

LEGAL NOTICE

Request for Proposals for Services

The State of Connecticut, Office of Policy and Management, is seeking proposals to solicit a qualified Contractor that will be responsible for all tasks and deliverables related to business process functions and related IT systems necessary for the design and development of implementation options for the Connecticut Health Insurance Exchange ("Exchange") functionality. Additionally, the Contractor will be responsible for the assessment and design of the consumer assistance components that are necessary in supporting Exchange enrollees.

The request for proposals is available online at <http://das.ct.gov/cr1.aspx?page=12> and www.ct.gov/opm/rfp or from Amy Tibor, Office of Policy and Management, Policy Development and Planning Division, 450 Capitol Ave., MS#52LTC, Hartford, Connecticut 06106-1379. E-mail: amy.tibor@ct.gov. Telephone (860) 418-6349, Fax (860) 418-6495. Deadline for response submission is 4:00 P.M., November 16, 2011.

TO BE PUBLISHED IN

- THE HARTFORD COURANT AND THE NORTHEAST MINORITY NEWS AND/OR THE NORTHEAST AGENT
- OPM WEBSITE
- DAS WEBSITE

REQUEST FOR PROPOSALS (RFP)
BY
THE STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT

Connecticut's Health Insurance Exchange

Summary

The Connecticut Health Insurance Exchange Board of Directors ("Board") will select an external technical assistance vendor ("Contractor") to complete the activities outlined in the Scope of Work. The purpose of this RFP is to solicit a qualified Contractor that will be responsible for all tasks and deliverables. An interdisciplinary team and sub-contractors (as needed) will focus on both the business process functions and related IT systems necessary for the design and development of implementation options for the Connecticut Health Insurance Exchange ("Exchange") functionality. Additionally, the Contractor will be responsible for the assessment and design of the consumer assistance components that are necessary in supporting Exchange enrollees. To this end, two main workstreams are defined:

Level One Establishment Workstreams

1. Workstream I: Requirements for Business Process and IT Operations

- External technical assistance vendor will assist the Exchange in moving from planning through procurement and implementation activities
- Focus on business process functions and related IT systems

2. Workstream II: Consumer Assistance and Support

- Assessment of all current programs and services in the State including gap analysis
- Identification of leverage points within current capabilities

Workstreams I and II are thematically different and require different skill sets. It is anticipated that Workstream II will run concurrently with Workstream I. Furthermore, it is acceptable for the selected Contractor to sub-contract the tasks outlined in Workstream II to an additional vendor while maintaining full project ownership.

Background

In March 2010, the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 were signed into law. The two laws are collectively referred to as the Affordable Care Act ("ACA"). The ACA provides grant funding to assist states in planning, development, and implementation of parts of the ACA.

The ACA requires each state (or the federal government acting on behalf of each state) to create an Exchange that performs a variety of functions, including offering residents of each state the means to compare information on available health benefit plans, enroll in plans, and receive subsidies if eligible. In addition, an Exchange (or an entity on behalf of an Exchange) will certify "qualified health plans" to be offered on an Exchange, rate those plans based on quality, maintain a website and toll-free number, provide a calculator for consumers to

determine the amount of their premium after subsidies have been calculated, coordinate with the Medicaid Division regarding eligibility and enrollment into Medicaid and the Children's Health Insurance Program ("CHIP"), identify individuals exempt from the federal insurance mandate, require participating plans to justify rate increases, and contract for Navigators to provide public education and facilitate enrollment. Either as part of an Exchange for individuals or as a separate Exchange, small businesses will have the opportunity to assist their employees in enrolling in health plans offered on an Exchange. Exchanges must be operational by January 1, 2014.

Since passage of the Affordable Care Act (ACA), Connecticut has worked to assess the impact of federal health reform, including the Exchange, and to prepare for its implementation. This commitment has been strengthened under the administration of Governor Dannel Malloy, and Connecticut is now taking steps to fully realize the potential of health reform within the state.

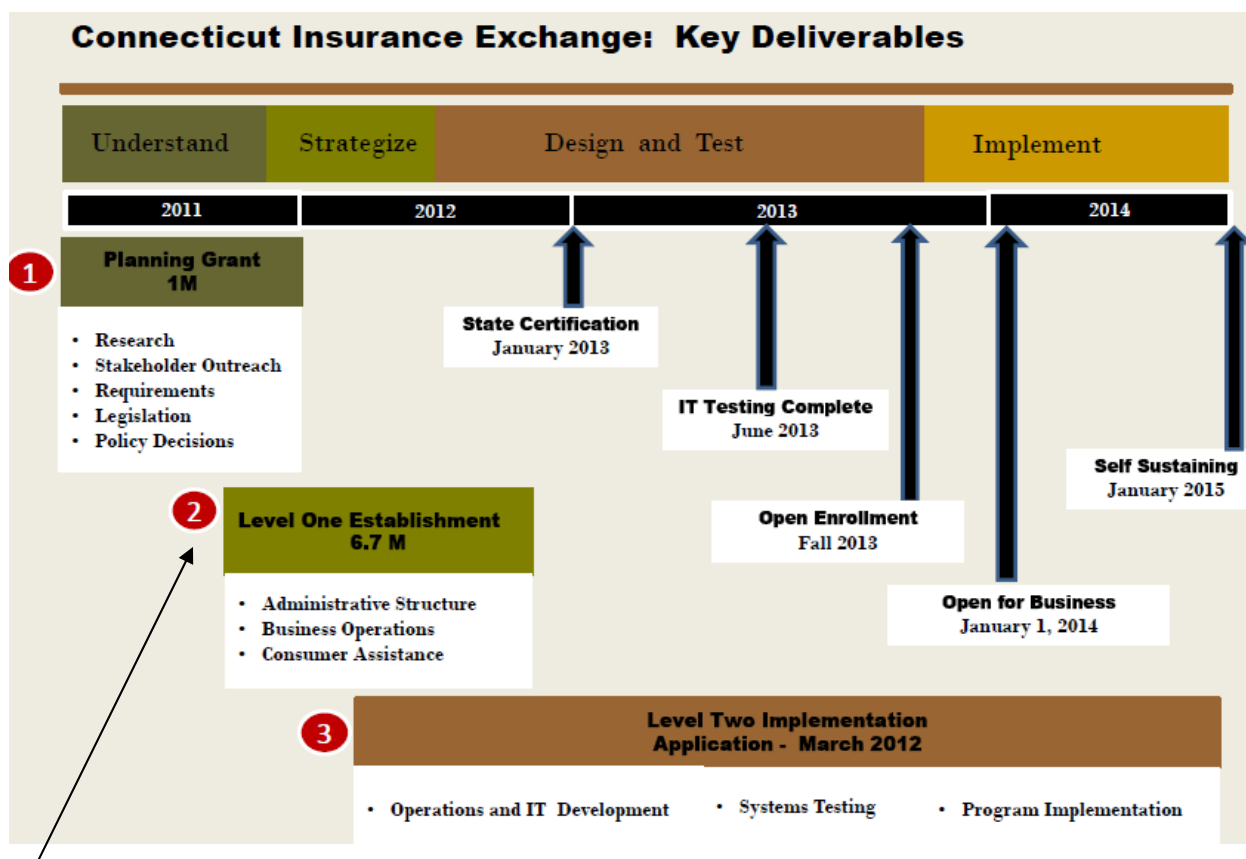
In June 2011 Connecticut's General Assembly enacted into law Public Act 11-53, creating the Connecticut Health Insurance Exchange, a quasi-public entity. This structure represents Connecticut's commitment to meaningful reform that increases access to health insurance while also developing policies to improve individual and community health, reduce health care costs, and achieve long-term system sustainability.

Connecticut is making steady progress in the Exchange planning core areas, with the goal of providing the citizens of Connecticut a fully operational health insurance exchange by January 1, 2014.

In September 2010, the State of Connecticut received a \$1 million grant award from the Office of Consumer Information and Insurance Oversight (CCIIO), the Federal agency overseeing state-based Exchanges, to evaluate a number of policy questions related to the structure and operation of the Exchange. This is hereby referred to as the Planning Grant. The Planning Grant is designated for a variety of research and planning activities to provide Connecticut with a baseline understanding for policy decisions, operational direction and strategy. The final outputs of this research and planning activities will be made available in their entirety to the selected Contractor. Please reference Exhibit B for more Planning Grant scope of services information.

In addition to the Planning Grant, Connecticut was awarded a \$6.7 Million Level One Establishment Grant from CCIIO to further its planning, development and design of an Insurance Exchange for the State. Please see Exhibit C for the project narrative from the State's grant application.

A high-level overview of the Connecticut Insurance Exchange and Key Deliverables is provided below:



We are here

The funding for Level One grant projects provides resources to address three core areas—administrative structure establishment, business operations and customer assistance-- while planning and research efforts continue under the planning grant.

Please note when referencing the Level One Establishment Grant Application (Exhibit C) these projects are referenced as Projects 1, 2 and 3.

Additional Web Resources

Additional information regarding the Connecticut Health Insurance Exchange is available on our website at: <http://www.ct.gov/opm/cwp/view.asp?a=3072&Q=471284>

Connecticut Health Benefit Exchange Level I Establishment Grant Project Narrative may be located at:
http://www.ct.gov/opm/lib/opm/exchange_grant/level_one_establishment_project_narrative_web_post.pdf

The proposed federal regulations impacting the Exchange are located at:
www.healthcare.gov/center/regulations/index.html

Other Helpful Websites:

- <http://www.statereforum.org/states/ct>
- www.healthcare.gov
- <http://cciio.cms.gov/>
- <http://www.ct.gov/cid/site/default.asp>
- <http://www.healthcare.gov/news/factsheets/2011/05/exchanges05232011a.html>

Materials developed for public engagement outreach efforts include the following and are posted to our Exchange website (www.ct.gov/opm/exchange/grant) including:

- Public Engagement Strategy Overview
- Stakeholder Topic Questions
- Public Forum power point presentation
- Public Forum leave behind (English and Spanish)
- Public Forum survey
- Public Forum press release
- Public Forum Feedback Summaries
- Stakeholder meetings (attendees and comment documents)

SCOPE OF SERVICES

Overview and Approach

We are seeking a multidisciplinary contractor team to assist us in moving from our current planning activities through development of a request for proposals and selection of an entity to help us with the development of the Connecticut Health Insurance Exchange.

The Scope of Work is divided into two Workstreams. As noted in the background section, it is anticipated that both Workstreams will run concurrently.

Workstream I: Requirements for Business Processes and IT

- Assist the Exchange in moving from planning through requirements development and procurement activities;
- Develop requirements related to business process functions and related IT systems;
- Establish implementation timeline and procurement schedule; and
- Prepare RFP(s) to procure business services and functions, as well as IT systems needed to operate the Connecticut Health Insurance Exchange.

Workstream II: Consumer Assistance and Support

- Assess and develop requirements for Consumer Assistance and Support;
- Assess current Consumer Assistance and Support programs and services in the State, including a gap analysis;

- Identify opportunities to leverage current State capabilities; and
- Prepare detailed specifications for Consumer Assistance and Support not currently provided by the State.

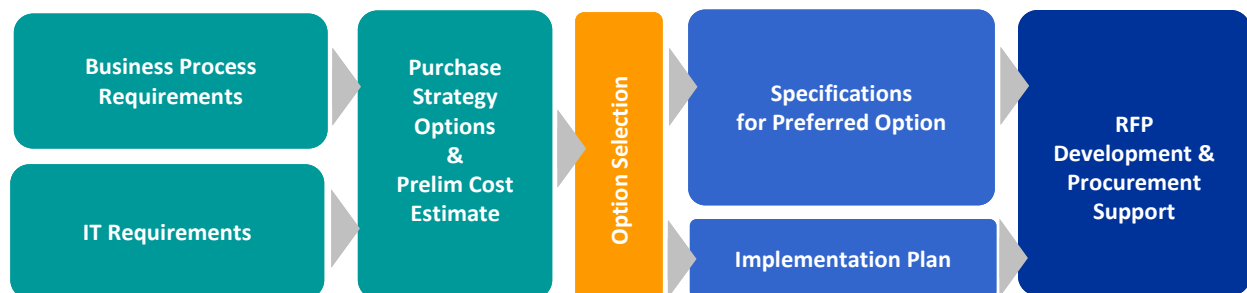
We understand that the scope of work described herein is diverse in subject matter and the expertise required. In particular we appreciate that the two workstreams are thematically different and require different skill sets. For this reason it is expected that proposers may assemble an interdisciplinary team consisting of one or more organizations, with certain tasks performed by subcontractor organizations. It is required, however, that the prime contractor organization will maintain full project ownership and be responsible for all deliverables from the entire team.

Workstream I - Requirements for Business Processes and Information Technology (IT)

A. Overview

The first step of Workstream I will be to further define the iterative process of moving from planning through procurement and implementation activities. The interdisciplinary vendor team will focus on both business process functions and related IT systems, and will follow best practice methodologies for phasing and documenting all concept definition, planning, and requirements development activities.

Workstream I | High-Level Phasing of Contractor SOW



Workstream I activities begin with two task areas running in parallel: **Business Process Requirements** and **IT Requirements**.

The Business Process Requirements phase is a classic requirements development process in which business functions and flow diagrams describe the workflow and relationships among the various functional activities within the Exchange.

Many, if not most, of the business requirements drive specific IT needs, which are captured in the form of IT requirements. Typically, business requirements are identified first, followed by IT requirements, but the Board is running these in parallel in order to accommodate the compressed time schedule required by federal regulatory timelines. The Board expects a "rolling integration" of information between these two task areas. It may be necessary to have two separate consultant teams working in a closely-coordinated parallel effort, using an agile process of requirements development.

The end result of these two tasks is a set of documents that contain easy-to-follow use-cases that in turn allow the reader to follow "a day in the life" of any particular consumer interaction, benefit selection activity, financial transaction or other Exchange function.

In the next task area, **Purchase Strategy Options & Preliminary Cost Estimate**, the Contractor shall develop multiple reasonable options for implementing the Exchange. The analysis of options includes basic questions like "Who will operate the Exchange?" (e.g., vendor or public entity or consortium partner?) and "How will we acquire the necessary technical and software tools?" (e.g., build, enhance existing, procure via operational outsourcing, etc.). Each option should be detailed in a matrix indicating the risks and opportunities for that option, as well as an overall cost, expressed as a life cycle cost. (Life cycle costs consider the total cost of ownership over a period of time, including initial cost to develop or buy, plus the cost to maintain and keep current over the ownership period, and the related inherent risks in the above.)

In the next task area, called **Option Selection**, the Contractor will support the Board in the selection of a Preferred Option based on cost, benefit and value. After this selection, the Contractor shall proceed to develop detailed technical specifications and/or vendor requirements under the task area called **Specifications for Preferred Option**. These specifications form the body of a Request for Proposals (RFP) or other procurement-related document or documents necessary for selecting the entity that will develop the Exchange. While developing specifications, the Contractor will simultaneously help the Board develop the next (detailed) iteration of an implementation roadmap and schedule (the **Implementation Plan** task area).

In a final task area, **RFP Development and Procurement Support**, the Contractor will support the Board in creating a Request for Proposals (RFP) or other procurement-related document or documents necessary for selecting the entity that will develop the Exchange.

B. Scope of Work (SOW)

The following table describes project activities and deliverables for each of the five (5) component Task Areas under Workstream I.

Workstream I: Preliminary SOW for Technical Assistance Vendor	
Task Area 1.0 Business Process & IT Requirements	A. Business Operations Components Deliverable: Develop a Requirements document containing the following: <ul style="list-style-type: none"> ▪ Business processes, maps and flow diagrams ▪ Business rules ▪ Functional Requirements ▪ Use Cases and/or Vignettes ▪ Ecosystem Interfaces - Touch points with external state and non-state entities ▪ Re-cap/update of IT Gap Analysis and Business Process Fit/Gap analysis from predecessor planning project

	<p>B. IT Systems Components</p> <p>Deliverable: Develop an IT architectural model for the Exchange, through technical requirements and risk assessment to include the following functional areas:</p> <ul style="list-style-type: none"> ▪ Portals (Web, Mobile) ▪ User-facing tools (e.g., cost calculators, decision support tools, rating engine) ▪ Business Rules Engine ▪ Workflow Engine and Customer Relationship Management ▪ Data Interoperability – external interfaces ▪ Data Warehouse ▪ Document Generation & Management ▪ Business Intelligence and Reporting ▪ IT Service Levels ▪ Security and Reliability Standards <p>Per federal guidelines, the IT requirements will be defined throughout this project as "Discrete Exchange Modules" (in order to allow for component re-use by other states):</p> <ul style="list-style-type: none"> ▪ Eligibility ▪ Enrollment ▪ Advanced premium tax credits ▪ Cost sharing reductions ▪ Qualified health Plan certification
<p>Task Area 2.0 Procurement Strategy Options & Preliminary Cost Estimates</p>	<p>Deliverable: Develop a recommended procurement approach from among the options itemized below. Purchasing strategy options and high level cost estimates should be included for each. Each option analysis should contain pros and cons, opportunities and constraints, risk profile and a preliminary life-cycle cost estimate.</p> <p>Options should include but are not limited to:</p> <ul style="list-style-type: none"> ▪ Vendor Operated/Outsourcing Model for operations ▪ Self Operated Model ▪ IT – Buy Commercial Off The Shelf (COTS) components available for purchase ▪ IT – Build ▪ IT – Re-use platforms or components from Early Innovator States ▪ IT – Enhance existing State owned systems ▪ Hybrids, joint ventures and/or combinations of above

Task Area 3.0 Specifications for Preferred Option(s)	<p>Deliverable: Develop Preferred Option or Options from Task Area 2.0, and advance these to specifications at the appropriate level of detail required to be compliant with our SDLC approach.</p> <p>The level of detail and type of specifications are highly dependent on whether the Board is buying or building IT, and whether the approach is self-operating vs vendor-operated.</p> <p>Under the most likely scenario, these specifications will be largely functional specifications by nature, and in Task 5.0 will be directly inserted into the RFP documents used for selection of implementation vendors.</p>
Task Area 4.0 Implementation Plan for Executing the Preferred Option	<p>Deliverable: Using the Preferred Option or Options from Task Area 2.0, develop these into a detailed Implementation Plan that will be used by the Connecticut Exchange to manage the overall implementation from this phase through selection of an implementation vendor to system development, testing and go-live.</p>
Task Area 5.0 RFP Development and Procurement Support	<p>Deliverable: Provide the necessary assistance to the Connecticut Exchange for procurement of the next phase of implementation of systems, technologies and/or vendors. Activities will include:</p> <ul style="list-style-type: none"> ▪ RFP development, including publish of Functional and other Specifications (level of detail depends on the selected procurement approach) ▪ Publish Procurement Library ▪ Pre-proposal Bidder's Conference and responses to Contractor questions ▪ Proposal Evaluation Criteria & evaluation process ▪ Post-award support for contracting and project startup ▪ Knowledge transfer activities

Workstream II - Consumer Assistance and Support

A. Overview

Customer experience and customer satisfaction are the most important organizing principles governing the development of the Connecticut Health Insurance Exchange. All of the planning, design, execution, quality control, and performance assessment activities for consumer assistance and support elements of the Exchange will be organized around a central theme of a consumer-centric approach, emphasizing customer experience, customer satisfaction and sensitivity to the diversity of the residents and businesses of Connecticut.

This workstream has been separated from the business process and IT requirements workstream in order to maintain a special emphasis on this subject matter and to reflect the specialized vendor resources that will be required to help define and execute against this mission.

The two workstreams will be closely coordinated. Workstream II will commence immediately upon kick-off of this project and is intended to be substantially completed in time to produce output specifications that can be incorporated into our overall business process and IT planning activities under Workstream I. Scheduled date of commencement is January 2012.

B. Scope and Phasing

The scope of this project will cover the consumer experience components of each of the eleven Exchange establishment core areas, as detailed in ACA Sections 1311(d)(4), 1413 and other sections. In particular:

Areas of Focus on Consumer Satisfaction Experience

- General Information Assistance, Advisory and Navigation, Call Center, Self-help, Toll-free telephone hotline, etc.
- Web and Mobile access
- Accessibility related to ability/disability, literacy and learning style
- Eligibility & Enrollment process
- Consumer Protections
- Grievance and Appeal (coverage, eligibility, etc.)
- Problem Resolution
- Performance Transparency and Reporting on the above, including related data collection

This Workstream will tentatively have four Task Areas representing four phases of effort:

Workstream II:	
Task Area 1.0 Assess Existing Conditions & Strategy for Leverage of Existing Capabilities	<p>Deliverable:</p> <p>Assess and document existing conditions, with key metrics describing these activities (for example, purpose, mission, number of consumers served, subject matter, volume, technology and systems, etc.).</p> <p>Effective integration and leveraging of existing capabilities is a priority for the State in providing assistance to individuals and small business. Several state entities and vendors are already providing certain aspects of Customer Support, and these need to be woven</p>

	<p>together to produce a unified Consumer Experience. For example, Office of the Healthcare Advocate (OHA) is the independent state consumer assistance agency and our State's designated consumer assistance program under the Affordable Care Act, Consumer Assistance Program grant (October 2010). Connecticut Insurance Department (CID) also provides customer support through their Customer Assistance Unit (CAU). In addition, there are existing Medicaid consumer support programs and the underlying Customer Relation Management systems (CRM) that are used to assist Medicaid beneficiaries.</p>
Task Area 2.0 Requirements for Achieving an Integrated Consumer Experience; and Performance Metrics Methodology	<p>Deliverable: Define the business requirements, using workflow and mappings at the level of detail specified in Workstream I. The focus is on <u>net new</u> Exchange-related business activities beyond existing capabilities established in Phase 1.</p> <p>Specify the performance metrics methodology for assessing the quality of services, which includes the data that should be collected, the expected target levels of quality, and a methodology for dashboarding the performance results and making these results transparent to stakeholders on a regular (periodic) basis via a quality dashboard or similar public posting.</p>
Task Area 3.0 Business Process Changes, Enhancements and Implementation- Procurement Strategy	<p>Deliverable: Provide a pro/con analysis regarding use of existing resources and infrastructure, and a recommendation for which resources should be leveraged.</p> <p>Provide a high level cost estimate of the various options considered, and a high level estimate of the development and ongoing cost of the preferred solution, presented in a format consistent with Task 3 of Workstream I.</p> <p>This phase should integrate the new and existing business functions into a seamless experience. It should describe what current capabilities need to be consolidated or changed, and how the net new activities will be delivered e.g. whether through a contracted vendor, state staff, an interagency agreement, or another outside entity.</p>
Task Area 4.0 Technical Requirements & Contract Specifications	<p>Deliverable: Create functional and technical requirements and contract specifications for inclusion in the Request for Proposals for the next phase of implementation. All deliverables for this task area will be developed in a format consistent with the deliverables in Task 5 of</p>

	<p>Workstream I and will be integrated with the Workstream I work product.</p> <p>All deliverables for Tasks 1 through 4 of Workstream II will be produced in the same format as deliverables in Workstream I and will be conjoined with Workstream I work products to create the implementation plan and RFP described in Tasks 4 and 5 of Workstream I.</p>
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Deliverables

The outcome of this Level One Establishment Grant will provide Connecticut the necessary information to facilitate effective decision making. It will provide key insights and understanding to a complex, multifaceted initiative. The deliverables below are described in more detail in the Scope of Services section above. Each proposer must, at a minimum, address and provide each of the tasks identified below and in the Scope of Services section.

Workstream I:
1. Develop business process and IT design, definition and requirements
2. Develop procurement options and preliminary cost estimate
3. Develop specifications for preferred option(s)
4. Develop implementation plan for executing preferred option(s)
5. Develop RFP and procurement support processes
Workstream II:
1. Assess existing conditions and strategy for leverage of existing capabilities
2. Develop requirements for achieving an integrated consumer experience and performance metrics methodology
3. Develop business process changes, enhancements and implementation/procurement strategy
4. Develop technical requirements and contract specifications

For purposes of satisfying C.G.S. Section 4-252(e)(1), the State began planning for this procurement on August 15, 2011.

Additional Scope of Services Information

Interface with Medicaid and other State Systems and Operations

It is the intent of federal health reform legislation (Section 1413 of the Affordable Care Act) to assure that the operations and IT systems of the new State Exchanges are highly interoperable with state Medicaid, CHIP and other State health and human services programs.

The Connecticut Exchange is dedicated to exploring a "no wrong door" approach to customer service that enables easy access to the wide variety of State-supported health benefit programs, including the Exchange, Medicaid, CHIP and other health and human services programs.

The "no wrong door" approach will likely take the form of a unified portal experience for access to the Exchange, Medicaid, CHIP and state health and human services programs. The vision is to enable consumers to access all publicly-subsidized health coverage programs, and potentially other social service programs, through multiple venues (e.g., web sites, walk-in centers, mail, and phone).

At this time, however, it has not been determined whether the State will undertake a unified approach to eligibility and enrollment operations, customer service and fulfillment across the Exchange, Medicaid and CHIP.

Under a unified customer service approach, inbound calls and other inquiries from a Connecticut resident looking for health insurance--whether he or she is ultimately destined for a Medicaid program or the Exchange --would be handled by a single Customer Service center. Coordinating the planning and decision making around the interface between the Exchange and the Medicaid program is complicated. The Exchange and the Medicaid programs are funded by two separate federal funding streams. The two domains also have implementation paths with widely different financial and regulatory dependencies. Where the Exchange and Medicaid may share operations, this development activity must not only work within the Exchange establish rules under ACA, but must also work within Centers for Medicare and Medicaid Services (CMS)' Medicaid Advanced Planning Document (APD) and Implementation APD (IAPD) process, CMS certification rules and Medicaid IT standards (MITA), and with the State's Medicaid Modernization project.

The vendor team must be familiar with federal compliance rules and requirements for both Exchange and Medicaid domains, and will need to conduct project tasks in a way that allows the State of Connecticut to separately track the requirements of *Exchange-only (non-shared)* activities and potential *Exchange-Medicaid shared* operations and IT.

A list of Exchange functional areas is shown below. Areas of significant potential overlap between the Exchange and Connecticut Medicaid operations are marked with an asterisk (*).

- Certification, recertification, and decertification of qualified health plans
- Quality rating system
- Customer Service Call Center*

- Web Portal*
- Outreach and education*
- Navigator Program
- On-line and technical support*
- Premium tax credit and cost-sharing reduction calculator
- Administration of premium tax credits and cost-sharing reductions
- Notification and appeals of employer liability
- Information reporting to IRS and enrollees
- Risk adjustment and transitional reinsurance
- SHOP Exchange-specific functions (tax credit eligibility, rating engine, facilitating choice of health plan, enrollment, appeals)
- Enrollment process, applications and notices*
- Individual responsibility determinations*
- Subsidy administration, premium billing and payment*
- Eligibility determinations, advance payment of premium tax credits, cost-sharing reductions*
- Adjudication of appeals of eligibility determinations*

According to federal regulations, all activities related to the Exchange-Medicaid interface need to be closely tracked in order to maintain separate activity accounting and accurate allocation of costs to their respective federal program. The vendor and Board will cooperate in the area of cost allocation and will use procedures to identify, record, allocate, and report direct and indirect costs, partially and fully attributable to each system project.

Utilization of Best Practices, and Compliance with Federal Standards and Review Methodologies for IT Development

The future Exchange and this vendor contract are funded under a federal grant program administered by Center for Consumer Information and Insurance Oversight (CCIIO), within CMS at the U.S. Department of Health and Human Services (HHS).

All IT system planning and development activity related to this project must conform to applicable standards for federally funded IT projects. Proposers should refer to the specific requirements for this project, cited in *Cooperative Agreement to Support Establishment of State-Operated Health Insurance Exchanges*, U.S. Department of Health and Human Services, Office of Consumer Information and Insurance Oversight, Funding Opportunity Number IE-HBE-11-004, CFDA: 93.525, dated January 20, 2011 (available at http://cciio.cms.gov/resources/fundingopportunities/foa_exchange_establishment.pdf). In addition, Contractor is responsible for accounting to all subsequent guidance that has been issued from the Federal government on Exchange development e.g. Notices of Proposed Rule Making, technical guidance, business architecture requirements documents, etc.

Contractor work products must be compliant with current and emerging standards related to Exchanges and overall Federal requirements, such as the Federal Standards Development Organizations and principles of IT Interoperability, Reusability, Security, Privacy and Accessibility. The following standards are called out in the grant making materials related to this project:

- Service Oriented Architecture and other interoperability standards that support Shared Pool and Cloud utilization

- Reusability standard: Development of reusable components that may be used by other States and Consortia
- MITA Architecture and other CMS Capability Maturity Models
- NIST Federal Information Processing Standards (FIPS)
- HIPAA and HITECH
- Accessibility for Individuals with Disabilities: Section 508(b) of the Rehabilitation Act of 1973 and user-centered design (UCD) methods
- National Information Exchange Model (NIEM) (<http://release.niem.gov/niem/2.1/>)
- ACA Section 1561 ONC – Core data, business rules, verification interfaces, transmission of enrollment information using X12 EDI, and security and privacy using FIPS

As the Board plans, designs and procures the Exchange IT systems, all vendor activities and deliverables must be designed to interface with the emerging HHS review methodology, including the document *Integrated IT Investment & System Life Cycle Framework, CMS Requirements Writer's Guide*, Department of Health and Human Services, Centers for Medicare & Medicaid Services, Version 4.11, dated August 31, 2009).

Vendor activities on this and subsequent Exchange projects must use a System Development Life Cycle (SDLC) methodology where applicable. Examples of best-practice in SDLC would include:

- Project Startup Checklist: Concept of Operations, Scope, Charter
- Project Architecture: Business Process Models, Requirements Document, Architectural diagrams
- Project Baseline: Risk Assessment, Project Management Plan, Project Schedule
- Preliminary & Detailed Design: Test Plans, Logical Data Model, Data Use Agreement, Technical Architecture Diagrams (SW, HW, MW, network, security)
- Pre-Operational Readiness: Inter/Intra-agency Agreements, End-to-End Testing Plan and Cases, Implementation Plan, User Manuals, Operations & Maintenance Manual, Training Plan
- Operational Readiness: Defect & Remediation

This project is a requirements and specifications development activity and, as such, many of the SDLC best practices listed above do not apply to this phase of work. However, the Contractor will need to have experience in these standards and include them in the RFP for the subsequent implementation vendor.

CMS has created Exchange guidance documents (Blueprints) on a variety of subjects. The Blueprints will be made available in their entirety to the chosen Contractor. A summary of CMS Blueprints and some examples appear in the **Exhibit E**. CMS is continually creating and updating new documents, therefore this list should not be considered exhaustive. The Contractor will have access to the online repository which contains the Blueprints and other information pertinent to Exchange development.

Contract must comply with the following Federal and State IT requirements and standards.

This vendor contract is funded under a federal grant program administered by Office of Consumer Information and Insurance Oversight at the U.S. Department of Health and Human

Services. As such, all IT system planning and development activity related to this project must conform to applicable standards for this grant source as well as all federally funded IT projects.

The respondent must assure that it is aware of these standards, has knowledge of or experience in using these or other applicable standards, and will produce all project materials in accordance with applicable standards.

Proposers should refer to the **specific requirements for this project**, cited in document ***Cooperative Agreement to Support Establishment of State-Operated Health Insurance Exchanges***, U.S. Department of Health and Human Services, Office of Consumer Information and Insurance Oversight, Funding Opportunity Number IE-HBE-11-004, CFDA: 93.525, dated January 20, 2011 (available at http://cciio.cms.gov/resources/fundingopportunities/foa_exchange_establishment.pdf).

Contractor work products must be compliant with **current and emerging standards related to Exchanges** and overall Federal requirements, such as the Federal Standards Development Organizations and principles of IT Interoperability, Reusability, Security, Privacy and Accessibility. The following standards are called out in the grantmaking materials related to this project:

- Service Oriented Architecture and other interoperability standards that support Shared Pool and Cloud utilization
- Reusability standard: Development of reusable components that may be used by other States and Consortia
- MITA Architecture and other CMS Capability Maturity Models
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- Preliminary & Detailed Design: Test Plans, Logical Data Model, Data Use Agreement, Technical Architecture Diagrams (SW, HW, MW, network, security)
- Pre-Operational Readiness: Inter/Intra-agency Agreements, End-to-End Testing Plan and Cases, Implementation Plan, User Manuals, Operations & Maintenance Manual, Training Plan
- Operational Readiness: Defect & Remediation

This project is a requirements and specifications development activity and, as such, many of the SDLC best practices list above do not apply to this phase or work. However, the Contractor will need to have experience in these standards and include them in the RFP for the subsequent implementation vendor.

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The Federal government provides a list by which a State must consider in planning the target Exchange environment in order to maximize the use of standards. The contractor should provide be aware of the Federal and State IT requirements including:

1. Affordable Care Act Section 1561 Recommendations

Per statutory requirement, ONC has developed a set of specific recommendations that pertain to standards and protocols that facilitate enrollment of individuals in Health and Human Services programs. For details on Section 1561, see:

<http://healthit.hhs.gov/portalfserver.pt?open=5l2&mode=2&objID=3l61>.

Recommendation 1.1 recommends that States collaborate by using the NIEM (National Information Exchange Model) framework. This framework will allow for use of common data between multiple users and facilitate many aspects of enrollment.

2. HIPAA Considerations

The HIPAA Privacy and Security Rules provide Federal protections for personal health information held by covered entities and give patients an array of rights with respect to that information. At the same time, the Privacy Rule is balanced so that it permits the disclosure of personal health information needed for patient care and other important purposes.

3. Accessibility for individuals with disabilities

Enrollment and eligibility systems should be designed to meet the diverse needs of users (e.g., consumers, State personnel, other third party as sisters) without barriers or diminished function or quality, using legal requirements under Section 508 (for the Federal government), Section 504 (for recipients of Federal financial assistance), and Title II of the Americans with Disabilities Act (for State and local governments). Therefore, electronic eligibility and enrollment systems shall include usability features or functions that accommodate the needs of persons with disabilities, including those who use assistive technology. To meet these standards and to meet the needs of diverse users, States must address how they will comply with the latest 508

guidelines issues by the US Access Board or standards that provide greater accessibility for individuals with disabilities.

4. Security

The State shall address Fair Information Practices (FIP) in new and existing eligibility and enrollment systems to safeguard consumer information. The following are best practices the State can consider for implementing FIPs in the State systems:

- **Collection Limitation:** State systems shall be designed to collect the minimum data necessary for an eligibility and enrollment determination. This shall be balanced with the desire to reuse information for multiple eligibility decisions.
- **Data Integrity & Quality:** States shall establish a minimum threshold level for data matches, adopting a glide-path towards achieving advanced probabilistic matching.
- **Openness & Transparency:** Clear, transparent policies about authorizing access and use of data shall be provided to the State in the Privacy Notice.
- **Purpose Specification**
- **Use Limitation**
- **Security Safeguards and Controls**
- **Individual Participation and Control**
- **Accountability and Oversight**

The State shall address Taxpayer Privacy and Safeguard standards which apply to any tax return information that the exchanges may handle as part of the eligibility determination process. For more information, see IRS Publication 1075 - Tax Information Security Guidelines For Federal, State and Local Agencies ([http://www.irs.gov/pub/irs-pdf/p 1 07 5.pdf](http://www.irs.gov/pub/irs-pdf/p1075.pdf))

5. Federal Information Processing Standards (FIPS)

Under the Information Technology Management Reform Act (ITMRA), Division E, National Defense Authorization Act for FY 1996 (P. L. 104-106), the Secretary of Commerce approves standards and guidelines that are developed by the National Institute of Standards and Technology (NIST) for Federal computer systems. These standards and guidelines are issued by NIST as Federal Information Processing Standards (FIPS) for use government-wide. NIST develops FIPS when there are compelling Federal government requirements such as for security and interoperability and there are no acceptable industry standards or solutions. See Recommendation 5.3 in Section 1561 recommendations for more details: <http://healthit.hhs.gov/portal/server.pt?open=512&mode=2&objID=3161>)

6. Key Principles of Exchange IT Capabilities

The organization governing the design, development, and implementation of the core capabilities must follow standard industry Systems Development Life Cycle (SDLC) frameworks including the use of iterative and incremental development methodologies. The governing body must also be able to produce requirement specifications, analysis, design, code, and testing that can be easily shared with other interested and authorized stakeholders (i.e., other States, consortia of States, or any entity that is responsible for establishing an Exchange).

- The design must take advantage of a Web Services Architecture (using XML, SOAP and WSDL or REST) and Service Oriented Architecture approach for design and development

leveraging the concepts of a shared pool of configurable computing resources (e.g., Cloud Computing).

- The services description/definition, services interfaces, policies and business rules must be published in a web services registry to support both internal and external service requests that are public and private, and be able to manage role-based access to underlying data.
- Per Section 1561 of the Affordable Care Act, all designs must follow the standards that are currently outlined in the recommendations published by the Office of the National Coordinator (ONC). For details on Section 1561 Standards, see: <http://healthit.hhs.gov/portalfserver.pt?open=5l2&mode=2&objID=3161>.
- Per National Institute of Standards and Technology (NIST) publications, the design and implementation must take into account security standards and controls. (For details on NIST publications, see: <http://csrc.nist.gov/publications/PubsSPs.html>)

TIMELINES: Schedules and Key Dependencies

Workstream I:

The overall timeline for Contractor activities in Workstream I is approximately eight months, from commencement of the vendor contract to the execution of procurement for the next phase of implementation (referred to as the federal Level Two Establishment funding phase).

Workstream I ideally commences immediately after Contractor selection (work to begin in January 2012).

The following is a schedule of project Task by month.

Project Month 0-3 *Develop business process operations and IT requirements*

Project Month 4 *Develop procurement strategy and option selection*

Project Month 5-7 *Develop specifications and implementation/work plan*

Project Month 8 *Develop RFP and procurement support*

Specific deliverables from the current, ongoing planning project will be used as important inputs into Workstream I. As such, the Workstream I schedule is partially contingent on completion of certain of these planning activities. Outputs of the planning project include: (a) IT Gap Analysis, (b) comprehensive assessment of the operational processes between the Exchange and Medicaid, (c) technical requirements and specifications for Exchange accounting and financial system functions, (d) assessment of the existing Medicaid eligibility system, interface issues and necessary requirements for integration with the Exchange IT infrastructure, (e) impact study of the Medicaid program specifically addressing the areas of enrollment change and associated costs, and impact to the Children's Health Insurance Program.

As with most Exchange projects nationally, the establishment effort is likely contingent on APD and IAPD project schedules related to modernization of our Medicaid eligibility and enrollment systems. Information will be provided to the Contractor as it becomes available.

Workstream II:

This project is anticipated to be a three month effort, running in parallel to the first three months of Workstream I, and with important coordination activity with Workstream I. Workstream II ideally commences immediately after the Contractor is chosen and runs concurrent to the “*Business Process Operations and IT Requirements*” phase of Workstream I. Anticipated commencement is January 2012.

Project Month 1 Phase 1. Assess existing conditions and develop strategy for leverage of existing capabilities

Project Month 2 Phase 2. Develop requirements for achieving an integrated consumer experience

Project Month 3 Phase 3. Develop business process changes, enhancements and implementation/procurement strategy

Phase 4. Develop technical requirements and contract specifications

CONTRACT PERIOD

The State anticipates that the successful proposer will commence work on or about January 3, 2012 and continue until August 14, 2012. The contract may, upon mutual consent, be extended.

CONTRACTOR QUALIFICATIONS

The respondent shall submit documentation to the satisfaction of the Board that the respondent and/or respondent team possesses the necessary experience and qualifications to perform the services required, including at least the following areas, below. (Note that respondents will be evaluated as a team, and can address these requirements using a team approach, including the use of subcontractors.)

- Extensive knowledge of the private health insurance marketplace, and applicable Federal statutes, rules and regulations as they relate to both insurance coverage and the provisions of the Affordable Care Act;
- Knowledge of the Connecticut health insurance market, including Connecticut-specific insurance regulation;
- Experience with insurance exchanges, health plan or large employer benefits selection portals, or health insurance brokerage portals;
- Experience in planning and development of business and IT requirements and specifications, and development of procurement materials in large, complex health care benefits enterprises including but not limited to Exchanges; health insurance brokerage;

Medicaid programs; health plans, third party administrators and managed care organizations; or other healthcare benefits or services organizations;

- Prime contractor experience for at least one (1) project that approximates the scope of this project, including project management, project documentation, development of work plans, etc.;

Ideally the Contractor also has expertise in the following areas:

- Comprehensive understanding of the public and private health insurance and benefits marketplace;
- Comprehensive knowledge of the ACA, including all applicable federal statutes, rules and regulations as they relate to both insurance coverage and the provisions of the Affordable Care Act, and particularly as it relates to an Exchange provisions included in Sections 1311 through 1334, and any other applicable section of the ACA, related regulations or guidance;
- Comprehensive knowledge of the ACA mandated enrollment provisions and the approaches to implementation of these requirements as being taken by the relevant Federal entities;
- Familiarity with approaches to the Exchange being taken by other states to the extent those are available;
- Understanding and experience working with state governments on public healthcare program benefits, especially eligibility, verification and enrollment processing for public benefits, including knowledge of current practice, technology and processes;
- Knowledge of the federal operations and IT requirements for state Medicaid programs, including those related to federal financial participation and enhanced matching funds. This includes CMS MITA Architecture, CMS MMIS certification requirements, the CMS Seven Conditions and Standards (April 2011) and other CMS Capability Maturity Models;
- Proficiency with federally specified System Development Life Cycle (SDLC) processes and methodologies, specifically proficiency with SDLC in a health care IT project of comparable size. An example of an SDLC framework can be found here:
http://www.cms.gov/ILCPhases/01_overview.asp#TopOfPage
- Expertise and experience in market analysis, specialized marketing, direct-to-consumer outreach and marketing in the field of public or private health benefits and health insurance;
- Expertise and experience in Customer Service and Support in a health insurance and health benefits enterprise, including planning and operating a multimodal customer support operation utilizing web, call center, mail and fulfillment operations.

SUBMISSION DEADLINE

The due date for proposals is 4:00 pm on Wednesday, November 16, 2011. Proposals must be received in the required packaging and labeling at the Office of Policy and Management, 450 Capitol Avenue, Hartford, CT 06106 ATTEN: Amy Tibor not later than the deadline. Late submissions will not be accepted.

No additions or changes to the original proposal will be allowed after submittal. While changes are not permitted, clarification of proposals may be required by the State at the proposer's sole cost and expense.

RFP PROCEDURES

- A. *Official State Contact.* The State contact person for the purpose of this RFP is:

Amy Tibor
Planning Associate
Office of Policy and Management
Policy Development and Planning Division
450 Capitol Avenue
MS#52LTC
Hartford, Connecticut 06106-1379
Telephone: 860-418-6349
Facsimile: 860-418-6495
E-Mail Address: amy.tibor@ct.gov

All communications with the State regarding this RFP must be directed to the Official State Contact.

- B. *Proposer's Authorized Representative.* Proposers must designate an authorized representative and one (1) alternate. Provide the name, title, address, telephone and facsimile numbers, e-mail address, and normal working hours for each representative. This information must be submitted to the Official State Contact with the RFP submission.
- C. *Communications Notice.* All communications with the State or any person representing the State concerning this RFP are strictly prohibited, except as permitted by this RFP. Any violation of this prohibition by proposers or their representatives may result in disqualification or other sanctions, or both.
- D. *Letter of Intent.* Proposers intending to respond to this RFP are asked, but not required, to submit a letter of intent by e-mail to the Official State Contact by 4:00 p.m. on Friday, October 28, 2011. **Submission of a letter of intent does not obligate a proposer to submit a proposal.**
- E. *Inquiry Procedures.* All questions regarding this RFP and submission requirements must be directed, in writing, to the Official State Contact by 4:00pm on Monday.

October 31, 2011. Proposers are required to limit their contact regarding this RFP to the person named herein. Written responses to all questions received will be posted to the Office of Policy and Management website at www.ct.gov/opm/rfp by 4:00pm Monday, November 7, 2011.

- F. *Resource Library.* General information about Connecticut's Exchange Planning Initiatives can be found on: www.ct.gov/opm/exchangegrant.
- G. *Packaging and Labeling Requirements.* All proposals must be submitted in sealed envelopes or packages. All proposals must be addressed to the Official State Contact. The name and address of the proposer must appear in the upper left hand corner of the envelope or package. An original (clearly identified as such) and 8 copies of the proposal must be submitted. The proposal must be signed by the proposer. Unsigned proposals will be rejected. Proposals transmitted by facsimile may not be accepted or reviewed.
- H. *Proposals Due.* An original and 8 copies as well as an electronic version of proposal in software compatible with Microsoft Word 7.0 must be received no later than 4:00pm on Wednesday, November 16, 2011.
- I. *Minimum Submission Requirements.* At a minimum, proposals must be (1) submitted before the deadline, (2) satisfy the packaging and labeling requirements, (3) follow the required format, (4) be complete, (5) include all required forms, and (6) be duly executed. Proposals that fail to meet these minimum submission requirements may be disqualified and not reviewed further.
- J. *Selection Committee.* A Selection Committee comprised of State staff or other designees as deemed appropriate will evaluate qualified proposals submitted in response to this RFP and recommend finalists for consideration. The Selection Committee shall evaluate all proposals that meet the Minimum Submission Requirements.
- K. *Meetings with Proposers.* At its discretion, the State may convene meetings with proposers in order to gain a fuller understanding of the proposals. The meetings may involve demonstrations, interviews, presentations, or site visits. If the State decides meetings are warranted, the Official State Contact will contact proposers to make an appointment. Any such meetings are tentatively scheduled for the week of November 28, 2011.
- L. *Contractor Selection.* It is the State's intention to notify the successful proposer on or about Friday, December 9, 2011 and to initiate this engagement as soon as possible thereafter.
- M. *Timeline.* The following timeline, up to and including the deadline for submitting proposals, shall be changed only by an amendment to this RFP. Dates after the submittal deadline are target dates only.

October 17, 2011

RFP Released

October 28, 2011 4:00pm	Letter of Intent Due (Optional)
October 31, 2011 4:00pm	Deadline for Questions
November 7, 2011 4:00pm	Written Answers to Questions Released
November 16, 2011 4:00pm	Proposals Due
Week of November 28, 2011	Meetings with Proposers (Optional)
December 9, 2011	Contractor Selection
December 12, 2011	Start of Contract Negotiations
January 3, 2012	Start of Contract

RFP CONDITIONS

All proposers must be willing to adhere to the following conditions and must positively state this in the proposal by completing the **OPM Vendor/Bidder Profile Sheet (OPM-A-15, June 2008)**.

- A. The State is an Equal Opportunity and Affirmative Action employer and does not discriminate in its hiring, employment, or business practices. The State is committed to complying with the Americans with Disabilities Act of 1990 (ADA) and does not discriminate on the basis of disability, in admission to, access to, or operation of its programs, services, or activities.
- B. All proposals in response to this RFP are to be the sole property of the State. Proposers are encouraged **NOT** to include in their proposals any information that is proprietary. All materials associated with this procurement process are subject to the terms of State laws defining freedom of information and privacy and all rules, regulations and interpretations resulting from those laws. The Connecticut Freedom of Information Act (FOIA) generally requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content of the document falls within certain categories of exemption. An example of an exemption is a "trade secret," as defined by Connecticut General Statutes Section 1-210(b)(5)(A). Confidential information must be separated and isolated from other material in the proposal and labeled **CONFIDENTIAL** and enclosed in a separate envelope.

If the proposer indicates that certain documentation, as required by this RFP, is submitted in confidence, by specifically and clearly marking said documentation as **CONFIDENTIAL**, OPM will endeavor to keep said information confidential to the extent permitted by law. OPM, however, has no obligation to initiate, prosecute or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information pursuant to a FOIA request. As set forth below, the proposer has the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall OPM or any of its staff have any liability for disclosure of documents or information in the possession of OPM which OPM or such staff believes to be required pursuant to the FOIA or other requirements of law.

IMPORTANT NOTE: If the information is not readily available to the public from other sources and the proposer submitting the information requests confidentiality, then the information generally is considered to be "given in confidence." A convincing explanation and rationale sufficient to justify each exemption from release consistent

with Section 1-210(b) of the Connecticut General Statutes shall be prepared by the proposer and shall accompany the proposal. The rationales and explanation shall be simply stated in terms of the prospective harm to the competitive position of the proposer that would result if the identified information were to be released, and you shall state the reasons why you believe the materials are legally exempt from release pursuant to Section 1-210(b) of the Connecticut General Statutes.

- C. Any product, whether acceptable or unacceptable, developed under a contract awarded as a result of the RFP is to be the sole property of the State.
- D. Timing and sequence of events resulting from this RFP will ultimately be determined by the State.
- E. The proposer's proposal shall remain valid for a period of 180 days after the closing date for the submission and may be extended beyond that time by mutual agreement.
- F. All proposed costs must be fixed through the period of the agreement. No cost submissions that are contingent on a State action will be accepted.
- G. The State may amend or cancel this RFP, prior to the due date and time, if the State deems it to be necessary, appropriate or otherwise in the best interests of the State. Failure to acknowledge receipt of amendments, in accordance with the instructions contained in the amendments, may result in a firm's proposal not being considered.
- H. The personnel identified in the proposer's response to this RFP will be the persons actually assigned to the project. Any additions, deletions or changes in personnel from the proposal during the course of the project must be approved by the State, with the exception of personnel who have terminated employment. Replacements for personnel who have terminated employment are subject to approval by the State. At its discretion, the State may require the removal and replacement of any of the proposer's personnel who do not perform adequately, regardless of whether they were previously approved by the State.
- I. Any costs and expenses incurred by proposers in preparing or submitting proposals are the sole responsibility of the proposer.
- J. A proposer must be prepared to present evidence of experience, ability, service facilities, and financial standing necessary to satisfactorily meet the requirements set forth or implied in the proposal.
- K. No additions or changes to the original proposal will be allowed after submission. While changes are not permitted, clarification of proposals may be required by the State at the proposer's sole cost and expense.
- L. Proposers may be asked to give demonstrations, interviews, presentations or further explanation to the RFP Selection Committee.

- M. The proposer represents and warrants that the proposal is not made in connection with any other proposer and is in all respects fair and without collusion or fraud. The proposer further represents and warrants that they did not participate in any part of the RFP development process, had no knowledge of the specific contents of the RFP prior to its issuance, and that no agent, representative or employee of the State participated directly in the proposer's proposal preparation.
- N. All responses to the RFP must conform to instruction. Failure to include any required signatures, provide the required number of copies, meet deadlines, answer all questions, follow the required format, or failure to comply with any other requirements of this RFP may be considered appropriate cause for rejection of the response.
- O. The proposer accepts the State's **Standard Contract Language**.
- P. This RFP is not an offer and neither this RFP nor any subsequent discussions shall give rise to any commitment on the part of the State or confer any rights on any proposer unless and until a contract is fully executed by the necessary parties. The contract document will represent the entire agreement between the proposer and the State and will supersede all prior negotiations, representations or agreements, alleged or made, between the parties. The State shall assume no liability for payment of services under the terms of the contract until the successful proposer is notified that the contract has been accepted and approved by the State and by the Attorney General's Office. The contract may be amended only by means of a written instrument signed by the State, the proposer, and the Attorney General's Office.
- Q. Pursuant to Connecticut General Statutes § 4a-81, bids or proposals for state contracts with a value of \$50,000 or more in a calendar or fiscal year, excluding leases and licensing agreements of any value, shall include a **Consulting Agreement Affidavit** attesting to whether any consulting agreement has been entered into in connection with the bid or proposal. Such affidavit shall be required if any duties of the consultant included communications concerning business of such State agency, whether or not direct contact with a State agency, State or public official or State employee was expected or made. As used herein "consulting agreement" means any written or oral agreement to retain the services, for a fee, of a consultant for the purposes of (A) providing counsel to a contractor, vendor, consultant or other entity seeking to conduct, or conducting, business with the State, (B) contacting, whether in writing or orally, any executive, judicial, or administrative office of the State, including any department, institution, bureau, board, commission, Board, official or employee for the purpose of solicitation, dispute resolution, introduction, requests for information or (C) any other similar activity related to such contract. Consulting agreement does not include any agreements entered into with a consultant who is registered under the provisions of Chapter 10 of the general statutes as of the date such affidavit is submitted in accordance with the provisions of Connecticut General Statutes § 4a-81.
- R. Pursuant to Connecticut General Statutes § 1-101qq, bids or proposals for a large state construction or procurement contract shall include an **Affirmation of Receipt of Summary of State Ethics Laws** affirming that the key employees of such proposer have received, reviewed and understand the Summary and agree to comply with the

provisions of the State ethics laws. "Large state construction or procurement contract" means any contract, having a cost of more than five hundred thousand dollars, for (A) the remodeling, alteration, repair or enlargement of any real asset, (B) the construction, alteration, reconstruction, improvement, relocation, widening or changing of the grade of a section of a state highway or a bridge, (C) the purchase or lease of supplies, materials or equipment, as defined in Section 4a-50 of the Connecticut General Statutes, or (D) the construction, reconstruction, alteration, remodeling, repair or demolition of any public building. Furthermore, pursuant to Connecticut General Statutes § 1-101qq, the proposer shall incorporate and include the Summary in all contracts with any subcontractor or consultant working or assisting the Contractor with the large state construction or procurement contract. The proposer shall require in said contracts that the key employees of any subcontractor or consultant affirm that they have received, reviewed and understand the Summary and agree to comply with the provisions of the State ethics laws. The proposer shall supply such affirmations to OPM promptly.

- S. With regard to a State contract as defined in P.A. 07-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this submission in response to the State's solicitation expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising prospective state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See Exhibit A.

REQUIRED FORMAT FOR PROPOSALS

All proposals must follow the required format and address all requirements listed in the prescribed order using the prescribed numbering system. Failure to follow the required format may result in disqualification of a proposal.

- Font Size: 12 pitch
- Margins: 1" minimum on the top, bottom, and sides of all pages
- Maximum number of pages: 80 not including Section 1, Table of Contents; Section 2, Proposer Information; Section 3d, Financial Condition; Section 3e, References; Section 5b, Resumes of Key Personnel; Section 7 Conflict of Interest; and Section 8, Affidavits.
- **DO NOT** use material dependant on color distinctions, animated electronics, etc. in submissions.
- Number of Copies: An original and 8 copies of the proposal must be received no later than 4:00pm on November 16, 2011.
- One (1) Electronic Version. Format: Microsoft Word 7.0 or compatible software.

Section 1 – TABLE OF CONTENTS

Proposers must include a Table of Contents that lists sections and subsections with page numbers that follow the organization and sequence for this proposal as required.

Section 2 – PROPOSER INFORMATION

Complete the following forms and include any other requested documentation that may pertain to your legal status. Unfortunately, the forms are redundant in certain areas, however, each form satisfies a solicitation/contracting requirement of the State, and the redundancy cannot be avoided at this time.

- a. **OPM Vendor/Bidder Profile Sheet (OPM-A-15, June 2008)**
- b. **Agency Vendor Form (SP-26NB)**
- c. **W-9** available at <http://www.irs.gov/pub/irs-pdf/fw9.pdf>
- d. Contract Compliance Package:
 - **Notification to Bidders Form**
 - **Bidder Contract Compliance Monitoring Report**

Section 3 - INDIVIDUAL OR ORGANIZATIONAL PROFILE

- a. *Qualifications.* Describe how your experience, education and training, or special knowledge, skills or abilities meet the required minimum qualifications of this RFP. If a bidder intends to subcontract specific services, the bidder should describe the qualifications of the subcontractor and include sufficient information to establish the subcontractor's expertise in the subject area.
- b. *Summary of Relevant Experience.* Provide a listing of projects that the proposer has completed within the last three (3) years in the subject area with emphasis on activities relevant and related to the proposed project. Additionally, please list any contracts in the last three (3) years between the proposer and any agency of the State of Connecticut.
- c. *Organization Chart.* Provide a diagram showing the hierarchical structure of functions and positions within the organization.
- d. *Financial Condition.* If the proposer is a firm or corporation, include the two (2) most recent annual financial statements prepared by an independent Certified Public Accountant, and reviewed or audited in accordance with Generally Accepted Accounting Principles (USA). If a proposer has been in business for less than two years, such proposer must include any financial statements prepared by a Certified Public Accountant, and reviewed or audited in accordance with Generally Accepted Accounting Principles (USA) for the entire existence of such firm or corporation.
- e. *References.* Include three (3) letters of reference from recent clients. Provide the following information for each reference: name, title, name of company, company address, and telephone number.

Section 4 - STATEMENT OF WORK

- a. *Work Plan.* Provide a detailed, task-oriented breakdown for each activity/task in the Scope of Services and Project Deliverables. Bidders must realize that the Scope of Services represents the minimum work that must be conducted and it is strongly encouraged for bidders to propose other options as appropriate to achieve the same results, based on their experience. Include all conceptual alternatives briefly describing any alternative methods for the development of models that have been used in other states. Proposers wishing to add activities/tasks to those specified in the Scope of Services must show the additions as separately numbered activities/tasks. It is important to note that respondent should provide a single proposal for Workstream I and II with a clear delineation by Workstream within the approach and methodology.

- b. *Methodologies.* Provide an overview of how bidder will collaborate with the State while designing and analyzing the various components of this project. Identify data sources and baseline information that will be used in each of the research sections. Describe how each activity/task will be accomplished, providing a detailed explanation of the procedures or processes that will be used to attain the expected outcomes.
- c. *Deliverables.* List and describe the form and content of each project deliverable. Include a communications plan that identifies how the collaboration and reporting processes will be managed in the context of the overall project between the State and the bidder. Specifically, include a description of the approach, content and format to the delivery and communication of the interim and final reporting.
- d. *Schedule.* Due to strict federal deadlines for Exchange planning and development activity, time is of the essence in acquiring the requested work as outlined in the Scope of Services. To that end, provide a work schedule, organized by deliverable, with anticipated completion dates identified for each activity/task. Identify reporting milestones and timeframes over the projects duration. The final report is due **August 1, 2012.**

Section 5 – PERSONNEL RESOURCES

- a. *Staffing Plan.* Identify the personnel resources that will be assigned to each activity/task delineated in the work plan above. State the proportion of time that personnel will allocate to each activity/task of the project. Include a job description for each title assigned to the personnel identified.
- b. *Key Personnel.* Identify the key personnel that will be assigned to this project. Attach resumes reflecting their qualifications and work experience in the subject area. [Note: The State must be notified in writing and in advance regarding the departure of any key personnel from the project.]

Section 6 - PROPOSED COST

Include a cost proposal using **Exhibit B.** *Note: The State of Connecticut is exempt from the payment of excise, transportation and sales taxes imposed by the Federal Government and/or the State. Such taxes must not be included in the proposed cost.*

Section 7 – CONFLICT OF INTEREST

Include a disclosure statement concerning any current business relationships (within the last three (3) years) that pose a conflict of interest as defined by Connecticut General Statutes Section 1-85.

SECTION 8 – AFFIDAVITS (Consulting Agreement and Summary of State Ethics Laws)

Submit a **Consulting Agreement Affidavit** if the bid or proposal is for a state contract (only to be used with contracts for the purchase of goods and services) with a value of \$50,000 or more in a calendar or fiscal year, excluding leases and licensing agreements of any value, attesting to whether any consulting agreement has been entered into in connection with the bid or proposal.

Submit an **Affirmation of Receipt of Summary of State Ethics Laws** if the bid or proposal is for a large state construction or procurement contract having a cost of \$500,000 or more for (A) the remodeling, alteration, repair or enlargement of any real asset, (B) the

construction, alteration, reconstruction, improvement, relocation, widening or changing of the grade of a section of a state highway or a bridge, (C) the purchase or lease of supplies, materials or equipment, as defined in Section 4a-50 of the Connecticut General Statutes, or (D) the construction, reconstruction, alteration, remodeling, repair or demolition of any public building.

Section 9 - ADDITIONAL DATA

Provide any additional information which the proposer wishes to bring to the attention of the State that is relevant to this RFP.

EVALUATION OF PROPOSALS

The following criteria shall be those utilized in the selection process. They are presented as a guide for the proposer in understanding the State's requirements and expectations for this project and are not necessarily presented in order of importance.

1. *PROPOSED WORK PLAN.* Emphasis will be on grasp of the problems involved, soundness of approach and the quality of the overall proposal including the proposer's ability to complete the activities/tasks and produce the necessary products within the required time frame.
2. *PROPOSED COST.*
3. *EXPERIENCE, EXPERTISE, AND CAPABILITIES.* Background, qualifications, and previous experience of personnel to be assigned to the project and their demonstrated competence, experience and expertise in the type of work to be performed.
4. *REFERENCES.*
5. *DEMONSTRATED COMMITMENT TO AFFIRMATIVE ACTION:*

Regulations of Connecticut State Agencies Section 46a-68j-30(10) require an agency to consider the following factors when awarding a contract that is subject to contract compliance requirements:

- (a) the proposer's success in implementing an affirmative action plan;
- (b) the proposer's success in developing an apprenticeship program complying with Sections 46a-68-1 to 46a-68-17 of the Administrative Regulations of Connecticut State Agencies, inclusive;
- (c) the proposer's promise to develop and implement a successful affirmative action plan;
- (d) the proposer's submission of EEO-1 data indicating that the composition of its work force is at or near parity when compared to the racial and sexual composition of the work force in the relevant labor market area; and

- (e) The proposer's promise to set aside a portion of the contract for legitimate minority business enterprises (**see Contract Compliance Package**).

RIGHTS RESERVED TO THE STATE

The State reserves the right to award in part, to reject any and all bids in whole or in part for misrepresentation or if the proposer is in default of any prior State contract, or if the bid or proposal limits or modifies any of the terms and conditions and/or specifications of the RFP. The State also reserves the right to waive technical defect, irregularities and omissions if, in its judgment, the best interest of the State will be served.

The State reserves the right to correct inaccurate awards resulting from its clerical errors. This may include, in extreme circumstances, revoking the awarding of a contract already made to a proposer and subsequently awarding the contract to another proposer. Such action on the part of the State shall not constitute a breach of contract on the part of the State since the contract with the initial proposer is deemed to be void *ab initio* and of no effect as if no contract ever existed between the State and the proposer.

EXHIBIT A

NOTICE TO EXECUTIVE BRANCH STATE CONTRACTORS AND PROSPECTIVE STATE CONTRACTORS OF CAMPAIGN CONTRIBUTION AND SOLICITATION BAN

This notice is provided under the authority of Connecticut General Statutes Section 9-612(g)(2), as amended by P.A. 10-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined below):

Campaign Contribution and Solicitation Limitations

No *state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor*, with regard to a *state contract or state contract solicitation* with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee (which includes town committees).

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

On and after January 1, 2011, no state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall **knowingly** *solicit* contributions from the state contractor's or prospective state contractor's employees or from a *subcontractor or principals of the subcontractor* on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

Duty to Inform

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

Penalties for Violations

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil penalties—Up to \$2,000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state

contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of up to \$2,000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or not more than \$5,000 in fines, or both.

Contract Consequences

In the case of a state contractor, contributions made or solicited in violation of the above prohibitions may result in the contract being voided.

In the case of a prospective state contractor, contributions made or solicited in violation of the above prohibitions shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State shall not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Definitions:

"State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. "Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency,

whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a state contractor or prospective state contractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

"State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of Navy or the United States Department of Defense.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual.

"Solicit" means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee

or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

“Subcontractor” means any person, business entity or nonprofit organization that contracts to perform part or all of the obligations of a state contractor's state contract. Such person, business entity or nonprofit organization shall be deemed to be a subcontractor until December thirty first of the year in which the subcontract terminates. “Subcontractor” does not include (i) a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or (ii) an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

“Principal of a subcontractor” means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a subcontractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a subcontractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a subcontractor, which is not a business entity, or if a subcontractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any subcontractor who has managerial or discretionary responsibilities with respect to a subcontract with a state contractor, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the subcontractor.

Exhibit B

Planning Grant Scope of Services Outline

Key to establishing policy direction and implementation strategy for Connecticut's Exchange is to establish a baseline understanding of the advantages and disadvantages of allowing individuals and small firms to access coverage that is portable, choice-based and tax advantaged. Understanding the variables and complexities in organizing a new health insurance marketplace as well as the dynamics of driving system affordability and improving the quality of health care delivery systems is vital to Connecticut's Exchange planning processes. The State of Connecticut is aggressively working to obtain the necessary research and analysis to answer significant policy questions.

Under the Planning Grant, a contractor was selected to perform detailed research and analysis to provide the State a foundation for policy direction and operational strategy. It is expected that the outputs of this research will be key inputs to the activities outlined in the scope of this RFP. It is estimated that a summary of these outputs will be made available to respondents in late November. **The final outputs of this research and planning activities will be made available in their entirety to the selected Contractor.**

The above-mentioned research and analysis includes:

1. An assessment of the State's uninsured and underinsured population under the various types of coverage, including government sponsored coverage.
2. A survey of the health insurance carriers that offer coverage to Connecticut residents. This data includes, at a minimum, plan designs being sold, premium levels and the number of enrollees in each market segment.
3. A survey of the small employer market to identify current and anticipated future benefit design needs and other issues. This research will project the possible impact that certain policy decisions may or may not have for the small employer. It will include tax credit and hiring decision impacts and whether employers will offer coverage and whether they will purchase it in or out of the Exchange.
4. Economic and actuarial modeling and analyses to project trends such as the number of newly insured, the impact of certain market changes on premium levels and the implications of different policy questions.
5. Analysis of the effect if the large employer market seeks participation in the Exchange in 2017.
6. Analysis of the impact of the Exchange in regards to interaction with other health system initiatives in Connecticut.
7. A financial model for the Exchange to understand the administrative charges necessary to be financially self-sustaining by January 2015 and offer recommendations regarding the options to receive such charges.

8. An assessment of technical requirements and development of specifications for accounting and financial system functions for the Exchange.
9. An assessment of the existing Medicaid eligibility system and identification of interface issues and necessary requirements for integration with the Exchange information technology infrastructure.
10. An impact study of the Medicaid program on the Exchange.
11. Analysis of the advantages and disadvantages of a Connecticut statewide Exchange versus a multi-state Exchange.

Exhibit C

Level One Establishment Grant Project Narrative

Project Narrative

Demonstration of Past Progress in Exchange Planning Core Areas

Since passage of the Affordable Care Act (ACA), Connecticut has worked to assess the impact of federal health reform including the Exchange and to prepare for its implementation. This commitment has been strengthened under the administration of Governor Dannel Malloy, and Connecticut is now taking steps to fully realize the potential of health reform within the state.

In January, the Governor appointed a cabinet-level health reform lead and during the 2011 legislative session the administration worked with the legislature to create an Office of Health Reform and Innovation (the Office) and a Healthcare Cabinet, both within the Lieutenant Governor's office. The Office will be responsible for coordinating and implementing health reform and ensuring that the structures of state government are working in concert. The Office will work with the Cabinet-comprised of officials from several State agencies, along with individuals appointed from the community- to shape and direct both state and federal health reform initiatives.

In addition, in July 2011 Governor Malloy signed into law Public Act 11-53, creating the Connecticut Health Insurance Exchange, a quasi-public entity. Please see more information on this legislation in the State Legislative/Regulatory Action and Governance sections. This structure represents Connecticut's commitment to meaningful reform that increases access to health insurance while also developing policies to improve individual and community health, reduce healthcare costs, and achieve long-term system sustainability. A key responsibility for the Office will be to ensure coordination between the Exchange, Medicaid, and overall state policy.

Connecticut is making steady progress in the Exchange planning core areas, with the goal of providing the citizens of Connecticut a fully operational health insurance exchange by January 1, 2014. Much of this work is being funded by the Establishment Planning Grant that was awarded to Connecticut on September 29, 2010. Below is a discussion of Connecticut's progress in each of the core areas.

A. BACKGROUND RESEARCH

Key to establishing policy direction and implementation strategy for Connecticut's Exchange is to establish a baseline understanding of the advantages and disadvantages of allowing individuals and small firms to access coverage that is portable, choice-based and tax advantaged. Understanding the variables and complexities in organizing a new health insurance marketplace as well as the dynamics of driving system affordability and improving the quality of health care delivery systems is vital to Connecticut's Exchange planning processes. To this end, the State of Connecticut has contracted with Mercer Health and Benefits, LLC to obtain the necessary research and analysis to answer these significant policy questions:

- Should Connecticut develop two Exchanges—one for the individual market and one for the small employer market?

- What would be the impact if one Exchange is developed that merges the individual and small employer markets and what are the advantages and disadvantages of this approach? What impact will this decision have on coverage and costs across the entire market and how will it affect enrollment in coverage through the Exchange?
- What are the advantages and disadvantages to redefining the small group market Exchange from its current 50 employees up to 100 employees?
- Should Connecticut consider participation in a multi-state Exchange; and what are the advantages and disadvantages?
- Should the existing high risk pools be integrated in the non-group market Exchange or maintained separately?
- What will be the impact on enrollment and costs for the Medicaid Program?
- What is the impact to the Exchange if the Basic Health Plan option is considered for Connecticut?
- What will be the projected percent of population with health insurance?
- What would be the potential effect if the large employer market seeks participation in the Exchange?

Specifically, the planning grant research deliverables are due to the State in September, 2011 and include the following:

1. An assessment of the State's uninsured and underinsured population under the various types of coverage, including government sponsored coverage.
2. A survey of the health insurance carriers that offer coverage to Connecticut residents. This data should include, at a minimum, plan designs being sold, premium levels and the number of enrollees in each market segment.
3. A survey of the small employer market to identify current and anticipated future benefit design needs and other issues. This research must project the possible impact that certain policy decisions may or may not have for the small employer. It may include tax credit and hiring decision impacts and whether employers will offer coverage and whether they will purchase it in or out of the Exchange.
4. Economic and actuarial modeling and analyses to project trends such as the number of newly insured, the impact of certain market changes on premium levels and the implications of different policy questions.
5. Analysis of the effect if the large employer market seeks participation in the Exchange in 2017.
6. Analysis of the impact of the Exchange in regards to interaction with other health system initiatives in Connecticut.
7. A financial model for the Exchange to understand the administrative charges necessary to be financially self-sustaining by January 2015 and offer recommendations regarding the options to receive such charges.
8. An assessment of technical requirements and development of specifications for accounting and financial system functions for the Exchange.
9. An assessment of the existing Medicaid eligibility system and identification of interface issues and necessary requirements for integration with the Exchange information technology infrastructure.
10. An impact study of the Medicaid program on the Exchange.
11. Analysis of the advantages and disadvantages of a Connecticut statewide Exchange versus a multi-state Exchange.

B. STAKEHOLDER CONSULTATION

Consultation with Stakeholders is an important component of Exchange planning and development for Connecticut. Public Act 11-53, Connecticut's recently enacted legislation establishing an Exchange, requires consultation with stakeholders relevant to carrying out Exchange activities including, but not limited to, stakeholders who are knowledgeable about health care systems, have background or experience in making informed decisions regarding health, medical and scientific matters and are enrollees in qualified health plans. Our initial efforts, specifically pertaining to the planning grant research, include the following:

An Exchange Planning Committee was assembled in November 2010 to provide guidance, insight and review of planning grant processes. The Planning Committee consists of State agencies and industry organizations that include:

- Grant Staff
 - Special Advisor to the Governor for Health Care Reform
 - Project Manager
- State Agencies
 - Office of Policy and Management
 - Department of Social Services
 - Insurance Department
 - Department of Public Health
 - Department of Information Technology
 - Department of Economic and Community Development
- Insurers
 - Aetna
 - Anthem Blue Cross Blue Shield
 - ConnectiCare
- Consumer Advocates
 - Office of the Health Care Advocate
 - Permanent Commission on the Status of Women
- Provider Organizations
 - Connecticut Hospital Association
 - Community Health Center, Inc.
 - Connecticut State Medical Society
 - Community Health Center Association of Connecticut
 - Cornell Scott-Hill Health Corporation
- Insurance Brokers
 - Connecticut Association of Health Insurance Underwriters
- Small Business
 - Greater New Haven Chamber of Commerce
 - Middlesex Chamber of Commerce

The focus of the initial public engagement outreach was to build a foundation of understanding regarding Exchanges as well as collect insight from a wide range of individuals, community groups and industry organizations for consideration and integration in Connecticut's planning efforts. A two-tiered engagement approach was taken consisting of public forums and stakeholder meetings.

Public Forums: Evening forums throughout the state informing the public about HIX and soliciting feedback. Meetings held April-June, 2011.							
Locations		Sites	Outreach	Agenda			
o	Hartford	o	Public schools	o	Websites	Introductions	
o	New London	o	Town halls	o	Existing distribution lists	Inform (w/handouts)	
o	New Haven	o	Libraries	o	Print/Electronic media	o	Overview of HIX background
o	Bridgeport			o	Non-Profits/Churches	o	Identify state options
o	Danbury			o	Consumer Groups	o	Explain activity and next steps
o	Windham			o	Health care providers	Solicit Feedback	
				o	Local government	o	Listen to verbal testimony
				o	Legislators		
Stakeholder Meetings: Held with stakeholders by professional category. Meetings were held May, 2011.							
Location		Organizations	Outreach	Agenda			
Onsite at OPM	o	Small business	o	Associations	Introductions		
o	Other locations as appropriate	o	Providers	o	Trade Groups	Inform (w/slides & handouts)	
		o	Trade associations	o	Coalitions	o	Overview of HIX background
		o	Hospitals	o	Response to inquiry	o	Identify state options
		o	Community health centers	o	Websites	o	Explain activity and next steps
		o	Insurance companies	o	Other outreach as appropriate	Solicit Feedback	
		o	Insurance agents/brokers			o	Identify how info will be used
		o	Consumer advocacy groups			o	Questions by topic
		o	Conference of Churches			o	Survey on forum effectiveness
		o	Nonprofit safety net				
		o	Government				
		o	Tribal Nations				
Public Hearings					Stakeholder Meetings		
Background materials were provided through outreach vehicles. Transcription service enabled record of verbal comments. Information will be summarized and reported to Governor and General Assembly for Exchange policy and planning.					Materials were made available in advance of meetings to enable thoughtful responses and discussion during event. After the meeting, feedback was summarized and sent back to primary group contact to ensure accuracy of recording. Stakeholder feedback will be summarized and reported to the Governor and General Assembly for Exchange policy and planning.		

Six public forums were held throughout the State and provided initial outreach to the community. The purpose of the forums was to provide basic information on how the State is beginning to plan for an Exchange, to provide information on planning activities to date and to solicit feedback about how Connecticut's citizens would like to see the Exchange develop. The

meetings were conducted using a power point presentation with the majority of the time provided for public testimony. These meetings were professionally facilitated, a translator was present, and they were recorded and transcribed. The key issues during each meeting included:

Danbury, CT: April 25, 2011

- Concern about affordability, controlling costs, pricing of plans, and transparency in pricing
- Question about how the Exchange will impact Medicare and Medicaid
- Interest from small employers and consumers
- Exchange Board should have consumers and small employer representation, advisory groups, and provisions against conflict of interest
- Exchange should make comparative information more accessible

New London, CT: April 27, 2011

- Question about tie-in between Sustinet and the Exchange
- Concern about affordability
- Concern about how the Exchange will be funded
- Consider the role of the agent in assisting small employers select insurance
- Good insurance plans need good provider networks

New Haven, CT: May 5, 2011

- Question about how the Exchange will impact HUSKY and Charter Oak
- Exchange Board should have consumer and small employers representation
- Importance of quality, affordability, and access to providers
- Questions about how the Exchange will be paid for and whether it will include advertising
- Concern that rising costs and physician shortage will be difficult to address with the Exchange
- Include medical nutrition therapy in benefits
- Consider the importance of the agent
- Ensure Navigators are properly licensed and insured
- Hope that Sustinet will be part of the Exchange

Hartford, CT: May 9, 2011

- Remember the role and expertise of agents and brokers and ensure Navigators do not take that role
- Cover nutrition services in benefits package
- Concern about costs for persons identified as having pre-existing conditions
- Hope that Sustinet will be part of the Exchange
- Insurance companies should not be on the Exchange Board
- Ensure Navigators are well trained and have a consistent message
- Concerned about cost of health care
- Think regionally about the parts of Connecticut and their different needs
- Consider quality in addition to affordability and accessibility
- Do not create big new government entities
- Importance of community health centers

Windham, CT: May 17, 2011

- Need to have consumers represented on the Exchange Board and not insurance companies
- Support for a public option
- Support for medical homes, accountable care organizations, and other reimbursement structures
- Question about whether the Exchange would impact people on Medicare
- Concern about very high costs currently in the individual market
- Be careful with catastrophic coverage

Bridgeport, CT: June 15, 2011

- Exchange Board should not include Insurance Brokers
- Community Advisory Committee should be created
- Exchange should be easily accessible to those without access to computers or the internet
- Written material as well as phone support should be in multiple languages
- A non-profit public option should be offered as one of the choices on the Exchange
- Question on how insurance marketplace will be different under Exchange in relation to the expense associated with the cost of insurance plans
- Question on how the Exchange is going to create competition within the insurance marketplace
- Question about whether or not there are subsidies for small businesses buying into the Exchange

Along with the public forums nine Stakeholder meetings were held and organized by professional category. Each organization was sent a questionnaire that included pertinent exchange topics. They were asked to disseminate this questionnaire to the appropriate individuals and to provide the State their comments prior to their scheduled meeting. Comments received were spread sheeted and outlined in a power point presentation which provided the structure and framework for the meeting. This process ensured productive discussions and provided valuable insight. Each stakeholder meeting was professionally facilitated, recorded and transcribed so that a summary of each will be represented in the final planning grant report. Key points made in the meetings were integrated into the original comment submissions and provide the State a summary of stakeholder feedback for Exchange policy development. The organizations that were invited to meet with Connecticut included:

<u>Consumer Advocates Group #1</u> Connecticut Health Policy Project National Multiple Sclerosis Society National Alliance on Mental Illness Family Support Network Legal Assistance Resource Center of CT Office of the Health Care Advocate Advocacy for Patients with Chronic Illness Connecticut Voices for Children Child Health and Development Institute Medical Resources Management Mental Health Association of CT	<u>Consumer Advocates #2</u> New Haven Legal Assistance Association Universal Health care Foundation Connecticut Conference of Churches Connecticut Health Foundation Community Renewal Team Connecticut AIDS Resource Coalition NAACP-CT AARP-CT Connecticut Area Health Education Center The Connecticut Multicultural Health	<u>Providers</u> CT State Medical Society CT State Medical Society IPA CT Medical Management CT Nurses Association CT State Dental Association CT Pharmacists Association Federally Qualified Health Centers <u>Insurers</u> Anthem Aetna
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Hispanic Health Council CT Association for Home Care and Hospice <u>Brokers and Agents</u> CT Association of Health Underwriters CT Benefit Brokers <u>Small Employers</u> CT Business and Industry Association National Federation of Independent Businesses Chamber of Commerce of Eastern Connecticut Greater New Haven Chamber of Commerce Northwest CT Chamber of Commerce Bridgeport Regional Business Council Middlesex County Chamber of Commerce Greater Danbury Chamber of Commerce Central Connecticut Chambers of Commerce MetroHartford Alliance Greater Waterbury Regional Chamber of Commerce The Business Council of Fairfield County Spanish American Merchants Association	Partnership Asian Pacific American Affairs Commission African-American Affairs Commission Latino and Puerto Rican Affairs Commission CT Commission on Health Equity Urban league Realtors Association <u>Providers</u> Connecticut Hospital Association CT Association of Health Care Facilities CT Association of Not-for-Profit Providers for the Aged Radiological Society of Connecticut Connecticut Alliance of Subacute Care Facilities Sharon Hospital CT Academy of Physicians Assistants CT Community Providers Association	Cigna Community Health Network ConnectiCare United Health Group Wellcare of CT Celtic American Republic Golden Rule John Alden Trustmark Life Trustmark Time <u>Providers</u> CT Naturopathic Physicians Association CT Podiatric Medical Association CT Association of Optometrists CT Dental Hygienists Association CT Chiropractic Association CT Society for Respiratory Care Community Health Center, Inc. <u>Tribal Nations</u> Mohegan Tribe Mashantucket Pequot Tribe
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Materials developed for the public engagement outreach efforts include the following and are posted to our exchange website: www.ct.gov/opm/exchange/grant.

- Public Engagement Strategy Overview
- Stakeholder Topic Questions
- Public Forum power point presentation
- Public Forum leave behind (English and Spanish)
- Public Forum survey
- Public Forum press release
- Public Forum Feedback Summaries
- Stakeholder meetings (attendees and comment documents)

C. STATE LEGISLATIVE/REGULATORY ACTION

When Governor Malloy signed Public Act 11-53 (the Act) in June 2011, the Connecticut Health Insurance Exchange was established, which has the necessary legal Board to establish and operate an Exchange in Connecticut that complies with existing Federal requirements. This effort has spanned two Administrations with the participation of both the executive and legislative branches of government and a range of consumers and stakeholders.

Throughout the deliberations among stakeholders convened under both the previous Administration of Governor Rell and the current Administration of Governor Malloy, and within

the General Assembly during the 2011 legislative session, there was consensus on establishing a state Exchange as a quasi-public Board. This model provides for governmental oversight, while allowing for a more nimble organization to respond to the demanding timelines established under the ACA.

In February 2011, under the direction of Governor Malloy, the Office of Policy and Management submitted a legislative proposal establishing the Connecticut Health Insurance Exchange (Senate Bill 921). In order to be as responsive as possible to the requirements of the ACA, this bill largely reflected the model legislation developed by the National Association of Insurance Commissioners (NAIC). Two other Exchange bills were raised: one by House Speaker Christopher Donovan (House Bill 6323) and one by Senator Pro Tempore Donald Williams (Senate Bill 1204). Although divergent with regard to several policy issues related to governance and operation, all three bills proposed a quasi-public Board, established a Governance structure, and provided for the necessary legal Board to establish and operate an ACA compliant Exchange. All three bills received public hearings in February and March of 2011. Through a long negotiating process between Governor Malloy's Administration and legislative leadership for the House and Senate, as well as with stakeholder involvement, a single Exchange bill was agreed upon and passed. *Link:* <http://www.cga.ct.gov/2011/ACT/PA/2011PA-00053-R00SB-00921-PA.htm>.

The Act establishes a quasi-public entity that is Governed by an 11 member Board of Directors (see the Governance section for details on Board appointments). The Board may convene stakeholder advisory committees to address such issues as customer service needs and insurance producer concerns. As stated in the Act, the purpose of the Exchange is "to reduce the number of individuals without health insurance in this state and assist individuals and small employers in the procurement of health insurance by, among other services, offering easily comparable and understandable information about health insurance options." The Act includes much of the ACA conforming language provided by the NAIC.

In addition to the establishment of the Exchange Board, an additional piece of legislation was signed by Governor Malloy in June 2011 to support state efforts to implement federal health care reform. Public Act 11-58 establishes an Office of Health Reform and Innovation within the Office of the Lieutenant Governor to oversee the statewide implementation of federal health care reform. This office will be led by the Special Advisor to the Governor on Health Care Reform who was appointed by Governor Malloy in January 2011. In addition, the bill establishes, also within the Office of the Lieutenant Governor, a 28 member Sustinet Health Care Cabinet to advise the governor and the Office of Health Reform and Innovation on development of an integrated health care system for Connecticut and other health care reform issues.

D. GOVERNANCE

As discussed above, under the State Regulatory/Legislative Action section, Connecticut has established a quasi-public insurance exchange and governance structure with the passage of Public Act 11-53.

The Exchange Board of Directors composition is modeled on the California exchange, which does not appoint any representatives of the insurance industry or of health care providers to avoid any conflicts of interest. The Act contains clear conflict of interest language in Section

2(b)(2) prohibiting Board members from involvement in the health insurance industry or health care providers. Transparency of operation and decision making and public accountability are required of the Exchange as it is in all Connecticut quasi-public entities.

Voting members consist of individuals appointed by either the Governor or legislative leadership with expertise in the area of:

- Individual health insurance coverage
- Issues relating to small employer health insurance coverage
- Health care finance
- Health care benefits plan administration
- Health care delivery systems
- Health care economics
- Health care access issues faced by self-employed individuals
- Barriers to individual health care coverage

Ex-Officio voting members consist of the Commissioner of Social Services (Medicaid), the Special Advisor to the Governor on Health Care Reform, and the Secretary of the Office of Policy and Management. Ex-officio non-voting members consist of the Commissioners of Insurance and Public Health and the Healthcare Advocate.

Board members must be appointed no later than July 1, 2011 and must have their first meeting by August 1, 2011. With respect to hiring the initial Chief Executive Officer, the Board will nominate three candidates for the Governor to select from. Future Chief Executive Officers will be hired by the Board. All Exchange staff are exempt from state classified service, allowing for a more rapid hiring process and ability to attract staff with high levels of expertise and experience.

A number of policy questions related to the structure and operation of the Exchange are currently being researched under Connecticut's Exchange Planning Grant and a final report is due in September 2011. In an effort to avoid premature decisions on these issues and base policy decisions on sound data and information produced under the Planning Grant, the Exchange is required to submit a report on a plan to establish a health insurance Exchange in the state by January 1, 2012 (Section 12 of the Act). Issues to be considered include: whether to establish two separate exchanges, one for individuals and one for the small employer; whether to merge the individual and small employer health insurance markets; and whether to require qualified health plans to provide only the essential health benefits package or to include additional state mandated insurance benefits.

E. PROGRAM INTEGRATION

Connecticut is using the Exchange Planning Committee as an initial vehicle for program integration and communication between State agencies and stakeholders. Interagency work groups are being formed with the Department of Social Services and Connecticut's Insurance Department as well as others to ensure that current capabilities and future plans are effectively assessed, utilized and leveraged. Roles and responsibilities of the work groups are currently under development and will parallel the needed resources and next steps in planning processes. Specifically, these work groups will begin taking the information from the planning research and will support implementation efforts.

In addition, the involvement of Jeannette DeJesus, who is currently the Principal Investigator for Connecticut's Health Insurance Exchange Planning Grant and will also serve as the Principal Investigator for this Level One Establishment Grant, assures that Exchange development activities will be integrated with other state health reform efforts. As Special Advisor to the Governor on Health Care Reform, Ms. DeJesus is responsible for overseeing all the administration's efforts to implement federal health care reform in the State. In addition, as of July 1, 2011, an Office of Health Reform and Innovation will be established within the Lieutenant Governor's Office under Ms. DeJesus' leadership. Ms. DeJesus is also named as a Director on the Board of the Connecticut Health Insurance Exchange Board established by Public Act 11-53 in June 2011. All this activity reinforces Connecticut's commitment to a well integrated, transparent, and inclusive process to design and develop a Health Insurance Exchange in Connecticut.

F. EXCHANGE IT SYSTEMS

One of the key planning grant deliverables is a comprehensive assessment of the operational processes between the Exchange and Medicaid to ensure a streamlined, integrated approach for determining eligibility that screens and refers individuals to the appropriate program, communicates health plan choices and benefits to applicants, and enrolls individuals in health plans. The federal guidance published to date will be considered in the assessment including, but not limited to:

- CMS Eligibility and Enrollment Blueprint-Exchange Business Architecture Supplement versions 1.0
- CCIO Guidance for Exchange and Medicaid Information Technology Systems Versions 1.0 and 2.0
- CMS Harmonized Security and Privacy Framework-Exchange TRA supplement Version .95
- CMS Exchange Reference Architecture: Foundation Guide version .99
- Section 1561 Enrollment HIT Standards to facilitate enrollment and systems
- OCIO Agreement to Support Innovative Exchange IT Systems grant opportunity
- CMS Notice of Proposed Rule Making

The planning grant IT Gap analysis project components, currently being conducted by Mercer Health and Benefits, are outlined below and will include an assessment, evaluation and consideration of the following:

1. Identify interface issues and requirements for integration between the State's Department of Social Service's Eligibility Management System (EMS) and Exchange IT Infrastructure

Eligibility for federal tax subsidies will be based on income reported on an individual's most recent completed tax return. Although, there will be mechanisms to account for changed circumstances – such as an increase or decrease in income or a relevant change in family size or composition. Connecticut will have several options to comply with the streamlined eligibility processes. For example, some states will modify existing Medicaid systems to perform this function, while others will create mechanisms to accept applications for all state health subsidy programs through a web portal and establish back-end interfaces to create a seamless application and enrollment process.

One of the responsibilities of the Exchange is to inform consumers of the requirements of the Medicaid and CHIP programs and, if eligible, to enroll them. The Department of Social Services

(DSS) maintains the Medicaid eligibility system, called the Eligibility Management System (EMS), which is used to determine which Medicaid coverage group a family may qualify for and to enroll the participants in managed care, if appropriate. Affiliated Computer Services (ACS), under contract with DSS, maintains the CHIP eligibility system, called ConneXion. This system is used by ACS staff to screen consumers for Medicaid eligibility and referral of application to DSS, as well as to determine eligibility for CHIP and set the premium level. Key to the successful operation of the Exchange will be the development of a seamless interface between the Exchange web portal and the logic of the Medicaid and CHIP eligibility systems. Providing consumers with the ability to enter information through the Exchange portal which automatically applies determination logic for state-sponsored eligibility is essential. Not only is this a key element of a successful Exchange, it is also one of the most challenging technical tasks of Exchange implementation.

2. The Eligibility Management System (EMS) – Medicaid Eligibility

EMS is a legacy mainframe system developed in the late 1980's. The system supports eligibility for other public assistance programs as well as Medicaid, such as SNAP (formerly Food Stamps), and cash assistance programs. Medicaid eligibility in EMS is extremely complicated – within “tracks,” applicants “trickle” from one possible coverage group to another, finally lodging in one for which they qualify, or ending in denial. Notices are generated by the system to inform the applicants of the result of the eligibility determination. DSS workers enter client information into EMS to enable the system to calculate the correct eligibility decision. Apart from standard basic demographic and financial information, these entries include such data as relationship codes for the various household members and setting up the “assistance unit” under the category, or “track” for which eligibility should be considered. EMS currently handles eligibility for approximately 40 separate Medicaid coverage groups.

3. Modernization Project

Under its Modernization Project, DSS is currently planning a new web-based front end to EMS which will enable customers to apply for Medicaid, check their status, report changes and initiate their annual redetermination of eligibility. Under current plans, this front-end will have a real-time interface with the EMS eligibility logic, enabling information to flow immediately between the two applications. The details of how this will work and the timing of implementation are yet to be defined.

4. Enhanced Match for Medicaid System Modifications

The Centers for Medicare and Medicaid Services (CMS) has issued a Proposed Rule in the Federal Register that will essentially provide enhanced federal funding for new or modified Medicaid eligibility systems that coordinate and integrate with the Exchange IT infrastructure. The enhanced funding includes up to 90 percent Federal Financial Participation (FFP) for design, development and installation or enhancement of Medicaid eligibility systems and 75 percent FFP for maintenance and operation of the system. The enhanced funding is available for only a limited period of time, with the expectation that states will work immediately to modify or replace their existing Medicaid systems. The expectation of CMS in the Proposed Rule is “...systems transformations should be undertaken in full partnership with Exchanges, in order to meet coverage goals, minimize duplication, ensure effective reuse of infrastructure and

applications, produce seamless enrollment for consumers, and ensure accuracy of program placements. Extensive coordination and collaboration would be required between Exchanges and Medicaid, including an oversight and evaluation of the interoperability of the Exchange and Medicaid systems.”

5. The ConneXion System – CHIP Eligibility

CHIP eligibility is performed in ConneXion, a separate system maintained by ACS as part of support services provided to DSS. ConneXion is a web-based system developed in 2003 to support eligibility and enrollment of Connecticut’s CHIP population, HUSKY B. Using data entered by ACS staff, ConneXion first calculates potential eligibility for HUSKY A and, for children not being referred to DSS, determines HUSKY B eligibility and premium level. ACS staff then use ConneXion to enroll the HUSKY B eligible children in the health plan of their choice. ConneXion creates letters to notify families of the outcome of the eligibility determination and enrollment choice. Overnight, the system creates a file of enrollees that is used by the health plans, DSS and the provider of behavioral health services to update their records with accurate enrollment information.

6. The Assessment Process

For Connecticut, the beginning of the coordination and collaboration between the Exchange and Medicaid expected by CMS is the assessment of the Medicaid eligibility system and the identification of interface issues and requirements for integration with the Exchange IT infrastructure. To perform this assessment, Mercer will provide the state a comprehensive, fully-documented, step-by-step approach, incorporating the CHIP system assessment as follows:

Step 1 – Identify Key Stakeholders and Subject Matter Experts

Mercer is working with OPM, other State agencies and ACS’ Connecticut operations to identify the individuals who understand the structure and processes of EMS and ConneXion and the planned structure of the Exchange system, as well as subject matter experts in Medicaid and CHIP eligibility and enrollment processing.

Step 2 – Obtain and Analyze Existing System Documentation

From any documentation available on EMS and ConneXion and design documents for the new Exchange system, the structure, data elements, workflows and logic to gain a comprehensive base understanding of the way each system works to support consumer eligibility will be analyzed. This background will prepare the foundation to conduct efficient and effective meetings with the stakeholders and subject matter experts.

Step 3 – Conduct Requirements Sessions

Using the understanding already gained to organize the discussion, requirement sessions will be conducted with the previously identified stakeholders and subject matter experts to gain a deeper knowledge of the systems, identify options, and gather requirements for integration. This will guide the discussions through a set of organized questions designed to help the group determine the requirements for successful integration of the systems and to uncover any specific issues to be addressed.

Step 4 – Document Interface Issues and Requirements

Throughout the process, the system structures, data elements, workflows and logic necessary to achieve successful integration will be documented. During the requirements sessions,

interface issues and requirements will be recorded in order to develop a final report providing viable options for integration between EMS, ConneXion and the Exchange IT infrastructure. Policy makers will be able to use these findings to choose the method of integration that will best complement the overall organization of the Exchange operation and provide customers with seamless access to Medicaid and CHIP eligibility and enrollment through the Exchange web portal.

7. Interface Challenges

Since EMS was developed over 20 years ago, it uses programming language no longer used in today's web-based environment. Although quite advanced for its time, EMS is not as flexible and easy to change as newer web-based systems. However, in spite of these challenges, however, DSS IT staff members have created successful interfaces with other systems, including ACS systems, to improve the accuracy of the HUSKY A enrollment process. Some of the questions to explore in identifying the interface issues and requirements for integration include the following:

- What is the timing of the Modernization Project and what bearing will the development of that website and on-line application tool have on the Exchange system and interface with EMS?
- Will DSS be seeking the enhanced funding from CMS to modify or replace EMS? If so, what will be the timing of the design and development of the new system or system modifications? Would creating a new Medicaid eligibility system within the Exchange IT structure (thus separating it from the rest of public assistance eligibility) be considered?
- How will the Medicaid eligibility determination take place—automatically upon the entry of information by the consumer, or following worker intervention?
- Would the interface between the Exchange system and EMS or ConneXion be “real-time,” that is, instantaneous, or by the use of overnight batch processes?
- Which system will be used to provide official notification to the consumer? Are traditional written notices sent by mail required if the system provides a confirmation screen and email?
- Would the interface between ConneXion and the Exchange system include processing eligibility determinations for individuals eligible for the Charter Oak program for uninsured adults? Or will this program be eliminated in the overall Exchange marketplace?

Through assessment of the existing EMS and ConneXion systems these and other critical questions will be answered and will provide the State with the structure for Exchange implementation planning.

8. Early Innovator Grant Project

Additionally, Connecticut is participating in the Early Innovator grant project through the New England States Collaborative Insurance Exchange Systems (NESCIES) and will leverage relevant information and findings from that initiative in the design and planning efforts of Connecticut's Exchange IT system. For example, a gap analysis is being conducted through

this grant assessing the Massachusetts Exchange as compared to how the states' exchanges are meant to operate under the ACA. This analysis will be shared with the collaborating states for their use. In addition, the vendor will also render a "reusability scorecard" on the components in the current exchange. Their final deliverable will be a detailed design review (DDR) artifact that is required by the federal government pursuant to our Innovation grant.

G. FINANCIAL MANAGEMENT

Connecticut acknowledges that the financial model of the Exchange is critical to sustainability. The development of a financial model for a self-sustaining Exchange in Connecticut is one of the core research deliverables in the planning grant.

The key components involved in analysis include project planning, identifying specifications, designing and building the model, testing the financial model and providing documentation. The model will include projected operating costs and identifying revenue to offset those costs, including representing cash flow and suggesting appropriate reserves to ensure the Exchange is self-sustaining beginning in January 2015. In addition to categorizing and estimating operating costs and providing projections based on a range of scenarios, potential revenue sources also analyzed will include an evaluation of studies of the effect of various options on the operating financial model itself and on the broader marketplace.

The benefit of these studies and calculations for Connecticut is to test the viability and sustainability of the Exchange under various scenarios. Approaches that create differences between the market inside the Exchange and outside will be scrutinized carefully to ensure that they do not inappropriately distort the market and cause adverse selection against the Exchange. A cost/benefit analysis of options will inform the opinions for financial policy decisions. Additionally, operational elements that equally influence cost assessment will be integrated and analyzed across the planning grant project research deliverables to ensure that different scenarios are developed and considered and that the model will be structured to cover a range of potential enrollment and premium-level scenarios.

H. PROGRAM INTEGRITY

An important deliverable in the planning grant research is assessment of the technical requirements and development of the specifications for accounting and financial systems function for the Exchange. The issues associated with the finance-related functions such as developing accounting and auditing standards; collecting premiums; controlling waste, fraud, and abuse; creating transparency and reporting mechanisms for the public; and developing the technical infrastructure to comply with federal reporting requirements are being analyzed in the planning research process.

A baseline will be established of existing accounting and auditing standards for current State programs to identify consistency, redundancy and fundamental compliance with Federal and state standards. Along with this, existing systems of premium collection in Connecticut are being considered and assessed for relativity and participation in the Exchange. Any ACA requirements specific to identifying improprieties and recommending corrective action will be assessed and synthesized. Another component to ensure program integrity is analysis and research of the consideration, design and testing of financial functionalities and reports to ensure Exchange accountability that is transparent and relevant to all stakeholders. Through the planning research, key financial control and system challenges and potential solutions

associated with premium aggregation are being assessed, to inform policy makers as they determine whether the Exchange should take on this important function.

I. HEALTH INSURANCE MARKET REFORMS

State Legislation

In June 2011, two pieces of legislation were passed that address insurance market reforms that assures Connecticut's conformance with the provisions described under Subtitles A and C of the federal ACA. Together they implement ACA conforming health insurance market reforms and mandate that the Connecticut Health Insurance Exchange Board develop a plan to make changes to the health insurance market.

Public Act 11-58: *An Act Establishing the Connecticut Healthcare Partnership* changes various health insurance statutes to conform to the ACA:

- Dependents to age 26. Under the federal ACA, children may stay on a parent's health insurance plan until age 26. The Act revises various insurance statutes to comply with this requirement. Current state law restricts a child's coverage based on his or her marriage or residency status.
- Pre-existing conditions. Under the ACA, insurers cannot impose a preexisting condition limitation that excludes coverage for children under age 19. The Act revises various insurance statutes to comply with this requirement. The Act specifies that no insurer can refuse to issue an individual health insurance plan or arrangement to children under age 19 solely on the basis that he or she has a preexisting condition.
- Lifetime limits. Under the ACA, health benefit plans cannot impose lifetime limits on the dollar value of essential health benefits which will be defined by HHS. To conform to the federal requirement, the Act prohibits individual and group comprehensive health care plans from imposing such a lifetime limit. It specifies that a plan may include a lifetime limit of at least \$1 million on benefits that are not essential health care benefits as defined by the ACA and related regulations.
- Continuation of coverage. As under current law, the Act requires health insurers to provide continuation of coverage to individuals under specified circumstances.
- Rescissions. The ACA limits policy rescissions (e. g., retrospective policy cancellations) to instances of fraud and intentional material misrepresentation. Under state law, an insurer or HMO must obtain the insurance Commissioner's approval for a policy rescission, cancellation, or limitation. The Act requires the commissioner to approve a request for rescission or limitation when the insured or the insured's representative (1) submitted fraudulent (rather than false) information on an insurance application, (2) intentionally (rather than knowingly) misrepresented material information on the application, or (3) intentionally (rather than knowingly) omitted material information from the application. He must approve a cancellation in accordance with federal law, which requires prior notification to the insured.

- **Medical Loss Ratio.** The Insurance Department publishes an annual Consumer Report Card on Health Insurance Carriers in Connecticut. By law, the report card must include each insurer's and HMO's medical loss ratio. The Act refers to that medical loss ratio as the "state medical loss ratio" and specifies that the report card also include the federal medical loss ratio, as defined in the ACA. "Medical loss ratio" is generally the percentage of premium dollars that an insurer or HMO spends on providing health care and health care quality improvement activities, versus how much is spent on administrative and overhead costs. By law, an insurer or HMO must include a written notice with each application for individual or group health insurance coverage that discloses the medical loss ratio. The Act requires that both the state and federal medical loss ratios be disclosed. The Act requires a managed care organization to report both medical loss ratios to (1) the insurance commissioner and (2) enrollees.
- **ACA Compliance and Regulations.** The Act requires insurers to comply with the ACA. It authorizes the insurance commissioner to adopt regulations. It specifies that state law provisions concerning the ACA are not to be construed to supersede any state law that provides greater protection to an insured, unless it prevents the application of the ACA.
- The Act also revises the health insurance utilization review, grievance, and external appeal statutes to comply with the ACA.

Also in Public Act 11-58, Section 14 mandates that the Sustinet Health Care Cabinet, which is located within the Lieutenant Governor's Office, jointly evaluate, with the Chief Executive Officer of the Connecticut Health Insurance Exchange, the feasibility of implementing a basic health program option allowed under the ACA.

A second law, creating the Connecticut Health Insurance Exchange, also addresses the development of market reforms necessary to the operation of the Exchange. In Section 12 of Public Act 11-53: *An Act Establishing a State Health Insurance Exchange*, the Connecticut Health Insurance Exchange Board is mandated to provide the Governor and General Assembly a plan to establish the details of the Exchange which includes various changes to the health insurance market. The Plan must include the below, much of which will be informed by the market research currently being conducted under Connecticut's Exchange Establishment Planning grant:

J. PROVIDING ASSISTANCE TO INDIVIDUALS AND SMALL BUSINESSES, COVERAGE APPEALS, AND COMPLAINTS:

Effective integration and leveraging of existing capabilities is a priority for the State in providing assistance to individuals and small employers. Currently the State's Office of the Healthcare Advocate (OHA), an independent state consumer assistance agency, provides Connecticut consumers with health care issues assistance through outreach programs, the provision of direct services, and communications related to consumer rights and responsibilities. OHA assists consumers in making informed decisions when selecting a health plan; assists consumers in resolving problems with their health insurance plans; and identifies issues, trends and problems that may require executive, regulator or legislative intervention. OHA became the State's designated consumer assistance program under the Affordable Care Act when it received a Consumer Assistance Program grant in October 2010 to enhance core service

delivery through hiring additional staff to provide health insurance consumer outreach and education, direct services and systemic advocacy to additional Connecticut residents.

Since 2002, OHA has assisted nearly 9,000 health insurance consumers in determining whether they should appeal a denial of treatment or service by their insurer and provides assistance to any Connecticut resident who requests help with an insurance issue. OHA routinely accepts cases from individuals and families affected by denials in coverage, treatment, or services from private health insurers, group health plans, the federal employee benefits health plan, public programs (Medicaid and CHIP), Connecticut's high risk pool (HRA) and other public health coverage.

OHA received a federal Consumer Assistance Grant (CAP) to enhance core service delivery through hiring additional staff to provide health insurance consumer outreach and education, direct services and systemic advocacy to additional Connecticut Residents. It is the State's intent to work collaboratively with OHA in developing and integrating existing services in Exchange development and ensuring that the outcomes and capabilities realized in the CAP grant are leveraged appropriately. The State recognizes the value of having OHA as an integral partner in Exchange customer assistance delivery.

Along with OHA, the Connecticut Insurance Department (CID) also provides customer support through their Customer Assistance Unit (CAU). Currently, CAU performs the following functions:

- Informs consumers about the complaint filing and appeals processes
- Reviews complaints including claim denials and billing disputes to determine if statutory and contractual obligations have been met
- Records data on complaints, including instances where violations have occurred
- Where patterns of violations have occurred, referrals are made to the Market Conduct or Investigations Units
- Provides assistance to consumers in understanding their rights and protections under the law
- When appropriate, makes referrals to other state and federal agencies (including regulatory agencies in other states)
- Provides information on available health insurance options (public and private); based on consumer responses to screening questions to determine what social programs or group coverage (if self-employed) they may be eligible for
- Answers questions on internal and external appeals
- Educates the Public on insurance issues by presenting at local organizations' meetings through the Department's Speakers Bureau

Currently, CID fields many inquiries from consumers who are currently uninsured or are coming to the end of their COBRA benefits. Examiners within the Consumer Affairs Unit routinely spend time educating consumers on their options in obtaining health insurance coverage including directing callers to specific information on CID's website for companies licensed to do business in the state. CID has a data collection system that tracks intake and closure and reports by insurer, coverage type, subject matter and outcome. They also monitor patterns of complaints and insurer conduct, and recommend legislative changes, where needed. With these systems in place, has recovered \$6,911,212 in health benefits alone and \$17,288,044

across all lines of business for consumers in the past 5 years. These recovered funds are the direct result of consumer complaints that have been handled by CAU and include money recovered for consumers who may not have complained to CID, but have been identified as being harmed by a global error on the part of the insurance carrier. In the most recent budget year CAU handled 6,915 complaints and inquiries, as well as almost 25,000 phone calls across all lines of business.

As with OHA, it is Connecticut's intent to assess and leverage current capabilities within the CAU unit to ensure appropriate programs and systems are in place to effectively provide superior customer assistance for Exchange participants.

K. EXCHANGE FUNCTIONS

The planning grant research will provide some analysis of certain functional areas. However, Connecticut has considered these operational functionalities best suited for design after legislation was enacted and planning research complete. Therefore, the next steps in Connecticut's Exchange functional development will be addressed in the following Project Two scope of work described in the following section.

Project Narrative:

Proposal to Meet Program Requirements

Planning grant research will be completed in the Fall of 2011 and provides Connecticut the critical foundation for Exchange design, development and implementation policy planning. However, there are other issues that must be resolved in order for Connecticut to successfully build a State Exchange and apply for Level Two Establishment funding. There are a number of core area components that Connecticut needs to address while completing planning research efforts. Level One grant funding will enable Connecticut to focus on three necessary projects with a coordinated purchasing strategy including written requests for proposals for implementing the technical systems identified. These projects include: (1.) Administrative structure, leadership staffing and office space procurement, (2.) Business operations, and (3.) Consumer support program assessment and design.

	Project	Core Areas	Key Components
1.	Administrative Structure, Leadership Staffing, and Office Space Planning and Procurement	Governance	<ul style="list-style-type: none"> • Establish Administrative Structure for the Exchange • Hire key Exchange Staff • Procure space
2.	Business Operations	Exchange IT Systems Business Operations Exchange Functions	Develop: <ul style="list-style-type: none"> • Eligibility Determination • Enrollment Process • Exemptions from individual responsibility requirement and payment • Premium Tax Credit and Cost Sharing

			Reduction Administration <ul style="list-style-type: none"> • Notification and appeals of employer liability • Information reporting to IRS and Enrollee • Free Choice Vouchers • SHOP specific functions • Website and Calculator • Program Integration
3.	Consumer Assistance	Providing Assistance to Individuals and Small Businesses, Coverage Appeals and Complaints	Assessment of capabilities and development of operational plan: <ul style="list-style-type: none"> • Eligibility Assistance • Grievance and Appeal Filings • Consumer Protections • Problem Resolution • Data Collection • Business process documentation and mapping

PROJECT ONE: Administrative Structure, Exchange Leadership, and Office Space Procurement

An overview of the necessary administrative infrastructure and policies and procedures needed for the Exchange are outlined in this Project One scope of work. There will be three areas of focus within this key planning area. The first includes a development of the administrative and legal functionalities of “starting up” a quasi-public entity; the second will include recruitment and hiring of Exchange leadership; the third is planning and procurement of Exchange office space.

Projected Timeline:

	2011					2012							
Project scope	8	9	10	11	12	1	2	3	4	5	6	7	8
Establish Administrative Structure													
Leadership Recruitment and Staffing <i>Note 'x': The goal is for the CEO to be hired Fall 2011 and have all initial leadership hired by May, 2012.</i>										x			
Office Space Assessment and Procurement													

Project 1a.) Administrative Structure

The Level One grant will support the development of the necessary administrative structure for the Exchange. The first stage in this organizational area is the development of policy and procedures. Connecticut will secure the services of a law firm to provide the guidance needed in the formation and establishment of administrative, legal, financial and tax functions for the Exchange to begin operations. Services provided will include, but not be limited to:

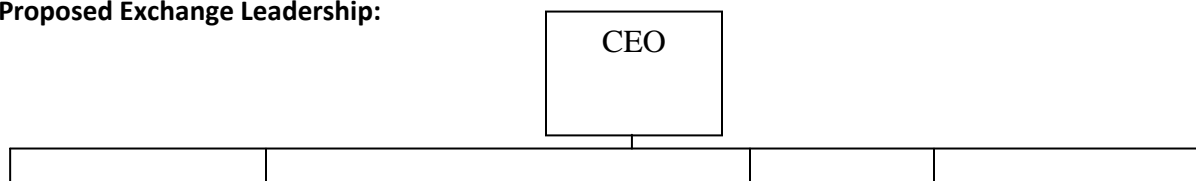
- 1.) Development of by-laws and a plan for the board's operation encompassing the hiring, dismissing, promoting and compensating of employees, an affirmative action policy and general employment rules;
- 2.) Preparation of the necessary documentation to establish the Exchange business entity, including tax identification numbers and the tax status of the Exchange;
- 3.) Legal advice and guidance on compliance with applicable state and federal law in the operation of the Exchange;
- 4.) Preparation of personnel policies and/or an employee handbook encompassing the hiring, dismissing, promoting and compensating of employees, an affirmative action policy and general work and employment rules;
- 5.) Draft boilerplate contracts for use by the Exchange in contracting for necessary financial, legal or other professional services, including a requirement for a competitive procurement process;
- 6.) Negotiation of lease for office space to house the staff of the Exchange; and
- 7.) Negotiation of employment contracts for senior/key employees of the Exchange.

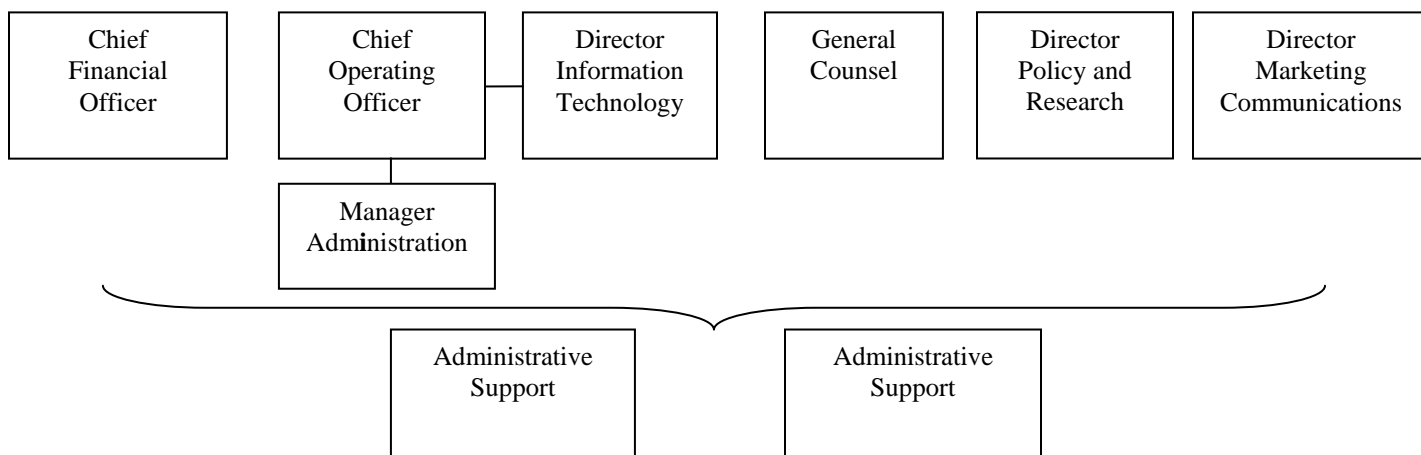
These services will be procured through Connecticut's Request for Proposals processes, coordinated with the Level One grant staff, Attorney General's office, the Office of Policy and Management and with the Exchange Board of Directors.

Project 1b.) Exchange Leadership

Level One Grant funding will need to support the initial leadership staff for the Exchange Board in order to meet federal implementation deadlines. The first position to be hired will be the Chief Executive Officer (CEO). Exchange staff are exempt from State classified service which will allow for a more rapid hiring process and the ability to attract staff with high levels of expertise and experience. Recruitment proceedings will be coordinated with Exchange Board of Directors and from the support of the Level One grant staff. Per Public Act 11-53, the Governor will choose the Exchange CEO based on three recommendations provided to him from the Board of Directors. After the CEO is selected, he/she will lead the recruitment efforts of the remaining initial leadership team in collaboration and coordination with the Exchange Board. These positions will be hired on a staggered basis as needed, but all positions will be filled by May 2012 at the latest. The positions proposed in the organizational chart below are considered critical to initial implementation. Compensation for Exchange staff will be based on comparable positions within other quasi-public entities in Connecticut.

Proposed Exchange Leadership:





It is important to note that when the Exchange CEO is hired, the Level One grant staff and grant administrative duties will transition from the Office of Policy and Management to the Exchange under the leadership and direction of the CEO and Board of Directors. As mentioned previously, this timing is anticipated for Fall 2011.

The key Exchange leadership team will include the positions summaries outlined below. Full descriptions and qualifications for each position are described in the Budget Narrative section. These positions, and the full staffing plan, will need to be finalized and approved by the Exchange Board of Directors. CCIO will be notified once a final staffing plan is approved by the Board of Directors.

Chief Executive Officer

The Chief Executive Officer oversees the entirety of the Exchange activities, working closely with the organization's senior managers, staff and Board of Directors to define and execute its mission in light of its statutory responsibilities and the health insurance needs of individuals and small businesses.

Chief Financial Officer

Reporting to the Chief Executive Officer (CEO), the CFO is responsible for management oversight and the strategic direction of the financial operation. The CFO works directly with the CEO on key strategic initiatives. The CFO also works closely with the COO, the General Counsel, the Directors, as well as other members of the senior management team, and the Exchange Board, to develop and implement strategy for Exchange programs.

Chief Operating Officer

The Chief Operating Officer plays a leading role in establishing Exchange strategic and programmatic priorities and managing the organization to ensure that it achieves its mission. Reporting to the Chief Executive Officer, the Chief Operating Officer's (COO) position is key, and the primary responsibilities include assisting the CEO in setting strategic priorities for the Exchange in consultation with its Board of Directors and staff, including refining the vision for the Exchange in light of the enactment of national health care reform; national and state cost containment initiatives; and other opportunities to add value for the Exchange. The COO leads the management of the organization to ensure that it achieves its strategic priorities and day-to-day activities.

General Counsel

The General Counsel works closely with the Board, CEO, and CFO and will work closely with other members of management of the Exchange and affiliated entities and outside counsel to ensure management of all legal matters. Sets direction to the business for the Exchange on legal, statutory, governance & compliance matters within the strategic plan developed by the CEO.

Director of Information Technology

The Director of Information Technology shall be responsible for all information technology functions throughout the organization, including both long-term planning of technology initiatives and arranging to meet the near-term requirements of a functioning agency and a public, high traffic web site.

Director of Policy and Research

The Director of Policy and Research serves as one of the Exchange's senior management team responsible for shaping organizational strategy and long term planning. The position reports

directly to the CEO and is responsible for identifying the implications of national and state health reform for the Board and developing strategy to move to compliance.

Director, Marketing and Communications

The Director of Marketing Communications is responsible for developing and managing all internal and external marketing and communications initiatives including ensuring that all efforts are coordinated across the appropriate State agencies and Office of Health Care Reform and Innovation.

Manager, Administration

The Manager, Administration manages human resources functions and reports to the COO on proactively managing and resolving issues. General responsibilities for this position include: interprets policies and procedures and communicates to employees both proactively and in response to questions; administers office policies and procedures; maintains accurate files and employment records; administers the recruiting process for new hires, including searching and screening candidates, tracking applicants, checking references and producing offer letters; coordinates all training for associates; manages additional staff where appropriate; ensures regulatory and legal compliance for all employment-related matters

Administration Support (2)

Reports to the Administration Manager of the Exchange. General responsibilities include performing a variety of specialized administrative assignments to support Exchange management staff efforts. Assist in the production of reports, presentations, proposals, and general communications. Performs ancillary support functions such as scheduling meetings, maintaining files, and coordinating travel.

Project 1c.) Office Space Procurement

The third component of Project One is assessment of office space needs and procurement of an appropriate location to house the Exchange staff. We will use the expertise of a contractor to help Connecticut perform these necessary tasks in a timely and economic fashion. To ensure that there is sufficient space both initially and in the long term, this assessment will provide the necessary information for effective decision making. Forecasting both the initial and long term needs for space is an important component to ensure effective Exchange implementation and operations. This effort will be coordinated and supported by the Exchange Board, Exchange Level One grant staff and necessary real estate professionals.

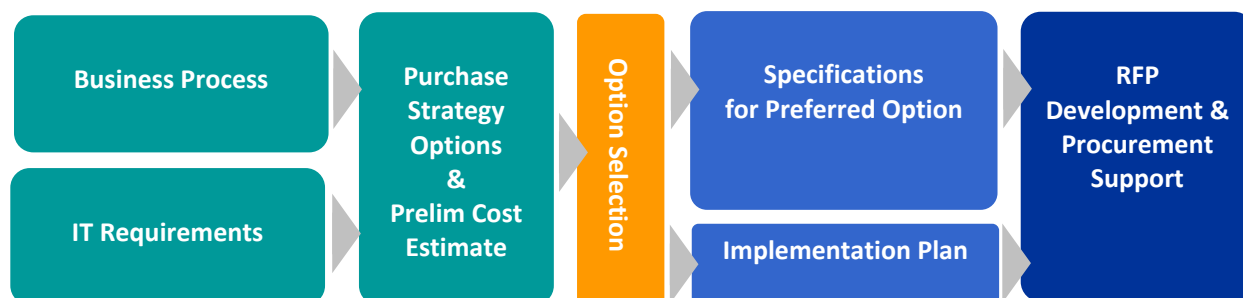
PROJECT TWO: Business and IT Operations

A preliminary description of our proposed activities for Project Two: Business and IT Operations in the Level One grant funding period is provided in this section. Please note that the final scope for Project Two will be developed based on the specific outputs of our Planning Grant research activities and IT Gap Analysis, now ongoing.

Overview and Approach

Overall, our Project Two activities in the Level One grant funding will be supported through procurement of an external technical assistance vendor to assist us with the iterative process of moving from planning through procurement and implementation activities. This interdisciplinary vendor team will focus on both business process functions and related IT systems, and will follow best practice methodologies for phasing and documenting all concept definition, planning, and requirements development activities, using practices such as CMS' *Integrated IT Investment & System Life Cycle Framework*.

Top-Level Phasing of Technical Assistance Vendor Scope of Work



Project Two activities begin with two task areas that run in parallel: *Business Process Requirements* and *IT Requirements*. The business process requirements phase is a classic requirements development process in which business functions and flow diagrams describe the workflow and relationships among the various functional activities within the Exchange. Many, if not most of, business requirements drive specific IT needs, which are captured as an IT requirement. *Note: typically, business requirements are identified first, followed by IT requirements, but we are running these in parallel in order to accommodate the compressed time schedule inherent in HHS' goals.* We expect a rolling integration between these two task areas.

We have planned to have two separate consultant teams working in a closely-coordinated parallel effort, using an 'agile' process of requirements and IT development. The end result of these two phases produce documents that should allow a business person to easily follow "a day in the life" of any particular consumer interaction or financial transaction. In the next task area, *Purchase Strategy Options & Preliminary Cost Estimate*, we will work with our vendor to develop multiple reasonable options for implementing the Exchange, such as "Who will operate the Exchange?" (e.g., vendor or public entity or consortium partner) and "How will we acquire the necessary technical and software tools?" (e.g., build, enhance existing,

procure via operational outsourcing, etc.). Each option is evaluated in a matrix indicating the risks and opportunities for that option, as well as an overall cost, expressed as a life cycle cost. (*Life cycle costs consider the total cost of ownership over a period of time, including initial cost to develop or buy, plus the cost to maintain and keep current over the ownership period, and the related inherent risks in the above.*)

In the next task area, called *Option Selection*, we select a preferred option based on cost/benefit and stakeholder input. After this selection, our vendor proceeds to develop detailed technical specifications and/or vendor requirements under the task area called *Specifications for Preferred Option*. These specifications form the body of a Request for Proposals (RFP) or other procurement-related document or documents necessary for the implementation phase. While developing specifications, we have arranged for a vendor team to simultaneously help us develop the next (detailed) iteration of an implementation roadmap and schedule (*Implementation Plan* task area).

In a final task area, *RFP Development and Procurement Support*, we will ask our vendor to assist us in creation of an RFP document and the many tasks related to managing a complex procurement.

Additional detail on each of these task areas is presented in the table below.

Project Two: Preliminary SOW for Technical Assistance Vendor	
Task Area 1.0 Business Process & IT Design, Definition & Requirements	<p><u>Business Operations Components</u></p> <p>The following task areas and deliverables are included:</p> <ul style="list-style-type: none"> ▪ Business processes, maps and flow diagrams ▪ Business rules ▪ Functional Requirements ▪ Use Cases and/or Vignettes ▪ Ecosystem Interfaces - Touch points with external state and non-state entities ▪ Re-cap/update of IT Existing Conditions from prior phase ▪ Re-cap/update of both IT Gap and Business Process Fit/Gap analysis from prior phase ▪ Deliverable: Requirements document <p><u>IT Systems Components</u></p> <p>This task will develop an IT architectural model for the Exchange, through technical requirements and risk assessment. The functional areas will include:</p> <ul style="list-style-type: none"> ▪ Portals (Web, Mobile) ▪ User-facing tools (Calculators) ▪ Business Rules Engine ▪ Workflow Engine and Customer Relationship Management ▪ Data Interoperability – external interfaces ▪ Data Warehouse, ▪ Document Generation & Management ▪ Business Intelligence and Reporting ▪ IT Service Levels ▪ Security and Reliability Standards <p>The IT requirements will be defined throughout this project as Discrete Exchange Modules (in order to allow for component re-use by others):</p> <ul style="list-style-type: none"> ▪ Eligibility

	<ul style="list-style-type: none"> ▪ Enrollment ▪ Premium tax credit administration ▪ Cost sharing assistance ▪ Qualified health Plan certification ▪ Payment management system for Free Choice Vouchers
Project Two: Preliminary SOW for Technical Assistance Vendor (Con't)	
Task Area 2.0 Procurement Strategy Options & Preliminary Cost Estimate	<p>This task area articulates a handful of purchasing strategy options and high level "concept" cost estimates for each. Each option analysis will contain pros/cons, opportunities/constraints, risk profile, and a life-cycle cost estimate.</p> <p>Options will include but are not limited to:</p> <ul style="list-style-type: none"> ▪ Operations Model – Vendor Operated/Outsourcing ▪ Operations Model - Self Operated ▪ IT – Buy Commercial Off The Shelf (COTS) components available for purchase; ▪ IT – Build (and related) ▪ IT – Re-use platforms or components from Early Innovator States ▪ IT – Enhance existing ▪ Hybrids, joint ventures and/or combinations of above ▪ Recommended Procurement approach
Task Area 3.0 Specifications and for Preferred Option(s)	<p>This task area starts with the preferred option or options from Task Area 2.0, and develops these to specifications at the appropriate level of detail required to be compliant with the SDLC approach. The level of detail and type of specifications are highly dependent on decisions regarding buying or building IT, and subsequently decisions regarding self-operating versus selecting a vendor-operated approach. Under the most likely scenario, these specifications will be largely "functional specifications" by nature, and will be directly inserted into the RFP documents used for selection of implementation vendors in Task 5.0.</p>
Task Area 4.0 Implementation Plan for Executing the Preferred Option	<p>This task area starts with the preferred option or options from Task Area 2.0, and develops these into a detailed implementation plan that will be used by the Connecticut Exchange leadership team to manage the overall implementation from this phase through testing and go-live.</p>
Task Area 5.0 RFP Development and Procurement Support	<p>This task area assists the Connecticut Exchange toward procuring the next phase of implementation of systems, technologies and/or vendors. Task include:</p> <ul style="list-style-type: none"> ▪ RFI/RFP development, including publish of Functional and other Specifications (level of detail depends on the selected procurement approach) ▪ Publish Procurement Library ▪ Pre-proposal Bidder's Conference and responses to Contractor questions ▪ Proposal Evaluation Criteria & evaluation process ▪ Post-award support for contracting and project startup ▪ Knowledge transfer activities

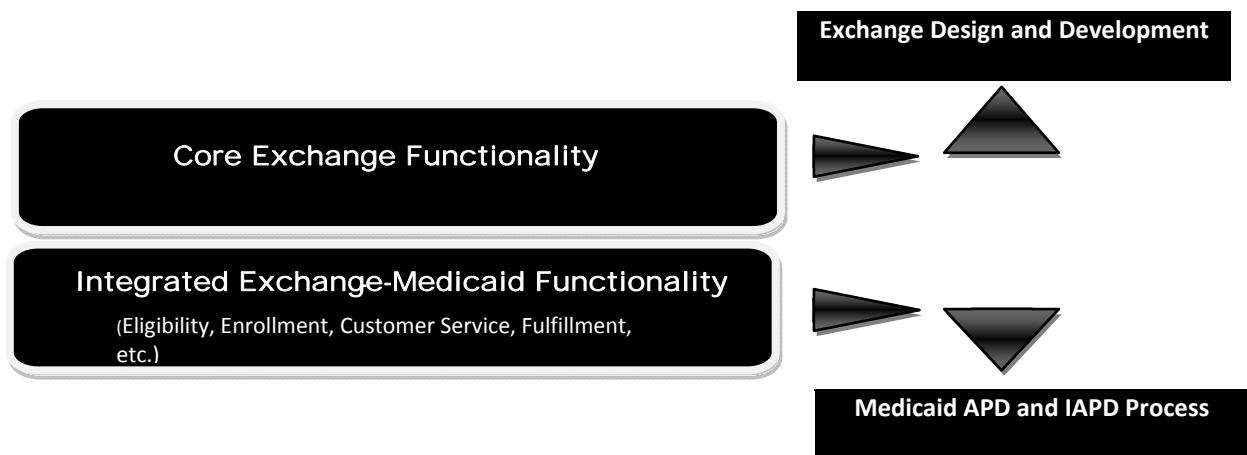
Phasing the Project, and Interface with Medicaid System Modernization

The Connecticut Exchange is dedicated to exploring a "single front door" approach to customer service and access to the wide variety of State-supported health benefit programs, including the Exchange products, Medicaid, CHIP and other health and human service programs.

This approach will likely take the form of a unified portal experience. It may or may not also include a unified approach to eligibility and enrollment operations, customer service and fulfillment. For example, inbound calls from a Connecticut resident looking for health insurance, whether he or she is ultimately destined for a Medicaid program or an Exchange product, could be handled by a unified customer service center.

To accommodate these planning goals, on a preliminary basis we propose to organize a portion of Project Two into two major parallel activity areas or "Tracks" that will be run as separate but coordinated sub-activities under a single vendor contract illustrated in the diagram below. Each track will cover all of the scope of work areas described above.

Project Two Activity Tracks:



Project Track 1: Exchange Operations

This parallel track covers the subject matter of the typical core health insurance Exchange functionality, with the exception of certain eligibility/enrollment functions, which we have carved out as described below. This track covers business processes that can more or less be separated from Medicaid-related functions. Areas of significant potential overlap with Connecticut Medicaid operations are marked with an asterisk (*).

- Certification, recertification, and decertification of qualified health plans
- Quality rating system
- Customer Service Call Center*
- Exchange Website*
- Outreach and education*
- Navigator Program on-line and technical support*
- Enrollment process, applications and notices; individual responsibility determinations; subsidy administration, premium billing and payment*
- Premium tax credit and cost-sharing reduction calculator
- Administration of premium tax credits and cost-sharing reductions
- Notification and appeals of employer liability
- Information reporting to IRS and enrollees
- Risk adjustment and transitional reinsurance

- SHOP Exchange-specific functions (tax credit eligibility, rating engine, facilitating choice of health plan, enrollment, appeals).

Project Track 2: Eligibility Determination, Enrollment and Fulfillment Operations

The second track runs in parallel to Track 1 and is focused on eligibility/enrollment, and potentially a joint approach to customer service and fulfillment:

- Seamless eligibility and enrollment process with Medicaid and other State health subsidy programs
- Eligibility determinations for Exchange participation, advance payment of premium tax credits, cost-sharing reductions, and Medicaid
- Adjudication of appeals of eligibility determinations

We have organized the project into two tracks for several reasons:

- 1) The two areas are comprised of different industry functional content (health insurance brokerage and public subsidy eligibility, respectively) and require reasonably different subject matter teams;
- 2) The two areas have implementation paths with widely different contingent dependencies. That is, the E/E Track must interface with the Medicaid APD and IAPD process, and with the overall State Modernization project, as the core Exchange development has a different set of external contingencies; and
- 3) All activities related to the Exchange-Medicaid interface need to be closely tracked in order to maintain separate expense and activity accounting for federal cost allocation purposes. Our prospective cost allocation plan includes procedures to identify, record, allocate, and report direct and indirect costs, partially and fully attributable to each system project.

Use of System Development Life Cycle Methodology and Interface with HHS Reviews

As we plan, design and procure our Exchange IT systems, all vendor and state staff activities and deliverables will be designed to interface with the emerging HHS review methodology, including *Integrated IT Investment & System Life Cycle Framework*, *CMS Requirements Writer's Guide* (Department of Health and Human Services, Centers for Medicare & Medicaid Services, Version 4.11, August 31, 2009). *An example of Best-Practice ingredients, using SDLC approach:*

- Project Startup Checklist: Concept of Operations, Scope, Charter
- Project Architecture: Business Process Models, Requirements Document, Architectural diagrams
- Project Baseline: Risk Assessment, Project Management Plan, Project Schedule,
- Preliminary & Detailed Design: Test Plans, Logical Data Model, Data Use Agreement, Technical Architecture Diagrams (SW, HW, MW, network, security)
- Pre-Operational Readiness: Inter/Intra-agency Agreements, End-to-End Testing Plan and Cases, Implementation Plan, User Manuals, Operations & Maintenance Manual, Training Plan
- Operational Readiness: Defect & Remediation

Compliance with Federal Standards Development Organizations IT Interoperability, Reusability, Security, Privacy and Accessibility Standards

Our IT project planning staff and vendors will be compliant with current and emerging standards related to both Exchanges and overall Federal requirements, such as:

- Service Oriented Architecture and other interoperability standards that support Shared Pool and Cloud utilization
- Reusability standard: Development of reusable components that may be used by other States and Consortia
- MITA Architecture and other CMS Capability Maturity Models
- NIST Federal Information Processing Standards (FIPS)
- HIPAA and HITECH
- Accessibility for Individuals with Disabilities: Section 508(b) of the Rehabilitation Act of 1973 and user-centered design (UCD) methods
- National Information Exchange Model (NIEM) (<http://release.niem.gov/niem/2.1/>)
- ACA Section 1561 ONC – Core data, business rules, verification interfaces, transmission of enrollment information using X12 EDI, and security and privacy using FIPS

Timeline, Schedule and Key Dependencies

The overall timeline for vendor activities in Project Two is approximately nine months, from commencement of the vendor contract to the execution of procurement for the next phase of implementation under Level 2 Establishment.

Project Two ideally commences immediately after substantial completion of our current planning grant activities and its deliverables. The specific deliverables from the planning grant that will be used as important inputs into Project Two are as follows: (a) IT Gap Analysis, (b) comprehensive assessment of the operational processes between the Exchange and Medicaid, (c) technical requirements and specifications for Exchange accounting and financial system functions, (d) assessment of the existing Medicaid eligibility system, interface issues and necessary requirements for integration with the Exchange IT infrastructure, (e) impact study of the Medicaid program specifically addressing the areas of enrollment change and associated costs, analysis of the federal poverty level increase, and impact to the Children's Health Insurance Program, and (f) advantages and disadvantages of a Connecticut statewide Exchange versus a multi-state Exchange.

Pre-Project *Finalize Scope of Work; Procurement of Project Two Technical Assistance Vendor Team*

Project Month 0-3 *Business Process Operations and IT Requirements*

Project Month 4 *Procurement Strategy and Option Selection*

Project Month 5-8 *Specifications and Implementation/Work Plan*

Project Month 9 *RFP Development and Procurement Support*

As with most Exchange projects nationally, our establishment effort is likely contingent on APD and IAPD project schedules related to modernization of our Medicaid eligibility and enrollment systems.

PROJECT THREE: Consumer Assistance and Support

Customer experience and satisfaction are critical organizing principles governing the development of Connecticut's Exchange and are directly related to effective consumer assistance and support services. To ensure that Connecticut provides comprehensive support for Exchange participants, Project Three will be focused on assessment of all current programs and services in the State so to enable accurate planning in terms of leveraging capabilities as well as building appropriate capacities to ensure excellent support is provided. Project Three components will be conducted through a contractor with a specialized multidisciplinary team to enable us to define and execute assistance planning against our customer-oriented objectives. This team will also assure sensitivity to the needs and diversity of Connecticut citizens.

Project Three will commence immediately upon kick-off of our Level One grant activities and is intended to be completed in time to produce specifications that can be directly integrated with overall business process and IT implementation activities.

Scope and Phasing

The scope of this project will cover the consumer assistance components of each of the Eleven Exchange Establishment Core Areas, as detailed in ACA Sections 1311(d)(4), 1413 and other sections. In particular:

Areas of Focus:

- General Information assistance, advisory and navigation, call center, self-help, toll-free telephone hotline, etc.
- Eligibility and enrollment process
- Consumer protections
- Grievance and Appeal (coverage, eligibility, etc.)
- Problem Resolution
- Performance Transparency and Reporting on the above, including related data collection

Phase 1. Assessment of Existing Conditions and Strategy for Leverage of Existing Capabilities

Effective integration and leveraging of existing capabilities is a priority for the State in providing assistance to individuals and small businesses. Several state entities and vendors are already providing certain aspects of customer assistance and support, and these need to be woven together to produce a unified consumer experience. For example, the Office of the Healthcare Advocate (OHA) is the independent state consumer assistance agency and Connecticut's designated Consumer Assistance Program under the ACA, Consumer Assistance Program (CAP) grant (October 2010). Connecticut is dedicated to on-going collaboration, integration, and leveraging of the CAP grant program services. Connecticut's Insurance Department (CID) also provides customer support through their Customer Assistance Unit (CAU). In addition, there are existing State Medicaid consumer support programs and the underlying Customer Relation Management systems (CRM) that support these.

Phase 2. Requirements for Achieving an Integrated Consumer Experience; and Performance Metrics Methodology

This phase will define the business requirements, using workflow and mappings at the level of detail specified in Project Two. The focus is on new business activities beyond existing capabilities established in Phase 1. This phase would specify the methodology, which includes the necessary data to be collected, the expected target levels of quality, and the performance

results. It would also provide methodology to ensure transparency to stakeholders in terms of reporting through a quality dashboard or similar public posting.

Phase 3. Business Process Changes, Enhancements and Implementation/Procurement Strategy

This phase will integrate the new and the existing customer assistance and support functions into one to ensure that Connecticut Exchange participants have a robust support system to depend on. It will describe what current capabilities need to be consolidated or changed, and how the new activities will be delivered—for example, whether through a contracted vendor, State staff, an interagency agreement and/or other outside entity.

Phase 4. Technical Requirements and Contract Specifications

This phase, if necessary, creates technical requirements and contract specifications for inclusion in the next phase of implementation.

Timeline, Schedule and Key Dependencies

Project Three month effort, running in parallel to the first three months of Project Two, and with important coordination activity with Project Two. Project Three ideally commences immediately after our grant award and runs concurrent to the "*Business Process Operations and IT Requirements*" phase of Project Two.

Pre-Project	Finalize Scope of Work; Procurement of Project Three Consumer Assistance and Support vendor
Project Month 1:	Phase 1. Existing Conditions & Strategy for Leverage of Existing Capabilities
Project Month 2:	Phase 2. Requirements for Achieving an Integrated Consumer Experience
Project Month 3:	Phase 3. Business Process Changes, Enhancements and Implementation/Procurement Strategy Option: Phase 4. Technical Requirements & Contract Specifications

III. Summary of Exchange IT Gap Analysis

The IT Gap Analysis is a significant deliverable under the planning grant. The scope for this assessment is discussed in the above Progress Overview section F.

IV. Evaluation Plan

The Level One project areas are focused on staffing and space procurement, business operations and consumer support. The evaluation plan will measure each of these areas to ensure that objectives are successfully met.

The Principal Investigator, who also leads the Office of Health Reform and Innovation within the Lieutenant Governor's Office and is a Board member of the Connecticut Health Insurance Exchange Board, will provide a broad view to the evaluation plan, assuring that the goals and

timelines are being met, the process is well integrated with other health reform efforts and that the process is an inclusive one.

Key Indicators to be Measured

The goal of the evaluation plan is to ensure that quality standards are adhered to as the Exchange continues to develop under the Level One funding period and begins establishing its business operations. Key indicators to be measured are derived from the principal tasks and milestones to be completed and achieved within each Core Area. The status and performance of key indicators will be reported on in the required quarterly reports to CCIIO. Additionally, general quality indicators are an essential component of Connecticut's continual project evaluation and include consultant/program integrity assessment and monitoring.

The review process and hiring of consultants adheres to strict guidelines established and enforced by the State. Prior to a consultant working with Connecticut, a thorough evaluation is completed and is approved by the Attorney General. At the outset of any new task or project, the goals and objectives are outlined and a work plan agreed upon. Recognizing that work products may evolve throughout the contractual periods, language is included to address these possible variances while respecting the original quality and timelines of the required outcome delivered to the State. Superior project management is an essential component of Connecticut's vendor relationships. To ensure project integrity, continual assessment of work quality is conducted through interim milestone/deliverable review and reporting, interagency work groups and routine meetings and conference calls.

Baseline Data for each Indicator

A deliverable of the Level One project scope will include the identification of the baseline data indicators that will provide value to Connecticut's Exchange development process. The selected contractor(s) will identify the specific framework for these baseline data and reporting elements. In general, they will fall under the categories of eligibility, enrollment, consumer support, staffing, and space procurement. The reporting components will encompass the identification and design of technical specifications, mapping, program integration as well as purchasing strategy.

Methods and their Efficacy to Monitor Progress and Evaluate the Achievement of Program goals

The deliverables identified in the scope of work for each of the Level One projects will be monitored and evaluated through a number of avenues. Each deliverable will be detailed and broken down by task category. The Project Director, along with a multi-disciplinary project team, will provide oversight and assume responsibility for monitoring each component in terms of project progress and goals, timeline adherence, and status reporting. Additionally, internal work groups will be accountable for effective and timely communications and progress report updates and project team weekly meetings will be reported on as appropriate and in accordance with relevant work plan processes. Quarterly reports will also be submitted with project status to CCIIO as required.

Inclusion of plans for timely interventions when targets are not met or unexpected obstacles delay plans

Typically the effect of a delay on project scope is assessed for relative impact on a situational basis. Connecticut will use this approach for Level One project work. Usually, the mitigation strategy is handled contractually through the direct and defined relationship between required

task and financial accountability thus ensuring that timelines are adhered to and/or the adjusted outcome is mutually agreed to by both parties.

Inclusion of a plan for ongoing evaluation of Exchange functioning once it is operational
Once the Exchange has established the Board of Directors, an expanded and enhanced evaluation plan will be formalized leveraging current capabilities and processes while incorporating the larger scale Exchange operations.

EXHIBIT D

COST PROPOSAL FORM

Using the format below, provide a budget for each of the deliverables identified in the Scope of Services. Cost proposals must not exceed \$3,765,000. The bidder is required to provide a detailed budget narrative, which shall not exceed five pages.

Project Pricing Methodology

The required project deliverables are described in Scope of Work. For the purposes of pricing your proposal, each proposer, at a minimum, must address the tasks identified in the Scope of Work under Workstreams I and II.

The proposer shall submit a narrative of not more than five pages describing the nature and scope of the various services expected to be performed broken down into the various tasks, an estimate of the cost of the work broken down by task, a total cost not to exceed the maximum amount of this Agreement and an estimate of the time required to successfully complete the services.

Price proposals must not exceed \$3,765,000 in total, with a cap of \$3,500,000 for Workstream I and \$265,000 for Workstream II.

Itemization by Resource, Workstream and Task

The template below is provided for respondents to provide itemized project costs by resource, by workstream and by task. Please modify the template as needed but maintain delineation of costs by workstream and by task for each resource level and non-labor items. Specifically, you may alter the resource level types and nomenclature to fit your proposed staffing model.

For project management and each task item, please provide the number of hours.

Resource Level	Rate Per Hour	Workstream I						Workstream II					Totals
		Project Management	Task 1	Task 2	Task 3	Task 4	Task 5	Project Management	Task 1	Task 2	Task 3	Task 4	
1. Partner/Principal	\$ -												\$ -
2. Senior Manager	\$ -												\$ -
3. Manager	\$ -												\$ -
4. Consultant	\$ -												\$ -
5. Analyst / JR	\$ -												\$ -
6. Subcontractor 1, 2, etc	\$ -												\$ -
7. Fringe	\$ -												\$ -
8. Equipment	\$ -												\$ -
9. Supplies	\$ -												\$ -
10. Travel	\$ -												\$ -
11. Other (specify in narrative)	\$ -												\$ -
12. Indirect	\$ -												\$ -
Totals		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Proposal Price

Workstream I Proposal Price: _____

Workstream II Proposal Price: _____

Total Proposal Cost: _____

Workstream I Tasks

Task 1: Develop business process and IT design, definition and requirements

Task 2: Develop procurement options and preliminary cost estimate

Task 3: Develop specifications for preferred option(s)

Task 4: Develop implementation plan for executing preferred option

Task 5: Develop RFP and procurement support

Workstream II Tasks

Task 1: Assess existing conditions and strategy for leverage of existing capabilities

Task 2: Develop requirements for achieving an integrated consumer experience; and performance metrics methodology

Task 3: Develop business process changes, enhancements and implementation/procurement strategy

Task 4: Develop technical requirements and contract specifications

Estimated Costs for Each Subcontractor Organization

As referred to in the above budget table, please list and identify the estimated cost of each subcontractor organization(s), if any, by Workstream. Please add lines as necessary to accommodate this information. Line itemization(s) should be based on an estimated cost actively negotiated or bid between the proposer and its proposed subcontractor(s). We are seeking to roughly determine how much of the work will be supplied by the prime organization versus subcontractor organizations, if any. We are seeking to identify subcontractor *organizations* versus individuals serving as contractors.

Alternative Price Proposal (optional)

The above proposal components are required. We also would like to provide you with the opportunity to offer an alternative approach to pricing your services. Please feel free to provide an alternative approach, described in two pages or less. Alternative Price Proposals are NOT required and bidders will not be penalized if they do not offer an Alternative.

Exhibit E

Summary of CMS Blueprints

SECTION I: Background

CMS has created Exchange guidance documents (Blueprints) on a variety of subjects. The Blueprints will be made available in their entirety to the chosen Contractor. A summary of Blueprints is below. CMS is continually creating and updating new documents; therefore, this list is not exhaustive.

SECTION II: Blueprint Summaries

Plan Management Blueprint – Exchange Business Architecture Supplement

CMS has established the *Exchange Reference Architecture: Foundation Guidance*, Version 1.0, to provide the business architecture, information architecture, and technical architecture for the nationwide health insurance Exchange(s). The business architecture will be described in a series of business architecture blueprint supplements.

CMS is participating in a collaborative business analysis effort to generate business architecture blueprints for use in communicating Exchange operations to stakeholders and as the foundation for system design and development activities. A business architecture blueprint consists of detailed definitions of business processes, business services, and supporting data necessary to support the implementation of the services for each of the Exchange business areas. Blueprints provide a foundation for beginning detailed requirements as well as data and technical standards definition activities.

The *Plan Management Blueprint – Exchange Business Architecture Supplement* is the second business blueprint to provide states and federal agencies definitions of the major business functions, processes, and services to be implemented by Exchanges.

Eligibility and Enrollment Blueprint – Exchange Business Architecture Supplement

The *Eligibility and Enrollment Blueprint – Exchange Business Architecture Supplement* describes the initial business architecture for the Eligibility & Enrollment (E&E) business area. It identifies and defines major Eligibility & Enrollment business functions, processes, and services for use in discussions with states and federal partners for implementing Exchanges in support of individual eligibility for and enrollment in a qualified health plan (QHP), advance premium tax credits (APTC), cost-sharing reductions (CSR), and Medicaid, the Children's Health Insurance Program (CHIP), and the Basic Health Program (BHP).

The business architecture blueprint is intended to facilitate discussions with states to establish a shared understanding of the major business functions, processes, and services to be implemented by Exchanges.

Financial Management Blueprint – Business Architecture Supplement

The *Financial Management Blueprint – Business Architecture Supplement* describes the initial business architecture for the Financial Management (FM) business area from the State perspective. It identifies and defines major Financial Management business functions, processes, and services for use in discussions with States. It provides initial information for States, does not constitute official guidance or policy, and is subject to change. The Supplement does not include a full description of federal financial management activities, stakeholders and services. The initial version will be periodically revised to reflect improved understanding of the needs and functions, processes, and services to be implemented.

Collaborative Environment and Life Cycle Governance – Exchange Reference Architecture Supplement

The document establishes initial life cycle governance; the proposed ELC model; and the Collaborative ALM Environment, methodology, and processes that CMS will provide for Exchange systems development. Appendix A presents more detail on specific ALM scenarios that may be relevant to states as they determine how to engage within the ALM environment.

Medicaid and Exchange IT Architecture Guidance: Framework for Collaboration with State Grantees

The Centers for Medicare & Medicaid Services (CMS) have created a set of integrated architecture technical documents to guide the information technology (IT) development of the Medicaid and Exchange programs. Two sources provide the framework for this guidance, the Medicaid IT Architecture (MITA) and the newly developed Exchange Reference Architecture foundation.

With MITA, CMS is establishing a national framework of enabling technologies and processes that support improved administration for the Medicaid program and foster integrated business and IT transformation across the Medicaid enterprise. With Exchange Reference Architecture foundation, CMS is informing the states about key architectural principles and guidelines that support the business of providing Medicaid and Exchange services. Included are IT principles, technology standards, IT governance, and identified areas where collaborative discussions are necessary to ensure the most effective and efficient environment for Medicaid and Exchange IT services.

**OTHER INFORMATIONAL
MATERIALS/DOCUMENTS
AND/OR
REQUIRED FORMS**

OPM VENDOR/BIDDER PROFILE SHEET

(Form OPM-A-15, Jun-08)

Complete Vendor/Bidder Name Fed	eral Employer Id Number/SSN
Vendor/Bidder Address	
Contact Person's Name	Telephone Number(s)
<p style="text-align: center;">AFFIRMATION OF VENDOR/BIDDER</p> <p>The undersigned Vendor/Bidder affirms and declares:</p> <p>1) That this proposal is executed and signed by said Vendor/Bidder with full knowledge and acceptance of the conditions as stated in the CONDITIONS Section of the RFP. [] YES [] NO [] No RFP</p> <p>2) That the services shall be delivered to the agency at the prices proposed therein and within the timeframes as delineated in the RFP. [] YES [] NO [] No RFP</p> <p>3) That neither the Vendor/Bidder and/or any company official nor any subcontractor to the Vendor/Bidder and/or any subcontractor company official has received any notices of debarment and/or suspension from contracting with the State of Connecticut or the Federal Government. [] YES [] NO</p> <p>4) That neither the Vendor/Bidder and/or any company official nor any subcontractor to the Vendor/Bidder and/or any subcontractor company official has received any notices of debarment and/or suspension from contracting with other states within the United States. [] YES [] NO</p> <p style="text-align: center;">ACKNOWLEDGEMENT OF VENDOR/BIDDER</p> <p>With regard to a State contract as defined in Public Act 07-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the undersigned expressly acknowledges:</p> <p>Receipt of the State Elections Enforcement Commission's notice advising prospective state contractors of state campaign contribution and solicitation prohibitions. [] YES [] NO</p>	
Written Signature of Person Authorized to Bind the Vendor/Bidder Contractually	Date
Type or Print Name of Authorized Signator	Title of Signator

IF VENDOR/BIDDER IS A CORPORATION	
What is the authority of signator to bind the Vendor/Bidder contractually? [] Corporate Resolution [] Corporate By Laws [] Other (Please provide a written copy.)	

Is your business income reportable to the IRS? [] Yes [] No

Are you a DAS certified minority owned business? [] Yes [] No If YES, check all that apply. [] Women Owned [] Black [] Hispanic [] American Indian [] Disabled [] Iberian Peninsula [] Asian [] Other

Subject of RFP	Submission Due	Division	Date Issued

Standard Contract Language

- Form CO-802A
- Attachment A
- Attachment B
- Attachment C

PERSONAL SERVICE AGREEMENT
CO-802A REV. 2/08STATE OF CONNECTICUT
OFFICE OF THE STATE COMPTROLLER

1. PREPARE IN QUADRUPPLICATE
2. THE STATE BUSINESS UNIT AND THE CONTRACTOR AS LISTED BELOW HEREBY ENTER INTO AN AGREEMENT SUBJECT TO THE TERMS AND CONDITIONS STATED HEREIN AND/OR ATTACHED HERETO AND SUBJECT TO THE PROVISIONS OF SECTION 4-98 OF THE CONNECTICUT GENERAL STATUTES AS APPLICABLE.
3. ACCEPTANCE OF THIS CONTRACT IMPLIES CONFORMANCE WITH TERMS AND CONDITIONS SET FORTH BY THE OFFICE OF POLICY AND MANAGEMENT PERSONAL SERVICE AGREEMENT STANDARDS AND PROCEDURES.

(1) ☐ ORIGINAL ☐ AMENDMENT (2) IDENTIFICATION NO. _____
P.S. _____

CONTRACTOR	(3) CONTRACTOR NAME		(4) ARE YOU PRESENTLY A STATE EMPLOYEE? <input type="checkbox"/> YES <input type="checkbox"/> NO
	CONTRACTOR ADDRESS		CONTRACTOR FEIN/SSN - SUFFIX
STATE AGENCY	(5) AGENCY NAME AND ADDRESS		
CONTRACT PERIOD	(6) DATE (FROM)	THROUGH (TO)	(7) INDICATE <input type="checkbox"/> MASTER AGREEMENT <input type="checkbox"/> CONTRACT AWARD NO. _____ <input type="checkbox"/> NEITHER
CANCELLATION CLAUSE	THIS AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT FOR THE ENTIRE TERM OF THE CONTRACT PERIOD STATED ABOVE UNLESS CANCELED BY THE STATE BUSINESS UNIT, BY GIVING THE CONTRACTOR WRITTEN NOTICE OF SUCH INTENTION (REQUIRED DAYS NOTICE SPECIFIED AT RIGHT) (8) REQUIRED NO. OF DAYS WRITTEN NOTICE _____		
COMPLETE DESCRIPTION OF SERVICE	(9) CONTRACTOR AGREES TO: (Include special provisions - Attach additional blank sheets if necessary.)		
COST AND SCHEDULE OF PAYMENTS	(10) PAYMENT TO BE MADE UNDER THE FOLLOWING SCHEDULE UPON RECEIPT OF PROPERLY EXECUTED AND APPROVED INVOICES.		

(11) OBLIGATED AMOUNT										
(12) AMOUNT	(13) FUND	(14) DEPARTMENT	(15) SID	(16) PROGRAM	(17) ACCOUNT	(18) PROJECT/ GRANT	(19) CHARTFIELD 1	(20) CHARTFIELD 2	(21) BUDGET REFERENCE	

An individual entering into a Personal Service Agreement with the State of Connecticut is contracting under a "work-for-hire" arrangement. As such, the individual is an independent contractor, and does not satisfy the characteristics of an employee under the common law rules for determining the employer/employee relationship of Internal Revenue Code Section 3121 (d) (2). Individuals performing services as independent contractors are not employees of the State of Connecticut and are responsible themselves for payment of all State and local income taxes, federal income taxes and Federal Insurance Contribution Act (FICA) taxes.

ACCEPTANCES AND APPROVALS					(22) STATUTORY AUTHORITY	
(23) CONTRACTOR (OWNER OR AUTHORIZED SIGNATURE)					TITLE	DATE
(24) AGENCY (AUTHORIZED OFFICIAL)					TITLE	DATE
(25) OFFICE OF POLICY & MANAGEMENT/DEPARTMENT OF ADMINISTRATIVE SERVICES					TITLE	DATE
(26) ATTORNEY GENERAL (APPROVED AS TO FORM)						DATE

DISTRIBUTION: ORIGINAL CONTRACTOR PHOTOCOPY-OP/MDAS PHOTOCOPY-ATTORNEY GENERAL PHOTOCOPY-AGENCY

ATTACHMENT A

SECTION 1

This Agreement (hereinafter referred to as "Agreement") is entered into between the State of Connecticut (hereinafter "State") acting through the Office of Policy and Management (hereinafter "OPM") pursuant to Connecticut General Statutes §§ 4-8, 4-65a and 4-66, and _____, a _____, having its principal offices at _____ (hereinafter "Contractor"). The parties agree that the services specified below shall be provided by Contractor in strict compliance with the provisions of this Agreement.

SECTION 2 CONTRACT PERIOD AND DEFINITIONS

This Agreement shall commence on _____ and the duties of the Contractor as set forth in Section 5 of this Agreement shall be completed by the Contractor no later than _____ (hereinafter "end date").

Whenever the following terms or phrases are used in this Agreement, they shall have the following meaning unless the context clearly requires otherwise:

State - Wherever the term 'State' is used in this Agreement, it shall include the Secretary of OPM, or his authorized agents, employees or designees.

SECTION 3 CANCELLATION PROVISION

This Agreement may be canceled at will by either party upon _____ days written notice delivered by certified mail.

SECTION 4 NOTICE

Unless otherwise expressly provided to the contrary, any other notice provided under this Agreement shall be in writing and may be delivered personally or by certified mail in the manner set forth in this section. All notices shall be effective if delivered personally or by certified mail to the following addresses:

State: State of Connecticut
Office of Policy and Management
450 Capitol Ave. - MS# _____
Hartford, CT 06106-1379
Attention: _____

Contractor: _____

The parties may change their respective addresses for notices under this paragraph upon prior written notification to the other.

SECTION 5 SPECIFICATION OF SERVICES

SECTION 6 COST AND SCHEDULE OF PAYMENTS

The State shall pay the Contractor a total sum not to exceed _____ for services performed under this Agreement.

The Contractor shall be compensated for fees based upon work performed, documented, and accepted by the State.

The Contractor shall submit invoices on a periodic basis, not less often than monthly. Invoices shall, at a minimum, include the Contractor name, the Contract Number, the Contractor's Federal Employer Identification Number, the billing period, and an itemization of expenses by line item.

Invoices for deliverables shall include an identification of the deliverable; if printed material, a copy of the deliverable; and the date that the deliverable was provided to the State.

Invoices for services billed by the hour shall include the name and title of the individual providing the services, the dates worked, the number of hours worked each day with a brief synopsis of the work performed, the rate being charged for the individual, and the total cost for that person's work during the billing period.

Invoices for expenses, if allowed, shall include a detailed account of expenses specifying the day when and purpose for which they were incurred as well as all receipts, invoices, bills and other available documentation or if no documentation is available, a detailed accounting of the computation used to determine the reimbursable cost, as evidence of the actual cost of such expenses. Such expenses may include, but are not limited to: mileage at current State approved reimbursement rate; costs of travel including coach airfare and hotels; and office expenses such as, phone calls, copying, postage and package delivery incurred in connection with the service pertaining to this Agreement. All expenses will be reimbursed at cost.

The State shall assume no liability for payment for services under the terms of this Agreement until the Contractor is notified that the Agreement has been accepted by the contracting agency, and if applicable, approved by OPM, the Department of Administrative Services and/or by the Attorney General of the State.

SECTION 7 OTHER CONDITIONS

A. Entire Agreement

This Agreement embodies the entire agreement between the State and Contractor on the matters specifically addressed herein. The parties shall not be bound by or be liable for any statement, representation, promise, inducement, or understanding of any kind or nature not set forth herein. This Agreement shall supersede all prior written agreements between the parties and their predecessors. No changes, amendments, or modifications of any of the terms or conditions of the Agreement shall be valid unless reduced to writing, signed by both parties, and approved by the Attorney General or his Deputy. This Agreement shall inure to the benefit of each party's heirs, successors, and assigns.

B. Changes in Service

When changes in the services are required or requested by the State, Contractor shall promptly estimate their monetary effect and so notify the State. No change shall be implemented by Contractor unless it is approved by the State in writing; and, unless otherwise agreed to in writing, the provisions of this Agreement shall apply to all changes in the services. If the State determines that any change materially affects the cost or time of performance of this Agreement as a whole, Contractor and the State will mutually agree in writing to an equitable adjustment.

C. Independent Contractor

Contractor represents that it is fully experienced and properly qualified to perform the services provided for herein, and that it is properly licensed, equipped, organized, and financed to perform such services. Contractor shall act as an independent Contractor in performing this Agreement, maintaining complete control over its employees and all of its subcontractors. Contractor shall furnish fully qualified personnel to perform the services under this Agreement. Contractor shall perform all services in accordance with its methods, subject to compliance with this Agreement and all applicable laws and regulations. It is acknowledged that services rendered by the Contractor to the State hereunder do not in any way conflict with other contractual commitments with or by the Contractor.

If applicable, Contractor shall deliver copies of any and all current license(s) and registration(s) relating to the services to be performed under this Agreement to the State, at the time of the execution of this Agreement, as evidence that such are in full force and effect.

D. Laws and Regulations

This Agreement shall be interpreted under and governed by the laws of the State of Connecticut.

Contractor, its employees and representatives shall at all times comply with all applicable laws, ordinances, statutes, rules, regulations, and orders of governmental authorities, including those having jurisdiction over its registration and licensing to perform services under this Agreement.

E. Labor and Personnel

At all times, Contractor shall utilize approved, qualified personnel and any State approved subcontractors necessary to perform the services under this Agreement. Contractor shall advise the State promptly, in writing, of any labor dispute or anticipated labor dispute or other labor related occurrence known to Contractor involving Contractor's employees or subcontractors which may reasonably be expected to affect Contractor's performance of services under this Agreement. The State may then, at its option, ask Contractor to arrange for a temporary employee(s) or subcontractor(s) satisfactory to the State to provide the services otherwise performable by Contractor hereunder. The Contractor will be responsible to the State for any economic detriment caused the State by such subcontract arrangement.

Contractor shall, if requested to do so by the State, reassign from the State's account any employee or authorized representatives whom the State, in its sole discretion, determines is incompetent, dishonest, or uncooperative. In requesting the reassignment of an employee under this paragraph, the State shall give ten (10) days notice to Contractor of the State's desire for such reassignment. Contractor will then have five (5) days to investigate the situation and attempt, if it so desires, to satisfy the State that the employee should not be reassigned; however, the State's decision in its sole discretion after such five (5) day period shall be final. Should the State still desire reassignment, then five (5) days thereafter, or ten (10) days from the date of the notice of reassignment, the employee shall be reassigned from the State's account.

F. Conflicts, Errors, Omissions, and Discrepancies

In the event of any conflict between the provision of this Agreement and the provisions of Form CO-802A to which this Agreement is attached, the provisions of this Agreement shall control.

In case of conflicts, discrepancies, errors, or omissions among the various parts of this Agreement, any such matter shall be submitted immediately by Contractor to the State for clarification. The State shall issue such clarification within a reasonable period of time. Any services affected by such conflicts, discrepancies, errors, or omissions which are performed by Contractor prior to clarification by the State shall be at Contractor's risk.

G. Indemnity

Contractor hereby indemnifies and shall defend and hold harmless the State, its officers, and its employees from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, monetary loss, interest, attorney's fees, costs and expenses of whatsoever kind or nature arising out of the performance of this Agreement, including those arising out of injury to or death of Contractor's employees or subcontractors, whether arising before, during, or after completion of the services hereunder and in any manner directly or indirectly caused, occasioned or contributed to in whole or in part, by reason of any act, omission, fault or negligence of Contractor or its employees, agents or subcontractors.

H. Nondisclosure

Contractor shall not release any information concerning the services provided pursuant to the Agreement or any part thereof to any member of the public, press, business entity or any official body unless prior written consent is obtained from the State.

I. Quality Surveillance and Examination of Records

All services performed by Contractor shall be subject to the inspection and approval of the State at all times, and Contractor shall furnish all information concerning the services.

The State or its representatives shall have the right, at reasonable hours, to inspect or examine the part of the plant or place of business or any books, records, and other documents of Contractor or its subcontractors pertaining to work performed under this Agreement and shall allow such representatives free access to any and all such plants, places of business, books and records. The State will give the Contractor at least twenty-four (24) hours notice of such intended examination. At the State's request, the Contractor shall provide the State with hard copies or an electronic format of any data or information in the possession or control of the Contractor which pertains to the State's business under this Agreement.

The Contractor shall retain and maintain accurate records and documents relating to performance of services under this Agreement for a minimum of three (3) years after the final payment by the State and shall make them available for inspection and audit by the State. Any subcontractor under this Agreement shall retain and maintain accurate records and documents relating to performance of services under this Agreement for a minimum of three (3) years from the expiration of the subcontract.

In the event that this Agreement constitutes a grant Agreement, and the Contractor is a public or private agency other than another state agency, the Contractor shall provide for an audit acceptable to the State, in accordance with the provisions of Connecticut General Statutes § 7-396a.

The Contractor must incorporate this paragraph verbatim into any Agreement it enters into with any subcontractor providing services under this Agreement.

J. Insurance

The Contractor, at its sole expense, agrees to secure and keep in full force and effect at all times during the term of this Agreement as defined in Section 2 above, a one million dollar (\$1,000,000) liability insurance policy or policies provided by an insurance company or companies licensed to do business in the State of Connecticut. Said policy or policies shall cover all of the Contractor's activities under this Agreement and shall state that it is primary insurance in regard to the State, its officers and employees. The State shall be named as an additional insured.

In addition, the Contractor shall at its sole expense maintain in effect at all times during the performance of its obligations hereunder the following additional insurance coverages with limits not less than those set forth below with insurers and under forms of policies approved by the State Insurance Commissioner to do business in Connecticut:

Coverage:

1. Workers' Compensation
2. Employer's Liability

Minimum Amounts and Limits

Connecticut Statutory Requirements
To the extent included under Workers'
Compensation Insurance Policy

3. Adequate comprehensive Vehicle Liability Insurance covering all vehicles owned or leased by Contractor and in the course of work under this Agreement:
 - a. Bodily Injury Insurance meeting Connecticut statutory requirements; and
 - b. Property Damage Insurance meeting Connecticut statutory requirements.

None of the requirements contained herein as to types, limits, and approval of insurance coverage to be maintained by Contractor are intended to and shall not in any way limit or qualify the liabilities and obligations assumed by Contractor under this Agreement.

Contractor shall deliver Certificates of Insurance relating to all of the above referenced coverages to the State at the time of the execution of this Agreement as evidence that policies providing such coverage and limits of insurance are in full force and effect, which Certificate shall provide that no less than thirty (30) days advance notice will be given in writing to the State prior to cancellation, termination or alteration of said policies of insurance.

K. Non-Waiver

None of the conditions of this Agreement shall be considered waived by the State or the Contractor unless given in writing. No such waiver shall be a waiver of any past or future default, breach, or modification of any of the conditions of this Agreement unless expressly stipulated in such waiver.

L. Promotion

Unless specifically authorized in writing by the Secretary of OPM, on a case by case basis, Contractor shall have no right to use, and shall not use, the name of the State of Connecticut, its officials, agencies, or employees or the seal of the State of Connecticut or its agencies:

- (1) in any advertising, publicity, promotion; or
- (2) to express or to imply any endorsement of Contractor's products or services; or
- (3) to use the name of the State of Connecticut, its officials, agencies, or employees or the seal of the State of Connecticut or its agencies in any other manner (whether or not similar to uses prohibited by subparagraphs (1) and (2) above), except only to manufacture and deliver in accordance with this Agreement such items as are hereby contracted for by the State. In no event may the Contractor use the State Seal in any way without the express written consent of the Secretary of State.

M. Confidentiality

All data provided to Contractor by the State or developed internally by Contractor with regard to the State will be treated as proprietary to the State and confidential unless the State agrees in writing to the contrary. Contractor agrees to forever hold in confidence all files, records, documents, or other information as designated, whether prepared by the State or others, which may come into Contractor's possession during the term of this Agreement, except where disclosure of such information by Contractor is required by other governmental authority to ensure compliance with laws, rules, or regulations, and such disclosure will be limited to that actually so required. Where such disclosure is required, Contractor will provide advance notice to the State of the need for the disclosure and will not disclose absent consent from the State.

N. Subpoenas

In the event the Contractor's records are subpoenaed pursuant to Connecticut General Statutes § 36a-43, the Contractor shall, within twenty-four (24) hours of service of the subpoena, notify the person designated for the State in Section 4 of this Agreement of such subpoena. Within thirty-six (36) hours of service, the Contractor shall send a written notice of the subpoena together with a copy of the same to the person designated for the State in Section 4 of this Agreement.

O. Survival

The rights and obligations of the parties which by their nature survive termination or completion of the Agreement, including but not limited to those set forth herein in sections relating to Indemnity, Nondisclosure, Promotion, and Confidentiality of this Agreement, shall remain in full force and effect.

P. Americans with Disabilities Act

This clause applies to those Contractors which are or will become responsible for compliance with the terms of the Americans with Disabilities Act of 1990 during the term of this Agreement. Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. Failure of the Contractor to satisfy this standard either now or during the term of this Agreement as it may be amended will render the contract voidable at the option of the State upon notice to the Contractor.

Contractor warrants that it will hold the State harmless from any liability which may be imposed upon the State as a result of any failure of the Contractor to be in compliance with this Act.

Q. Non-Discrimination

(a) For purposes of this Section, the following terms are defined as follows:

- i. "Commission" means the Commission on Human Rights and Opportunities;
- ii. "Contract" and "contract" include any extension or modification of the Contract or contract;
- iii. "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;
- iv. "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose.
- v. "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;
- vi. "good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements;
- vii. "marital status" means being single, married as recognized by the State of Connecticut, widowed, separated or divorced;
- viii. "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders;
- ix. "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of Connecticut General Statutes § 32-9n; and
- x. "public works contract" means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

For purposes of this Section, the terms "Contract" and "contract" do not include a contract where each contractor is (1) a political subdivision of the state, including, but not limited to, a municipality, (2) a quasi-public agency, as defined in Connecticut General Statutes § 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Connecticut General Statutes § 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

- (b) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut; and the Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the work involved; (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Commission; (3) the Contractor agrees to provide each labor union or

representative of workers with which the Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this Section and Connecticut General Statutes §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes §§ 46a-56, 46a-68e and 46a-68f; and (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as they relate to the provisions of this Section and Connecticut General Statutes § 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.

- (c) Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
- (d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.
- (e) The Contractor shall include the provisions of subsection (b) of this Section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes § 46a-56; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.
- (f) The Contractor agrees to comply with the regulations referred to in this Section as they exist on the date of this Contract and as they may be adopted or amended from time to time during the term of this Contract and any amendments thereto.
- (g) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes § 46a-56; and (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this Section and Connecticut General Statutes § 46a-56.
- (h) The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes § 46a-56;

provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

R. Executive Orders

This Agreement is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971, concerning labor employment practices and, as such, this Agreement may be canceled, terminated or suspended by the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Three, or any State or federal law concerning nondiscrimination, notwithstanding that the Labor Commissioner is not a party to this Agreement. The parties to this Agreement, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the State Labor Commissioner shall have continuing jurisdiction in respect to contract performance in regard to nondiscrimination until the Agreement is completed or terminated prior to completion.

The Contractor agrees, as part consideration hereof, that this Agreement is subject to the Guidelines and Rules issued by the State Labor Commissioner to implement Executive Order No. Three, and that it will not discriminate in its employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the State Labor Commissioner.

This Agreement is subject to the provisions of Executive Order No. Seventeen of Governor Thomas J. Meskill promulgated February 15, 1973, concerning the listing of employment openings and, as such, this Agreement may be canceled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Seventeen, notwithstanding that the Labor Commissioner may not be party to this Agreement. The parties to this Agreement, as part of the consideration hereof, agree that Executive Order No. Seventeen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting agency and the State Labor Commissioner shall have joint and several continuing jurisdiction in respect to contract performance in regard to listing all employment openings with the Connecticut State Employment Service.

This Agreement is subject to the provisions of Executive Order No. 16 of Governor John G. Rowland promulgated August 4, 1999, concerning violence in the workplace and, as such, the contract may be canceled, terminated or suspended by the State for violation of or noncompliance with said Executive Order No. 16. The parties to this contract, as part of the consideration hereof, agree that said Executive Order No. 16 is incorporated herein by reference and made a part hereof. The parties agree to abide by such Executive Order.

Pursuant to Governor M. Jodi Rell's Executive Order No. 7C, paragraph 10, promulgated July 13, 2006, concerning contracting reforms, Contractor shall comply with the certification requirements of Connecticut General Statutes §§ 4-250 and 4-252, and Governor M. Jodi Rell's Executive Order No 1, for all personal service agreement contracts with a value of \$50,000 or more in a calendar or fiscal year by executing and filing the respective certifications with OPM. The Contract may also be subject to Executive Order No. 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, in accordance with their respective terms and conditions. If Executive Orders 7C and 14 are applicable, they are deemed to be incorporated into and are made a part of the Contract as if they had been fully set forth in it.

S. Sovereign Immunity

Notwithstanding any provisions to the contrary contained in this Agreement, it is agreed and understood that the State of Connecticut shall not be construed to have waived any rights or defenses of sovereign immunity which it may have with respect to all matters arising out of this Agreement.

T. Assignment

This Agreement shall not be assigned by either party without the express prior written consent of the other.

U. Severability

If any part or parts of this Agreement shall be held to be void or unenforceable, such part or parts shall be treated as severable, leaving valid the remainder of this Agreement notwithstanding the part or parts found to be void or unenforceable.

V. Headings

The titles of the several sections, subsections, and paragraphs set forth in this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this Agreement.

W. Third Parties

The State shall not be obligated or liable hereunder to any party other than the Contractor.

X. Non Waiver

In no event shall the making by the State of any payment to the Contractor constitute or be construed as a waiver by the State of any breach of covenant, or any default which may then exist, on the part of the Contractor and the making of any such payment by the State while any such breach or default exists shall in no way impair or prejudice any right or remedy available to the State in respect to such breach or default.

Y. Contractor Certification

The Contractor certifies that the Contractor has not been convicted of bribery or attempting to bribe an officer or employee of the State, nor has the Contractor made an admission of guilt of such conduct which is a matter of record.

Z. Large State Contracts

Pursuant to Connecticut General Statutes §§ 4-250 and 4-252, Contractor must present at the execution of each large State contract (having a total cost to the State of more than \$500,000 in a calendar or fiscal year) an executed gift certification, which Contractor shall update on an annual basis in accordance with paragraph 8 of Governor M. Jodi Rell's Executive Order No. 1. In addition, pursuant to paragraph 8 of Governor M. Jodi Rell's Executive Order No. 1, anyone who executes and files said gift certification shall also execute and file a campaign contribution certification disclosing all contributions made to campaigns of candidates for statewide public office or the General Assembly.

AA. State Contracting Standards Board

Pursuant to paragraph 6(a) of Governor M. Jodi Rell's Executive Order No. 7C, Contractor acknowledges and accepts that, for cause, the State Contracting Standards Board may review and recommend, for OPM's consideration and final OPM determination, termination of this contract. "For Cause" means: (1) a violation of the State ethics laws (Chapter 10 of the Connecticut General Statutes) or Connecticut General Statutes § 4a-100 or (2) wanton or reckless disregard of any State contracting and procurement process by any person substantially involved in such contract or State contracting agency.

BB. Large State Construction Or Procurement Contract

Pursuant to Connecticut General Statutes § 1-101qq, every contractor to a Large State construction or procurement contract shall review the summary of State ethics laws developed by the Office of State Ethics pursuant to Connecticut General Statutes Section 1-81b (the "Summary") and shall promptly affirm to OPM in writing that the key employees of such Contractor have received, reviewed and understand the Summary and agree to comply with the provisions of the State ethics laws. A copy of the Summary is attached and incorporated herein as Attachment B. Further, Contractor shall incorporate and include the Summary in all contracts with any subcontractor or consultant working or assisting the Contractor with the large state construction or procurement contract. Contractor shall require in said contracts that the key employees of any subcontractor or consultant affirm that they have received, reviewed and understand the Summary and agree to comply with the provisions of the State ethics laws. Contractor shall supply such affirmations to OPM promptly. "Large state construction or procurement contract" means any contract, having a cost of more than five hundred thousand dollars, for (A) the remodeling, alteration, repair or enlargement of any real asset, (B) the construction, alteration, reconstruction, improvement, relocation, widening or changing of the grade of

a section of a state highway or a bridge, (C) the purchase or lease of supplies, materials or equipment, as defined in Section 4a-50 of the Connecticut General Statutes, or (D) the construction, reconstruction, alteration, remodeling, repair or demolition of any public building.

CC. Disclosure of Consulting Agreements

Pursuant to Connecticut General Statutes § 4a-81, the chief official of the Contractor, for all contracts with a value to the State of fifty thousand dollars or more in any calendar or fiscal year, shall attest in an affidavit as to whether any consulting agreement has been entered into in connection with such contract. Such affidavit shall be required if any duties of the consultant included communications concerning business of such State agency, whether or not direct contact with a State agency, State or public official or State employee was expected or made. As used herein "consulting agreement" means any written or oral agreement to retain the services, for a fee, of a consultant for the purposes of (A) providing counsel to a contractor, vendor, consultant or other entity seeking to conduct, or conducting, business with the State, (B) contacting, whether in writing or orally, any executive, judicial, or administrative office of the State, including any department, institution, bureau, board, commission, authority, official or employee for the purpose of solicitation, dispute resolution, introduction, requests for information or (C) any other similar activity related to such contract. Consulting agreement does not include any agreements entered into with a consultant who is registered under the provisions of Chapter 10 of the general statutes as of the date such affidavit is submitted in accordance with the provisions of Connecticut General Statutes § 4a-81.

DD. Retaliation Prohibition

Pursuant to Connecticut General Statutes § 4-61dd, a large state contractor shall be liable for a civil penalty of not more than five thousand dollars for each offense, up to a maximum of twenty per cent of the value of the contract, if an officer, employee or appointing authority of a large state contractor takes or threatens to take any personnel action against any employee of the large state contractor in retaliation for such employee's disclosure of information to any employee of the contracting State or quasi-public agency or the Auditors of Public Accounts or the Attorney General under the provisions of Connecticut General Statutes § 4-61dd(a). Each violation shall be a separate and distinct offense and in the case of a continuing violation each calendar day's continuance of the violation shall be deemed to be a separate and distinct offense. Each large state contractor shall post a notice of the provisions of this section relating to large state contractors in a conspicuous place which is readily available for viewing by the employees of the contractor. As used in Connecticut General Statutes § 4-61dd, a "large state contract" means a contract between an entity and a state or quasi-public agency having a value of five million dollars or more and (2) "large state contractor" means an entity that has entered into a large state contract with a state or quasi-public agency.

EE. Campaign Contribution and Solicitation Prohibitions

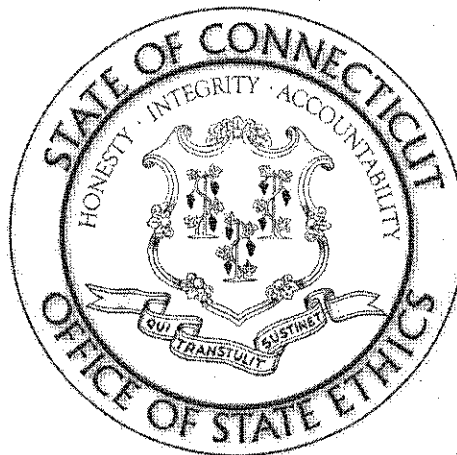
For all State contracts as defined in Connecticut General Statutes § 9-612(g)(1)(2) having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this Agreement expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See Attachment C.

FF. Non-Discrimination Certification

Pursuant to Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), every Contractor is required to provide the State with a non-discrimination certificate for all State contracts regardless of type, term, cost or value. The appropriate form must be submitted to the awarding State agency prior to contract execution. Copies of "nondiscrimination certification" forms that will satisfy the statutory requirements may be found on OPM's website. The applicable certification form must be signed by an authorized signatory of the Contractor (or, in the case of an individual contractor, by the individual).

ATTACHMENT B

Guide to the Code of Ethics For Current or Potential State Contractors



2010

INTRODUCTION

The Connecticut Office of State Ethics (OSE) is an independent regulatory agency for the state of Connecticut, charged with administering and enforcing the Connecticut Codes of Ethics, located in the Connecticut General Statutes, Chapter 10.

The Ethics Codes under the OSE's jurisdiction are comprised of:

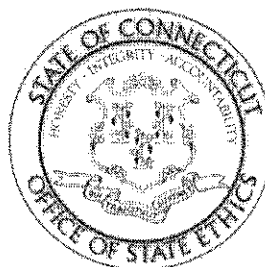
- The Code of Ethics for Public Officials (Part I);
- The Code of Ethics for Lobbyists (Part II); and
- Limited jurisdiction over Ethical Considerations Concerning Bidding and State Contracts (Part IV).

This guide provides general information only. The descriptions of the law and the OSE in this guide are not intended to be exhaustive. Please review the Advisory Opinions and Declaratory Rulings on our website or contact the Legal Division of the OSE with any questions regarding interpretation of the law.

For more information on the subjects discussed in this guide, call, write or visit:

Connecticut Office of State Ethics
18-20 Trinity Street Suite 205
Hartford, CT 06106

860/263-2400
www.ct.gov/ethics



Citizen's Ethics Advisory Board:

G. Kenneth Bernhard, Chairperson (through September 2011)
Thomas H. Dooley, Vice Chairperson (through September 2012)
Ernest Abate (through September 2011)
Kathleen F. Bornhorst (through September 2012)
Rebecca M. Doty (through September 2011)
General David Gay, (ret.) (through September 2013)
Dennis Riley (through September 2013)
Winthrop Smith, Jr. (through September 2013)
Shawn T. Wooden (through September 2013)

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THE OFFICE OF STATE ETHICS (OSE)

The Connecticut Office of State Ethics (OSE) was officially created on July 1, 2005, by Public Act 05-183. The governing body of the OSE is the Citizen's Ethics Advisory Board (CEAB), nine members appointed by the Governor and legislative leadership. The CEAB holds monthly meetings that are open to the public and that are often covered by CT-N. A schedule of CEAB meeting dates, times and locations is available on the OSE's Website, www.ct.gov/ethics.

The OSE is an independent watch dog agency for the state of Connecticut that administers Connecticut General Statutes, Chapter 10, Parts I and II, with limited jurisdiction over Part IV.

Simply put, the OSE educates all those covered by the law (the "regulated community"); provides information to the public; interprets and applies the codes of ethics; and investigates potential violations, and otherwise enforces the codes.

The OSE is made up of the following components:

- Citizen's Ethics Advisory Board
- Executive Director
- Legal Division
- Enforcement Division

THE BIG PICTURE

All state officials and employees (except judges) are covered by Part I of the Code of Ethics for Public Officials (hence forth, Part I, or the Code). It is important to remember that certain provisions of the Code also apply to public officials and state employees after they leave state service.

As you read through this guide be aware that these laws were enacted to prevent individuals from using their public position or authority for personal, financial benefit.

Each state agency also has its own ethics policy, which in many cases may be more restrictive than what follows. Be sure to obtain a copy of the agency's policy before you attempt to provide any benefit to an agency official or employee.

GIVING BENEFITS TO STATE PERSONNEL



Gifts

As a current or potential state contractor, you are presumably doing business with or seeking to do business with a state agency, and are therefore considered to be a **restricted donor**. In general, public officials, state employees and candidates for public office may not accept gifts from restricted donors.

Restricted Donors

Restricted donors include:

- Registered lobbyists (a list is available on the OSE's Website) or a lobbyist's representative;
- Individuals or groups doing business with a state department or agency;
- Individuals or groups seeking to do business with a state department or agency;
- Individuals or groups engaged in activities regulated by a state department or agency; or
- Contractors pre-qualified by the Connecticut Department of Administrative Services (Conn. Gen. Stat. § 4a-100).

A **gift** is defined as anything of value that is directly and personally received by a public official or state employee (or sometimes family members of those two categories) *unless* consideration of equal or greater value is provided. Conn. Gen. Stat. §1-79 (e).

Gift Exceptions There are, however, certain exceptions to this definition of gift. Not all exceptions are covered below; see Conn. Gen. Stat. § 1-79 (e) (1)–(17) for the complete list.

Token Items – Restricted donors such as current or potential state contractors may provide any item of value that is not more than \$10 (such as a pen, mug, or inexpensive baseball cap) to a public official or state employee, provided that the annual aggregate of such items from a single source is \$50 or less. Conn. Gen. Stat. § 1-79 (e) (16).

Food and Beverage – Restricted donors may also provide less than \$50 worth of food and beverage in a calendar year to a public official or state employee, provided that the restricted donor or his/her representative is in attendance when the food and/or beverage is being consumed. Conn. Gen. Stat. §1-79 (e) (9).

Training – Vendors may provide public officials and state employees with training for a product purchased by a state or quasi-public agency provided such training is offered to all customers of that vendor. Conn. Gen. Stat. §1-79 (e) (17).

Gifts to the State – Restricted donors may provide what are typically referred to as “gifts to the state.” These gifts are goods and services provided to a state agency or quasi-public agency for use on state or quasi-public agency property or that support an event, and which facilitate state or quasi-public action or functions. Conn. Gen. Stat. §1-79 (e) (5).

Other Exceptions – There are a total of 17 separate gift exceptions in the Code. Also exempt from the definition of gift are items such as informational materials germane to state action, ceremonial plaques or awards costing less than \$100, or promotional items, rebates or discounts also available to the general public. See Conn. Gen. Stat. § 1-79 (e) (1) – (17).

Note: The popularly-cited exception for major life events does not apply to those who are regulated by, doing business with or seeking to do business with a state agency. The only restricted donor that can make use of this very narrow exception is a registered lobbyist.

Gift Provisions

Example: You are in the process of submitting a contracting bid to a state agency. You provide the agency head with a gift certificate for \$45 to a popular West Hartford eatery for her to use on her own. You have not previously given anything of value to this individual.

Even though you are under the permissible \$49.99 food and beverage limit, this gift is not allowed because you or your representative will not be in attendance while the food and beverage is being consumed.

Reporting Requirements

Should you or your representative give something of \$10 or more in value to a public official or state employee, you must, within 10 days, give the gift recipient and the head of that individual's department or agency a written report stating:

- Name of the donor;
- Description of item(s) given;
- Value of such item(s); and
- Total cumulative value of all items to date given to that recipient during the calendar year.



This helps both you and the state employee keep track of the gift exceptions noted above, so that permissible limits are not exceeded. Conn. Gen. Stat. §1-84 (o). A courtesy form is available for this notification on the OSE's Website, in the “Forms” section.

Necessary Expenses

You may provide necessary expenses to a public official or state employee *only* if the official or employee, in his/her official capacity, is actively participating in an event by giving a speech or presentation, running a workshop, or having some other active involvement.

Necessary expenses are limited to:

- Travel (coach or economy class);
- Lodging (standard cost of room for the nights before, of, and immediately following the event);
- Meals; and
- Related conference expenses.



Conn. Gen. Stat. § 1-79 (9).

Entertainment costs (tickets to sporting events, golf outings, night clubs, etc.) are *not* necessary expenses. Necessary expense payments also *do not* include payment of expenses for family members or other guests.

Fees/Honorariums

Public officials and state employees may *not* accept fees or honorariums for an article, appearance, speech or participation at an event in their official capacity.

Fees or honorariums for such activities, if offered based solely on expertise and without any regard to official capacity, may be acceptable. Contact the OSE before offering such payment to an official or employee. Conn. Gen. Stat. § 1-84(k).



Necessary Expenses, Fees and Honorariums

Example: You invite a state employee to travel to New York City to give a speech to your managers on issues surrounding contracting with a state agency. You provide Amtrak fare for the employee as well as his spouse, who will spend the day in the city. The evening of the speech, you will treat the employee and his spouse with complimentary tickets to a Broadway show in lieu of a speaking fee.

You may provide non-first class travel expenses only to the state employee who is actively participating in an event. In this case, you may only provide Amtrak fare for the employee giving the speech, not his spouse. Entertainment costs, such as tickets to a show, are not considered necessary expenses and may not be provided.

Additionally, state employees may not accept fees or honorariums for a speech given in their official capacity.

HIRING STATE PERSONNEL

Post-state Employment (Revolving Door)

If you are considering hiring a *former* state employee, you should be aware of the Code's post-state employment, or revolving door, provisions.

Lifetime Bans

- Former state employees may **never** disclose any confidential information they learned during the course of their state service for anyone's financial gain. Conn. Gen. Stat. § 1-84a.
- A former state official or employee may **never** represent anyone other than the state regarding a particular matter in which he or she was personally or substantially involved while in state service and in which the state has a substantial interest. This prevents side-switching. Conn. Gen. Stat. § 1-84b (a).

One-year Bans

- If you hire or otherwise engage the services of a former state official or employee, he or she may not represent you before his or her former agency for a period of **one year** after leaving state service. Conn. Gen. Stat. § 1-84b (b). (See Advisory Opinion 2003-3, which provides a limited exception to this provision if the employee is providing purely technical expertise to help implement a previously-awarded contract. This exception applies to extremely limited circumstances; contact the OSE for guidance.)
- You are prohibited from hiring a former state official or employee for a period of **one year** after he or she leaves state service if that individual was substantially involved in, or supervised, the negotiation or award of a contract (that you or your business was a party to) valued at \$50,000 or more, and the contract was signed within his or her last year of state service. Conn. Gen. Stat. § 1-84b(f).
- Employees who held certain specifically-designated positions (with significant decision-making or supervisory responsibility) at certain state regulatory agencies are prohibited from seeking or accepting employment with any business subject to regulation by the individual's agency within **one year** of leaving the agency. Likewise, such businesses may not hire those employees. Note that there is an exception for *ex-officio* board or commission members. Conn. Gen. Stat. § 1-84b (c).

Post-state Employment Example: You run a hospital regulated by the Office of Health Care Access (OHCA). You would like to offer a job to the former Commissioner of OHCA, who has been out of state service for 5 months.

Because the hospital is regulated by a state agency whose Commissioner is specifically designated in 1-84b (c), the former head of such agency would not be permitted to accept employment with you for one full year after leaving state service. See Advisory Opinion 2003-19.

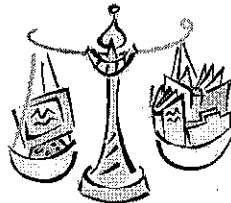
Outside Employment for Current Public Officials and State Employees

If you are considering hiring a *current* state employee, especially from a state agency with which you do business or by which you are regulated, you should be aware of the following rules regarding the employment of current state employees.

- A current state employee may not accept outside employment that impairs his or her independence of judgment regarding his or her state duties, or that encourages him or her to disclose confidential information learned in his or her state job. Conn. Gen. Stat. §1-84 (b).
- A current state employee may not use his or her state position for his or her own financial gain or the gain of his or her family (spouse, child, child's spouse, parent, brother or sister) or an associated business, however inadvertent that use may be. Conn. Gen. Stat. §1-84(c).

Other Considerations

Business entities engaged in Indian gaming activities in the state should be aware of specific provisions that apply to present or former Gaming Policy Board or Division of Special Revenue public officials or employees. See Conn. Gen. Stat. §§1-84b (d) and (e).



Outside Employment

Example: Your small business occasionally receives grants or contracts from Agency X. You know that a particular contract manager with Agency X has the skills you need to help you grow your business. This employee has expressed interest in earning a little extra money for himself, while helping you with your business in the evenings and on weekends.

It would constitute an impermissible impairment of judgment for the employee of Agency X, who has contract management responsibilities, to accept outside employment with your business – a business that receives grants or contracts from Agency X.

OTHER PROVISIONS

Prohibited Activities for Consultants or Independent Contractors

If you are hired by the state as a consultant or independent contractor, you are prohibited from the following:

- Using your authority under the contract or any confidential information acquired during the course of the contract for your financial gain or the financial gain of your immediate family;
- Accepting another state contract that would impair your independence of judgment or your performance in your existing state contract; and
- Accepting anything of value based on the understanding that your actions on behalf of the state would be influenced.

Conn. Gen. State § 1-86e (1)-(3); see also Conn. Gen. Stat. § 1-101nn.

Gift and/or Campaign Contribution Certifications

Contractors seeking large state contracts must provide certifications regarding gifts and/or campaign contributions made to certain state employees or public officials in the two-year period prior to the submission of a bid or proposal. Copies of these certifications and



other updated information regarding state contractors can be found on the Web sites of the Department of Administrative Services (www.das.state.ct.us) and the Office of Policy and Management (www.opm.state.ct.us).

Investment Services and the Office of the Treasurer

If you or your business provides investment services, as defined in the Code, and you make a political contribution to the State Treasurer's campaign, you may be prohibited from contracting with the Office of the Treasurer. See Conn.Gen.Stat. § 1-84 (n).

Registering as a Lobbyist

If you or your business spends or receives over \$2,000 in a calendar year for activities that constitute lobbying under Part II of the Code of Ethics (whether to affect legislation or the actions of an administrative state agency), you/your business may have to register as a lobbyist with the Office of State Ethics. Lobbyist registration information is available at www.ct.gov/ethics.

Contribution Ban for Communicator Lobbyists

(Conn. Gen. Stat. § 9-610 (g) and (h).) Registered communicator lobbyists, their affiliated political action committees (PACs), as well as members of their immediate families are banned from soliciting or donating political campaign contributions. Please contact the State Elections Enforcement Commission at 860-256-2940 for more information.

Sessional Contribution Ban for Client Lobbyists (Conn. Gen. Stat. § 9-610 (e).) Registered lobbyists and their affiliated political action committees (PACs) are banned from soliciting or donating political campaign contributions. Specifically, there is a temporary ban while the General Assembly is in session that applies to all registered client lobbyists and their affiliated PACs. Please contact the State Elections Enforcement Commission at 860-256-2940 for more information.

Public Act 05-287

Public Act 05-287 prohibits anyone who is a party (or seeking to become a party) to a large state construction, procurement, or consultant services contract over \$500,000 from:

- Soliciting information from a public official or state employee that is not available to other bidders for that contract, with the intent to obtain a competitive advantage;
- Intentionally or recklessly charging a state agency for work not performed or goods or services not provided;
- Falsifying invoices or bills; or
- Intentionally violating or circumventing state competitive bidding and ethics

This Act also requires any prospective state contractor to affirm in writing that he or she has received a summary of the state's ethics laws and that his or her key employees have read and understood the summary and agree to comply with the applicable provisions. Conn. Gen. Stat. §1-101qq.

An affirmation form is available through the Connecticut Office of Policy and Management.

Executive Orders

Executive Order 3 Under this Order, the Department of Administrative Services established and maintains on its Website the State Contracting Portal for purposes of posting all contracting opportunities with state agencies and providing information on contracting processes and procedures.

Executive Order 7C This Order covers the State Contracting Standards Board, established to conduct a comprehensive review of existing procurement and contracting laws and prepare a uniform code to govern all aspects of procurement and contracting.

The full text of these Executive Orders can be found on the Governor's Website, www.ct.gov/governorrell/site/default.asp.

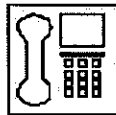
FOR MORE INFORMATION

This guide provides general information only. The descriptions of the law and the OSE in this guide are not intended to be exhaustive. For more information regarding the Code of Ethics as it pertains to current or potential state contractors, please contact the Legal Division of the Office of State Ethics, Monday – Friday, 8:30 a.m. to 5:00 p.m.

Office of State Ethics
18-20 Trinity Street
Hartford, CT 06106-1660



T: 860/263-2400
F: 860/263-2402
www.ct.gov/ethics



Specific Contacts:

Questions or advice regarding the Ethics Codes: Ethics.Code@ct.gov
Lobbyist filing/reporting questions: lobbyist.OSE@ct.gov
Public official filing/reporting questions: SFI.OSE@ct.gov
Enforcement questions: Ethics.Enforcement@ct.gov All other
inquiries: ose@ct.gov



January 2010

ATTACHMENT C

NOTICE TO EXECUTIVE BRANCH STATE CONTRACTORS AND PROSPECTIVE STATE CONTRACTORS OF CAMPAIGN CONTRIBUTION AND SOLICITATION LIMITATIONS

This notice is provided under the authority of Connecticut General Statutes §9-612(g)(2), as amended by P.A. 10-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (*italicized words* are defined on the reverse side of this page).

CAMPAIGN CONTRIBUTION AND SOLICITATION LIMITATIONS

No state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee (which includes town committees).

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

On and after January 1, 2011, no state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall **knowingly solicit** contributions from the state contractor's or prospective state contractor's employees or from a *subcontractor* or *principals of the subcontractor* on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

DUTY TO INFORM

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

PENALTIES FOR VIOLATIONS

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil penalties—Up to \$2,000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of up to \$2,000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or not more than \$5,000 in fines, or both.

CONTRACT CONSEQUENCES

In the case of a state contractor, contributions made or solicited in violation of the above prohibitions may result in the contract being voided.

In the case of a prospective state contractor, contributions made or solicited in violation of the above prohibitions shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State shall not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information may be found on the website of the State Elections Enforcement Commission, www.ct.gov/seec. Click on the link to "Lobbyist/Contractor Limitations."

DEFINITIONS

"State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. "Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a state contractor or prospective state contractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

"State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred

thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual.

"Solicit" means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

"Subcontractor" means any person, business entity or nonprofit organization that contracts to perform part or all of the obligations of a state contractor's state contract. Such person, business entity or nonprofit organization shall be deemed to be a subcontractor until December thirty first of the year in which the subcontract terminates. "Subcontractor" does not include (i) a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or (ii) an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a subcontractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a subcontractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a subcontractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a subcontractor, which is not a business entity, or if a subcontractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any subcontractor who has managerial or discretionary responsibilities with respect to a subcontract with a state contractor, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the subcontractor.

Forms

The following Ethics Affidavits and Certification forms with instructions are available at:

<http://www.ct.gov/opm/cwp/view.asp?a=2982&q=386038>

Form 1. Gift and Campaign Contribution Certification

Form 5. Consulting Agreement Affidavit

Form 6. Affirmation of Receipt of State Ethics Laws Summary

The Nondiscrimination Certification Form with instructions is available at:

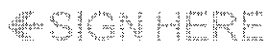
http://www.ct.gov/opm/cwp/view.asp?a=2982&q=390928&opmNav_GID=1806

STATE OF CONNECTICUT - AGENCY VENDOR FORM

IMPORTANT: ALL parts of this form must be completed, signed and returned by the vendor.

READ & COMPLETE CAREFULLY

SP-26NB-IPDF Rev. 4/10

COMPLETE VENDOR LEGAL BUSINESS NAME		Taxpayer ID # (TIN): <input type="checkbox"/> SSN <input type="checkbox"/> FEIN	
WRITE/TYPE SSN/FEIN NUMBER ABOVE			
BUSINESS NAME, TRADE NAME, DOING BUSINESS AS (IF DIFFERENT FROM ABOVE)			
BUSINESS ENTITY: <input type="checkbox"/> CORPORATION <input type="checkbox"/> LLC CORPORATION <input type="checkbox"/> LLC PARTNERSHIP <input type="checkbox"/> LLC SINGLE MEMBER ENTITY <input type="checkbox"/> NON-PROFIT <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> INDIVIDUAL/SOLE PROPRIETOR <input type="checkbox"/> GOVERNMENT			
NOTE: IF INDIVIDUAL/SOLE PROPRIETOR, INDIVIDUAL'S NAME (AS OWNER) MUST APPEAR IN THE LEGAL BUSINESS NAME BLOCK ABOVE.			
BUSINESS TYPE: A. SALE OF COMMODITIES B. MEDICAL SERVICES C. ATTORNEY FEES D. RENTAL OF PROPERTY (REAL ESTATE & EQUIPMENT)			
E. OTHER (DESCRIBE IN DETAIL)			
UNDER THIS TIN, WHAT IS THE PRIMARY TYPE OF BUSINESS YOU PROVIDE TO THE STATE? (ENTER LETTER FROM ABOVE) →			
UNDER THIS TIN, WHAT OTHER TYPES OF BUSINESS MIGHT YOU PROVIDE TO THE STATE? (ENTER LETTER FROM ABOVE) →			
NOTE: IF YOUR BUSINESS IS A PARTNERSHIP , YOU MUST ATTACH THE NAMES AND TITLES OF ALL PARTNERS TO YOUR BID SUBMISSION.			
NOTE: IF YOUR BUSINESS IS A CORPORATION , IN WHICH STATE ARE YOU INCORPORATED?			
VENDOR ADDRESS		STREET	CITY STATE ZIP CODE
Add Additional Business Address & Contact information on back of this form.			
VENDOR E-MAIL ADDRESS		VENDOR WEB SITE	
REMITTANCE INFORMATION: INDICATE BELOW THE REMITTANCE ADDRESS OF YOUR BUSINESS. <input type="checkbox"/> SAME AS VENDOR ADDRESS ABOVE.			
REMIT ADDRESS		STREET	CITY STATE ZIP CODE
CONTACT INFORMATION: NAME (TYPE OR PRINT)			
1 ST BUSINESS PHONE:		Ext. #	HOME PHONE:
2 ND BUSINESS PHONE:		Ext. #	1 ST PAGER:
CELLULAR:		2 ND PAGER:	
1 ST FAX NUMBER:		TOLL FREE PHONE:	
2 ND FAX NUMBER:		TELEX:	
WRITTEN SIGNATURE OF PERSON AUTHORIZED TO SIGN PROPOSALS ON BEHALF OF THE ABOVE NAMED VENDOR			DATE EXECUTED
			
TYPE OR PRINT NAME OF AUTHORIZED PERSON		TITLE OF AUTHORIZED PERSON	
IS YOUR BUSINESS CURRENTLY A DAS CERTIFIED SMALL BUSINESS ENTERPRISE? <input type="checkbox"/> YES (ATTACH COPY OF CERTIFICATE) <input type="checkbox"/> NO			
IS YOUR BUSINESS CURRENTLY A CT DOT CERTIFIED DISADVANTAGED BUSINESS ENTERPRISE (DBE)? <input type="checkbox"/> YES <input type="checkbox"/> NO			
IF YOU ARE A STATE EMPLOYEE , INDICATE YOUR POSITION, AGENCY & AGENCY ADDRESS			
PURCHASE ORDER DISTRIBUTION: (E-MAIL ADDRESS)			
NOTE: THE E-MAIL ADDRESS INDICATED IMMEDIATELY ABOVE WILL BE USED TO FORWARD PURCHASE ORDERS TO YOUR BUSINESS.			
ADD FURTHER BUSINESS ADDRESS, E-MAIL & CONTACT INFORMATION ON SEPARATE SHEET IF REQUIRED			

Request for Taxpayer Identification Number and Certification

Give form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name, if different from above

Check appropriate box: ☐ Individual/Sole proprietor ☐ Corporation ☐ Partnership
☐ Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶
☐ Other (see instructions) ▶

☐ Exempt
payee

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number

or

Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign
Here

Signature of
U.S. person ▶

Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt payees, see *Exempt Payee* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ³
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ³
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

²Circle the minor's name and furnish the minor's SSN.

³You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.consumer.gov/idtheft or 1-877-IDTHEFT(438-4338).

Visit the IRS website at www.irs.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

CONTRACT COMPLIANCE PACKAGE

CONTENTS

I. CONTRACTOR/GRANTEE CONTRACT COMPLIANCE REQUIREMENTS

II. BIDDER'S PACKET

- The following forms are **MANDATORY** and must be completed and returned to this agency with the response to the Request for Proposal or the Grant Application.
 1. Notification to Bidders Form
 2. Bidder Contract Compliance Monitoring Report
- Definitions and descriptions to assist in completing the Bidder Contract Compliance Monitoring Report

III. PERTINENT STATUTES AND REGULATIONS OF THE STATE OF CONNECTICUT

- Non-Discrimination and Affirmative Action Provisions in State Contracts, C.G.S. Section 4a-60 through 4a-60a
- Department of Administrative Services, C.G.S. Section 4a-60g through 4a-60j
- Department of Economic and Community Development, C.G.S. Section 32-9n
- Commission on Human Rights and Opportunities, C.G.S. Sections 46a-56 and 46a-68
- Commission on Human Rights and Opportunities Administrative Regulations Sections 46a-68j-21 through 46a-68j-43 and Sections 46a-68k-1 through 46a-68k-8.

I.

**CONTRACTOR/GRANTEE
CONTRACT COMPLIANCE REQUIREMENTS**

OFFICE OF POLICY AND MANAGEMENT

CONTRACTOR/GRANTEE COMPLIANCE REQUIREMENTS

NOTE: - THESE REQUIREMENTS APPLY TO ALL CONTRACTORS - INCLUDING GRANTEES AND INDIVIDUALS

Connecticut General Statute Section 4a-60 was adopted to insure that State agencies do not enter into contracts with organizations or businesses that discriminate against protected class persons. To carry out the provisions of the Statute, the Commission on Human Rights and Opportunities developed Regulations concerning Contract Compliance and approval of Contract Compliance Programs which impose certain obligations on State agencies as well as contractors doing business with the State of Connecticut.

These regulations require that as an awarding agency, in this instance, the Office of Policy and Management (OPM), must consider the following factors in its selection of any contractor:

- The bidder's success in implementing an affirmative action plan;
- If the bidder does not have a written affirmative action plan, the bidder's promise to develop and implement a successful affirmative action plan;
- The bidder's success in developing an apprenticeship program complying with Sections 46a-68-1 to 46a-68-17 of the Administrative Regulations of Connecticut State Agencies, inclusive;
- The bidder's submission of employment statistics contained in the "Employment Information Form", indicating that the composition of its workforce is at or near parity when compared to the racial and sexual composition of the workforce in the relevant labor market area; and
- The bidder's promise to set aside a portion of the contract for legitimate minority business enterprises.

In order to assess the factors above, contractors are required to provide OPM with information about their organizations.

A package of information (see Section II. Bidder's Packet) is provided with forms (and instructions) that must be completed, signed by responsible parties and returned to OPM with the response to the Request for Proposal or with the Grant Application.

PLEASE NOTE: If you indicate that you will be sub-contracting a portion of this contract, you will be sent further forms for completion as required in the contract compliance regulations. Thank you for your cooperation.

II.

BIDDER'S PACKET

OFFICE OF POLICY AND MANAGEMENT

This form is **MANDATORY** and must be completed, signed, and returned with the vendor's bid.

ACKNOWLEDGMENT OF CONTRACT COMPLIANCE NOTIFICATION TO BIDDERS

INSTRUCTION: Bidder must sign acknowledgment below, and return this form to the awarding agency with the bid proposal.

The undersigned duly authorized representative of the bidding vendor acknowledges receiving and reading a copy of the **NOTIFICATION TO BIDDERS**. *(Please print name under signature line.)*

Signature

Title

Date

On behalf of:

Vendor Name

Street Address

City

State

Zip

Federal Employee Identification Number
(FEIN/SSN)

This form is **MANDATORY** and must be completed, signed, and returned with the vendor's bid.

COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES
CONTRACT COMPLIANCE REGULATIONS
NOTIFICATION TO BIDDERS

(Revised 09/17/07)

The contract to be awarded is subject to contract compliance requirements mandated by Sections 4a-60 and 4a-60a of the Connecticut General Statutes; and, when the awarding agency is the State, Sections 46a-71(d) and 46a-81i(d) of the Connecticut General Statutes. There are Contract Compliance Regulations codified at Section 46a-68j-21 through 43 of the Regulations of Connecticut State Agencies, which establish a procedure for awarding all contracts covered by Sections 4a-60 and 46a-71(d) of the Connecticut General Statutes.

According to Section 46a-68j-30(9) of the Contract Compliance Regulations, every agency awarding a contract subject to the contract compliance requirements has an obligation to "aggressively solicit the participation of legitimate minority business enterprises as bidders, contractors, subcontractors and suppliers of materials." "Minority business enterprise" is defined in Section 4a-60 of the Connecticut General Statutes as a business wherein fifty-one percent or more of the capital stock, or assets belong to a person or persons: "(1) Who are active in daily affairs of the enterprise; (2) who have the power to direct the management and policies of the enterprise; and (3) who are members of a minority, as such term is defined in subsection (a) of Section 32-9n."

"Minority" groups are defined in Section 32-9n of the Connecticut General Statutes as "(1) Black Americans . . . (2) Hispanic Americans . . . (3) persons who have origins in the Iberian Peninsula . . . (4) Women . . . (5) Asian Pacific Americans and Pacific Islanders; (6) American Indians . . ." An individual with a disability is also a minority business enterprise as provided by Section 4a-60g of the Connecticut General Statutes. The above definitions apply to the contract compliance requirements by virtue of Section 46a-68j-21(11) of the Contract Compliance Regulations.

The awarding agency will consider the following factors when reviewing the bidder's qualifications under the contract compliance requirements:

- (a) the bidder's success in implementing an affirmative action plan;
- (b) the bidder's success in developing an apprenticeship program complying with Sections 46a-68-1 to 46a-68-17 of the Administrative Regulations of Connecticut State Agencies, inclusive;
- (c) the bidder's promise to develop and implement a successful affirmative action plan;
- (d) the bidder's submission of employment statistics contained in the "Employment Information Form", indicating that the composition of its workforce is at or near parity when compared to the racial and sexual composition of the workforce in the relevant labor market area; and
- (e) the bidder's promise to set aside a portion of the contract for legitimate minority business enterprises. See Section 46a-68j-30(10)(E) of the Contract Compliance Regulations.

INSTRUCTIONS AND OTHER INFORMATION

The following BIDDER CONTRACT COMPLIANCE MONITORING REPORT must be completed in full, signed, and submitted with the bid for this contract. The contract awarding agency and the Commission on Human Rights and Opportunities will use the information contained thereon to determine the bidders compliance to Sections 4a-60 and 4a-60a CONN. GEN. STAT., and Sections 46a-68j-23 of the Regulations of Connecticut State Agencies regarding equal employment opportunity, and the bidder's ☐ good faith efforts to include minority business enterprises as subcontractors and suppliers for the work of the contract.

1) Definition of Small Contractor

Section 4a-60g CONN. GEN. STAT. defines a small contractor as a company that has been doing business under the same management and control and has maintained its principal place of business in Connecticut for a one year period immediately prior to its application for certification under this section, had gross revenues not exceeding ten million dollars in the most recently completed fiscal year, and at least fifty-one percent of the ownership of which is held by a person or persons who are active in the daily affairs of the company, and have the power to direct the management and policies of the company, except that a nonprofit corporation shall be construed to be a small contractor if such nonprofit corporation meets the requirements of subparagraphs (A) and (B) of subdivision 4a-60g CONN. GEN. STAT.

2) Description of Job Categories (as used in Part IV Bidder Employment Information) (Page 2)

<p>MANAGEMENT: Managers plan, organize, direct, and control the major functions of an organization through subordinates who are at the managerial or supervisory level. They make policy decisions and set objectives for the company or departments. They are not usually directly involved in production or providing services. Examples include top executives, public relations managers, managers of operations specialties (such as financial, human resources, or purchasing managers), and construction and engineering managers.</p> <p>BUSINESS AND FINANCIAL OPERATIONS: These occupations include managers and professionals who work with the financial aspects of the business. These occupations include accountants and auditors, purchasing agents, management analysts, labor relations specialists, and budget, credit, and financial analysts.</p> <p>MARKETING AND SALES: Occupations related to the act or process of buying and selling products and/or services such as sales engineer, retail sales workers and sales representatives including wholesale.</p> <p>LEGAL OCCUPATIONS: In-House Counsel who is charged with providing legal advice and services in regards to legal issues that may arise during the course of standard business practices. This category also includes assistive legal occupations such as paralegals, legal assistants.</p> <p>COMPUTER SPECIALISTS: Professionals responsible for the computer operations within a company are grouped in this category. Examples of job titles in this category include computer programmers, software engineers, database administrators, computer scientists, systems analysts, and computer support specialists</p> <p>ARCHITECTURE AND ENGINEERING: Occupations related to architecture, surveying, engineering, and drafting are included in this category. Some of the job titles in this category include electrical and electronic engineers, surveyors, architects, drafters, mechanical engineers, materials engineers, mapping technicians, and civil engineers.</p> <p>OFFICE AND ADMINISTRATIVE SUPPORT: All clerical-type work is included in this category. These jobs involve the preparing, transcribing, and preserving of written communications and records; collecting accounts; gathering and distributing information; operating office machines and electronic data processing equipment; and distributing mail. Job titles listed in this category include telephone operators, bill and account collectors, customer service representatives, dispatchers, secretaries and administrative assistants, computer operators and clerks (such as payroll, shipping, stock, mail and file).</p>	<p>BUILDING AND GROUNDS CLEANING AND MAINTENANCE: This category includes occupations involving landscaping, housekeeping, and janitorial services. Job titles found in this category include supervisors of landscaping or housekeeping, janitors, maids, grounds maintenance workers, and pest control workers.</p> <p>CONSTRUCTION AND EXTRACTION: This category includes construction trades and related occupations. Job titles found in this category include boilermakers, masons (all types), carpenters, construction laborers, electricians, plumbers (and related trades), roofers, sheet metal workers, elevator installers, hazardous materials removal workers, paperhangers, and painters. Paving, surfacing, and tamping equipment operators; drywall and ceiling tile installers; and carpet, floor and tile installers and finishers are also included in this category. First line supervisors, foremen, and helpers in these trades are also grouped in this category..</p> <p>INSTALLATION, MAINTENANCE AND REPAIR: Occupations involving the installation, maintenance, and repair of equipment are included in this group. Examples of job titles found here are heating, ac, and refrigeration mechanics and installers; telecommunication line installers and repairers; heavy vehicle and mobile equipment service technicians and mechanics; small engine mechanics; security and fire alarm systems installers; electric/electronic repair, industrial, utility and transportation equipment; millwrights; riggers; and manufactured building and mobile home installers. First line supervisors, foremen, and helpers for these jobs are also included in the category.</p> <p>MATERIAL MOVING WORKERS: The job titles included in this group are Crane and tower operators; dredge, excavating, and lading machine operators; hoist and winch operators; industrial truck and tractor operators; cleaners of vehicles and equipment; laborers and freight, stock, and material movers, hand; machine feeders and offbearers; packers and packagers, hand; pumping station operators; refuse and recyclable material collectors; and miscellaneous material moving workers.</p> <p>PRODUCTION WORKERS: The job titles included in this category are chemical production machine setters, operators and tenders; crushing/grinding workers; cutting workers; inspectors, testers sorters, samplers, weighers; precious stone/metal workers; painting workers; cementing/gluing machine operators and tenders; etchers/engravers; molders, shapers and casters except for metal and plastic; and production workers.</p>
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3) Definition of Racial and Ethnic Terms (as used in Part IV Bidder Employment Information) (Page 3)

<p><u>White</u> (not of Hispanic Origin)- All persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.</p> <p><u>Black</u>(not of Hispanic Origin)- All persons having origins in any of the Black racial groups of Africa.</p> <p><u>Hispanic</u>- All persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.</p>	<p><u>Asian or Pacific Islander</u>- All persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes China, India, Japan, Korea, the Philippine Islands, and Samoa.</p> <p><u>American Indian or Alaskan Native</u>- All persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.</p>
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BIDDER CONTRACT COMPLIANCE MONITORING REPORT

PART I - Bidder Information

Company Name Street Address City & State Chief Executive	Bidder Federal Employer Identification Number _____ Or Social Security Number _____
Major Business Activity (brief description)	Bidder Identification (response optional/definitions on page 1) -Bidder is a small contractor. Yes__ No__ -Bidder is a minority business enterprise Yes__ No__ (If yes, check ownership category) Black__ Hispanic__ Asian American__ American Indian/Alaskan Native__ Iberian Peninsula__ Individual(s) with a Physical Disability__ Female__
Bidder Parent Company (If any)	- Bidder is certified as above by State of CT Yes__ No__
Other Locations in Ct. (If any)	- DAS Certification Number _____

PART II - Bidder Nondiscrimination Policies and Procedures

1. Does your company have a written Affirmative Action/Equal Employment Opportunity statement posted on company bulletin boards? Yes__ No__	7. Do all of your company contracts and purchase orders contain non-discrimination statements as required by Sections 4a-60 & 4a-60a Conn. Gen. Stat.? Yes__ No__
2. Does your company have the state-mandated sexual harassment prevention in the workplace policy posted on company bulletin boards? Yes__ No__	8. Do you, upon request, provide reasonable accommodation to employees, or applicants for employment, who have physical or mental disability? Yes__ No__
3. Do you notify all recruitment sources in writing of your company's Affirmative Action/Equal Employment Opportunity employment policy? Yes__ No__	9. Does your company have a mandatory retirement age for all employees? Yes__ No__
4. Do your company advertisements contain a written statement that you are an Affirmative Action/Equal Opportunity Employer? Yes__ No__	10. If your company has 50 or more employees, have you provided at least two (2) hours of sexual harassment training to all of your supervisors? Yes__ No__ NA__
5. Do you notify the Ct. State Employment Service of all employment openings with your company? Yes__ No__	11. If your company has apprenticeship programs, do they meet the Affirmative Action/Equal Employment Opportunity requirements of the apprenticeship standards of the Ct. Dept. of Labor? Yes__ No__ NA__
6. Does your company have a collective bargaining agreement with workers? Yes__ No__ 6a. If yes, do the collective bargaining agreements contain non-discrimination clauses covering all workers? Yes__ No__ 6b. Have you notified each union in writing of your commitments under the nondiscrimination requirements of contracts with the state of Ct? Yes__ No__	12. Does your company have a written affirmative action Plan? Yes__ No__ If no, please explain. 13. Is there a person in your company who is responsible for equal employment opportunity? Yes__ No__ If yes, give name and phone number. _____ _____

Part III - Bidder Subcontracting Practices

(Page 4)

1. Will the work of this contract include subcontractors or suppliers? Yes__ No__

1a. If yes, please list all subcontractors and suppliers and report if they are a small contractor and/or a minority business enterprise. (defined on page 1 / use additional sheet if necessary)

1b. Will the work of this contract require additional subcontractors or suppliers other than those identified in 1a. above?

Yes__ No__

PART IV - Bidder Employment Information

Date:

JOB CATEGORY *	OVERALL TOTALS	WHITE (not of Hispanic origin)		BLACK (not of Hispanic origin)		HISPANIC		ASIAN or PACIFIC ISLANDER		AMERICAN INDIAN or ALASKAN NATIVE	
		Male	Female	Male	Female	Male	Female	Male	Female	male	female
Management											
Business & Financial Ops											
Marketing & Sales											
Legal Occupations											
Computer Specialists											
Architecture/Engineering											
Office & Admin Support											
Bldg/ Grounds Cleaning/Maintenance											
Construction & Extraction											
Installation , Maintenance & Repair											
Material Moving Workers											
Production Occupations											
TOTALS ABOVE											
Total One Year Ago											
FORMAL ON THE JOB TRAINEES (ENTER FIGURES FOR THE SAME CATEGORIES AS ARE SHOWN ABOVE)											
Apprentices											
Trainees											

*NOTE: JOB CATEGORIES CAN BE CHANGED OR ADDED TO (EX. SALES CAN BE ADDED OR REPLACE A CATEGORY NOT USED IN YOUR COMPANY)

PART V - Bidder Hiring and Recruitment Practices

(Page 5)

1. Which of the following recruitment sources are used by you? (Check yes or no, and report percent used)				2. Check (X) any of the below listed requirements that you use as a hiring qualification (X)		3. Describe below any other practices or actions that you take which show that you hire, train, and promote employees without discrimination
SOURCE	YES	NO	% of applicants provided by source			
State Employment Service					Work Experience	
Private Employment Agencies					Ability to Speak or Write English	
Schools and Colleges					Written Tests	
Newspaper Advertisement					High School Diploma	
Walk Ins					College Degree	
Present Employees					Union Membership	
Labor Organizations					Personal Recommendation	
Minority/Community Organizations					Height or Weight	
Others (please identify)					Car Ownership	
					Arrest Record	
					Wage Garnishments	

Certification (Read this form and check your statements on it CAREFULLY before signing). I certify that the statements made by me on this BIDDER CONTRACT COMPLIANCE MONITORING REPORT are complete and true to the best of my knowledge and belief, and are made in good faith. I understand that if I knowingly make any misstatements of facts, I am subject to be declared in non-compliance with Section 4a-60, 4a-60a, and related sections of the CONN. GEN. STAT.

(Signature)	(Title)	(Date Signed)	(Telephone)
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III.

**PERTINENT STATUTES
AND REGULATIONS
OF THE
STATE OF CONNECTICUT**

CONNECTICUT GENERAL STATUTES

*Current through Gen. St., Rev. to 1-1-09***

NONDISCRIMINATION AND AFFIRMATIVE ACTION PROVISIONS IN CONTRACTS	
Statute Hyperlink	Description
§ 4a-60.	Nondiscrimination and affirmative action provisions in contracts of the state and political subdivisions other than municipalities.
§ 4a-60a.	Contracts of the state and political subdivisions, other than municipalities, to contain provisions re nondiscrimination on the basis of sexual orientation.
DEPARTMENT OF ADMINISTRATIVE SERVICES	
Statute Hyperlink	Description
§ 4a-60g	(Formerly § 32-9e) Set-aside program for small contractors, minority business enterprises, individuals with a disability and nonprofit corporations.
§ 4a-60h	(Formerly § 32-9f) Administration of set-aside program. Regulations. Access to competitive contracts outside of program guaranteed.
§4a-60i	(Formerly § 32-9g) Responsibilities of agency heads to negotiate and approve contracts not affected.
§4a-60j	(Formerly § 32-9h) Time for payment of contractors.
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	
Statute Hyperlink	Description
§32-9n	Office of Small Business Affairs.
COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES	
Statute Hyperlink	Description
§ 46a-56	Commission duties.
§ 46a-68c	Contractors required to file affirmative action plan. Certificate of compliance issued by commission. Revocation.

*** There may have been changes made to these statutes or regulations which are not reflected in this packet. Please consult your nearest library for the most recent version.*

Statute Hyperlink	Description
<u>§ 46a-68d</u>	Public works contracts subject to affirmative action requirements. Conditional acceptance by commission. Advance filing of plan.
<u>§ 46a-68e</u>	Contractors and subcontractors required to file compliance reports.
<u>§ 46a-68f</u>	Compliance reports to include labor union practices.
<u>§ 46a-68g</u>	Prohibition re: contractors who have not satisfactorily complied with affirmative action requirements.
<u>§ 46a-68h</u>	Hearing re: noncompliance.
<u>§ 46a-68i</u>	Right of appeal.
<u>§ 46a-68j</u>	Regulations.

and

REGULATIONS OF CONNECTICUT STATE AGENCIES

TITLE 46A. HUMAN RIGHTS COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES CONTRACT COMPLIANCE

§ 46a-68j-21 -- § 46a-68j-43 and § 46a-68k-1 -- § 46a-68k-8.

For an electronic version of these regulations go to:
<http://www.ct.gov/chro/cwp/view.asp?a=2525&q=326600&chroPNavCtr=|51747>

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