

GOVERNMENT OF
THE VIRGIN ISLANDS OF THE UNITED STATES

Request for Proposal - Negotiation
PROFESSIONAL SERVICES

To: Date April 11, 2016

..... RFP-008-2016 (Professional)

Pursuant to 31 V. I. C. § 239 (a) (4) and the Rules and Regulations thereunder issued, the Government of the Virgin Islands, Property and Procurement, will receive proposals for the work described below. Proposals will be received until **Tuesday, May 10, 2016 at 4:00 P.M.**

DESCRIPTION OF WORK

The Government of the Virgin Islands, Department of Property and Procurement is requesting proposals from qualified contractors for the following services: **RFP-008-2016(P) Cost Report Analysis for Fiscal Year 2011-2016, U.S. Virgin Islands.**

SCOPE OF SERVICES: SEE ATTACHED

NEGOTIATED PROCEDURES:

The Commissioner of the Department of Property and Procurement will appoint a Selection Committee to assist in the evaluation and selection of the Contractor. Accordingly, current data on qualifications and performance should be submitted with proposals. After reviewing the qualifications and proposals, the Committee will select for discussions from the firm/s or person/s considered not less than three (3), in order of preference, **deemed to be the most highly qualified to provide the services herein required.** Discussions will be conducted successively and severally with the firms or persons so selected regarding the anticipated concepts and the relative utility of alternative methods of approach for furnishing the services hereunder.

FACTORS FOR DISCUSSIONS:

Selection criteria will include (i.) Professional qualifications, registration and general reputation of the principals of the firm; (ii) the extent to which the firm or person specialized in or has designed project of a type and scope similar to that hereunder; (iii) familiarity with the area in which the project is to be located; (iv) capability of meeting schedules; and (v) quality of performances on other projects.

NEGOTIATION:

The Selection Committee shall recommend to the Commissioner **the highest qualified firm or persons with whom a contract shall be negotiated.** The Commissioner, with the assistance of the Selection Committee shall negotiate a contract with such firm or person.

Should the Commissioner be unable to negotiate a satisfactory contract with the firm considered to be the most qualified, at a price he determines to be fair and reasonable to the Government, negotiations with that firm will be formally terminated? Negotiations will then be commenced with the second most qualified, the third most qualified or additional firms, in order of preference and their competence and qualification, and shall continue until an agreement is reached.

Randolph N. Bennett
Commissioner
Property and Procurement

INSTRUCTION TO PROPOSERS

A. NOTICE

This project is for, the following services: **RFP-008-2016(P) Cost Report Analysis for Fiscal Year 2011-2016, U.S. Virgin Islands.**

Information provided in the scope of work is to be used only for purposes of preparing a proposal. It is further expected that each bidder will read the scope of work with care, for failure to meet certain specified conditions may invalidate the proposal.

The Government of the Virgin Islands, hereinafter referred to as GVI, reserves the right to reject any or all proposals or any portion thereof and to accept the proposal deemed most advantageous to GVI. Price shall not be the sole criterion of awarding this project. Scope and quality of work proposed and the ability of the bidder to complete this type of project shall be considered.

Applicants are requested to submit proposals based on the scope of work. Alternative proposals recommending new features and technology other than that requested in the scope of work will receive consideration providing such new features and/or technology is clearly explained. Any exceptions to the requirements requested herein must be clearly noted in writing and be included as part of the proposal.

The information contained herein is believed to be accurate, but is not to be considered in any way as a warranty. Request for additional information clarifying the Scope of Work should be directed in writing to **Chief of Procurement & Contracts, Lloyd T. Bough Jr. at lloyd.bough@dpp.vi.gov.**

B. STATEMENT OF PURPOSE

This project has been addressed to assist the Government of the Virgin Islands in meeting The need for the following services: **RFP-008-2016 (P) Cost Report Analysis for Fiscal Year 2011-2016 U.S. Virgin Islands.**

C. PROPOSED SCOPE OF WORK

SEE ATTACHED SCOPE OF WORK

D. TIMETABLE.

1. Proposals will be accepted at the Department of Property and Procurement, no later than **Tuesday, May 10, 2016 at 4:00 P.M.**
2. Last Day for Questions: **Tuesday May 3, 2016 at 4:00 P.M.**

E. SUBMISSION OF PROPOSAL

All interested parties shall submit seven (7) sets of proposals(one (1) original and six (6) copies), which are to be delivered to the Department of Property and Procurement during normal business hours, no later than **Tuesday, May 10, 2016 at 4:00 P.M.**

They shall be addressed to:

Randolph N. Bennett
Commissioner
Department of Property and Procurement
#3274 Estate Richmond, Christiansted
St. Croix, U.S. Virgin Islands 00820-4200

The sealed envelope containing the proposal must have the following information written on the outside of the envelope:

SEALED PROPOSALS - DO NOT OPEN

RFP-008-2016(P)
(Name of Offeror)
(Mailing Address of Offeror)
(Telephone Number of Offeror)
(Fax Number of Offeror)

Where proposals are sent by mail, the bidder shall be responsible for their delivery to the Department of Property and Procurement before the date and time set for the closing of acceptance of proposals.

F. WITHDRAWALS OF PROPOSAL

A proposal may be withdrawn at any time prior to the time specified as the closing time for acceptance of proposals. However, no proposal shall be withdrawn or canceled for a period of thirty (30) days after said closing time for acceptance of proposals nor shall the successful provider withdraw or cancel or modify his proposal, except at the request of GVI after having been notified that said proposal has been accepted by GVI.

G. INTERPRETATION OF SPECIFICATIONS

If any person contemplating submitting a proposal requires clarification of any part of the scope of work, he/she may submit to the GVI a written request for an interpretation thereof to the **Chief of Procurement & Contracts, Lloyd T. Bough Jr.** GVI will not respond to questions received after the above-established date. The person submitting the request will be responsible for its prompt delivery. Any interpretation of the scope of work will be made in writing to all prospective providers. Oral explanations will not be binding.

H. CONSIDERATION OF PROPOSAL

The Commissioner of Property and Procurement shall represent and act for GVI in all matters pertaining to the scope of work and contract in conjunction therewith. **This RFP does not commit GVI to the award of a contract, nor pay any cost incurred in the preparation and submission of proposals in anticipation of a contract. GVI reserves the right to reject any or all proposals and to disregard any informality and/or irregularity in the proposal when, in its opinion, the best interest of GVI will be served by such action.** Proposals failing to provide some of the items in the scope of work shall not be rejected per se, but any deviations from the scope must be clearly noted.

I. ACCEPTANCE OF PROPOSALS

GVI will notify in writing acceptance of one of the proposals. Failure to provide any supplementary documentation to comply with the vendor's proposal may be grounds for disqualification.

J. CONTENTS OF PROPOSAL

The following is a list of information to be included in the written proposal. Failure to comply with all the requirements as outlined may disqualify the applicant.

1. Introductory letter about the applicant:
 - a. Firm Name, address, fax and telephone
 - b. Type of service for which Firm is qualified.
2. Organization:
 - a. Names of Principals of Firm
 - b. Names of key personnel with experience of each and length of time in organization.
 - c. Number of staff available for assignment. (Local & Off-Territory)
 - d. Copy of Article of Incorporation
 - e. Copy of Certificate of Resolution
 - f. Copy of Valid Business License
 - g. Copy of Certificate of Good Standing

3. Outside consultants that will be retained for this project and percentage of work to be sub-contracted.
4. Project experience:
 - a. List of completed projects of similar type and estimated cost of each.
 - b. Current projects underway; scope; percentage completed to date and estimated cost of each.
5. Project References: (including a notarized written consent from the authorized representative which must include: name; telephone number; email address and facsimile number).
6. Project Approach:
 - a. Describe how you will approach this project and availability to perform the services requested.
7. **Cost:** The Cost Proposal must be submitted in a separate sealed envelope.

K. CONFLICT OF INTEREST

A bidder filing a proposal hereby certifies that no officer, agent or employee of GVI has a pecuniary interest in this proposal or has participated in contract negotiations on behalf of GVI; that the proposal is made in good faith without fraud, collusion, or connection of any kind with any other Bidder for the same request for proposals; the Bidder is competing solely in its own behalf without connection, with, or obligation to, any undisclosed person or firm.

L. LICENSE REQUIREMENT

An award will not be made to any firm or individual doing business in the Virgin Islands to perform work with the Government of the Virgin Islands until evidence is submitted that the said firm or individual has a valid V. I. Business License to do similar business in the Virgin Islands. Bidders must submit hard copy of a valid V. I. Business license within ten (10) working days after award.

All Bidders bidding as Joint Ventures that do business in the Virgin Islands must be licensed as a Joint Venture in the Virgin Islands.

M. REQUIRED DOCUMENTS

1. PUBLIC LIABILITY: The successful bidder will be required to obtain and have in place public liability insurance and other insurance necessary as requested in this proposal package. Insurance policy(ies) shall name the Government of the Virgin Islands as “**Additional insured.**” The public liability insurance shall have a minimum limit of not less than **one hundred thousand (\$100,000.00) dollars** for any one occurrence for death or personal injury and **one hundred thousand (\$100,000.00) dollars** for any one occurrence for property damage. Offeror must provide public liability insurance with ten (10) working days after award.
2. WORKERS’ COMPENSATION: Within ten (10) working days after award of project the successful offeror must submit a copy of their certificate providing that his firm and his agents are covered by Workers Compensation Employee’s Liability.

FAILURE TO PROVIDE THE CERTIFICATES WITHIN THE STATED TIME PERIOD MAY RESULT IN THE PROPOSAL DEEMED AS NON-RESPONSIVE AND MAY BE IMMEDIATELY DISQUALIFIED WITH NO FURTHER CONSIDERATION GIVEN FOR POTENTIAL AWARDED OF THE CONTRACT.

N. REQUIREMENTS FOR CORPORATIONS:

1. ARTICLES OF INCORPORATION
2. CERTIFICATE OF CORPORATE RESOLUTION
3. CERTIFICATE OF GOOD STANDING

THESE WILL BE REQUIRED PRIOR TO AWARD OF CONTRACT.



Request for Proposals

for

Cost Report Analysis

for the

Department of Human Services

Medical Assistance Program

RFP #: BFP-008-2016(P)

**GOVERNMENT OF
THE VIRGIN ISLANDS OF THE UNITED STATES**

Request for Proposal — Cost Reporting Reconciliation

Pursuant to 31 V.I.C. 239 (a) (4) and Rules and Regulations thereunder issued, the Government of the Virgin Islands, Department of Property and Procurement will receive proposals for the work described below. Proposals will be received until

DESCRIPTION OF WORK AND PROJECT:

The United State Virgin Islands (USVI) Department of Human Services (DHS) is requesting proposals for an audit contractor to provide Medicaid assistance in Medicaid rate setting and rate reconciliation, and performing Medicaid audits of the annual Medicare Cost Reports another supporting information for the following facilities in the USVI:

Hospitals

1. Roy L. Schneider (St. Thomas)
2. Governor Juan Luis Hospital (St. Croix)

Nursing Facility

1. Seaview Nursing Home (St. Thomas)

Federally Qualified Health Centers (FQHCs)

1. St. Thomas East End Medical Center Corporation (St. Thomas)
2. Frederiksted Health Care, Inc. (St. Croix)

Form No. ~~DDP-RFP-PS-68-75~~
APPROVED May 7, 1975
REVISED August 18, 2008

NEGOTIATED PROCEDURES:

The Commissioner of the Department of Property and Procurement will appoint Selection Committee to assist in the evaluation and selection of the Contractor. Accordingly current data on qualifications and performance should be submitted with proposals. After reviewing the qualifications and proposals the Committee will select for discussions from the firm/s or person/s considered not less than three (3), in order of preference, deemed to be most highly qualified to provide the services herein required. Discussions will be conducted successively and severally with the firms or persons so selected the anticipated concepts and the relative utility alternative methods of approach for furnishing the services hereunder.

FACTORS FOR DISCUSSIONS:

Selection criteria will include (i) Relevant experience and Expertise; (ii) Organizational Approach and Understanding; (iii) Vendor Staff and Level of Effort (iv) Project cost.

NEGOTIATION:

The Selection Committee shall recommend to the Commissioner the highest qualified firm or person with whom a contract shall be negotiated. The Commissioner, with the assistance of the Selection Committee, shall attempt to negotiate a contract with such firm or person.

Should the Commissioner be unable to negotiate a satisfactory contract with the firm considered to be the most qualified, at a price he determines to be fair and reasonable to the Government, negotiations with that firm will be formally terminated. Negotiations will then be commenced with the second most qualified, the third most qualified or additional firms, in order to preference and their competence and qualification, and shall continue until an agreement is reached.

Randolph Bennett
Commissioner
Property and Procurement

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A. NOTICE

RFP# 008-2016 (P) Qualified audit contractor(s) to provide Medicaid consultation services, assistance in Medicaid rate setting and reconciliation, and perform Medicaid audits of the annual Medicare Cost Reports and other supporting information for the USVI hospitals, Nursing Facility, and Federally Qualified Health Centers (FQHC).

Information provided in the scope of work is to be used only for purposes of preparing a proposal. It is further expected that each bidder will read the scope of work with care, for failure to meet certain specified conditions may invalidate the proposal.

The Government of the Virgin Islands (herein after referred to as GVI or Territory) reserves the right to reject any or all proposals or any portion thereof and to accept the proposal deemed most advantageous to GVI. Price shall not be the sole criterion of awarding this project. Scope and quality of work proposed and the ability of the bidder to complete this type of project shall also be considered.

Applicants are requested to submit proposals on the basis of the scope of work. Alternative proposals recommending new features and technology other than that requested in the scope of work will receive consideration providing such new features and/or technology is clearly explained. Any exceptions to the requirements requested herein must be clearly noted in writing and be included as part of the proposal.

The information contained herein is believed to be accurate, but is not to be considered in any way as a warranty. Request for additional information clarifying the Scope of Work should be directed in writing to **Commissioner of the Department of Property and Procurement (DP&P) Randolph Bennett**, at randolph.bennett@DP&P.vi.gov. All requests will be forwarded to the **Honorable Vivian I. Ebbesen-Fludd, Commissioner, Department of Human Services**.

B. STATEMENT OF PURPOSE

The GVI, through the Department of Property and Procurement, (hereinafter “DP&P”), on behalf of The Department of Human Services (DHS) is submitting this Request for Proposals (RFP) to solicit proposals from qualified audit contractors. The successful contractor will provide Medicaid consultation services, assist Medicaid with rate setting and reconciliation and perform Medicaid audits of the annual Medicare Cost Reports and other supporting information for the USVI hospitals, Nursing Facility, and Federally Qualified Health Centers. These audits are being conducted to comply with Federal regulations at 42 CFR §447.202, 42 CFR 447.

Medicare-certified institutional providers are required to prepare and submit an annual cost report detailing provider information such as facility characteristics, utilization data, cost and charges by cost center (in total and for Medicare and Medicaid), Medicare/Medicaid settlement data, and financial statement data, among others. The Department of Human Services is responsible for the Medicaid Program for auditing the Medicaid information in these cost reports along with other supporting documentation and reconciling the Medicaid payments made to these facilities during the year with the actual costs of providing Medicaid services during the year and resolving any underpayments or overpayments. While the Department relies on these cost reports and other supporting information from the facilities it requires an objective audit, analysis, and reconciliation by an independent contractor to ensure the validity of the information to comply with federal laws and regulation.

C. SCOPE OF WORK

The selected contractor will work with DHS to audit cost reports and other supporting information, reconcile annual Medicaid payments and Medicaid costs and perform rate setting for the hospitals, nursing facility, and FQHCs referenced above for fiscal years 2011 through 2016.

The Scope of Work is as follows:

1. Performance of Audits

The audit contractor will perform audits of the hospitals, nursing facility, and FQHCs, which participate in the Virgin Islands Medicaid and CHIP programs. The audits will include desk audits and field audits as necessary and will include complete reports of all audits that will be submitted to DHS on a timely basis. These audits will be performed in accordance with Generally Accepted Government Auditing Standards, applicable Federal and GVI laws, regulations, and policies and the approved GVI Medicaid State plan.

2. Planning and Development

The objective of the planning and development task is to plan the contractor's activities during the course of the contract and to develop the working procedures to carry out the work required to be performed by the contractor under this request for proposal. This includes but is not limited to:

- a. Audit objectives
- b. Audit procedures
- c. Audit instructions
- d. Audit documentation
- e. Time frames for completing audits
- f. Reporting audit results to DHS

- g. Assisting DHS in resolving all audit findings in audits

3. Operations

- a. Calculate the interim rate for each year for each hospital and FQHC in accordance with the applicable federal requirements and approved VI Medicaid State Plan.
- b. Determine the amount of the actual Medicaid payments made to each hospital and FQHC during the year.
- c. Determine the actual Medicaid costs for each hospital and FQHC for the year.
- d. Reconcile the amount paid to each hospital and FQHC each year with the actual costs of providing services to Medicaid beneficiaries in the hospital and FQHCs to determine the amount of any over payment or under payment for each hospital.
- e. Calculate the interim payment rate for the nursing facility in accordance with the approved State plan for each year.
- f. Determine the amount of the actual Medicaid payments made to the nursing facility during the year.
- g. Determine the actual Medicaid costs for the nursing facility for the year.
- h. Reconcile the amount paid to the nursing facility each year with the actual costs of providing services to Medicaid beneficiaries and determine the amount of any over payment or under payment for the nursing facility.
- i. Calculate the interim rate for each FQHC in accordance with the approved State plan for each year.
- j. Determine the amount of the actual Medicaid payments made to each FQHC during the year.
- k. Determine the actual Medicaid costs for each FQHC for the year.

- l. Reconcile the amount paid to each FQHC for each year with the actual costs of providing services to Medicaid beneficiaries in the FQHC and determine the amount of any over payment or under payment for each FQHC.
- m. Participate in appeals and requests for reconsideration
- n. Monitor timely submission of cost reports
- o. Maintain and distribute cost reporting forms
- p. Provide training as necessary
- q. Submit monthly status reports
- r. Refer any material irregularities or suspicion of fraud
- s. Attend regularly scheduled contract management meetings
- t. Track repayments and recoupments

4. Training

Provide necessary training to VI staff and/or providers on audit process and rate process.

5. Consultation Services

Provide necessary consultation and assistance related to the development of policies and regulations relating to provider auditing, cost reporting, and rate setting, and complying with Federal laws, regulations, and policies in this area.

D. TIMETABLE

1. Last day for request or written clarifications will be May 3, 2016, at 4:00 p.m.
2. Proposals will be accepted at the Department of Property & Procurement, no later than May 10, 2016, at 4:00 p.m.

E. SUBMISSION OF PROPOSAL

All interested parties shall submit **seven (7)** sets of proposals, which are to be delivered to the Department of Property and Procurement during normal business hours, no later than Tuesday, May 10, 2016 at 4:00 P.M.

They shall be addressed to:
Randolph Bennett, Commissioner Designee
Department of Property & Procurement
Building #1 Subbase, 3rd Floor
St. Thomas, Virgin Islands 00802

The sealed envelope containing the proposal must have the following information written on the outside of the envelope:

SEALED PROPOSALS - DO NOT OPEN
RFP No. <u>RFP-008-2016(P)</u>
(Name of Bidder)
(Mailing Address of Bidder)
(Telephone Number of Bidder)
(Fax Number of Bidder)

Where proposals are sent by mail, the bidder shall be responsible for their delivery to Property & Procurement before the date and time set for the closing of acceptance of proposals.

F. WITHDRAWALS OF PROPOSAL

A proposal may be withdrawn at any time prior to the time specified as the closing time for acceptance of proposals. However, no proposal shall be withdrawn or canceled for a period of thirty (30) days after said closing time for acceptance of proposals nor shall the successful provider

withdraw or cancel or modify his proposal, except at the request of GVI after having been notified that said proposal has been accepted by GVI.

G. INTERPRETATION OF SPECIFICATIONS

If any person contemplating submitting a proposal requires clarification of any part of the scope of work, he/she may submit to the GVI a written request for an interpretation thereof to the **Commissioner Designee of Property and Procurement, Randolph Bennett**. GVI will not respond to questions received after the above-established date. The person submitting the request will be responsible for its prompt delivery. Any interpretation of the scope of work will be made in writing to all prospective providers. Oral explanations will not be binding.

H. CONSIDERATION OF PROPOSAL

The Commissioner of Property and Procurement shall represent and act for GVI in all matters pertaining to the scope of work and contract in conjunction therewith. **This RFP does not commit GVI to the award of a contract, nor pay any cost incurred in the preparation and submission of proposals in anticipation of a contract. GVI reserves the right to reject any or all proposals and to disregard any informality and/or irregularity in the proposal when, in its opinion, the best interest of GVI will be served by such action.** Proposals failing to provide some of the items in the scope of work shall not be rejected per se but any deviations from the scope must be clearly noted.

I. ACCEPTANCE OF PROPOSALS

GVI will notify in writing acceptance of one of the proposals. Failure to provide any supplementary documentation to comply with the vendor's proposal may be grounds for disqualification.

J. CONFLICT OF INTEREST

A proposer filing a proposal hereby certifies that no officer, agent or employee of GVI has a pecuniary interest in this proposal or has participated in contract negotiations on behalf of GVI; that the proposal is made in good faith without fraud, collusion, or connection of any kind with any other Bidder for the same request for proposals; the Bidder is competing solely in its own behalf without connection with, or obligation to, any undisclosed person or firm.

K. LICENSE REQUIREMENT

An award will not be made to any firm or individual doing business in the Virgin Islands to perform work with the Government of the Virgin Islands until evidence is submitted that the said firm or individual has a valid V.I. Business License to do business in the Virgin Islands. Bidders must submit hard copy of a valid V.I. business license within ten (10) working days after award. All Bidders bidding as Joint Ventures must be licensed as a Joint Venture in the Virgin Islands.

L. REQUIRED DOCUMENTS

- 1. PUBLIC LIABILITY:** The successful bidder will be required to obtain and have in place public liability insurance and other insurance necessary as requested in this proposal package. Insurance policy (or policies) shall name the Government of the Virgin Islands as "**Additional Insured**". The public liability insurance shall have a minimum limit of not less than **one hundred thousand (\$100,000.00) dollars** for anyone occurrence for death or personal injury and **one hundred thousand (\$100,000.00) dollars** for anyone occurrence for property damage. Bidder must provide public liability insurance within ten (10) working days after award.

2. **WORKERS' COMPENSATION:** Within ten (10) working days after award of project the successful bidder must submit a copy of their certificate providing that his firm and his agents are covered by Workers' Compensation Employee's Liability.
3. **FAILURE TO PROVIDE THE CERTIFICATES WITHIN THE STATED TIME PERIOD MAY RESULT IN THE PROPOSAL DEEMED NON-RESPONSIVE AND MAY BE IMMEDIATELY DISQUALIFIED WITH NO FURTHER CONSIDERATION GIVEN FOR POTENTIAL AWARDDING OF THE CONTRACT.**

M. CONTRACT TYPE AND DURATION

The Contract resulting from this RFP will be a time and materials agreement for a specified number of person hours.

A maximum annual expenditure ceiling will be established for this contract. During the course of the contract any enhancement request will be handled through change orders and will require a contract amendment and an approved schedule for completion of acceptably defined deliverables. Enhancements will be estimated based upon the rates proposed and must be approved in writing by the Administrator, Division of Health Insurance, prior to work being initiated.

The Contract will have a base period of two (2) years or twenty-four (24) months beginning on the effective date of the Contract.

N. CONTENTS OF PROPOSAL

All page limits are to be in 12pt type, double spaced with margins no less than one inch. Proposal preparation effort should be concentrated on conformance to RFP instructions, responsiveness to requirements, and completeness and clarity of content. Elaborate proposals are neither necessary nor desirable. If the bidder's proposal is presented in a fashion that makes

evaluation difficult or overly time-consuming, points may be deducted in the evaluation process. The following is a list of information to be included in the written proposal. Failure to comply with all the requirements as outlined will disqualify the applicant:

- Transmittal/Introductory Letter Not to exceed two (2) pages
- Project Narrative Not to exceed eight (8) pages
- Management and Technical Approach Not to exceed twelve (12) pages
- Cost Proposal. Not to Exceed five (5) pages

1. Transmittal/Introductory letter (no more than two pages) - The letter **must** be written on the bidders' business stationary and signed by an official authorized to legally bind the bidder.

It **must** include the following:

- a. Contact Information - Name and address of the applicant organization; contact name and contact information for the key staff contact person involved with the proposal, name, address, fax and telephone numbers.
- b. Type of service for which individual/firm is qualified.
- c. an itemization of all materials and enclosures submitted in response to the RFP including all required forms, checklists, and/or schedules;
- d. a statement that the bidder possesses the required quantity of resources, skills, and availability to meet all the requirements set forth in the RFP and an unequivocal statement that the bidder acknowledges and agrees to all of the rights of the Territory including the procurement rules and procedures, terms and conditions, and all other rights and terms specified in this RFP;
- e. a statement that the person signing the proposal is authorized to make decisions as to the prices quoted and that (s)he has not participated, and will not participate, in any action contrary to the RFP;
- f. the bidder's assurance that the proposal shall remain in effect for at least 180 days from the proposal due date specified in the RFP Transmittal Letter;

- g. the identification of any particular RFP section(s) that the bidder believes will inhibit contract negotiations or project performance with an explanation of the concern;

2. Project Narrative - (Not to exceed eight (8) pages. The subsections are as follows:

- a. **Executive Summary** - The Executive Summary shall summarize the contents of the Proposal and provide the Evaluation Team and other readers with a broad but clear understanding of the bidder's Proposal. **No cost information is to be included in the Executive Summary.** The Executive Summary is an extremely important part of the Proposal and **must** be a concise overview that summarizes each part of the Proposal so that the reader can gain a broad understanding of what the bidder is proposing without having to read the entire Technical Proposal. Bidders **must** summarize how their Proposal meets the requirements of this RFP and why the bidder is best qualified to perform the work required.

b. Organization Information (not subject to page limit)

- (1) Names/addresses of Principals of Firm.
- (2) Names of key personnel with experience of each and length of time in organization.
- (3) Number of staff available for assignment. (Local & Off-Territory)
- (4) Copy of Articles of Incorporation
- (5) Copy of Certificate of Resolution
- (6) Copy of valid Business License
- (7) Copy of Certificate of Good Standing

- c. **Sub-contract Information** - Outside consultants that will be retained for this project and percentage of work to be sub-contracted.

d. Project Experience - Provide a detailed description of your organization including the experience in the following:

- i. Centers for Medicaid and Medicare Services (CMS), Medicaid laws, regulations, and policies applicable to Medicaid reimbursement of hospitals, nursing facilities, and FQHCs .
- ii. CMS business practices related to hospital, nursing facility, and FQHC reimbursement requirements, Medicaid Certified Public Expenditures (CPE), interim rate setting requirements and annual reconciliations, and provider audit requirements.
- iii. Federal and local medical cost management protocols and practices
- iv. Familiarity with local fiscal and budget laws and practices
- v. Expertise and experience in CMS medical coding, medical accounting, and cost reporting.
- vi. Experience performing audits of Medicare and/or Medicaid costs reports, Medicaid interim rate setting, and performance of cost based reimbursement reconciliations.

e. Project References: Includes name; telephone number; email address and facsimile number. Also include in the addendum a notarized written consent from the authorized representative(s) (**not subject to limit**) which must include: name; telephone number; email address and facsimile number

Project Management and Technical Approach – (Not to exceed twenty (20) pages.

Describe how you will Approach this project and availability to perform the services requested.

Include timeline and project planning. At the least this should include the following:

- a. **Vendor Identification and Information** - state the organization's full company or corporate name and give the address of the organization's headquarters office; remittance address, if different; specify how the entity is organized (for example, proprietorship, partnership, corporation); specify the state in which the bidder is incorporated or otherwise organized to do business; specify the year in which the bidder was first organized to do business and whether or not the form of organization has changed in the interim (such as by subsequent incorporation, merger, or other organizational change) and any name changes; and,
- b. **Employer Identification Number (EIN)** – Provide valid and current EIN number
- c. **Financial Statements** - The Territory seeks sufficient and clear evidence of the bidder's, and subcontractor's financial capacity and responsibility. The bidder's proposal **must** demonstrate that the organization is capable of meeting the financial responsibilities incumbent in successfully meeting the requirements established within this RFP. Evidence and documentation of adequate financial stability **must** be supplied.
- d. **Office Location** – Bidders must provide office location (not at DHS)
- e. **Relationships with the Territory** - In this section, the bidder **must** describe any relationships it, or its subcontractors, may have or have had with the Territory over the last 36 months.
- f. **Contract Performance** - If the bidder, or any proposed subcontractor, has had a contract terminated for default during the past three years, all such instances **must** be described as required below. Termination for default is defined as notice to stop performance due to the bidder's nonperformance or poor performance. Bidders **must** submit full details of all terminations for default experienced by the bidder during the past three years, including the name, address and telephone number of the other party. The response to this subsection

must present the bidder's position on the matter. If no such terminations for default have been experienced in the past three years, the bidder **must** so indicate.

g. Bidder's Qualifications and Experience- In this section, the bidder **must** provide details on the organization's corporate and staff expertise and experience related to the specific requirements of this RFP. Bidders **must** provide a summary matrix that lists completed or current projects comparable to this RFP project in size, scope and complexity. Bidders **must** provide details on the organizations corporate and staff expertise and experience related to the specific requirements of this RFP. Bidders **must** address the areas listed below in the matrix and **must** identify projects (project name, organization, address, contact name, contact phone number) on which they gained experience in the following areas:

- i. Centers for Medicaid and Medicare Services (CMS) Medicaid laws, regulations, and policies applicable to Medicaid reimbursement of hospitals, nursing facilities, and FQHCs.
- ii. CMS business practices related to hospital, nursing facility, and FQHC reimbursement requirements, Medicaid Certified Public Expenditure (CPE) interim rate setting requirements and annual reconciliations, and provider audit requirements.
- iii. Federal and local medical cost management protocols and practices
- iv. Familiarity with local fiscal and budget laws and practices
- v. Expertise and experience in CMS medical coding, medical accounting, and cost reporting.
- vi. Experience performing audits of Medicare and/or Medicaid costs reports, Medicaid interim rate setting, and performance of cost based reimbursement reconciliations.

All other state and local government experience that is relevant to performing the requirements in the scope of work.

O. EVALUATION OF THE PROPOSAL

The selection of a vendor will be based on considerations of all aspects of the evaluation process. Where criteria do not lend themselves to a strict numerical evaluation, a subjective rating based on the collective opinion and experience of the Evaluation Team will be used.

1. Preliminary Screening - The Preliminary Screening will consist of the review of individual proposals to ensure that they meet the mandatory proposal submission requirements of this RFP. Proposals not meeting the mandatory requirements of this RFP may be rejected.

2. Formal Evaluation - Those proposals that pass the Preliminary Screening will be subjected to a Formal Evaluation to assess the bidder's abilities to meet the requirements in the RFP in an efficient, cost-effective manner. A team comprised of individuals from the Dept. of Property and Procurement and the Dept. of Human Services will review all proposals received by the closing deadline and deemed to meet minimum mandatory requirements. This Selection Team may request additional technical assistance from any source, provided there is no obvious conflict of interest, during the course of evaluation. The selection of a vendor will be based on considerations of all aspects of the evaluation process. Where criteria do not lend themselves to a strict numerical evaluation, a

subjective rating based on the collective opinion and experience of the Evaluation Team will be used.

3. Evaluation Factors and Award Points - Technical Proposals will be evaluated based on the following categories. The available points will be distributed as follows:

- a. Relevant Experience and Expertise (20 points)** Experience with Medicare and Medicaid hospital, nursing facility, and FHQC cost reports and their review and audit, Medicaid rate setting policies and procedures, and the reconciliation of facility payments and actual costs, . Evaluators will consider prior experience and expertise in the tasks described and the extent to which the vendor meets the minimum criteria defined in the RFP.
- b. Organizational Approach and Understanding of Work (30 points)** - The State will evaluate the vendor's written proposal describing how it intends to organize and accomplish the tasks and activities in the Scope of Work. The description shall discuss and justify the proposed approach and the technical issues that will or may be confronted at each stage of the project. The proposed work plan shall describe the phases, tasks, milestones, dates, and deliverables for the project. The State will score vendors highly who demonstrate a clear, complete understanding of each task and activity and who present an effective work plan for accomplishing them. Vendors are encouraged to offer innovative and informative responses showing initiative above and beyond the requirements stated in this document.
- c. Vendor Staffing and Level of Effort (20 points)** - The vendor must detail the proposed staffing. The State will highly score vendors who present a plan for resources and level of effort that, in the State's best judgment, would accomplish the tasks effectively and efficiently resulting in an excellent quality outcome. Level of

expertise, experience and qualifications of proposed positions, proposed key staff, and proposed subcontractors will be considered significantly. Evaluators will strongly consider recommendations from other clients utilizing the vendor for similar work to be performed under the contract. Negative feedback from other clients will be cause for significant point deductions.

d. Cost (30 points) - The appropriateness of the cost proposal will receive 30 points.

P. PROJECT COST

A completed cost proposal for the proposed services is required and must be submitted separately from the bidder and proposed solution in a separate sealed envelope.

The cost proposal shall include the appropriate tables delineating cost for each task and year on which the bidder is submitting a bid. The Bidder shall further supply hourly rate for consulting services. The bidder's cost proposal should also provide a preliminary staff plan for this project based on staff level and role. The bidder must also identify the staff who will be assigned. The cost proposal must identify costs for each project deliverable and will be inclusive of any related expenses.

Q. TERMS AND CONDITIONS

1. General Terms and Conditions

This section describes the Terms and Conditions associated with this procurement. The formal Contract to be entered into with the successful bidder shall contain, at a minimum, the terms and conditions set forth in this section.

The Contract shall begin on the first day after it has been fully executed by the Governor of the US Virgin Islands. The Contract shall expire two years later, unless

amended by the parties. At the Territory's option, the Contract may be extended for an additional two one-year periods, subsequent to the base contract period.

Bidders are advised that all proposals may be open to public inspection. Accordingly, it is the bidder's responsibility to clearly identify at the time of submission any sections of a proposal that the bidder considers to be confidential or proprietary. The absence of any such designation may result in the release of the entire proposal to public inspection without any specific notice to the bidder of such release.

The Territory reserves the right to use any and all ideas presented in any proposal in response to this RFP unless the bidder presents a positive statement of objection to this use in its proposal. In no event will such objection be considered valid with respect to the use of such ideas that are not the proprietary information of the bidder and so designated in the proposal, or which:

- Were known to the Territory before submission of such proposal; or,
- Properly became known to the Territory thereafter through other sources or through acceptance of any proposal.

Bidders must identify proprietary information on each page that contains such information. General statements identifying the entire proposal or sections of the proposal as proprietary will not be honored. The Territory reserves the final right to determine what information will be considered proprietary.

In order to protect the integrity of the procurement process, no information shall be made available to the public concerning invitations or request for proposals from the time the proposal is made public until a Contract is actually awarded. Accordingly, DP&P has determined that information contained in proposals submitted in response to this RFP shall not be released to the public until a formal Contract is executed with the selected vendor.

The Request for Proposal and any amendments, the Vendor's proposal submitted in response to this RFP, and any written correspondence attached to or referenced in this RFP and identified by the Territory as significant to the process. In the event of a conflict in language among the documents referenced above, the provisions and requirements set forth and/or referenced in the Contract shall govern, followed in priority order by the Request for Proposal, and then the Vendor's response to the RFP. In the event that an issue is addressed in one document that is not addressed in the other documents, no conflict in language shall be deemed to occur. However, the Territory reserves the right to clarify any contractual relationship in writing with the concurrence of the Vendor, and such written clarification shall govern in case of conflict with the applicable requirements stated in the RFP or the Vendor's proposal.

No modification or change of any provision in the Contract shall be made, or be construed to have been made, unless the Vendor and the Territory mutually agree to such modification in writing. The contract modification will be incorporated as a written amendment to the Contract. Memoranda of understanding and correspondence shall not be construed as amendments to the Contract.

2. Specific Terms and Conditions

a. Territory Held Harmless

The Vendor agrees to indemnify, defend and save harmless the Territory, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all bidders, contractors, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the performance of this Contract and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Vendor in the

performance of this Contract and against any liability, including costs and expenses for violation of proprietary rights, copyrights, or rights of privacy, arising out of publication, translation, reproduction, delivery, performance, use or disposition of any data furnished under this Contract or based on any libelous or other unlawful matter contained in such data.

3. Assurances

During the performance of this Contract, Vendor agrees as follows:

- a. Vendor will not discriminate against any employee or applicant for employment relating to this Contract because of race, color, religious creed, sex, national origin, ancestry, age, or physical handicap, unless related to a bona-fide occupation qualification. Vendor will take affirmative action to insure that applicants are employed and employees are treated during employment without regard to their race, color, religious creed, sex, national origin, ancestry, age or physical handicap. Such action shall include, but not be limited to the following: employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoffs or terminations; rates of pay or other forms of compensation; and selection for training including apprenticeship. Vendor agrees to post in conspicuous places available to employees and applicants for employment notices setting forth the provisions of this non-discrimination clause.
- b. Vendor will, in all solicitations or advertising for employees placed by or on behalf of Vendor relating to this Contract, state that all qualified applicants will receive consideration for employment without regard to race, color, religious creed, sex, national origin, ancestry, age or physical handicap.

- c. Vendor will cause the foregoing provisions to be inserted in any subcontracts for any work covered by the Contract so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials. Vendor, or any subcontractor holding a contract directly under Vendor, shall, to the maximum feasible extent, list all suitable employment openings with the Department of Labor.
- d. Vendor and all subcontractors shall comply with the requirements, conditions, and standards of all of the following:
- 1) Title VI of Civil Rights Act of 1964 (42 USC ~~2000d~~ ~~2000d~~);
 - 2) Section 504 of the Rehabilitation Act of 1973, as amended (29 USC ☐794);
 - 3) the Copeland "Anti-Kick Back Act (18 USC 874); as supplemented in Department of Labor Regulations (29CFR, part 3);
 - 4) Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented in Department of Labor Regulations (41CFR, Part 60);
 - 5) the Contract Work Hours and Safety Standards Act (40 USC ~~3307~~ ~~3307~~) as supplemented by the Department of Labor Regulations (29 CFR, Part 5); 2000d *et seq.*);
 - 6) the United States Environmental Protection Agency (EPA), 40 CFR, Part 15, pursuant to the Clean Air Act, as amended, (Air Act), (42 USC ~~7401~~ ~~7401~~ *seq.*); the Federal Water Pollution Control Act, as amended ("Water Act"), (33 USC ~~1251~~ ~~1251~~); and Executive Order 11738;
 - 7) the United States Department of Health and Human Services Regulations found in 45 CFR, parts 80 and 84;
 - 8) the Americans with Disabilities Act, 28CFR Part 35, Title II, Subtitle A; and,
 - 9) Section 7 CFR Part 3017, Subpart F of the Drug-Free Workplace regulations.

4. Deviations from the Contract

The requirements appearing in this RFP shall become a part of the terms and conditions of the resulting Contract. Any deviations from the RFP must have been specifically defined by the Vendor in his proposal and must not have been in conflict with the basic nature of this offer.

5. Beginning of Work

The Vendor must not commence any billable work until a valid Contract has been fully executed by the parties and has been approved by the Governor. Subsequent to the receipt of all required approvals, the DHS Procurement Manager will notify the selected Bidder in writing that work may commence.

6. Governing Law

The Contract shall be governed in all respects by the laws, statutes, and regulations of the Territory of the US Virgin Islands and by any federal law or regulation applicable to the Territory. Any legal proceedings against the Territory regarding this RFP or any resultant Contract shall be brought in the administrative or judicial forums of the Territory.

7. Attorney's Fees

In the event that either party deems it necessary to take legal action to enforce any provision of the Contract, and in the event the Territory prevails, the Vendor agrees to pay all expenses of such action, including attorney's fees and costs at all stages of litigation as set by the court or hearing officer. Legal action shall include administrative proceedings.

8. Advertising Award

The Vendor shall agree not to refer to awards in commercial advertising in such a manner as to state or imply that the firm or its services are endorsed or preferred by the Territory.

News releases pertaining to this project will not be made without prior approval of the Government of the Virgin Islands pursuant to the terms and conditions of this contract.

9. Notices

After contract award, all notices under the Contract shall be deemed duly given: 1) upon delivery, if delivered by hand against receipt, or 2) three days after posting if sent by registered or certified mail, return receipt requested, or upon notification of delivery if sent by a delivery service.

All notices are to be delivered to the Commissioner of the Department of Property and Procurement and to the Commissioner of the Department of Human Services at the addresses below and/or to such other addresses or parties as is designated.

Commissioner

Department of Property and Procurement

Building #1, Sub Base, 3rd Floor

St. Thomas, Virgin Islands 00802

Commissioner

Department of Human Services

Knud Hansen Complex, Building A

1303 Hospital Ground

St. Thomas, Virgin Islands 00802

Either party may change its address for notification purposes by giving written notice of the change and setting forth the new address and an effective date.

10. Titles

Titles of paragraphs used herein are for the purpose of facilitating ease of reference only and shall not be construed to infer contractual construction of language.

11. Limitation

The Contract offered will be subject to available budgetary appropriations and shall not create any obligation on behalf of the Department in excess of such appropriations. In the event that the amount of funds appropriated is such that the Department must restrict or terminate funding for this Contract, the Contract shall be terminated sixty (60) calendar days after written notification from the Department to the Vendor. Without limiting the foregoing, the Department shall endeavor to provide as much advance notice as possible of the budgetary action.

12. Termination of Contract

The Contract that may result from the issuance of this RFP may be terminated in whole or in part by the Territory by giving written notice to the Vendor at least sixty (60) calendar days before the effective date of such termination, including the case of termination for non-appropriation of funds. In the event of termination, the Vendor shall be entitled to receive just and equitable compensation for any satisfactory authorized work completed as of the termination date. In no event, however, shall the Vendor be paid for incidental or consequential damages, including loss of anticipated profit.

Upon delivery to the Vendor of a Notice of Termination specifying the nature of the termination, the extent to which performance of work under the Contract is terminated, and the date upon which such termination becomes effective, the Vendor shall:

- a. stop work under the Contract on the date and to the extent specified in the Notice of Termination;

- b. take such action as may be necessary, or as the Administrator, Division of Health Insurance, may direct, for the protection and preservation of the property related to the Contract which is in the possession of the Vendor and in which the Territory has or may acquire an interest;
- c. terminate all orders to the extent that they relate to the performance of work terminated by the Notice of Termination;
- d. assign to the Territory in the manner and to the extent directed by the Administrator, Division of Health Insurance, all of the rights, title, and interest of the Vendor under the orders so terminated, in which case the Territory shall have the right, at its discretion, to settle or pay any or all claims arising out of the terminations of such orders;
- e. with the approval or ratification of the Administrator, Division of Health Insurance, settle all outstanding liabilities and all claims, arising out of such termination of orders, the cost of which would be reimbursable in whole or in part, in accordance with the provisions of the Contract;
- f. transfer title to the Territory (to the extent that title has not already been transferred) and deliver in the manner, at the times, and to the extent directed by the Administrator, Division of Health Insurance, all files, processing systems, data manuals, or other documentation, in any form, that relate to all the work completed or in progress prior to the Notice of Termination; and,
- g. complete the performance of such part of the work as shall not have been terminated by the Notice of Termination.

The Vendor shall proceed immediately with the performance of the above obligations notwithstanding any delay in determining or adjusting the amount of any item of reimbursable price under this clause.

After receipt of a Notice of Termination the Vendor shall submit to the Administrator, Division of Health Insurance any termination claim in the form and with the certification prescribed by the Administrator, Division of Health Insurance. Such claim shall be submitted promptly but in no event later than three months from the effective date of

termination, unless the Administrator, Division of Health Insurance, grants one or more extensions in writing. However, if the Administrator, Division of Health Insurance, determine that the facts justify such action, she may receive and act upon any such termination claim at any time after such three-month period or extension thereof.

Subject to the provisions of the previous paragraph, the Vendor and the Territory may agree upon the amounts to be paid to the Vendor by reason of the total or partial termination of work.

In the event of the failure of the Vendor and the Territory to agree, pursuant to this section, in whole or in part as to the amounts with respect to costs to be paid to the Vendor in connection with the total or partial termination of work, the Territory shall determine on the basis of information available the amount, if any, due to the Vendor by reason of termination and shall pay to the Vendor the amounts so determined. The amount so paid to the Vendor shall be final and is not open to dispute or further action.

13. Default by Vendor

If the Vendor fails to fulfill in a timely manner any material obligation under this Contract, the Territory shall have the right to terminate this Contract upon thirty (30) calendar days written notification from the Department to the Vendor and shall also have the right to withhold payments in excess of fair compensation for work completed.

The Territory will, by written notice of default to the Vendor, provide that the vendor may cure a material breach of this Contract within a period of thirty (30) calendar days after receipt of notice to the Vendor specifying such breach or within or such longer period as the Administrator, Division of Health Insurance, may authorize in writing. The Administrator, Division of Health Insurance, shall determine whether the Vendor's efforts to cure a material breach have been successful. The

Administrator, Financial Program, and the decision shall be final and is not open to dispute or further action. The Territory's exercise of this provision allowing the Vendor time to cure a material breach of the Contract in a particular situation does not in any way waive the Territory's right to terminate the Contract for the same or different contract breach that may occur at a different time.

Notwithstanding the above, the Vendor shall not be relieved of liability to the Territory for damages sustained by virtue of any breach of this Contract by the Vendor. In addition to any other liabilities provided for in this RFP, such Vendor liability may include, but is not limited to, all incidental and consequential damages arising or resulting from the termination of the Contract.

14. Territory Options at Termination

In the event the Territory terminates this Contract, the Territory will retain all or a portion thereof such hardware, equipment, software, and documentation as has been provided, obtaining clear title to the same, and procure upon such terms and in such manner as the Administrator, Division of Health Insurance, may deem appropriate, hardware, equipment, software, documentation, or services as are necessary to complete the project.

15. Force Majeure

The Vendor shall not be liable for any damages if the failure to perform the Contract arises out of causes without the fault or negligence of the Vendor. Such causes may include, but are not restricted to, acts of God, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be without the fault or negligence of either the Vendor or its Subcontractor(s). When such a cause arises, the Vendor shall notify the Territory immediately in writing of its failure to perform, describing the cause of failure and how it affects performance, and the anticipated duration of the inability to perform. The Territory shall review the information provided and may, at its option, terminate the Contract in accordance with the Termination of Contract provisions.

16. Failure to Perform

In the event Vendor has failed to perform any substantial obligation under this agreement, the Territory may withhold all monies due and payable to Vendor, without penalty, until such failure is cured or otherwise adjudicated, provided such failure to perform is resultant to the Vendors sole or substantial negligence.

17. Vendor Personnel

No re-deployment of any personnel assigned to the project may be made without prior written consent of the Territory. The Vendor agrees to supply the personnel proposed, for the duration proposed, or to compensate, as a liquidated damage, the Territory in the amount of \$1,500 per day for each individual key person not supplied or removed, other than for just cause, if such person is removed without the expressed written permission of the Administrator, Division of Health Insurance. Just cause is defined as death, serious illness, resignation, termination or military recall. Replacement of such personnel, if approved, shall be with personnel of equal or greater ability, application experience and qualifications.

The Territory shall retain the right to reject any of the Vendor and/or subcontractor's employees whose qualifications, in the Territory's judgment, do not meet the standards established by the Territory as necessary for the performance of the services. The Vendor must assume responsibility and all costs related to training of new staff assigned to the project if the Territory determines that the personnel does not possess equal or greater ability, application experience or qualifications than the person they are replacing. In considering the Vendor's employee's qualifications, the Territory will act reasonably and in good faith.

During the course of the Contract, the Territory reserves the right to require the Vendor to reassign or otherwise remove from the project any Vendor or Subcontractor employees found unacceptable by the Territory.

18. Dispute Resolution

The Commissioner of Property and Procurement shall decide any disputes concerning performance of the Contract. This decision shall be final and conclusive, unless within thirty (30) calendar days from the date of service the vendor files a petition for administrative hearings addressed to the Commissioner, Department of Human Services.

In the event any party makes an unsuccessful protest of the terms of the Request for Proposal or the proposed award of the Contract generated thereunder, the unsuccessful protestor(s) shall pay all court costs and attorney fees relating to the protest including those incurred by the Territory and the proposed awardee.

19. Confidentiality of Information

The Territory may be in possession of confidential information and material that require protection under applicable laws and regulations, as well as policies and procedures of the Territory and the United States Government. Confidential information and material obtained within or from the Territory may not be discussed, communicated, copied, extracted, or used in any manner by the Vendor.

All materials and information provided to the Vendor by the Territory or acquired by the Vendor on behalf of the Territory whether verbal, diskette, written, e-mail, magnetic tape, cards or any other media shall be regarded as confidential information in accordance with the provisions of federal and Territory law and ethical standards, and all necessary steps shall be taken by the Vendor to safeguard the confidentiality of such material or information in conformance with federal and Territory law and ethical standards.

20. Prime Contractor and Sub-contractor Responsibility

The prime contractor is solely responsible for the fulfillment of the Contract with the Territory.

The prime contractor will assume responsibility for all services offered and products to be delivered whether or not the Vendor is the manufacturer or producer of said services. The Territory will consider the Vendor to be the sole point of contact with regard to all contractual matters. The Vendor will be responsible for the entire contract performance.

The prime contractor shall not assign or subcontract the performance of this Contract or any portion thereof to any other contractor without written approval of the Administrator, Division of Health Insurance. For all subcontractors, a Certificate of Good Standing from the Office of the Lieutenant Governor, Corporations and Trademarks Division, must be included in all subcontract agreements. This provision will not be taken as requiring the approval of contracts of employment between the Vendor and personnel assigned for services thereunder.

All references in the RFP to the Vendor should be construed to encompass both the Prime Contractor and the Subcontractor(s).

All Subcontract Agreements must contain the following requirements:

- all subcontracts shall be in writing and shall contain provisions which are consistent with the provisions of this Contract, except as permitted in writing by the Administrator, Division of Health Insurance; and,
- all subcontracting agreements must be signed and delivered to the Administrator, Division of Health Insurance, within five working days following the contract award date.

The prime contractor shall give the Territory immediate notice in writing of any legal action or suit filed, and prompt notice of any claim made against the prime contractor by any party including but not limited to any subcontractor or Vendor which may result in litigation related in any way to this

Contract or which may affect the performance of duties under this Contract. The requirement of prior approval of any subcontract under this Contract shall not make the Territory a party to any subcontract or create any right, claim or interest in the subcontractor or proposed subcontractor against the Territory. The prime contractor agrees to defend (subject to the approval of the Attorney General) and indemnify and hold harmless the Territory against any claim, loss, damage, or liability against the Territory based upon the prior approval requirements of this section. No subcontract or delegation shall relieve or discharge the prime contractor from any obligations or liability under the Contract.

21. Ownership of Intellectual property

The Territory retains all ownership rights to all intellectual property in this project to include but not limited to application software, documentation, and plans associated with this project. Unless otherwise agreed to by the Territory in writing, application software and other management materials which are specifically designed for project management as well as any modification, enhancements or alternatives of existing software, shall be the sole and exclusive property of the Territory, free of any claim or retention of rights thereto by the Vendor. The Vendor acknowledges that such software and materials are proprietary to the Territory and shall not use or describe same without the written permission of the Territory.

22. Amendments

This Contract may be modified only by written amendment executed by all parties hereto, and approved by the appropriate Territory officials.

23. Insurance

On or before beginning performance under this Contract, the Vendor shall obtain from an insurance company duly authorized to do business in the US Virgin Islands.

1. Disability, workman's compensation, and unemployment compensation in accordance with the statutory requirements of the Territory;
2. Comprehensive general liability insurance against bodily injury or death of any person in amounts of not less than \$250,000 per claim
3. Insurance against liability for property damages including content coverage for all records maintained pursuant to this Contract, in the amounts of not less than \$250,000 per claim
Insurance against non-performance/default in an amount no less than 150% of the not-to-exceed cost of the base contract.
4. The Vendor shall furnish to the Territory a certificate(s) evidencing that required insurance is in effect, for the policy amounts, and applicable policy numbers and expiration dates, within ten days of Contract signing. In the event of cancellation of any insurance coverage, the Vendor shall immediately notify the Territory of such cancellation.

5. The Vendor will be required to obtain suitable replacement coverage within ten (10) working days of the cancellation. The Territory, at its option, may impose a stop work order on the Vendor until such replacement coverage is secured and approved by the Territory. If a stop work order is imposed, the Territory shall not be liable for any costs or lost profits incurred by the Vendor.

24. License Requirement

A Contract will not be executed with any firm to perform work with the Government of the Virgin Islands until evidence is submitted that said firm has a valid Virgin Islands Business License to do business in the Virgin Islands. The selected Vendor must submit hard copy of a valid VI business license within ten (10) working days after award. A Virgin Islands Business License can be obtained by contacting the Virgin Islands Department of Licensing and Consumer Affairs at 340-774-3130 or on-line at www.dlca.vi.gov.

25. Payment

Invoices for payment shall be submitted to:

Administrator, Division Health Insurance
DEPARTMENT OF HUMAN SERVICES
Knud Hansen Complex, Building A
1303 Hospital Ground
St. Thomas, USVI 00802

Invoices shall be submitted in a format approved by the Administrator, Division of Health Insurance, and contain sufficient detail to allow proper verification of charges. The Department reserves the right to request submission of signed copies of employee timesheets from the Vendor for all staff assigned to the project. In the case of subcontractors, the Department reserves the right to request copies of the original invoices submitted by the subcontractor to the vendor. No invoices will be processed for payment until approved by the Administrator, Division of Health Insurance.

The Vendor shall maintain documentation for all charges against the Territory under this Contract. The books, records and documents of the Vendor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment, and shall be subject to audit at any reasonable time and upon reasonable notice, by the Territory, or any appropriate federal agency, or their duly appointed representatives. The records shall be maintained in accordance with Generally Accepted Accounting Principles (GAAP).

26. Inspection and Approval

Final inspection and approval of all work required under the Contract shall be performed by the Administrator, Division of Health Insurance and other officials that the Territory may so designate.

The Department of Human Services or an authorized representative shall, at all reasonable times, have the right to enter the Vendor's premises or such other places where duties under the Contract are being performed, to inspect, monitor or otherwise evaluate the work being performed. The prime contractor and all subcontractors must provide access to all reasonable facilities and assistance for Department Human Services representatives. All inspections and evaluations shall be performed in such a manner that will not unreasonably delay work.

27. Conflict of Interest

A bidder filing a proposal hereby certifies that no officer, agent or employee of the Territory has a pecuniary interest in this proposal or has participated in contract negotiations on behalf of the Territory; that the proposal is made in good faith without fraud, collusion, or connection of any kind with any other bidder for the same request for proposals; the bidder is competing solely on its own behalf without connection with, or obligation to, any undisclosed person or firm.

28. Audits and Inspections

During and after this project, the Center for Medicaid and Medicare Services (CMS), U.S. Department of Health and Human Services (HHS) and the U.S. Department of Agriculture (USDA), auditors, inspector general and other local or federal authorized representatives shall be allowed access to inspect all Vendor materials, documents, work papers, deliverables, or any such other items which pertain to this project. The Vendor shall cooperate with any federal reviews and shall supply copies of any requested materials. This requirement also applies to any subcontractors who may be engaged in the project. Any subcontract permitted by the Territory must contain a provision that sets forth the subcontractor's agreement with the terms set forth in this paragraph.

In addition to, and not in any way in limitation of the obligation of the Contract, it is understood and agreed by the Vendor that the Vendor shall be held liable for any Territory or federal audit exceptions arising from the fault or negligence of the Vendor, provided that the

member of Congress. The certification the Territory has been required to sign provides that the language of this certification (shall) be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall verify and disclose accordingly. The certification also requires the completion of Federal lobbying reports and the imposition of a civil penalty of \$10,000 to \$100,000 for failing to make a required report. As a sub-recipient, the Vendor understands and agrees to the Federal requirements for certification and disclosure.

It is a breach of ethical standards for a payment, gratuity, or offer of employment to be made by or on behalf of a contractor or subcontractor. The Territory may terminate any Contract if it is determined that gratuities of any kind were offered/received by any officials, employees or agents of the Vendor.

32. Debarment Certification

As required by Federal Executive Order 12549, the Vendor certifies that it is eligible to receive Contract awards using federally appropriated funds and that it has not been suspended or debarred from entering into Contracts with any federal agency. The Vendor shall include this provision in each of its sub-Contracts hereunder and shall furnish its sub-Contractors with the current "LIST OF PARTIES EXCLUDED FROM FEDERAL PROCUREMENT OR NON-PROCUREMENT." In the event the Contractor or sub-Contractor misrepresents its eligibility to receive contract awards using federal funds, the Contractor or sub-Contractor agrees that it shall not be entitled to payment for any work performed under this Contract or sub-Contract and that the Contractor or sub-Contractor shall promptly reimburse the Government of the Virgin Islands for any progress payments heretofore made. If, during the term of this Contract, the Contractor shall become ineligible to receive Contract awards using federal funds, this Contract shall be terminated

forthwith for cause and the Contractor shall not be entitled to payment for any work performed under this Contract or sub-Contract after the effective date of such ineligibility.