \_\_\_\_\_

7698 If renewal, was it originally Bid? Yes \_\_\_\_\_ No \_\_\_\_\_

7699 If AMENDMENT, Complete A through C:

7700 [A] Original contract total \$ \_\_\_\_\_

7701 [B] Amended total prior to this amendment \$ \_\_\_\_\_

7702 [C] Amended total after this amendment \$ \_\_\_\_\_

7703 Was Contract secured through Bid Process? Yes \_\_\_\_\_ No \_\_\_\_\_ Was lowest Bid accepted? Yes \_\_\_\_\_ No \_\_\_\_\_

7704 Was Contract secured through RFP Process? Yes \_\_\_\_\_ No \_\_\_\_\_ **Date RFP was awarded** \_\_\_\_\_

7705  
 7706 Summary of Contract Services to be Provided:

7707  
 7708 Why Contract Necessary AND why this service cannot be performed by merit employee:

7709  
 7710 *I certify that the above information is correct.*

7711  
 7712 \_\_\_\_\_  
 7713 Signature of Agency Head

\_\_\_\_\_  
 Signature of Contractor

7714 \_\_\_\_\_  
7715 Printed Name Printed Name  
7716  
7717 HIX Contact: \_\_\_\_\_ Phone: \_\_\_\_\_  
7718 Revised: 04/11/2011  
7719

**GOVERNOR’S ADDITIONAL CONTRACT QUESTIONS FORM**

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- (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?

7759

7760

7761

7762 (9) How many additional contracts does contractor have with the State of Alabama and which  
7763 agencies are they with? \_\_\_\_\_

7764 \_\_\_\_\_

7765

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7767 \_\_\_\_\_

7768

Jim Ridling, Commissioner

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7772 **APPENDIX E: IMMIGRATION STATUS**

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**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

7804 **APPENDIX F: LETTER REGARDING REPORTING TO ETHICS COM-**  
7805 **MISSION**

7806  
7807  
7808 MEMORANDUM

7809  
7810 TO: All Persons Under Contract With DOI and All HIX Staff

7811  
7812 FROM: Jim Ridling  
7813 Commissioner

7814  
7815 SUBJECT: Reporting to Ethics Commission by Persons Related to HIX Employees

7816  
7817 Section 36-25-16(b) Code of Alabama, 1975 provides that anyone who enters into a contract  
7818 with a State agency for the sale of goods or services exceeding \$7500 must report to the State  
7819 Ethics Commission the names of any adult child, parent, spouse, brother or sister employed by  
7820 HIX.

7821  
7822 Please review your situation for applicability of this statute. The address of the Alabama Ethics  
7823 Commission is:

7824 100 North Union Street  
7825 Montgomery, Alabama 36104

7826  
7827 A copy of the statute is reproduced below for your information. If you have any questions,  
7828 please feel free to contact Kathleen Healey, HIX General Counsel, at  
7829 kathleen.healey@myalabama.gov

7830 **Section 36-25-16. Reports by persons who are related to public officials or public em-**  
7831 **ployees and who represent persons before regulatory body or contract with State.**

- 7832  
7833 (a) When any citizen of the State or business with which he or she is associated represents  
7834 for a fee any person before a regulatory body of the executive branch, he or she must  
7835 report to the commission the name of any adult child, parent, spouse, brother, or sister  
7836 who is a public official or a public employee of that regulatory body of the executive  
7837 branch.
- 7838 (b) When any citizen of the State or business with which the person is associated enters in-  
7839 to a contract for the sale of goods or services to the State of Alabama or any of its agen-  
7840 cies or any county or municipality and any of their respective agencies in amounts ex-  
7841 ceeding seven thousand five hundred dollars (\$7500) he or she must report to the com-  
7842 mission the names of any adult child, parent, spouse, brother, or sister who is a public  
7843 official or public employee of HIX or department with whom the contract is made.
- 7844 (c) This section must not apply to any contract for the sale of goods or services awarded  
7845 through a process of public notice and competitive bidding.
- 7846 (d) Each regulatory body of the executive branch, or any agency of the State of Alabama  
7847 must be responsible for notifying citizens affected by this chapter of the requirements of  
7848 this section. (Acts 1973, No. 1056, p. 1699, §15; Acts 1975, No. 130, §1; Acts 1995, No.  
7849 95-194, p. 269, §1.)



**Alabama Department of Insurance  
201 Monroe Street, Suite 502  
Montgomery, Alabama 36130**



7850  
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7853

MEMORANDUM

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7859

TO: All Persons Under Contract With HIX and All HIX Staff

FROM: Jim Ridling  
Commissioner

7860  
7861

SUBJECT: Reporting to Ethics Commission by Persons Related to HIX Employees

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7863  
7864  
7865

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.

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Please review your situation for applicability of this statute. The address of the Alabama Ethics Commission is:

100 North Union Street  
Montgomery, Alabama 36104

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7874  
7875

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).

7876  
7877  
7878

**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.**

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- (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 com-



- 7887 mission the names of any adult child, parent, spouse, brother, or sister who is a public  
7888 official or public employee of HIX or department with whom the contract is made.
- 7889 (c) This section must not apply to any contract for the sale of goods or services awarded  
7890 through a process of public notice and competitive bidding.
- 7891 (d) Each regulatory body of the executive branch, or any agency of the State of Alabama  
7892 must be responsible for notifying citizens affected by this chapter of the requirements of  
7893 this section. (Acts 1973, No. 1056, p. 1699, §15; Acts 1975, No. 130, §1; Acts 1995, No.  
7894 95-194, p. 269, §

7895 **APPENDIX G: INSTRUCTIONS FOR CERTIFICATION REGARDING**  
7896 **DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EX-**  
7897 **CLUSION**

7898 **Instructions for Certification Regarding Debarment, Suspension,**  
7899 **Ineligibility and Voluntary Exclusion**  
7900

7901 (Derived from Appendix B to 45 CFR Part 76--Certification Regarding Debarment, Suspension,  
7902 Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions)

7903

7904 1. By signing and submitting this contract, the prospective lower tier participant is provid-  
7905 ing the certification set out therein.

7906 2. The certification in this clause is a material representation of fact upon which reliance  
7907 was placed when this contract was entered into. If it is later determined that the prospective  
7908 lower tier participant knowingly rendered an erroneous certification, in addition to other reme-  
7909 dies available to the Federal Government, the Alabama Department of Insurance (DOI) may  
7910 pursue available remedies, including suspension and/or debarment.

7911 3. The prospective lower tier participant must provide immediate written notice to HIX if  
7912 at any time the prospective lower tier participant learns that its certification was erroneous when  
7913 submitted or had become erroneous by reason of changed circumstances.

7914 4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered  
7915 transaction, participant, person, primary covered transaction, principal, and voluntarily excluded,  
7916 have the meaning set out in the Definitions and Coverage sections of rules implementing Ex-  
7917 ecutive Order 12549. You may contact the person to which this contract is submitted for assis-  
7918 tance in obtaining a copy of those regulations.

7919 5. The prospective lower tier participant agrees by submitting this contract that, should  
7920 the contract be entered into, it must not knowingly enter into any lower tier covered transaction  
7921 with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, sus-  
7922 pended, declared ineligible, or voluntarily excluded from participation in this covered transaction,  
7923 unless authorized by the department or agency with which this transaction originated.

7924 6. The prospective lower tier participant further agrees by submitting this contract that it  
7925 will include this certification clause without modification, in all lower tier covered transactions  
7926 and in all solicitations for lower tier covered transactions.

7927 7. A participant in a covered transaction may rely upon a certification of a prospective  
7928 participant in a lower tier covered transaction that it is not proposed for debarment under 48  
7929 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered  
7930 transactions, unless it knows that the certification is erroneous. A participant may decide the  
7931 method and frequency by which it determines the eligibility of its principals. Each participant  
7932 may, but is not required to, check the List of Parties Excluded from Federal Procurement and  
7933 Non-procurement Programs.

7934 8. Nothing contained in the foregoing must be construed to require establishment of a  
7935 system of records in order to render in good faith the certification required by this clause. The

7936 knowledge and information of a participant is not required to exceed that which is normally pos-  
7937 sessed by a prudent person in the ordinary course of business dealings.

7938 9. Except for transactions authorized under paragraph 5 of these instructions, if a partici-  
7939 pant in a covered transaction knowingly enters into a lower tier covered transaction with a per-  
7940 son who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred,  
7941 ineligible, or voluntarily excluded from participation in this transaction, in addition to other reme-  
7942 dies available to the Federal Government, DOI may pursue available remedies, including sus-  
7943 pension and/or debarment.

7944

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**7945 APPENDIX H: DOI BUSINESS ASSOCIATE ADDENDUM****7946 DOI Business Associate Addendum**

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7948

(SAMPLE)

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**Alabama Department of Insurance  
BUSINESS ASSOCIATE ADDENDUM**

7951

7952

7953 This Business Associate Addendum (this "Agreement") is made effective the \_\_\_\_\_ day of

7954 \_\_\_\_\_, 20\_\_\_\_, by and between the Office of the Alabama Health Insurance Ex-

7955 change ("Covered Entity"), an agency of the State of Alabama, and \_\_\_\_\_

7956 ("Business Associate") (collectively the "Parties").

**7957 1. BACKGROUND**

7958

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7960

- 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.

7961

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7963

- 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).

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- 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.

**7970 2. DEFINITIONS**

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Unless otherwise clearly indicated by the context, the following terms must have the following meaning in this Agreement:

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- 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.

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- 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.

7980

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- 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.

7983

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7985

- 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.

- 7986 e. “Individual” must have the same meaning as the term “individual” in 45 CFR 174.501  
7987 and must include a person who qualifies as a personal representative in accordance with  
7988 45 CFR 174.502(g).
- 7989 f. “Personal Health Record” must mean an electronic record of identifiable health infor-  
7990 mation on an individual that can be drawn from multiple sources and that is managed,  
7991 shared, and controlled by or primarily for the individual.
- 7992 g. “Privacy Rule” must mean the Standards for Privacy of Individually Identifiable Health In-  
7993 formation at 45 CFR part 170 and part 174, subparts A and E.
- 7994 h. “Protected Health Information” (PHI) must have the same meaning as the term “protect-  
7995 ed health information” in 45 CFR 174.501, limited to the information created or received  
7996 by Business Associate from or on behalf of Covered Entity.
- 7997 i. “Required By Law” must have the same meaning as the term “required by law” in 45  
7998 CFR 174.501.
- 7999 j. “Secretary” must mean the Secretary of the United States Department of Health and  
8000 Human Services or his designee.
- 8001 k. “Security Incident” must mean the attempted or successful unauthorized access, use,  
8002 disclosure, modification, or destruction of information or interference with system opera-  
8003 tions in an information system.
- 8004 l. “Security Rule” must mean the Security Standards for the Protection of Electronic Pro-  
8005 tected Health Information at 45 CFR Parts 170 and 172, and Parts 174, Subparts A and  
8006 C. The application of Security provisions Sections 174.308; 174.310, 174.312, and  
8007 174.317 of title 45, Code of Federal Regulations must apply to a business associate of a  
8008 covered entity in the same manner that such sections apply to the covered entity.
- 8009 m. Unless otherwise defined in this Agreement, capitalized terms used herein must have  
8010 the same meaning as those terms have in the Privacy Rule.
- 8011 n. “Unsecured Protected Health Information” is information that is not rendered unusable,  
8012 unreadable, or indecipherable to unauthorized individuals by mean of technology or  
8013 methodology specified by the Secretary of Health and Human Services in the guidance  
8014 issued under Section 13402(h)(2) of Public Law 111–5.

8015 **3. OBLIGATIONS OF BUSINESS ASSOCIATE**

- 8016 a. Use and Disclosure of PHI. Business Associate agrees to not use or disclose PHI other  
8017 than as permitted or required by this Agreement or as required by law.
- 8018 b. Appropriate Safeguards. Business Associate agrees to use appropriate safeguards to  
8019 prevent use or disclosure of the PHI other than as provided for by this Agreement. The  
8020 Business Associate agrees to take steps to safeguard, implement, and maintain PHI in  
8021 accordance with the HIPAA Privacy Rule.

- 8022 c. Mitigation. Business Associate agrees to mitigate, to the extent practicable, any harmful  
8023 effect that is known to Business Associate of a use or disclosure of PHI by Business As-  
8024 sociate in violation of the requirements of this Agreement.
- 8025 d. Report Unauthorized Use or Disclosure. Business Associate agrees to promptly report to  
8026 Covered Entity any use or disclosure of PHI not provided for by this Agreement of which  
8027 it becomes aware.
- 8028 e. Applicability to Business Associate's Agents. Business Associate agrees to ensure that  
8029 any agent, including a subcontractor, to whom it provides PHI received from, or created  
8030 or received by the Business Associate on behalf of, Covered Entity agrees to the same  
8031 restrictions and conditions that apply through this Agreement to Business Associate with  
8032 respect to such information. The Business Associate agrees to have HIPAA-compliant  
8033 Business Associate Agreements or equivalent contractual agreements with agents to  
8034 whom the Business Associate discloses Covered Entity PHI.
- 8035 f. Access. Upon receipt of a written request from Covered Entity, Business Associate  
8036 agrees to provide Covered Entity, in order to allow Covered Entity to meet its require-  
8037 ments under 45 CFR 174.524, access to PHI maintained by Business Associate in a  
8038 Designated Record Set within thirty (30) business days.
- 8039 g. Amendments to PHI. Business Associate agrees to make any amendment(s) to PHI  
8040 maintained by Business Associate in a Designated Record Set that Covered Entity di-  
8041 rects or agrees to, pursuant to 45 CFR 174.526 at the request of Covered Entity, within  
8042 thirty (30) calendar days after receiving a written request for amendment from Covered  
8043 Entity.
- 8044 h. Availability of Documents. Business Associate agrees to make internal practices, books,  
8045 and records, including policies and procedures and PHI, relating to the use and disclo-  
8046 sure of PHI received from, or created or received by the Business Associate on behalf  
8047 of, Covered Entity, available to Covered Entity or to the Secretary for purposes of the  
8048 Secretary determining Covered Entity's compliance with the Privacy and Security Rules,  
8049 within five business days' after receipt of written notice.
- 8050 i. Documentation of PHI Disclosures. Business Associate agrees to keep records of dis-  
8051 closures of PHI and information related to such disclosures as would be required for  
8052 Covered Entity to respond to a request by an individual for an accounting of disclosures  
8053 of PHI in accordance with 45 CFR 174.528.
- 8054 j. Accounting of Disclosures. The Business Associate agrees to provide to Covered Entity,  
8055 within 30 days of receipt of a written request from Covered Entity, information collected  
8056 in accordance with the documentation of PHI disclosure of this Agreement, to permit  
8057 Covered Entity to respond to a request by an Individual or an authorized representative  
8058 for an accounting of disclosures of PHI in accordance with 45 CFR 174.528.

- 8059 k. The Business Associate must maintain a comprehensive security program appropriate to  
8060 the size and complexity of the Business Associate’s operations and the nature and  
8061 scope of its activities as defined in the Security Rule.
- 8062 l. The Business Associate must notify the Covered Entity immediately following the dis-  
8063 covery of a breach of Protected Health Information (PHI).
- 8064 m. The Business Associate must provide the Covered Entity the following information when  
8065 a breach of unsecured protected health information is discovered:
- 8066 1. The number of recipient records involved in the breach.
  - 8067 2. A description of what happened, including the date of the breach and the date of  
8068 the discovery of the breach if known.
  - 8069 3. A description of the types of unsecure protected health information that were in-  
8070 volved in the breach (such as whether full name, social security number, date of  
8071 birth, home address, account number, diagnosis, disability code, or other type in-  
8072 formation were involved).
  - 8073 4. Any steps the individuals should take to protect themselves from potential harm re-  
8074 sulting from the breach.
  - 8075 5. A description of what the Business Associate is doing to investigate the breach, to  
8076 mitigate harm to individuals and to protect against any further breaches.
  - 8077 6. Contact procedures for individuals to ask questions or learn additional information,  
8078 which must include the Business Associate’s toll-free number, email address, Web  
8079 site, or postal address.
  - 8080 7. A proposed media release developed by the Business Associate.
- 8081 n. The Business Associate must obtain Covered Entity approval prior to reporting any  
8082 breach required by 45 CFR Part 174, Subpart D.
- 8083 o. The Business Associate must, after receiving Covered Entity approval, provide the nec-  
8084 essary notices to the recipient, prominent media outlet, or the Secretary of Health and  
8085 Human Services (HHS) to report Business Associate breaches as required by 45 CFR  
8086 Part 174, Subpart D.
- 8087 p. Covered Entity will coordinate with the Business Associate in the determination of addi-  
8088 tional specific actions that will be required of the Business Associate for mitigation of the  
8089 breach.
- 8090 q. If the Business Associate is a Vendor of personal health records, notification of the  
8091 breach will need to be made with the Federal Trade Commission.
- 8092 r. The Business Associate must be responsible for any and all costs associated with the  
8093 notification and mitigation of a breach that has occurred because of the negligence of  
8094 the Business Associate.
- 8095 s. The Business Associate must pay all fines or penalties imposed by HHS under 45 CFR  
8096 Part 170 HIPAA Administrative Simplification: Enforcement rule for breaches made by  
8097 any employee, officer, or agent of the Business Associate.



- 8098 t. The Business Associate must be subject to prosecution by the Department of Justice for  
8099 criminal violations of HIPAA if the Business Associate obtains or discloses individually  
8100 identifiable health information without authorization, and must be responsible for any and  
8101 all costs associated with prosecution.

8102 **4. PERMITTED USES AND DISCLOSURES**

8103 Except as otherwise limited in this Agreement, if the Contract permits, Business Associate may  
8104 use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered En-  
8105 tity as specified in the Contract, provided that such use or disclosure would not violate the Pri-  
8106 vacy Rule if done by Covered Entity;

- 8107 a. Except as otherwise limited in this Agreement, if the Contract permits, Business Associ-  
8108 ate may use PHI for the proper management and administration of the Business Associ-  
8109 ate or to carry out the legal responsibilities of the Business Associate.
- 8110 b. Except as otherwise limited in this Agreement, if the Contract permits, Business Associ-  
8111 ate may disclose PHI for the proper management and administration of the Business  
8112 Associate, provided that:
- 8113 1. Disclosures are required by Law; or.
- 8114 2. Business Associate obtains reasonable assurances from the person to whom the in-  
8115 formation is disclosed that it will remain confidential and used or further disclosed on-  
8116 ly as Required By Law or for the purpose for which it was disclosed to the person,  
8117 and the person notifies the Business Associate of any instances of which it is aware  
8118 in which the confidentiality of the information has been breached.
- 8119 c. Except as otherwise limited in this Agreement, if the Contract permits, Business Associ-  
8120 ate may use PHI to provide data aggregation services to Covered Entity as permitted by  
8121 42 CFR 174.504(e)(2)(i)(B).
- 8122 d. Notwithstanding the foregoing provisions, Business Associate may not use or disclose  
8123 PHI if the use or disclosure would violate any term of the Contract.

8124 **5. REPORTING IMPROPER USE OR DISCLOSURE**

- 8125 a. The Business Associate must report to the Covered Entity any use or disclosure of PHI  
8126 not provided for by this agreement immediately from the time the Business Associate  
8127 becomes aware of the use or disclosure.
- 8128 b. The Business Associate must report to the Covered Entity any Security Incident and/or  
8129 breach immediately from the time the Business Associate becomes aware of the use or  
8130 disclosure.

8131 **6. OBLIGATIONS OF COVERED ENTITY**

- 8132 a. Covered Entity must notify the Business Associate of any limitation(s) in its notice of pri-  
8133 vacy practices in accordance with 45 CFR 174.520, to the extent that such limitation  
8134 may affect Alabama DOI's use or disclosure of PHI.

- 8135 b. Covered Entity must notify the Business Associate of any changes in, or revocation of,  
8136 permission by an Individual to use or disclose PHI, to the extent that such changes may  
8137 affect the Business Associate's use or disclosure of PHI.
- 8138 c. Covered Entity must notify the Business Associate of any restriction to the use or disclo-  
8139 sure of PHI that Covered Entity has agreed to in accordance with 45 CFR 174.522, to  
8140 the extent that such restriction may affect the Business Associate's use or disclosure of  
8141 PHI.
- 8142 d. Covered Entity must not request Business Associate to use or disclose PHI in any man-  
8143 ner that would not be permissible under the Privacy Rule if done by Covered Entity.
- 8144 e. Covered Entity must provide Business Associate with only that PHI which is minimally  
8145 necessary for Business Associate to provide the services.

8146 **7. TERM AND TERMINATION**

- 8147 a. **Term.** The Term of this Agreement must be effective as of the effective date stated  
8148 above and must terminate when the Contract terminates.
- 8149 b. **Termination for Cause.** Upon Covered Entity's knowledge of a material breach by  
8150 Business Associate, Covered Entity may, at its option:
- 8151 1. Provide an opportunity for Business Associate to cure the breach or end the viola-  
8152 tion, and terminate this Agreement if Business Associate does not cure the breach  
8153 or end the violation within the time specified by Covered Entity;
- 8154 2. Immediately terminate this Agreement; or
- 8155 3. If neither termination nor cure is feasible, report the violation to the Secretary as  
8156 provided in the Privacy Rule.
- 8157 c. **Effect of Termination.**
- 8158 1. Except as provided in paragraph (2) of this section or in the Contract, upon termina-  
8159 tion of this Agreement, for any reason, Business Associate must return or destroy  
8160 all PHI received from Covered Entity, or created or received by Business Associate  
8161 on behalf of Covered Entity. This provision must apply to PHI that is in the posses-  
8162 sion of subcontractors or agents of Business Associate. Business Associate must  
8163 retain no copies of the PHI.
- 8164 2. In the event that Business Associate determines that returning or destroying the  
8165 PHI is not feasible, Business Associate must provide to Covered Entity notification  
8166 of the conditions that make return or destruction not feasible. Business Associate  
8167 must extend the protections of this Agreement to such PHI and limit further uses  
8168 and disclosures of such PHI to those purposes that make the return or destruction  
8169 infeasible, for so long as Business Associate maintains such PHI.

8170 **7. GENERAL TERMS AND CONDITIONS**

- 8171 a. This Agreement amends and is part of the Contract.  
8172 b. Except as provided in this Agreement, all terms and conditions of the Contract must re-  
8173 main in force and must apply to this Agreement as if set forth fully herein. In the event of  
8174 a conflict in terms between this Agreement and the Contract, the interpretation that is in  
8175 accordance with the Privacy Rule must prevail. Any ambiguity in this Agreement must be  
8176 resolved to permit Covered Entity to comply with the Privacy Rule.
- 8177 c. A breach of this Agreement by Business Associate must be considered sufficient basis  
8178 for Covered Entity to terminate the Contract for cause.
- 8179 d. The Parties agree to take such action as is necessary to amend this Agreement from  
8180 time to time for Covered Entity to comply with the requirements of the Privacy Rule and  
8181 HIPAA.

8182 IN WITNESS WHEREOF, Covered Entity and Business Associate have executed this Agree-  
8183 ment effective on the date as stated above.

8184 **Alabama Department of Insurance**

8185  
8186 Signature:

8187  
8188 Printed Name:

8189  
8190 Title: Privacy Officer

8191  
8192 Date:

8193  
8194 **BUSINESS ASSOCIATE**

8195 Signature:

8196 **APPENDIX I: PERFORMANCE EXPECTATIONS AND SERVICE LEVEL**  
8197 **AGREEMENTS**

8198  
8199 **Preface statement:** The following general requirement may apply to several Service Level  
8200 Agreements (SLAs): Vendors must design for a steady-state minimum of at least 4000 concur-  
8201 rent users; however the system must be sufficiently robust to handle brief surges of up to twice  
8202 this number. Vendors are encouraged to consider alternative minimum concurrent user esti-  
8203 mates as long as they justify any assumptions made."

8204  
8205 **The following are the Service Level Agreement (SLA) level expectations of the Alabama**  
8206 **HIX System:**

8207  
8208 **Solution Availability:**

8209 The vendor's production application and hardware shall be available 24 hours a day and 7 days  
8210 a week excluding the regular maintenance window unless otherwise coordinated with the State  
8211 of Alabama. This also applies to failover and disaster recovery environments. The vendor will  
8212 notify the State when the application performance is impacted and will notify the State at least  
8213 72 hours in advance of any other scheduled maintenance outside the regular solution mainte-  
8214 nance window. The scheduled maintenance outside the regular maintenance window must be  
8215 approved by the State. Unplanned emergency maintenance events must be reported to the  
8216 State within 24 hours.

8217  
8218 A liquidated damage shall be assessed at a rate of \$2,500 per hour (or any portion thereof) for  
8219 any period if the production environment is not operational or available during the core hours of  
8220 operation 6:00 AM to 24:00 PM CST time

8221  
8222 A liquidated damage shall be assessed at a rate of \$1,200 per hour (or any portion thereof) for  
8223 any period if the production environment is not operational or available outside the hours of op-  
8224 eration listed above.

8225  
8226 **Consumer response time SLA measurements:**

8227 The response time shall be less than 2 seconds, 99.5% of time that includes both peak and  
8228 non-peak hours. The response time shall be calculated based on a point to point connectivity  
8229 between the Exchange and the vendor's proposed solution.

8230  
8231 Liquidated damages:

8232 Liquidated damages are \$500 per hour for any period in which the production environment does  
8233 not meet the specification above.

8234  
8235 **Network response time SLA measurements:**

8236 The network response time between components shall be less than 100ms seconds 99% of the  
8237 time, with an average of 50ms. The response time shall be calculated based on a point to point  
8238 connectivity between the Exchange and the vendor's proposed solution.

8239

8240 Liquidated damages:

8241 Liquidated damages are \$500 per hour for any period in which the production environment does  
8242 not meet the specification above.

8243

8244 **Failover SLA measurements:**

8245 Failover processes shall be completed within 15 minutes from the time the production environ-  
8246 ment becomes unresponsive or fails to meet responsiveness times.

8247

8248 Liquidated damages:

8249 Liquidated damages are \$500 per hour until the failover process is completed, past the initial 15  
8250 minutes of not meeting the specification.

8251

8252 **Solution File restoration SLA measurements:**

8253 For 24x7x365 requests, file restoration services are to be 95% within 4 hours, and 100% within  
8254 24 hours.

8255

8256 Liquidated damages:

8257 Liquidated damages are \$2,500 per occurrence of not meeting the SLA measurement.

8258

8259 **Backup strategy of data:**

8260 Daily and weekly backups will be executed. Backup data will be rotated to offsite storage, or  
8261 otherwise duplicated at an offsite location. Backups should be able to be initiated within an hour  
8262 of request, and completed within 4 hours.

8263

8264 Liquidated damages:

8265 Liquidated damages are \$2,500 per occurrence of not meeting the SLA measurement.

8266

8267 **Server, Network, Application, and Internet availability:**

8268 Server, Network, Application, and Internet will be available 99.9% of the time, outside of agreed  
8269 upon regularly scheduled maintenance.

8270

8271 Liquidated damages:

8272 Liquidated damages are \$2,500 per hour for any period when this requirement is not met.

8273

8274 **Disaster recovery:**

8275 Disaster recovery processes shall be completed within 48 hours of a disaster, with less than 12  
8276 hours of data loss.

8277

8278 Liquidated damages:

8279 Liquidated damages are \$100,000 per occurrence if the disaster recovery is not fully operational  
8280 within 48 hours of a disaster.  
8281

8282 **APPENDIX J: MANDATORY PROPOSAL REQUIREMENTS**

8283 The following is a check-list to assist Vendors in assuring that they have met the mandatory proposal re-  
 8284 quirements. However, this may not include all of the legal requirements. Also, it must be regarded as a  
 8285 tool for helping to meet all submission requirements, not as a comprehensive list.  
 8286

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.

8288 **APPENDIX K: FORMS**

8289 The following forms support the procurement and submission of the proposal:

- 8290 • Form A – High Level RFP Checklist
- 8291 • Form B – Proposal Compliance Checklist
- 8292 • Form C – Intent to Attend Pre-Proposal Conference
- 8293 • Form D – Requirements Response Matrix
- 8294 • Form E – RFP Proposal Sheet
- 8295 • Form F – Price Schedule I
- 8296 • Form G – Price Schedule II
- 8297 • Form H – Price Schedule III
- 8298 • Form I – Price Schedule IV
- 8299 • Form J – Price Schedule V
- 8300 • Form K – Price Schedule VI
- 8301 • Form L – Price Schedule VII
- 8302 • Form M – Price Schedule VIII
- 8303 • Form N – MAGI Eligibility Determination System Cost
- 8304 • Form O – Reserved – intentionally blank
- 8305 • Form P - Disclosure Statement
- 8306 • Form Q – Business Experience Matrix

8307

**FORM A – HIGH LEVEL RFP CHECKLIST**

8308 The following items should be understood **before Vendors initiate their responses to the**  
8309 **RFP**. This is provided for assistance only and is not to be considered a list of proposal submis-  
8310 sion requirements, which are provided elsewhere throughout the RFP.

- 8311 1. \_\_\_\_ **Read the entire document.** Note critical items such as: mandatory requirements;  
8312 supplies/services required; submittal dates; number of copies required for submittal;  
8313 licensing requirements; contract requirements (e.g. contract performance security,  
8314 insurance requirements, performance and/or reporting requirements, etc.). Note the  
8315 interactions among response and RFP sections; initiating the response before seeing  
8316 the “big picture” can be very counterproductive.
- 8317 2. \_\_\_\_ **Note the HIX Project Administrator name, address, phone numbers, and email**  
8318 **address.** This is the only person the Vendor is allowed to communicate with regard-  
8319 ing the RFP and is an excellent source of information for any questions that arise.
- 8320 3. \_\_\_\_ **Take advantage of the “question and answer” period.** Submit questions to the  
8321 HIX Project Administrator by the due date(s) listed in Table 1 and view the answers  
8322 as posted on the Web (place link here when available). All addenda issued for the  
8323 RFP are posted on the following web page:  
8324 <http://www.aldoi.gov/Consumers/HealthInsReform.aspx>  
8325 including all questions asked and answered concerning this RFP.
- 8326 4. \_\_\_\_ **Use the forms provided,** such as cover sheet, disclosure form, etc. Alternative  
8327 forms will not be accepted.
- 8328 5. \_\_\_\_ **Check the State’s web site for RFP addenda.** It is the Vendor’s responsibility to  
8329 check the web site given in Item 3 above for any addenda issued for this RFP, no  
8330 further notification will be provided. Vendors must submit a signed cover sheet for  
8331 each addendum issued along with the RFP response.
- 8332 6. \_\_\_\_ **Review and read the RFP document again** to make sure that all requirements  
8333 have been addressed. The original response and the requested copies must be iden-  
8334 tical and be complete.
- 8335 7. \_\_\_\_ **Submit the response on time.** Note all the dates and times listed in Table 1 and  
8336 within the document, and be sure to submit all required items on time. Late proposal  
8337 responses will lead to disqualification.

8338 **This checklist is provided for assistance only and must not be submitted with Vendor’s Response.**

8339



8340

**FORM B – PROPOSAL COMPLIANCE CHECKLIST****8341 NOTICE TO VENDOR:**

8342 It is highly encouraged that the following checklist be used to verify completeness of Proposal content. **It is not re-**  
 8343 **quired to submit this checklist with your proposal.**

8344

8345 Vendor Name

8346

8347 Project Director

Review Date

8348

8349 *Proposals for which **ALL** applicable items are marked by the Project Director are determined to*  
 8350 *be compliant for responsive proposals.*

8351

<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, redesign, 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.

8352

**FORM C – INTENT TO ATTEND PRE-PROPOSAL  
CONFERENCE NOTIFICATION**

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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**

\_\_\_\_\_

**REPRESENTATIVE’S NAME** (List all attending. HIX must be notified in advance of changes in representation)

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**COMPANY ADDRESS**

\_\_\_\_\_  
\_\_\_\_\_

**Phone:** \_\_\_\_\_

**FAX:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## FORM D – REQUIREMENTS RESPONSE MATRIX

8402

8403 This page briefly describes the mandatory Requirements Response Matrix referred to in  
8404 this document.

8405

8406 The Requirements Response Matrix is an Excel spreadsheet that accompanies this  
8407 document, and is available for download.

8408

8409 The Requirements Response Matrix contains a list of Functional Requirements known  
8410 at the time of its publication.

8411

8412 The Requirements Response Matrix is a required element of the Vendor's Proposal Re-  
8413 sponse. It is required by Section 5.2.1 of this document to be included in the Vendor's  
8414 Proposal Response Appendix C – Requirements Response Matrix.

8415

8416 Instructions for completing this matrix are listed in Section 3.1 (Functional Require-  
8417 ments), Section 5.2.2.23 (Appendix C: Requirements Response Matrix), and on the first  
8418 sheet of the Excel file.

8419

8420 The Requirements Response Matrix must be considered as a “form” for data entry, and,  
8421 except for the three columns to be completed by the Vendor, cannot be edited or modi-  
8422 fied. The Vendor must enter the requested information in accordance with the instruc-  
8423 tions in this document, and save the document in an electronic, editable, machine-  
8424 readable format. Failure to follow these instructions and saving the Requirements Re-  
8425 sponse Matrix in a non-editable format will make the data unusable for evaluation pur-  
8426 poses.

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## FORM E – RFP PROPOSAL SHEET



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> _____ _____		<b>Authorized Vendor Signatory:</b> (Please print name and sign in ink) _____ _____	
<b>Vendor Phone Number:</b> _____		<b>Vendor FAX Number:</b> _____	
<b>Vendor Federal I.D. Number:</b> _____		<b>Vendor Email Address:</b> _____	

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8435

**FORM F – PRICE SCHEDULE I**

8436

**DDI LABOR**

<u>Staff by Title</u>	<u># of Staff</u>	<u>Rate Per Hour</u>	<u>Est. Hours</u>	<u>Extended Price</u>

8437

Grand Total: Staff _____ Hours _____ Price _____ *
--

8438

8439 Grand Total Price from Schedule I must be transferred to and agree with Grand Total Price

8440 listed on line 1 of Price Schedule VIII.: \_\_\_\_\_"

8441

---

NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
ed)

---

SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

8442

8443

8444

**FORM G – PRICE SCHEDULE II**

8445

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	

8446

Grand Total: Deliverable Price _____*
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8447

8448 Grand Total Price on Schedule II must be transferred to and agree with Grand Total Price from  
 8449 Schedule listed on the bottom of Price Schedule VIII as RFP Line Item #2.

8450

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NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
 ed)

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SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

8451

8452

8453

**FORM H – PRICE SCHEDULE III**

Hardware/Software				
Contract Year	Description	Quantity	Unit Price	Total Price

8454

Grand Total: Price _____*
---------------------------

8455

8456 Grand Total Price on Schedule III must be transferred to and agree with Grand Total Price from  
 8457 Schedule listed on Price Schedule VIII as RFP Line Item #3.

8458

NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
 ed)

SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

8459

8460

**FORM I – PRICE SCHEDULE IV**

Software Licensing				
Contract Year Needed	Description (specify terms & options)	Quantity	Unit Price	Total Price

8461

Grand Total: Price _____*
---------------------------

8462

8463 Grand Total Price on Schedule IV must be transferred to and agree with Grand Total Price from  
 8464 Schedule listed on Price Schedule VIII as RFP Line Item 4.

8465

NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
 ed)

SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

8466

8467

**FORM J – PRICE SCHEDULE V**

Software Maintenance Support				
Description	Frequency	Quantity	Unit Price	Total Price

8468

Grand Total: Price _____*
---------------------------

8469

8470 Grand Total Price on Schedule V must be transferred to and agree with Grand Total Price from  
 8471 Schedule listed on the bottom of Price Schedule VIII as RFP Line Item #5.

8472

NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
 ed)

SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

8473

8474



8475

### FORM K – PRICE SCHEDULE VI

Stabilization Period					
<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					

8476

Ongoing Operations Optional (per year)					
<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					

8477

Grand Total: Staff _____ Hours _____ Price _____ *
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8478

8479 Grand Total Price on Schedule VI 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 #6.

8481

8482

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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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8483

8484

8485

**FORM L – PRICE SCHEDULE VII**

Other Implementation Costs				
Contract Year Needed	Description	Quantity	Unit Cost	Total Cost

8486

Grand Total: \_\_\_\_\_\*

8487

8488 Grand Total Price on Schedule VII must be transferred to and agree with Grand Total Price from  
 8489 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

8490

8491

8492

**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	

8493

Summary Grand Total: Price \_\_\_\_\_ \*

8494

8495

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 NAME OF AUTHORIZED VENDOR REPRESENTED (Print- TITLE  
 ed)

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 SIGNATURE OF AUTHORIZED VENDOR REPRESENTED DATE

8496

8497

8498

**FORM N: MAGI ELIGIBILITY DETERMINATION SYSTEM COST**

8499

8500

<b>COST TO PURCHASE, INSTALL AND CONFIGURE*</b>	
<b>OPERATING YEAR 1</b>	
<b>OPERATING YEAR 2</b>	
<b>OPERATING YEAR 3</b>	
<b>OPERATING YEAR 4</b>	
<b>OPERATING YEAR 5</b>	

8501

8502 **\*THIS COST SHOULD REFLECT ALL OF THE “UP-FRONT” COSTS TO**  
 8503 **PROCURE THE MAGI ELIGIBILITY DETERMINATION SYSTEM PRIOR**  
 8504 **TO THE “GO-LIVE” DATE OF OCTOBER 1, 2013.**

8505

8506 **NOTE: OPERATING YEAR COSTS SHOULD REFLECT ALL LICENS-**  
 8507 **ING AND MAINTENANCE COSTS FOR EACH YEAR. IT MUST BE AS-**  
 8508 **SUMED THAT AN ENTERPRISE LICENSE WILL BE PURCHASED**  
 8509 **THAT WOULD ALLOW OTHER STATE AGENCIES TO USE THE BUSI-**  
 8510 **NESS RULES ENGINE THAT SUPPORTS THE MAGI ELIGIBILITY DE-**  
 8511 **TERMINATION.**

8512 **IN FORM N, VENDORS SHOULD NOT INCLUDE ANY CONFIGURA-**  
 8513 **TION, DEVELOPMENT OR INTEGRATION COSTS BEYOND THE**  
 8514 **SCOPE OF MAKING THE MAGI ELIGIBILITY DETERMINATION FOR**  
 8515 **HIX, MEDICAID AND CHIP.**

8516

8517

**FORM O – INTENTIONALLY BLANK**

8518

8519

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8521

**FORM P – DISCLOSURE STATEMENT**

## State of Alabama Disclosure Statement

(Required by Act 2001-955)

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 ENTITY COMPLETING FORM
 

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 ADDRESS
 

---

 CITY, STATE, ZIP
 

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 TELEPHONE NUMBER
 

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 (     )
 

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 STATE AGENCY/DEPARTMENT THAT WILL RECEIVE GOODS, SERVICES, OR IS RESPONSIBLE FOR GRANT AWARD
 

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 ADDRESS
 

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 CITY, STATE, ZIP
 

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 TELEPHONE NUMBER
 

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 (     )
 

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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

8522



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.)

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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.)

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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
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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**

8524

8525 System Project  
8526 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)									

8527