



**MISSOURI CONSOLIDATED
HEALTH CARE PLAN**

REQUEST FOR PROPOSAL

For Banking and Investment Services

Release Date: Tuesday, August 20, 2013

Due Date: Tuesday, September 10, 2013

1:00 p.m. Central Time

PROPOSAL SIGNATURE PAGE

PROPOSAL MUST BE RECEIVED NO LATER THAN:

TIME: 1:00 P.M. Central Time DATE: September 10, 2013

PROPOSALS RECEIVED AFTER THIS TIME WILL NOT BE CONSIDERED FOR AWARD

For Information, please email: rfp@mchcp.org
or visit our RFP website at: <http://www.mchcp.org/aboutUs/biddingOpportunities.asp>

This document constitutes a request for sealed proposals, including prices, from qualified individuals and organizations to furnish those services and/or items as described herein.

Proposals must be mailed to Attn: Stacia Fischer, Chief Fiscal Officer, Missouri Consolidated Health Care Plan (MCHCP), 832 Weathered Rock Court, P.O. Box 104355, Jefferson City, Missouri 65110, (UPS, Federal Express, etc. use zip code 65101). Proposals must be clearly marked "Banking and Investment Services RFP – FILING DATE September 10, 2013."

CONTRACT PERIOD: The period of this contract shall be for a minimum of one year (CY2014) with MCHCP's sole right to renew for four (4) additional one-year periods. Prices may be subject to best and final offer, which may result from subsequent negotiation.

The bidder hereby agrees to provide the services and/or items at the prices quoted, pursuant to the requirements of this document. The bidder must provide an original and three (3) copies of their proposal. The original Request for Proposal and all amendments are required to be signed and returned with the bidder's proposal and the bidder must also provide two (2) originals of all signature pages and Exhibits A and E. Additionally, provide an electronic copy of the proposal on CD or other electronic media. A secured .pdf is not acceptable.

Note that return of the signed form from the last amendment, if any, of the subject RFP shall constitute acceptance by the bidder of all terms and conditions of the original RFP plus all RFP amendments. The bidder is advised to review all proposal submission requirements stated in the original RFP and in any amendments, thereto.

Bidder's Signature: _____

Bidder's Printed Name: _____

Title

Bidder's E-mail Address: _____

Company Name: _____

Mailing Address: _____

City

State

Zip Code

Telephone: (____) _____

Fax Number: (____) _____

Social Security or Federal Tax No: _____

**SECTION A
GENERAL INTRODUCTION**

A1. GENERAL INFORMATION

A1.1 Please review the Request for Proposal (RFP) carefully. Submit questions regarding any information presented in this RFP by email to rfp@mchcp.org. Questions are due by August 26, 2013, and MCHCP will post written responses on its web site by August 29, 2013. Due to time constraints, there is no guarantee that questions received after August 26, 2013 will be answered. For clarity, cite the section and page number to which the questions pertain. Copies of this RFP can be obtained from MCHCP's website, <http://www.mchcp.org/aboutUs/biddingOpportunities.asp>.

A1.2 Schedule of Events

- RFP Release Date August 20, 2013
- Questions due from potential bidders August 26, 2013
- MCHCP response to bidder's questions posted on web site August 29, 2013
- Proposals due to MCHCP (1:00 pm CT) September 10, 2013
- Proposal evaluations and finalist interviews September, 2013
- RFP award made by MCHCP Board of Trustees (subject to final contract) September, 2013
- Effective date of contract upon signature

A1.3 This document constitutes a request for sealed proposals from qualified individuals and organizations to perform services in accordance with the terms and conditions set forth herein.

A1.4 This document is divided into the sections described below:

- A1.4.1 Section A – General Introduction
- A1.4.2 Section B – Scope of Work
- A1.4.3 Section C – General Contractual Requirements
- A1.4.4 Section D – Proposal Submission Information
- A1.4.5 Section E – Banking Services Questionnaire
- A1.4.6 Section F – Investment Services Questionnaire
- A1.4.7 Section G – Exhibits and Attachments

A1.5 MCHCP desires to contract per the attached specifications. All bidders must submit pricing information on Exhibit A of this RFP, which must be completed, signed, dated, and returned (two originals) with the bidder's proposal. Be sure to complete all tabs within the workbook. Other proposal submission requirements are stated throughout this document. There will be no public openings of submitted RFPs and proposals will remain confidential until such time as designated by the MCHCP Board of Trustees or its designee.

A1.6 All questions regarding technical specifications, bid process, etc. must be emailed to rfp@mchcp.org. Bidders or their representatives may not contact employees or any member of the MCHCP Board of Trustees concerning this procurement while the bid and evaluation are in process. Any such contact may result in the immediate disqualification of the bidder from further consideration.

A1.7 Although MCHCP prefers to award one comprehensive banking and investment services contract, MCHCP reserves the right to award only the banking services and separately bid out the Investment Services portion of this RFP. If MCHCP elects to only award the banking services

portion of the contract, all pricing shall remain firm and fixed. The bidder will not be allowed to negotiate the banking services pricing.

A2. **MINIMUM BIDDER REQUIREMENTS** – To be considered for contract award, the bidder must meet the following minimum requirements:

- A2.1 The bidder must adhere to the instructions in this RFP on preparing and submitting the proposal.
- A2.2 The bidder and any subcontractors must have at least five (5) years experience with banking and investment services for governmental organizations.
- A2.3 The bidder must be chartered either by a federal government or state government.
- A2.4 The bidder must comply with Federal Regulation guidelines indicating bidder is well capitalized.
- A2.5 The bidder must have sufficient equity capital to hold the balances required by the bidder's proposal.

A3. **BACKGROUND INFORMATION**

- A3.1 MCHCP is governed by the provisions of Chapter 103 of the Revised Statutes of Missouri. Under the law, MCHCP is directed to procure health care benefits for most state employees, retirees and their dependents, covering nearly 97,000 total lives. An additional 1,300 local government members are also enrolled in MCHCP. Rules and regulations governing the plan can be found by following this link <http://www.sos.mo.gov/adrules/csr/current/22csr/22csr.asp>.
- A3.2 The MCHCP Board of Trustees has final responsibility for the Plan.
- A3.3 Any contract awarded from this RFP will become effective when signed by an authorized representative of MCHCP, with services effective January 1, 2014.
- A3.4 Proposals will be accepted from those qualified entities identified in Section B.
- A3.5 MCHCP utilizes multiple individual accounts funded through the use of book transfers from a single general Operations Account. Currently, MCHCP uses eight (8) accounts including an Operations account.
- A3.6 Central Bank, located in Jefferson City, MO, is the current contractor. The current contract has been in effect since January 1, 2009 and expires December 31, 2013.

A4. **DETAILS OF CURRENT ACCOUNTS**

- A4.1 The following are descriptions of the primary accounts required by MCHCP. A schedule depicting all of the accounts as well as the type and volume of transactions as reported by the current banking institution (Central Bank) utilized by MCHCP is included as Attachment 1. MCHCP reserves the right to adjust accounts by number and volume based on operational needs.
 - A4.1.1 Operations Account: The Operations Account is used as a conduit for the receipt of all employer contributions, employee deductions/contributions, and direct payments of premiums for retired, leave of absence, and COBRA participants. In addition, all non-claims operational expenses are paid from this account. Automated Clearing House (ACH) functionality is mandatory.

Most of the funds are received in two incremental cycles (approximately the fifteenth (15th) and the last working day of the month) and amount to approximately \$20M each cycle.

- A4.1.2 Medical Claims Payment Accounts (3): These accounts are used for the revenues and expenditures of the individual Preferred Provider Organization (PPO) and High Deductible Health Plan (HDHP) products for our state and public entity activity. Monies are book transferred monthly from the Operations account in order to cover expenditures. Checks are written daily/weekly on the accounts by our third party administrators (TPA) to pay incurred claims. The TPAs send a positive pay file indicating the respective daily transactions to the contractor. Approximately 70% of claims payments to providers have been moved from paper check to electronic payment through ACH or a 1031 drawdown process. The check volume in Attachment 1 is representative of this activity.
- A4.1.3 Pharmacy Benefit Manager (PBM) Account: This account is used for the revenues and expenditures of the MCHCP pharmacy program. Monies are book transferred monthly from the Operations account in order to cover expenditures. Twice monthly, MCHCP pays the PBM from the PBM account for incurred pharmacy claims. These payments are sent via ACH.
- A4.1.4 Electronic Payment Account: This account is used for the receipt of electronic payments from vendors to MCHCP. This account is swept nightly into the Operations Account.
- A4.1.5 Capital Markets Investment Account: This account is used for short and long term investments of MCHCP. A copy of MCHCP's Investment Policy is provided as Attachment 2.
- A4.1.6 State Retiree Welfare Benefit Trust Investment Account: This account is used for short and long term investments of the State Retiree Welfare Benefit Trust held by MCHCP on behalf of its current and future retired members.

SECTION B
SCOPE OF WORK

B1. GENERAL REQUIREMENTS

B1.1 The contractor shall provide professional and reliable banking and investment services for MCHCP pursuant to specifications presented therein.

B1.1.1 The goal of service delivery shall be to maintain accounts necessary to facilitate MCHCP's operation while keeping idle cash in those accounts at a minimum.

B1.1.2 The contractor shall assign an overall account manager to oversee the delivery of services in addition to one (1) account manager for banking and one (1) account manager for investment services.

B1.2 All accounts required by this RFP must be fully operational no later than December 31, 2013.

B1.3 All services shall be performed on an "as needed" basis to the sole satisfaction of the MCHCP Board of Trustees.

B1.4 Banking services shall be offered via an online banking solution/system including but not limited to ACH origination, inquiry, stop payments, wire transfers, and full account reconciliation.

B1.5 The contractor shall coordinate with pre-existing service providers to ensure a smooth transition from the incumbent (Central Bank's) to the contractor. Banking and investment services must not be interrupted.

B2. SPECIFIC REQUIREMENTS

B2.1 Depository Requirements:

B2.1.1 Contractor must maintain a commercial banking or trust facility and provide local depository services for deposits received by MCHCP.

B2.2 ACH Requirements:

B2.2.1 Contractor must originate ACH transactions created by MCHCP.

B2.2.2 ACH files will be transferred on an "as needed" basis via web-based transmission from MCHCP and via a secure FTP. ACH files will be one-sided and Contractor must create offset entries. Contractor must accept e-mail to confirm ACH file totals.

B2.2.3 Contractor must provide secure internet access allowing manual initiation of ACH transactions.

B2.2.4 Return items must be reported daily via an Internet online account notification process.

B2.2.5 Incoming ACH receipts must be reported via Internet by 7:00 a.m. daily.

B2.3 Wire Transfer Requirements:

B2.3.1 Contract must accept and initiate wire transfers.

- B2.3.2 Wire transfers must be posted to MCHCP's accounts the day received regardless of time of day and must be available funds.
- B2.4 Check Disbursement Requirements:
 - B2.4.1 Contractor must provide check disbursement services.
 - B2.4.2 MCHCP's third party administrators will provide daily/weekly files of checks issued.
 - B2.4.3 Contractor must provide positive pay services as well as teller positive pay on all accounts.
 - B2.4.4 MCHCP requires ACH debit filters be placed on the accounts for additional fraud protection.
 - B2.4.5 Contractor must provide stop payment services and a stop payment must be good for one (1) year. The contractor shall make verifications upon the request of MCHCP to check on the status of a check and shall issue "stop orders" upon request.
 - B2.4.6 MCHCP checks shall be considered stale-dated after 180 days. Contractor is required to reject any stale dated items and make contact with MCHCP to resolve.
 - B2.4.7 Contractor must provide a file of paid checks to MCHCP electronically.
- B2.5 Repurchase Agreement Sweep Requirements:
 - B2.5.1 Contractor must provide an automated repo sweep product.
 - B2.5.2 Balances in the repo sweep must not be subject to reserve requirements.
 - B2.5.3 Balances must be fully collateralized.
 - B2.5.4 Balances swept must be returned to the account the following business day at opening of business.
 - B.2.5.5 Balances in the sweep will earn the proposed earnings credit rate.
- B2.6 Hardware and Software Requirements: All computer hardware and software necessary for interfacing shall be compatible with existing equipment and software at MCHCP.
 - B2.6.1 MCHCP's core business applications run on an IBM i for Power Systems. Support services operate on virtualized and physical Intel based processor servers running MS Windows Server. MCHCP utilizes secure FTP at both the PC and Server level. MCHCP's desktop applications are browser based and run on the latest version of MS Windows and Office.
 - B2.6.2 Contractor shall provide security tokens or other individual authentication devices which provide strong user authentication for use in secure logins at no cost to MCHCP.
- B2.7 Safekeeping: To secure the safekeeping of the monies deposited under this contract, the Contractor will deposit securities of the kind and character specified in section 103.039, RSMo, and more specifically listed in Appendix B of the Investment Guidelines for Missouri Political

Subdivisions (see <http://www.treasurer.mo.gov/link/InvestmentGuidelines.pdf>) (hereinafter referred to as “securities”), which shall be at least equal in market value to 100% of the aggregate amount on deposit with the Contractor hereunder, less the amount thereof, if any, which is insured by the Federal Deposit Insurance Corporation, or the National Credit Unions Share Insurance Fund. The securities shall be delivered to, receipted for, and retained by MCHCP or by third party banks, trust companies, or safe depositories that MCHCP approved, at the expense of the Contractor. Contractor does hereby grant, bargain, convey and pledge a security interest in any and all securities deposited with MCHCP or its designated custodian in accordance with the terms of this contract, and will do all things necessary for MCHCP to perfect its security interest, upon request by MCHCP.

B2.7.1 MCHCP may from time to time inspect the securities or book entry receipts and if these securities are not satisfactory security for deposits made as provided by law, MCHCP may require additional security to be given that is satisfactory to MCHCP.

B2.7.2 Contractor shall not at any time withdraw any of the securities without the written consent of MCHCP; but with such consent Contractor shall be permitted to withdraw securities to the extent that the market value of the deposited securities exceeds the amount required under this contract and to withdraw securities upon the delivery of securities and substitution of those withdrawn, provided that such substituted securities shall have a market value equal to or greater than those withdrawn.

B2.8 Purchasing Cards:

B2.8.1 Contractor shall provide purchasing card services at no additional cost to MCHCP. MCHCP requires a minimum of forty (40) cards with a maximum of seventy five (75).

B2.8.2 Contractor’s purchasing card program should utilize either the VISA or MasterCard system and must utilize a rebate program in order to provide MCHCP with additional savings.

B2.8.3 The purchasing card program must include all of the following:

- No annual fee.
- 25 day payment grace period.
- 24-hour personal customer service for lost/stolen cards.
- Web-based billing and online account access with consolidated pay statements.
- The ability for MCHCP to place the following limits on cards: merchant restrictions; spending limits; transaction limits; and daily and monthly spending.

B2.9 Health Savings Accounts (HSA)

B2.9.1 MCHCP offers a High Deductible Health Care Plan with a Health Savings Account (HSA) to its non-Medicare members. The contractor must assist in the transferring of existing HSA funds. Funds are transmitted via ACH to the contractor by MCHCP and must be deposited in member accounts for same day availability. The HSA must include all of the following:

- Online member enrollment
- No maintenance, annual or minimum balance fees
- No minimum balance requirements
- Debit card
- 24-hour access to the account using online banking
- Online bill-pay and mobile banking options

- A dedicated account representative for MCHCP staff
- Call center availability for MCHCP members during working hours (8:00 am – 5:00 pm)
- E-Statement of account activity
- Investment options, including but not limited to use of an investment representative

B2.10 Reporting: The contractor shall provide a variety of reports specific to MCHCP's account types as described below:

B2.10.1 The contractor must provide monthly online itemized statements for services to:

MCHCP
 ATTN: Stacia Fischer, Chief Fiscal Officer
 P.O. Box 104355
 Jefferson City, MO 65110-4355

B2.10.2 Individual Accounts: The contractor must provide MCHCP with an online electronic bank statement by the first working day of the month for the previous month containing all activity on the accounts as well as with checks that have cleared the account in numerical sequence.

B2.10.3 Operations Account: The contractor must provide MCHCP with an online electronic bank statement by the first working day of the month for the previous month detailing interest accrued, all transfers to and from that account, and any other account activity.

B2.10.4 Contractor must provide access to bank statements online through a secure Internet connection.

B2.10.5 Contractor shall provide online access of imaged checks and create a CD-ROM of the month's activity on all accounts and any required software to view the images. CD-ROM is necessary for viewing after check images age from online viewing.

B2.10.6 Contractor shall provide MCHCP with monthly reports pertaining to the funds invested pursuant to the Investment Policies adopted by MCHCP. Such reports shall include, but not necessarily be limited to, the following:

- Listing of individual securities held at the end of the reporting period.
- At least annually, realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) 31 requirements).
- Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks as agreed upon between the MCHCP Executive Director and Contractor.
- Listing of investments by maturity date.
- Percentage of the total portfolio that each type of investment represents.

B2.11 Investment Services for Capital Markets:

- B2.11.1 Contractor shall invest such funds as directed by the MCHCP Executive Director pursuant to the Capital Market Investment Policy adopted by the MCHCP Board of Trustees.
 - B2.11.2 The term “investment portfolio yield” shall be defined as all investment income earned on funds in the investment portfolio other than those monies invested in the overnight repurchase agreement sweep and the State Retiree Welfare Benefit Trust investment account. Investment income on such investment portfolio funds shall be paid as follows:
 - B2.11.2.1 All investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles. Such investment income shall be posted to the respective accounts on the last business day of the month.
 - B.2.11.3 In the event that MCHCP’s short-term liquidity needs exceed its available cash on hand, MCHCP may borrow funds from Contractor using the securities in the investment portfolio as collateral to borrow against in the form of reverse repurchase agreements.
- B2.12 Investment Services for State Retiree Welfare Benefit Trust:
- B2.12.1 Contractor shall invest such funds as directed by the MCHCP Executive Director pursuant to the Retiree Welfare Investment Policy adopted by the MCHCP Board of Trustees. The Retiree Welfare Investment Policy differs from the Capital Markets Investment Policy in that investments are expected to be of longer duration in order to achieve higher yield results. Examples of investments which could be utilized: equities, exchange traded funds, stocks, index funds, and target date funds.
 - B2.12.2 The term “investment portfolio yield” shall be defined as all investment income earned on funds in the investment portfolio other than those monies invested in the overnight repurchase agreement sweep and the Capital Markets investment account. Investment income on such investment portfolio funds shall be paid as follows:
 - B2.12.2.1 All investment income will be credited to the State Retiree Welfare Benefit Trust Fund in accordance with generally accepted accounting principles. Such investment income shall be posted to the respective account on the last business day of the month.
 - B2.12.3 The assets of this Trust shall be held by Contractor in a trust account pursuant to a trust agreement between MCHCP and the Contractor. The Contractor shall serve as the trustee.
 - B2.12.4 The State Retiree Welfare Benefit Trust is a trust fund containing monies held in trust on behalf of current and future State retirees. The Governmental Accounting Standards Board (GASB) issued two statements, GASB 43 and 45, related to accounting and reporting for post employment benefits other than pensions – OPEB.

B2.13 Investment Services In General:

- B2.13.1 Contractor must adhere to Securities Acceptable as Collateral to Secure State Deposits described at <https://www.treasurer.mo.gov/link/time.pdf>
- B2.13.2 Contractor shall assist in the development of the investment policies and the strategy of the investment portfolio.
- B2.13.3 Contractor shall meet with MCHCP's staff in order to implement these accounts.
- B2.13.4 Contractor shall meet with the Board or the Investment Committee on a quarterly basis, if requested, in order to share results, review performance, project modeling, and to present economic outlooks.
- B2.13.5 Contractor shall provide online access to reporting for these accounts.
- B2.13.6 Contractor shall provide all necessary safekeeping services for these accounts.
- B2.13.7 Contractor shall back-test all allocations and project future assets via modeling.
- B2.13.8 Contractor shall serve as the custodian of these accounts.
- B2.13.9 Contractor shall be responsible for managing and investing the assets in the manner approved by MCHCP.

B2.14 Payment:

- B2.14.1 The contractor shall be compensated for each transaction according to the applicable price for the transaction shown on Exhibit A-1 and Exhibits A-2 and A-3 (if awarded).
- B2.14.2 The contractor shall pay MCHCP the resulting rate of interest as adjusted by the basis points shown on Exhibit A-1 on all funds in the overnight repurchase agreement sweep. Such interest paid shall be based on the average rate of interest for the 91-day (13-week) T-Bill auction yield rate for the month previous to the statement month. Interest earned on the funds invested in other securities in compliance with the Investment Policy adopted by MCHCP along with the interest earned from the overnight repurchase agreement sweep shall be applied to the appropriate accounts as identified by MCHCP. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

SECTION C
GENERAL CONTRACTUAL REQUIREMENTS

C1. TERMINOLOGY/DEFINITIONS

Whenever the following words and expressions appear in this RFP document or any amendment thereto, the definition or meaning described below shall apply.

- C1.1 **Amendment** means a written, official modification to an RFP or to a contract.
- C1.2 **Attachment** applies to all forms which are included with an RFP to incorporate any informational data or requirements related to the performance requirements and/or specifications.
- C1.3 **Bidder** means a person or organization who submitted an offer in response to this RFP.
- C1.4 **Contract** means a legal and binding agreement between two or more competent parties, in consideration for the procurement of services as described in this RFP.
- C1.5 **Contractor** means a person or organization who is a successful bidder as a result of an RFP and who enters into a contract or any subcontract of a successful bidder.
- C1.6 **Exhibit** applies to forms which are included with an RFP for the bidder to complete and return with the sealed proposal prior to the specified filing date and time.
- C1.7 **May** means that a certain feature, component, or action is permissible, but not required.
- C1.8 **Must** means that a certain feature, component, or action is a mandatory condition. Failure to provide or comply may result in a proposal being considered non-responsive.
- C1.9 **Pricing Pages** apply to the form(s) on which the bidder must state the price(s) applicable for the services required in the RFP. The pricing pages must be completed and returned by the bidder prior to the specified proposal filing date and time.
- C1.11 **Proposal Filing Date and Time** and similar expressions mean the exact deadline required by the RFP for the physical receipt of sealed proposals by MCHCP in its office.
- C1.12 **Request for Proposal (RFP)** means the solicitation document issued by MCHCP to potential bidders for the purchase of services as described in the document. The definition includes these Terms and Conditions as well as all Pricing Pages, Exhibits, Attachments, and Amendments thereto.
- C1.13 **RSMo (Revised Statutes of Missouri)** refers to the body of laws enacted by the Legislature, which govern the operations of all agencies of the State of Missouri. Chapter 103 of the statutes is the primary chapter governing the operations of MCHCP.
- C1.14 **Shall** has the same meaning as the word must.
- C1.15 **Should** means that certain feature, component and/or action is desirable but not mandatory.

C2. GENERAL BIDDING PROVISIONS

- C2.1 It shall be the bidder's responsibility to ask questions, request changes or clarification, or otherwise advise MCHCP if any language, specifications or requirements of an RFP appear to be ambiguous, contradictory, and/or arbitrary, or appear to inadvertently restrict or limit the requirements stated in the RFP to a single source. Any and all communication from bidders regarding specifications, requirements, competitive procurement process, etc, must be emailed to MCHCP as indicated on the first page of the RFP. Such communication should be received no later than the date noted in Section A.

Every attempt shall be made to ensure that the bidder receives an adequate and prompt response. However, in order to maintain a fair and equitable procurement process, all bidders will be advised, via the issuance of an amendment or other official notification to the RFP, of any relevant or pertinent information related to the procurement. Therefore, bidders are advised that unless specified elsewhere in the RFP, any questions received by MCHCP after the date noted in Section A might not be answered.

It is the responsibility of the bidder to identify and explain any part of their response that does not conform to the requested services described in this document. Bidders must use Exhibit E for this purpose. Without documentation provided by the bidder, it is assumed by MCHCP that the bidder can provide all services as described in this document.

- C2.2 Bidders are cautioned that the only official position of MCHCP is that position which is stated in writing and issued by MCHCP in the RFP or an amendment thereto. No other means of communication, whether oral or written, shall be construed as a formal or official response or statement.
- C2.3 MCHCP monitors all procurement activities to detect any possibility of deliberate restraint of competition, collusion among bidders, price-fixing by bidders, or any other anticompetitive conduct by bidders, which appears to violate state and federal antitrust laws. Any suspected violation shall be referred to the Missouri Attorney General's Office for appropriate action.
- C2.4 No contract shall be considered to have been entered into by MCHCP until the contract has been awarded by the MCHCP Board of Trustees and all material terms have been finalized. An award will not be made until the contract has been signed by duly authorized representatives of the selected bidder and MCHCP.

C3. PREPARATION OF PROPOSALS

- C3.1 Bidders must examine the entire RFP carefully. Failure to do so shall be at the bidder's risk.
- C3.2 Unless otherwise specifically stated in the RFP, all specifications and requirements constitute minimum requirements. All proposals must meet or exceed the stated specifications and requirements.
- C3.3 Unless otherwise specifically stated in the RFP, any manufacturer's names, trade names, brand names, and/or information listed in a specification and/or requirement are for informational purposes only and are not intended to limit competition. Proposals that do not comply with the requirements and specifications are subject to rejection without clarification.

C4. DISCLOSURE OF MATERIAL EVENTS

C4.1 The bidder agrees that from the date of the bidder's response to this RFP through the date for which a contract is awarded, the bidder shall immediately disclose to MCHCP:

C4.1.1 Any material adverse change to the financial status or condition of the bidder;

C4.1.2 Any merger, sale or other material change of ownership of the bidder;

C4.1.3 Any conflict of interest or potential conflict of interest between the bidder's engagement with MCHCP and the work, services or products that the bidder is providing or proposes to provide to any current or prospective customer; and

C4.1.4 (1) Any material investigation of the bidder by a federal or state agency or self-regulatory organization; (2) Any material complaint against the bidder filed with a federal or state agency or self-regulatory organization; (3) Any material proceeding naming the bidder before any federal or state agency or self-regulatory organization; (4) Any material criminal or civil action in state or federal court naming the bidder as a defendant; (5) Any material fine, penalty, censure or other disciplinary action taken against the bidder by any federal or state agency or self-regulatory organization; (6) Any material judgment or award of damages imposed on or against the bidder as a result of any material criminal or civil action in which the bidder was a party; or (7) Any other matter material to the services rendered by the bidder pursuant to this RFP.

C4.1.4.1 For the purposes of this paragraph, "material" means of a nature, or of sufficient monetary value, or concerning a subject which a reasonable party in the position of and comparable to MCHCP would consider relevant and important in assessing the relationship and services contemplated by this RFP. It is further understood that in fulfilling its ongoing responsibilities under this paragraph, the bidder is obligated to make its best faith efforts to disclose only those relevant matters which come to the attention of or should have been known by the bidder's personnel involved in the engagement covered by this RFP and/or which come to the attention of or should have been known by any individual or office of the bidder designated by the bidder to monitor and report such matters.

C4.2 Upon learning of any such actions, MCHCP reserves the right, at its sole discretion, to either reject the proposal or continue evaluating the proposal.

C5. COMPLIANCE WITH APPLICABLE FEDERAL AND STATE LAWS

C5.1 In connection with the furnishing of equipment, supplies, and/or services under the contract, the contractor and all subcontractors shall comply with all applicable requirements and provisions of the Health Insurance Portability and Accountability Act (HIPAA) and The Patient Protection and Affordable Care Act (PPACA), as amended.

C5.2 Any bidder offering to provide services must sign a Business Associate Agreement (BAA) due to the provisions of HIPAA. A BAA will be presented to each bidder selected as a finalist, who will be given the opportunity to negotiate the BAA at that time. A signed BAA must be returned with finalist's best and final offer. Failure to return a signed BAA may result in the bidder's proposal being considered nonresponsive.

- C5.3 If MCHCP awards bidder a contract, then MCHCP will sign the BAA, making such agreement effective.
- C5.4 Any bidder offering to provide services must sign a Contractor Certification (Certification) in accordance with § 285.530, RSMo. The Certification will be presented to each bidder selected as a finalist. A signed Certification must be returned with the finalist's best and final offer. Failure to return a signed Certification may result in the bidder's proposal being considered nonresponsive.

MANDATORY CONTRACT PROVISIONS

Bidders are expected to closely read the Mandatory Contract Provisions and provide a binding signature of intent to comply with such terms and conditions. **Rejection of these provisions may be cause for rejection of a bidder’s proposal.**

A draft contract will be presented to the bidder selected by the MCHCP Board of Trustees for negotiation, minor modifications, if appropriate, and execution by both parties before the award is final and announced. The contract will include, among other things, the following Mandatory Contract Provisions.

Additionally, bidders must utilize Exhibit E to clearly identify by subsection number, any exceptions to the RFP provisions, and include an explanation as to why the bidder cannot comply with the specific provision, and a statement recommending terms and conditions the bidder would find acceptable.

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>C1. Term of Contract: The term of this contract is for a period of one (1) year from January 1, 2014 through December 31, 2014. This contract may be renewed for four (4) additional one-year periods at the sole option of the MCHCP Board of Trustees. The submitted price for the first calendar year period (January 1, 2014 through December 31, 2014) is a firm, fixed price. The submitted prices for the first one-year renewal period (January 1, 2015 through December 31, 2015) are not-to-exceed prices and are subject to negotiation. Pricing arrangements for the additional three, one-year renewal periods of the contract (January 1, 2016 through December 31, 2016, January 1, 2017 through December 31, 2017 and January 1, 2018 through December 31, 2018 respectively) will be negotiated but must not exceed the percentage increase included in Exhibit A. Pricing for the one-year renewal periods are due to MCHCP by June 1 for the following year’s renewal. All prices are subject to best and final offer which may result from subsequent negotiation.</p>	
<p>C2. Contract Documents: The following documents shall be hereby incorporated by reference as if fully set forth within the contract entered into by MCHCP and the contractor:</p> <ol style="list-style-type: none"> 1. Written and duly executed contract (which will be provided to bidder selected by the Board of Trustees for minor negotiations if necessary prior to award) 2. Amendments to the executed contract; 3. The Exhibits set forth in this RFP after being duly executed by both parties; and 4. This Request for Proposal. <p>An award shall not be made until the contract has been signed by duly appointed representative(s) of the selected bidder and MCHCP.</p>	
<p>C3. Audit Rights: MCHCP and its designated auditors shall have access to and the right to examine any and all pertinent books, documents, papers, files, or records of Contractor involving any and all transactions related to the performance of this Contract. Contractor shall furnish all information necessary for MCHCP to comply with all Missouri and/or federal laws and regulations. MCHCP shall bear the cost of any such audit or review. MCHCP and Contractor shall agree to reasonable times for Contractor to make such records available for audit.</p>	
<p>C4. Breach and Waiver: Waiver or any breach of any contract term or condition shall not be deemed a waiver of any prior or subsequent breach. No contract term</p>	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>or condition shall be held to be waived, modified, or deleted except by a written instrument signed by the parties thereto. If any contract term or condition or application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, condition or application. To this end, the contract terms and conditions are severable.</p>	
<p>C5. Confidentiality: Contractor will have access to private and/or confidential data maintained by MCHCP to the extent necessary to carry out its responsibilities under this contract. No private or confidential data received, collected, maintained, transmitted, or used in the course of performance of this Contract shall be disseminated by Contractor except as authorized by MCHCP, either during the period of this Contract or thereafter. Contractor must agree, and be able, to return any or all data furnished by MCHCP promptly at the request of MCHCP in whatever form it is maintained by Contractor. On the termination or expiration of this Contract, Contractor will not use any of such data or any material derived from the data for any purpose and, where so instructed by MCHCP, will destroy or render it unreadable.</p>	
<p>C6. Electronic Transmission Protocols: Contractor and all subcontractors shall maintain encryption standards of 2048-bit encryption for the encryption of confidential information for transmission via non secure methods including File Transfer Protocol or other use of the Internet.</p>	
<p>C7. Force Majeure: Neither party will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but aren't limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, and strikes other than by Contractor's or its subcontractor's employees.</p>	
<p>C8. Governing Law: This Contract shall be governed by the laws of the State of Missouri and shall be deemed executed at Jefferson City, Cole County, Missouri. All contractual agreements shall be subject to, governed by, and construed according to the laws of the State of Missouri.</p>	
<p>C9. Independent Contractor: Contractor represents itself to be an independent contractor offering such services to the general public and shall not represent itself or its employees to be an employee of MCHCP. Therefore, Contractor shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, worker's compensation, employee insurance, minimum wage requirements, overtime, etc. and agrees to indemnify, save, and hold MCHCP, its officers, agents, and employees, harmless from and against, any and all loss; cost (including attorney fees); and damage of any kind related to such matters. Contractor assumes sole and full responsibility for its acts and the acts of its personnel.</p>	
<p>C10. Financial Record Audit and Retention: Contractor shall make the audit documentation, including, but not limited to, all work papers and reports ("audit documentation"), available upon request to MCHCP and to representatives of federal and state agencies providing direct or indirect funding or for law enforcement purposes. Contractor agrees to retain the audit documentation for this engagement for seven years, unless Contractor is notified in writing by MCHCP to extend the retention period. In addition, any audit documentation that is subject</p>	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
to litigation shall be kept for one year following termination of litigation, including all appeals, if the litigation exceeds seven years.	
C11. Reviews and Hearings: Contractor agrees to refer all matters of potential litigation related to services under this contract to MCHCP. Contactor agrees to participate in any review, appeal, hearing or litigation involving issues related to services provided under this Contract if, and to the extent, MCHCP deems necessary.	
C12. Injunctions: Should MCHCP be prevented or enjoined from proceeding with this Contract before or after contract execution by reason of any litigation or other reason beyond the control of MCHCP, Contractor shall not be entitled to make or assess claim for damage by reason of said delay.	
C13. Integration: This Contract, in its final composite form, shall represent the entire agreement between the parties and shall supersede all prior negotiations, representations or agreements, either written or oral, between the parties relating to the subject matter hereof. This Contract between the parties shall be independent of and have no effect on any other contracts of either party.	
C14. Jurisdiction: All legal proceedings arising hereunder shall be brought in the Circuit Court of Cole County in the State of Missouri.	
C15. Modification of the Contract: This Contract shall be modified only by the written agreement of the parties. No alteration or variation in terms and conditions of the Contract shall be valid unless made in writing and signed by the parties. Every amendment shall specify the date on which its provisions shall be effective.	
C16. Notices: All notices, demands, requests, approvals, instructions, consents or other communications (collectively "notices") which may be required or desired to be given by either party to the other during the course of this contract shall be in writing and shall be made by personal delivery, by United States mail postage prepaid, or transmitted by email to an authorized employee of the other party or to any other persons as may be designated by written notice from one party to the other.	
C17. Ownership: All data developed or accumulated by Contractor under this Contract shall be owned by MCHCP. Contractor may not release any data without the written approval of MCHCP. MCHCP shall be entitled at no cost and in a timely manner to all data and written or recorded material pertaining to this Contract in a format acceptable to MCHCP. MCHCP shall have unrestricted authority to reproduce, distribute, and use any submitted report or data and any associated documentation that is designed or developed and delivered to MCHCP as part of the performance of this Contract.	
C18. Payment: Upon implementation of the undertaking of this contract and acceptance by MCHCP, the contractor shall be paid as stated in this contract.	
C19. Rights and Remedies: If this Contract is terminated, MCHCP, in addition to any other rights provided for in this Contract, may require Contractor to deliver to MCHCP in the manner and to the extent directed, any completed materials. In the event of termination, Contractor shall receive payment prorated for that portion of the contract period services were provided to and/or goods were accepted by MCHCP subject to any offset by MCHCP for actual damages. The rights and remedies of MCHCP provided for in this Contract shall not be exclusive and are in addition to any other rights and remedies provided by law.	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>C20. Solicitation of Members: Contractor shall not use the names, home addresses or any other information contained about members of MCHCP for any purpose which is not directly related to services negotiated in this RFP without the express written consent of MCHCP's Executive Director.</p>	
<p>C21. Statutes: Each and every provision of law and clause required by law to be inserted or applicable to the services provided in the Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then on the application of either party the Contract shall be amended to make such insertion or correction.</p>	
<p>C22. Termination Right: Notwithstanding any other provision, MCHCP reserves the right to terminate this Contract at the end of any month by giving thirty (30) days notice.</p>	
<p>C23. Off-shore Services: All services under this Contract shall be performed within the United States. Contractor shall not perform, or permit subcontracting of services under this Contract, to any off-shore companies or locations outside of the United States. Any such actions shall result in the Contractor being in breach of this Contract.</p>	
<p>C24. Compliance with Laws: Contractor shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of this Contract, including but not limited to the provisions specified in the Mandatory Contract Provisions.</p>	
<p>C25. Non-discrimination, Sexual Harassment and Workplace Safety: Contractor agrees to abide by all applicable federal, state and local laws, rules and regulations prohibiting discrimination in employment and controlling workplace safety. Contractor shall establish and maintain a written sexual harassment policy and shall inform its employees of the policy. Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provisions will be binding upon each subcontractor. Any violations of applicable laws, rules and regulations may result in termination of the Contract.</p>	
<p>C26. Americans with Disabilities Act (ADA): Pursuant to federal regulations promulgated under the authority of The Americans with Disabilities Act (ADA), Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of such disability. As a condition of accepting this Contract, Contractor agrees to comply with all regulations promulgated under ADA which are applicable to all benefits, services, programs, and activities provided by MCHCP through contracts with outside contractors.</p>	
<p>C27. Patient Protection and Affordable Care Act (PPACA): If applicable, Contractor shall comply with the Patient Protection and Affordable Care Act (PPACA) and all regulations promulgated under the authority of PPACA, including any future regulations promulgated under PPACA, which are applicable to all benefits, services, programs, and activities provided by MCHCP through contracts with outside contractors.</p>	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>C28. Health Insurance Portability and Accountability Act of 1996 (HIPAA): Contractor shall comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and implementing regulations, as amended, including compliance with the Privacy, Security, Enforcement, and Breach Notification Rules Under the Health Information Technology for Economic and Clinical Health Act and the Genetic Information Nondiscrimination Act; Other Modifications to the HIPAA Rules, which became effective March 26, 2013.</p>	
<p>C29. Genetic Information Nondiscrimination Act of 2008: Contractor shall comply with the Genetic Information Nondiscrimination Act of 2008 (GINA) and implementing regulations, as amended.</p>	
<p>C30. Contractor shall be responsible for and agrees to indemnify and hold harmless MCHCP from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against MCHCP as a result of Contractor's, or any associate's or subcontractor's of Contractor, failure to comply with paragraphs C.25, C.26, C.27, C.28, and C.29 above.</p>	
<p>C31. Prohibition of Gratuities: Neither Contractor nor any person, firm or corporation employed by Contractor in the performance of this Contract shall offer or give any gift, money or anything of value or any promise for future reward or compensation to any employee of MCHCP at any time.</p>	
<p>C32. Subcontracting: Subject to the terms and conditions of this section, this Contract shall be binding upon the parties and their respective successors and assigns. Contractor shall not subcontract with any person or entity to perform all or any part of the work to be performed under this Contract without the prior written consent of MCHCP. Contractor may not assign, in whole or in part, this Contract or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of MCHCP. Contractor agrees that any and all subcontracts entered into by Contractor for the purpose of meeting the requirements of this Contract are the responsibility of Contractor. MCHCP will hold Contractor responsible for assuring that subcontractors meet all the requirements of this Contract and all amendments thereto. Contractor must provide complete information regarding each subcontractor used by Contractor to meet the requirements of this Contract.</p>	
<p>C33. Industry Standards: If not otherwise provided, materials or work called for in this Contract shall be furnished and performed in accordance with best established practice and standards recognized by the contracted industry and comply with all codes and regulations which shall apply.</p>	
<p>C34. Hold Harmless: Contractor shall hold MCHCP harmless from and indemnify against any and all claims for injury to or death of any persons; for loss or damage to any property; and for infringement of any copyright or patent to the extent caused by Contractor or Contractor's employee or its subcontractor. MCHCP shall not be precluded from receiving the benefits of any insurance Contractor may carry which provides for indemnification for any loss or damage to property in Contractor's custody and control, where such loss or destruction is to MCHCP's property. Contractor shall do nothing to prejudice MCHCP's right to recover against third parties for any loss, destruction or damage to MCHCP's property.</p>	
<p>C35. Insurance and Liability: Contractor must maintain sufficient liability insurance, including but not limited to general liability, professional liability, and errors and omissions coverage, to protect MCHCP against any reasonably foreseeable</p>	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>recoverable loss, damage or expense under this engagement. Contractor shall provide proof of such insurance coverage upon request from MCHCP. MCHCP shall not be required to purchase, any insurance against loss or damage to any personal property to which this Contract relates. Contractor shall bear the risk of any loss or damage to any personal property in which Contractor holds title.</p>	
<p>C36. Acceptance: No contract provision or use of items by MCHCP shall constitute acceptance or relieve Contractor of liability in respect to any expressed or implied warranties.</p>	
<p>C37. Termination for Cause: MCHCP may terminate this contract, or any part of this contract, for cause under any one of the following circumstances: 1) Contractor fails to make delivery of goods or services as specified in this Contract; 2) Contractor fails to satisfactorily perform the work specified in this Contract; 3) Contractor fails to make progress so as to endanger performance of this Contract in accordance with its terms; 4) Contractor breaches any provision of this Contract; 5) Contractor assigns this Contract without MCHCP's approval; or 6) Insolvency or bankruptcy of the Contractor. MCHCP shall have the right to terminate this Contract in whole or in part if MCHCP determines, at its sole discretion, that one of the above listed circumstances exists. In the event of termination, Contractor shall receive payment prorated for that portion of the contract period services were provided to and/or goods were accepted by MCHCP, subject to any offset by MCHCP for actual damages including loss of any federal matching funds. Contractor shall be liable to MCHCP for any reasonable excess costs for such similar or identical services included within the terminated part of this Contract.</p>	
<p>C38. Arbitration, Damages, Warranties: Notwithstanding any language to the contrary, no interpretation shall be allowed to find MCHCP has agreed to binding arbitration, or the payment of damages or penalties upon the occurrence of a contingency. Further, MCHCP shall not agree to pay attorney fees and late payment charges beyond those available under this Contract, and no provision will be given effect which attempts to exclude, modify, disclaim or otherwise attempt to limit implied warranties of merchantability and fitness for a particular purpose.</p>	
<p>C39. Assignment: Contractor shall not assign, convey, encumber, or otherwise transfer its rights or duties under this Contract without prior written consent of MCHCP. This Contract may terminate in the event of any assignment, conveyance, encumbrance or other transfer by Contractor made without prior written consent of MCHCP. Notwithstanding the foregoing, Contractor may, without the consent of MCHCP, assign its rights to payment to be received under this Contract, provided that Contractor provides written notice of such assignment to MCHCP together with a written acknowledgment from the assignee that any such payments are subject to all of the terms and conditions of this Contract. For the purposes of this Contract, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Contractor provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company. Any assignment consented to by MCHCP shall be evidenced by a written assignment agreement executed by Contractor and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of this Contract and to assume the duties, obligations, and responsibilities being assigned. A change of name by Contractor, following</p>	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>which Contractor's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. Contractor shall give MCHCP written notice of any such change of name.</p>	
<p>C40. Compensation/Expenses: Contractor shall be required to perform the specified services at the price(s) quoted in this Contract. All services shall be performed within the time period(s) specified in this Contract. Contractor shall be compensated only for work performed to the satisfaction of MCHCP. Contractor shall not be allowed or paid travel or per diem expenses except as specifically set forth in this Contract.</p>	
<p>C41. Contractor Expenses: MCHCP will not reimburse for travel expenses associated with this contract.</p>	
<p>C42. Conflicts of Interest: Contractor shall not knowingly employ, during the period of this Contract or any extensions to it, any professional personnel who are also in the employ of the State of Missouri or MCHCP and who are providing services involving this Contract or services similar in nature to the scope of this Contract to the State of Missouri. Furthermore, Contractor shall not knowingly employ, during the period of this Contract or any extensions to it, any employee of MCHCP who has participated in the making of this Contract until at least two years after his/her termination of employment with MCHCP.</p>	
<p>C43. Patent, Copyright, and Trademark Indemnity: Contractor warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of this Contract which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to MCHCP under this Contract. Contractor shall defend any suit or proceeding brought against MCHCP on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of this Contract. This is upon condition that MCHCP shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same. As principles of governmental or public law are involved, MCHCP may participate in or choose to conduct, in its sole discretion, the defense of any such action. If information and assistance are furnished by MCHCP at the Contractor's written request, it shall be at Contractor's expense, but the responsibility for such expense shall be only that within Contractor's written authorization. Contractor shall indemnify and hold MCHCP harmless from all damages, costs, and expenses, including attorney's fees that the Contractor or MCHCP may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of this Contract. If any of the products provided by Contractor in such suit or proceeding are held to constitute infringement and the use is enjoined, Contractor shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal performance products or modify them so that they are no longer infringing. If Contractor is unable to do any of the preceding, Contractor agrees to remove all the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of MCHCP, only those items of equipment or software which are</p>	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>held to be infringing, and to pay MCHCP: 1) any amounts paid by MCHCP towards the purchase of the product, less straight line depreciation; 2) any license fee paid by MCHCP for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee presenting the time remaining in any period of maintenance paid for. The obligations of Contractor under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of Contractor without its written consent.</p>	
<p>C44. Tax Payments: Contractor shall pay all taxes lawfully imposed on it with respect to any product or service delivered in accordance with this Contract. MCHCP is exempt from Missouri state sales or use taxes and federal excise taxes for direct purchases. MCHCP makes no representation as to the exemption from liability of any tax imposed by any governmental entity on Contractor.</p>	

ACKNOWLEDGE AND ACCEPT

I have reviewed the Request for Proposal (RFP). I hereby acknowledge and accept all of the provisions, requirements, and conditions stated in this section of the RFP, subject to any modifications, conditions and limitations as defined in Exhibit E. I further acknowledge that rejection of the above listed mandatory contract provisions may be cause for rejection of my company's proposal.

Authorized Signature

Date

Title

SECTION D
PROPOSAL SUBMISSION INFORMATION

D1. SUBMISSION OF PROPOSALS

- D1.1 A proposal submitted by a bidder must (1) be signed by a duly authorized representative of the bidder's organization, (2) contain all information required by the RFP, (3) be priced as required, (4) be sealed in an envelope or container, and (5) be mailed or hand-delivered (not faxed) to the office of MCHCP and officially clocked in no later than the exact filing time and date specified in the RFP.
- D1.1.1 Specifically, any form containing a signature line and Exhibits A and E must be manually signed and returned as part of the proposal.
- D1.1.2 The bidder must provide an original and three (3) copies of their proposal. The bidder must also provide two originals of all signature pages and Exhibits A and E. Additionally, provide an electronic copy of the proposal on CD or other electronic media. A secured .pdf is not acceptable.
- D1.2 The bidder must respond to this RFP by submitting all data required herein in order for his/her proposal to be evaluated and considered for award. Failure to submit such data shall be deemed sufficient cause for disqualification of a proposal from further consideration for award.
- D1.3 To facilitate the evaluation process, the bidder is encouraged to organize his/her proposal into distinctive sections that correspond with the individual evaluation categories described herein.
- D1.3.1 Each distinctive section should be titled with each individual evaluation category and all material related to that category should be included therein.
- D1.3.2 The signature page (cover page one) from the original RFP and all signed amendments should be placed at the beginning of the bidder's proposal.
- D1.4 A signed and submitted proposal assumes that the bidder agrees with all provisions of the RFP unless specifically stated otherwise. Any and all exceptions or proposed deviations by the bidder from the RFP and its requirements must be stated in Exhibit E and submitted with the proposal.
- D1.5 Proposals must be valid until December 31, 2013. If a contract is awarded, CY2014 prices shall remain firm.
- D1.6 The sealed envelope or container containing a proposal should be clearly marked "**Attn: Stacia Fischer, Banking and Investment Services RFP, Filing Date September 10, 2013.**"
- D1.7 A proposal may only be modified or withdrawn by signed, written notice, which has been received by MCHCP prior to the official filing date and time specified. A proposal may also be withdrawn or modified in person by the bidder or its authorized representative, provided proper identification is presented before the official filing date and time.
- D1.8 Bidders must sign and return the RFP signature page or, if applicable, the signature page of the last amendment thereto, in order to constitute acceptance by the bidder of all RFP terms and conditions. Failure to do so shall result in rejection of the proposal unless the bidder's full compliance with those documents is indicated elsewhere within the bidder's response.

D1.9 All responses to this RFP and amendments to this RFP, including “no bid” responses and requests to modify a proposal, must be delivered to the office of MCHCP in a sealed envelope or container. Submission by unsealed facsimile, telegram, telephone or email is not acceptable. However, sealed proposals containing faxed pages are acceptable. In addition, requests to withdraw proposals may be submitted by facsimile but must be received by MCHCP prior to the official filing date and time specified.

D2. CLARIFICATION OF REQUIREMENTS

- D2.1 It is assumed that bidders have read the entire RFP prior to the submission of a signed proposal and submission of a signed proposal indicates that the bidder will meet all requirements stated herein.
- D2.2 Unless otherwise noted, any and all questions regarding specifications, requirements, competitive procurement process, etc., must be in writing and directed by email to rfp@mchcp.org no later than the deadline as indicated on the first page of this RFP. There will be no bidder’s conference.
- D2.3 The bidder is advised that the only official position of MCHCP is that position which is stated in writing and issued by MCHCP in the RFP and any amendments or clarifications thereto. No other means of communication, whether oral or written, shall be construed as a formal or official response or statement.

D3. EVALUATION PROCESS

- D3.1 Any clerical error, apparent on its face, may be corrected by the bidder before contract award. Upon discovering an apparent clerical error, MCHCP shall contact the bidder and request written clarification of the intended proposal. The correction shall be made in the notice of award. Examples of apparent clerical errors are: 1) misplacement of a decimal point; and 2) obvious mistake in designation of unit.
- D3.2 Any pricing information submitted by a bidder must be disclosed on the pricing pages as designated in this RFP. Any pricing information which appears elsewhere in the bidder’s proposal shall not be considered by MCHCP.
- D3.3 To be eligible to receive an award, the bidder must comply with all mandatory specifications and requirements of the RFP. MCHCP reserves the right to evaluate all offers and, based upon that evaluation, to reject all offers.
- D3.4 MCHCP reserves the right to request written clarification of any portion of the bidder’s response in order to verify the intent of the bidder. The bidder is cautioned, however, that its response shall be subject to acceptance or rejection without further clarification.
- D3.5 After determining that a proposal satisfies the mandatory requirements stated in the Request for Proposal, the comparative assessment of the relative benefits and deficiencies of the proposal in relationship to the published evaluation criteria shall be made by MCHCP. The award of a contract resulting from this RFP shall be based on the lowest and best proposal received in accordance with the evaluation criteria stated below:

- D3.5.1 Cost for Banking and Investment Services 50%
 - Transaction Cost.....(20%)
 - Interest Yield(30%)
- D3.5.2 Expected Rate of Return from Investment Services..... 10%
- D3.5.3 Experience, Expertise, and Reliability 30%

D3.5.4 Proposed Method of Performance..... 10%

D3.6 MCHCP reserves the right to consider historic information and fact, whether gained from the bidder's proposal, question and answer conferences, references, or any other source, in the evaluation process.

D3.7 The bidder is cautioned that it is the bidder's sole responsibility to submit information related to the evaluation categories and that MCHCP is under no obligation to solicit such information if it is not included with the bidder's proposal. Failure of the bidder to submit such information may cause an adverse impact on the evaluation of the bidder's proposal.

D3.8 MCHCP will limit the number of finalists to the greater of two or all bidders receiving 85 percent (42.5 points) of the possible 50 non-financial points available.

D3.9 The bidder is advised that under the provisions of this RFP, MCHCP reserves the right to conduct negotiations of the proposals received or to award a contract without negotiations. If such negotiations are conducted, the following conditions shall apply:

- Negotiations may be conducted in person, in writing, or by telephone.
- Negotiations will only be conducted with potentially acceptable proposals. MCHCP reserves the right to limit negotiations to those proposals which received the highest rankings during the initial evaluation phase. All bidders involved in the negotiation process will be invited to submit a best and final offer.
- Terms, conditions, prices, methodology, or other features of the bidder's proposal may be subject to negotiation and subsequent revision. As part of the negotiations, the bidder may be required to submit supporting financial, pricing, and other data in order to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the proposal.
- The mandatory requirements of the RFP shall not be negotiable and shall remain unchanged unless MCHCP determines that a change in such requirements is in the best interest of MCHCP and its members.
- Bidder understands that the terms of any negotiation are confidential until an award is made or all proposals are rejected.

D3.10 After an initial screening process, a technical question and answer conference or interview may be conducted, if deemed necessary by MCHCP, to clarify or verify the bidder's proposal and to develop a comprehensive assessment of the proposal. MCHCP intends to interview the finalists' key personnel.

D4. CONTRACT AWARD

D4.1 Any award of a contract resulting from this RFP shall be made only by written authorization from MCHCP.

D4.2 The contract shall become effective upon the date of award in relation to the implementation schedule and opening of accounts. Contractor hereby acknowledges that the majority of the funds will not be transferred until late December.

D5. PRICING – All worksheets in Exhibit A must be completed.

- D5.1 The bidder **must** submit firm, fixed prices for each transaction listed on Exhibit A-1. Similar pricing shall be provided by the bidder for the second year. The third through fifth contract years shall be based on an annual percentage increase over the second year pricing. **Additionally, the bidder must quote a firm, fixed number of basis points either above or below the 91-day (13-week) T-Bill yield rate current to the date of the scheduled proposal opening.** All pricing and yield adjustment must be shown on Exhibit A-1 for all contract periods. Exhibit A-1 must be completed, signed and returned (two copies) with the bidder's proposal.
- D5.2 The bidder **must** submit firm, fixed prices listed on Exhibits A-2 and A-3. Such pricing must be firm, fixed prices for the duration of the contract period. Exhibits A-2 and A-3 must be completed, signed and returned (two copies) with the bidder's proposal.
- D5.3 Any cost and/or pricing data submitted or related to the bidder's proposal including any cost and/or pricing data related to contractual extension options, whether required or voluntary, shall be subject to evaluation if deemed by the MCHCP to be in the best interests of MCHCP.
- D5.4 In the evaluation of the bidder's proposal, MCHCP reserves the right to consider the time value of money and any other economic impact factors as deemed appropriate and in the best interests of MCHCP.
- D5.5 Bidders may also submit an alternative method of determining the interest rate to be paid on Exhibit A-1. However, a firm, fixed number of basis points either above or below the 91-day (13 week) T-bill yield rate must be quoted as that is a minimum requirement in order to be compliant with the bid.
- D5.6 Bidders may also submit alternative method(s) of pricing on Exhibits A-2. However, Option One must be bid, as that is a minimum requirement in order to be compliant with the RFP.
- D5.7 Cost points, worth a maximum of 50 points, shall be computed in the following manner:
- (a) Transaction prices shall be multiplied by the respective volumes for the first through fifth contract periods. All products shall be added together to determine the grand total. Twenty (20) of the 50 cost points shall be awarded for transaction prices. The maximum points shall be prorated on the basis of the lowest grand total price from a responsive bidder.
 - (b) The basis points quoted by the bidder shall be used in adjusting the 91-day (13-week) coupon equivalent yield rate as published in the Wall Street Journal's "Credit Markets Section" on the day of the scheduled proposal opening, or the date of publication most recent and previous to the scheduled opening if the "Credit Markets Section" is not published on the date of the proposal opening. This manipulation shall be repeated for all five contract periods. The highest yielding amount of earned interest shall receive a maximum of thirty (30) points. All other yields shall be prorated on the basis of the highest yielding amount.
 - (c) If the bidder bids an alternative method of determining the interest rate to be paid, such yield rate will also be adjusted based upon the yield rate as published in the Wall Street Journal's "Credit Markets Section" on the day of the scheduled proposal opening, or the date of publication most recent and previous to the scheduled opening if the "Credit Markets Section" is not published on the date of the proposal opening. This manipulation shall be repeated for all five contract periods. Alternative methods will only be evaluated

if deemed by MCHCP to be in the best interests of MCHCP. Additionally, MCHCP reserves the right to consider the time value of money and any other economic impact factors as deemed appropriate and in the best interests of MCHCP when evaluating such an alternative proposal.

- (d) The bidder's points from procedures "A" and "B" and/or "C" described above shall be added together. Should no bidder receive 50 points, the highest score shall be adjusted to receive 50 points. All other scores shall be proportionally adjusted.

D6. BIDDER'S EXPERIENCE AND RELIABILITY

D6.1 Experience and reliability of the bidder's organization is considered in the evaluation process. Therefore, the bidder is advised to submit any information which documents successful and reliable experience in past performances, especially those performances related to the requirements of this RFP, as well as documentation of a stable and reliable organization.

D7. EXPERTISE OF BIDDER'S PERSONNEL

D7.1 The qualifications of the personnel proposed by the bidder to perform the requirements of this RFP will be considered in the evaluation. Therefore, the bidder should submit detailed information related to the experience and qualifications of the staff proposed.

D8. PROPOSED METHOD OF PERFORMANCE

D8.1 Proposals will be evaluated based on the bidder's distinctive plan for performing the requirements of this RFP. Since the evaluators have already read the Scope of Work as described in the RFP, it is not necessary for the bidder to repeat the exact RFP language, or to present a paraphrased version, as an original idea for a technical approach.

D9. CONFIDENTIALITY AND PROPRIETARY MATERIALS

D9.1 Pursuant to Section 610.021 RSMo, proposals and related documents shall not be available for public review until a contract has been awarded or all proposals are rejected. MCHCP will maintain copies of all proposals and related documents for review upon request. Contact Elfin Noce at (573) 526-3144 to request copies.

D9.2 MCHCP is a governmental body under Missouri Sunshine Law (Chapter 610 RSMo). Section 610.011 requires that all provisions be "liberally construed and their exceptions strictly construed to promote" the public policy that records are open unless otherwise provided by law. Regardless of any claim by a bidder as to material being proprietary and not subject to copying or distribution, or how a bidder characterizes any information provided in its proposal, all material submitted by the bidder in conjunction with the RFP is subject to release after the award of a contract in relation to a request for public records under the Missouri Sunshine Law (see Chapter 610 of the Missouri Revised Statutes). Only information expressly permitted by the provisions of Missouri's Sunshine Law to be closed – strictly construed – will be redacted by MCHCP from any public request submitted to MCHCP after an award is made. Bidders should presume information provided to MCHCP in a proposal will be public following the award of the bid and made available upon request in accordance with the provisions of state law.

SECTION E
QUESTIONNAIRE – BANKING SERVICES

This questionnaire must be completed in order for MCHP to gain a clear understanding of the banking services being offered by your organization. Responses to the questionnaire must be in a separate section of the proposal and the questions must be repeated and answered in the order in which they are presented. In addition to an original and three hard copies of the proposal, provide a copy of the completed questionnaires and Exhibit A on CD or other electronic media. Do not provide any promotional or display material to supplement your proposal.

E1. BANKING SERVICES

- E1.1 Provide the following information related to previous (limited within the last five (5) years) and current contracts which are considered identical or similar to the requirements of this RFP. This information may be shown on the form attached as Exhibit B to this RFP or in a similar manner.
 - E1.1.1 Name, address and telephone number of contracting agency and a contact person who may be contacted for verification of all data submitted.
 - E1.1.2 Dates of the Contract
 - E1.1.3 A brief, written description of the specific prior services performed and requirements thereof.
- E1.2 Provide a detailed explanation of your disaster recovery plan, including backup procedures, off-site storage, action plan, response time and duration, maintenance, and testing.
- E1.3 Provide a resume including references detailing educational qualifications and previous work assignments as may relate to this RFP for key personnel to be assigned to the MCHCP account. Exhibit C may be utilized for displaying such information. If staff is not yet hired, provide a detailed description of the required employment qualifications and job description of the positions to be filled, including the type of individual proposed to be hired.
- E1.4 Indicate the location of the facility to be used for local deposits. If the contractor is outside of Jefferson City, the bidder must describe how banking deposits are proposed to be handled.
- E1.5 Provide a sequential step-by-step description of the tasks or events that are proposed to accomplish implementation of the Scope of Work and the number of work hours required to perform the task or event. In addition, specify the personnel who are proposed to perform each task and the number of work hours each person will be working on that particular event. An Implementation Schedule is required to be provided on Exhibit D. In the event of overlapping or concurrent tasks, the use of a graphic chart (PERT, bar, line, etc.) is also encouraged.
- E1.6 Provide an organizational chart showing the staffing and lines of authority for the key personnel to be used. The relationship of the project leader to management and to support personnel should be clearly illustrated.
- E1.7 Provide a written narrative which demonstrates the method or manner in which the bidder proposes to satisfy all the requirements of the Scope of Work. The language of the narrative should be straightforward and limited to fact, solutions to problems, and plans of proposed action.

SECTION F
QUESTIONNAIRE – INVESTMENT SERVICES

This questionnaire must be completed in order for MCHP to gain a clear understanding of the investment services being offered by your organization. Responses to the questionnaire must be in a separate section of the proposal and the questions must be repeated and answered in the order in which they are presented. In addition to an original and three hard copies of the proposal, provide a copy of the completed questionnaires and Exhibit A on CD or other electronic media. Do not provide any promotional or display material to supplement your proposal.

F1. INVESTMENT TEAM

F1.1 Provide the following information for each consultant or other professional that will be assigned to MCHCP:

F1.1.1 Name

F1.1.2 Role/Title

F1.1.3 Education

F1.1.4 Brief description of experience

F1.1.5 Area of expertise

F1.1.6 Professional designations and/or memberships

F1.1.7 Number of years with your organization

F1.1.8 Number of other clients

F1.2 Describe your team's experience with similar work performed for other similar institutional investors.

F1.3 State whether the individuals assigned to the work have any responsibilities other than providing consulting services, and if so, specify such responsibilities.

F1.4 Describe your organization's backup procedures in the event that key personnel in this assignment should leave the organization or become incapacitated.

F2. ASSET ALLOCATION

F2.1 Discuss the theory and methodology of the asset allocation modeling. What are the advantages and disadvantages of your model? How do you develop asset class assumptions? Has your model been revised in the last five (5) years? If so, what has changed?

F2.2 Describe your policy for recommending changes to an organization's asset allocation in response to changes in the market environment.

F2.3 Describe how you manage your advisory role to the board with its supportive role with staff.

F2.4 Explain your organization's position/approach on the use of active versus passive management in the major asset classes.

F2.5 Describe your organization's capabilities, experience and approach in advising and assisting clients during periods of extreme market volatility.

F2.6 Describe your methodology for identifying and evaluating new investment opportunities. How do you inform clients regarding new opportunities and changes to previous recommendations?

F3. INVESTMENT POLICIES

F3.1 Describe your approach to the analysis of applicable legal parameters/restrictions under which MCHCP must operate.

F3.2 Describe your approach to the development of an investment policy statement.

F3.3 Describe your process for maintaining a continuous review of investment policies.

F4. REPORTING

F4.1 Provide a sample performance report that is representative of the report you would produce quarterly.

F4.2 What period of time is required to prepare reports after the end of each quarter?

F4.3 Give a brief overview of the hardware and software systems used in the production of performance reports.

F5. BOARD AND STAFF EDUCATION

F5.1 Do you offer training of plan fiduciaries and staff as it relates to their investment responsibilities? If so, describe the type of training available and the qualifications of the individuals assigned to conduct the training.

F6. REFERENCES AND TERMINATED CLIENTS

F6.1 Provide the following information for three current clients for whom work similar to that requested in this RFP has been performed:

F6.1.1 Company Name

F6.1.2 Name of person familiar with your services

F6.1.3 Phone

F6.1.4 Email address

F6.1.5 Number of years working with your organization

F6.2 Provide the following information for public sector clients that have terminated your investment consulting relationship during the past three years:

F6.2.1 Company Name

F6.2.2 Name of person familiar with your services

F6.2.3 Phone

F6.2.4 Email address

F6.2.5 Number of years working with your organization

F6.2.6 Reason for termination

F7. DISASTER RECOVERY PLAN

F7.1 Describe your overall disaster recovery plan.

F7.2 Has your company implemented and/or tested your disaster recovery procedure? If so, describe the circumstances and lessons learned.

F8. GENERAL

F8.1 Provide any additional information that you believe to be relevant to the RFP and your capability to provide the services requested.

F9. SUBCONTRACTING

F9.1 Provide the following information for all subcontractors that will be used to fulfill the requirements of this contract:

Company Name	Service Provided	Number of years working with your organization

Attachment 1

Activity of MCHCP Accounts for June, 2013

These charts represent an average month of expected volume/ activity for accounts currently open and expected to be in operation for calendar year 2014.

Average Balance for June, 2013: \$132,773,365.55

MCHCP OPERATIONS ACCOUNT	
Maintenance Fee	1
Deposits & Other Credits	87
Checks & Other Debits	83
Items Deposited	1263
Local Items Deposited	106
Return of Deposit Items	4
BusinessLink ACH File Fee	13
BusinessLink Services	1
BusinessLink ACH Item Fee	250
BusinessLink Wire Out	
BusinessLink ACH Returns	1
Stop Payment Order	2
Account Reconciliation	83
FDIC Insurance	21
Deposited Item Surcharge	

Average Balance for June, 2013: \$9,999,982.05

MCHCP MEDICAL CLAIMS PAYMENT ACCOUNT 1	
Maintenance Fee	1
Deposits & Other Credits	1
Checks & Other Debits	9133
Items Deposited	1
Local Items Deposited	
Return of Deposit Items	
BusinessLink ACH File Fee	6
BusinessLink Services	
BusinessLink ACH Item Fee	8055
BusinessLink Wire Out	
BusinessLink ACH Returns	
Stop Payment Order	10
Account Reconciliation	9133
FDIC Insurance	
Deposited Item Surcharge	

Average Balance for June, 2013: \$2,904,645.57

MCHCP MEDICAL CLAIMS PAYMENT ACCOUNT 2	
Maintenance Fee	1
Deposits & Other Credits	
Checks & Other Debits	20
Items Deposited	
Local Items Deposited	
Return of Deposit Items	
BusinessLink ACH File Fee	
BusinessLink Services	
BusinessLink ACH Item Fee	
BusinessLink Wire Out	20
BusinessLink ACH Returns	
Stop Payment Order	
Account Reconciliation	
FDIC Insurance	
Deposited Item Surcharge	

Average Balance for June, 2013: \$4,187,054.14

MCHCP PHARMACY BENEFIT MANAGER ACCT	
Maintenance Fee	1
Deposits & Other Credits	7
Checks & Other Debits	
Items Deposited	8
Local Items Deposited	1
Return of Deposit Items	
BusinessLink ACH File Fee	
BusinessLink Services	
BusinessLink ACH Item Fee	
BusinessLink Wire Out	
BusinessLink ACH Returns	
Stop Payment Order	
Account Reconciliation	63
FDIC Insurance	
Deposited Item Surcharge	

Attachment 1

Activity of MCHCP Accounts for June, 2013

Average Balance for June, 2013: \$11,704,488.38

MCHCP ERRP ACCOUNT	
Maintenance Fee	1
Deposits & Other Credits	
Checks & Other Debits	
Items Deposited	
Local Items Deposited	
Return of Deposit Items	
BusinessLink ACH File Fee	
BusinessLink Services	
BusinessLink ACH Item Fee	
BusinessLink Wire Out	
BusinessLink ACH Returns	
Stop Payment Order	
Account Reconciliation	
FDIC Insurance	
Deposited Item Surcharge	

Average Balance for June, 2013: \$2,834,879

MCHCP OPEB PAYMENTS ACCOUNT	
Maintenance Fee	1
Deposits & Other Credits	15
Checks & Other Debits	
Items Deposited	
Local Items Deposited	
Return of Deposit Items	
BusinessLink ACH File Fee	
BusinessLink Services	
BusinessLink ACH Item Fee	
BusinessLink Wire Out	
BusinessLink ACH Returns	
Stop Payment Order	
Account Reconciliation	
FDIC Insurance	
Deposited Item Surcharge	

Average Balance for June, 2013: \$3,428,873.39

MCHCP PE OPERATIONS ACCOUNT	
Maintenance Fee	1
Deposits & Other Credits	26
Checks & Other Debits	
Items Deposited	118
Local Items Deposited	2
Return of Deposit Items	
BusinessLink ACH File Fee	
BusinessLink Services	
BusinessLink ACH Item Fee	
BusinessLink Wire Out	
BusinessLink ACH Returns	
Stop Payment Order	
Account Reconciliation	
FDIC Insurance	15
Deposited Item Surcharge	

Average Balance for June, 2013: \$513,060.61

MCHCP MEDICAL CLAIMS PAYMENT ACCOUNT 3	
Maintenance Fee	1
Deposits & Other Credits	
Checks & Other Debits	601
Items Deposited	
Local Items Deposited	
Return of Deposit Items	
BusinessLink ACH File Fee	
BusinessLink Services	
BusinessLink ACH Item Fee	
BusinessLink Wire Out	
BusinessLink ACH Returns	
Stop Payment Order	
Account Reconciliation	601
FDIC Insurance	
Deposited Item Surcharge	

Attachment 2

MISSOURI CONSOLIDATED HEALTH CARE PLAN

Investment Policy

Adopted and Effective December 15, 2005

I. Scope

This policy applies to the investment of Missouri Consolidated Health Care Plan (MCHCP) funds.

1. **Pooling of Funds.** Except for cash in certain restricted and special funds, the MCHCP will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.
2. **External Management of Funds.** Investment through external programs, facilities and professionals operating in a manner consistent with this policy will constitute compliance.

II. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. **Safety.** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk. This policy only includes investments authorized by the Missouri State Treasurer's Model Investment Policy.

a. Credit Risk. The MCHCP will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

- Only authorizing investment types approved by the Missouri State Treasurer's Office;
- Limiting investments to the safest types of securities; and
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

b. Interest Rate Risk. The MCHCP will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations (static liquidity), thereby avoiding the need to sell securities on the open market prior to maturity;
- Using cash flow modeling to moderate the interest rate risk of the portfolio by reducing any unanticipated security sales which could result in a loss of principal; and
- Maintaining the operating funds primarily in re-purchase agreements according to the current banking contract. This will be accomplished by:

- a) A study of historic cash flows in each individual account;

- b) An analysis of the current environment and a projection of the future cash flow requirements;
- c) A combination of a) and b) above will result in a baseline number of which excess funds may be invested;
- d) The portfolio shall consist largely of securities with active secondary or resale markets (dynamic liquidity) due to the fact that all possible cash demands cannot be reasonably anticipated; and
- e) Using securities as collateral for borrowing short-term funds from Central Bank in the event that cash flow needs exceed balances (reverse repurchase agreement) as a failsafe procedure.

2. Liquidity. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in bank deposits or repurchase agreements that offer same-day liquidity for short-term funds. Further, MCHCP shall have the ability to borrow against its assets in the investment portfolio at a reasonable cost in order to remain sufficiently liquid.

3. Yield. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- o A security with declining credit may be sold early to minimize loss of principal.
- o A security exchange would improve the quality, yield, or target duration in the portfolio; or
- o Liquidity needs of the portfolio require that the security be sold.

III. Standards of Care

1. Prudence. The standard of care to be used by investment officers shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal liability for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion to the MCHCP Executive Director and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

2. Ethics and Conflicts of Interest. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal

investment transactions with the same individual with which business is conducted on behalf of the MCHCP.

- 3. Delegation of Authority.** Authority to manage the investment program is granted to the MCHCP Executive Director and derived from Chapter 103 of the Revised Statutes of Missouri. Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall act in accordance with the established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures jointly established by the MCHCP Executive Director and the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

IV. Investment Transactions

The investment officer shall hold the MCHCP's owned securities on a fiduciary basis in an internal safekeeping system that maintains complete real-time recordkeeping of each security belonging to the MCHCP. This system shall hold the complete security description, the date received/purchased by the MCHCP, cash payments, actual location physical or book entry and other relevant information. Each security owned shall be listed/described as an asset of the MCHCP on the monthly Bank statement provided to the MCHCP. In addition, each time a security is received/purchased/delivered/sold a written confirmation shall be provided to the MCHCP.

The investment officer shall hold securities in a separate account at either the Federal Reserve Bank of St Louis or the Depository Trust Company that includes only customer securities (not owned by the Bank). At all times, securities owned by the MCHCP shall be clearly identifiable as belonging to the MCHCP. The system and its records shall provide for adequate audit of recordkeeping information and shall be audited by both internal/external auditors and bank regulatory agencies on a regular basis. These securities and accounts shall be reconciled on a daily and monthly basis by electronic and manual means and reviewed by the MCHCP personnel as directed by the MCHCP Executive Director.

V. Suitable and Authorized Investments

- 1. Investment Types.** In accordance with and subject to restrictions imposed by current statutes, the following list represents the entire range of investments that the MCHCP will consider and which shall be authorized for the investments of funds by the MCHCP. The MCHCP may directly invest in:
 - a. United States Treasury Securities. The MCHCP may invest in obligations of the United States government for which the full faith and credit of the United States are pledged for the payment of principal and interest.
 - b. United States Agency Securities. The MCHCP may invest in obligations issued or guaranteed by any agency of the United States Government as described in V.2.
 - c. Repurchase Agreements. The MCHCP may invest in contractual agreements between the MCHCP and commercial banks or primary government securities dealers. The purchaser in a repurchase agreement (repo) enters into a contractual agreement to purchase U.S. Treasury and government agency securities while simultaneously agreeing to resell the securities at predetermined dates and prices.

- d. Collateralized Public Deposits (certificates of deposit). Instruments issued by financial institutions, which state that specified sums have been deposited for specified periods of time, and at specified rates of interest. The certificates of deposit are required to be backed by acceptable collateral securities as dictated by State statute.
 - e. Bankers' Acceptances. Time drafts drawn on and accepted by a commercial bank, otherwise known as bankers' acceptances. The MCHCP may invest in bankers' acceptances issued by domestic commercial banks possessing the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation.
 - f. Commercial Paper. The MCHCP may invest in commercial paper issued by domestic corporations, which has received the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that have total commercial paper program size in excess of five hundred million dollars (\$500,000,000).
2. **Security Selection.** The following list represents the entire range of United States Agency Securities that the MCHCP will consider and which shall be authorized for the investment of funds by the MCHCP. Additionally, the following definitions and guidelines should be used in purchasing the instruments:
- a. U.S. Govt. Agency Coupon and Zero Coupon Securities. Bullet coupon bonds with no embedded options.
 - b. U.S. Govt. Agency Discount Notes. Purchased at a discount with maximum maturities of one (1) year.
 - c. U.S. Govt. Agency Callable Securities. Restricted to securities callable at par only with final maturities of five (5) years.
 - d. U.S. Govt. Agency Step-Up Securities. The coupon rate is fixed for an initial term. At coupon date, the coupon rate rises to a new, higher fixed term. Restricted to securities with final maturities of five (5) years.
 - e. U.S. Govt. Agency Floating Rate Securities. The coupon rate floats off of one index that reset at least quarterly. Restricted to coupons with no interim caps that reset at least quarterly.
 - f. U.S. Govt. Mortgage Backed Securities. Restricted to securities with final maturity of no greater than five (5) years.
3. **Investment Restrictions and Prohibited Transactions.** To provide for the safety and liquidity of the MCHCP's funds, the investment portfolio will be subject to the following restrictions:
- a. Borrowing for investment purposes ("Leverage") is prohibited.
 - b. Instruments known as Structured Notes (e.g. inverse floaters, leveraged floaters, and equity-linked securities) are not permitted. Investment in any instrument, which is commonly considered a "derivative" instrument (e.g. options, futures, swaps, caps, floors, and collars), is prohibited.
 - c. Contracting to sell securities not yet acquired in order to purchase other securities for purposes of speculating on developments or trends in the market is prohibited.

d. No more than 5% of the total market value of the portfolio may be invested in bankers' acceptances issued by any one commercial bank and no more than 5% of the total market value of the portfolio may be invested in commercial paper of any one issuer.

4. **Collateralization.** Collateralization will be required on two types of investments: certificates of deposit and repurchase agreements. The market value (including accrued interest) of the collateral should be at least 100%.

For certificates of deposit, the market value of collateral must be at least 100% or greater of the amount of certificates of deposits plus demand deposits with the depository, less the amount, if any, which is insured by the Federal Deposit Insurance Corporation, or the National Credit Unions Share Insurance Fund.

All securities, which serve as collateral against the deposits of a depository institution, must be safekept at a non-affiliated custodial facility. Depository institutions pledging collateral against deposits must, in conjunction with the custodial agent, furnish the necessary custodial receipts within five business days from the settlement date.

The MCHCP shall have a *depository contract and pledge agreement* with each safekeeping bank that will comply with the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989 (FIRREA). This will ensure that the MCHCP's security interest in collateral pledged to secure deposits is enforceable against the receiver of a failed financial institution.

5. **Repurchase Agreements.** The securities for which repurchase agreements will be transacted will be limited to U.S. Treasury and government agency securities that are eligible to be delivered via the Federal Reserve's Fedwire book entry system. Securities will be delivered to the MCHCP's designated Custodial Agent. Funds and securities will be transferred on a delivery vs. payment basis.

VI. Investment Parameters

1. **Diversification.** The investments shall be diversified to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

- a. U.S. treasuries and securities having principal and/or interest guaranteed by the U.S. government..... <= 100%
- b. Collateralized time and demand deposits.....<= 100%
- c. U.S. Government agencies, including mortgage-backed securities and government sponsored enterprises..... <= 60%
- d. Collateralized repurchase agreements..... <= 100%
- e. U.S. Government agency callable securities..... <= 30%
- f. Commercial Paper..... <= 30%
- g. Bankers' Acceptances..... <= 30%

Maximum Maturities. To the extent possible, the MCHCP shall attempt to match its investments with anticipated cash flow requirements. Investments in bankers' acceptances and commercial paper shall mature and become payable not more than one hundred eighty days (180) from the date of purchase. All other investments shall mature and become payable not more than five (5) years from the date of purchase. The weighted average life should not exceed three (3) years and be consistent with the investment objectives.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio as determined by the MCHCP should be continuously invested in readily available funds such as in bank deposits or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

VII. Reporting

1. **Methods.** The MCHCP Executive Director in consultation with the Investment officer shall prepare an investment report at least monthly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner that will allow the MCHCP to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the MCHCP Board of Trustees. The report will include the following:
 - Listing of individual securities held at the end of the reporting period.
 - At least annually, realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) 31 requirements).
 - Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks as agreed upon between the MCHCP Executive Director and Investment officer.
 - Listing of investment by maturity date.
 - Percentage of the total portfolio that each type of investment represents.
2. **Performance Standards.** The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks may be established against which portfolio performances shall be compared on a regular basis.

Commercial paper and bankers' acceptances will be reviewed monthly by the Investment Manager to determine if the rating level has changed. The commercial paper and bankers' acceptances should be reviewed for possible sale if the securities are downgraded below the minimum acceptable rating levels.

3. **Marking to Market.** The market value of the portfolio shall be calculated at least monthly and a statement of the market value of the portfolio shall be issued at least monthly. Such market value of the portfolio shall be issued at least annually to the MCHCP Board of Trustees. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed.

VIII. Policy Considerations

1. **Exemption.** Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.
2. **Adoption.** This policy shall be adopted by the MCHCP Board of Trustees. The policy shall be reviewed annually by the MCHCP and the investment officer and any recommended changes will be presented by the MCHCP Executive Director to the MCHCP Board of Trustees for consideration.

IX. List of Attachments

The following documents, as applicable, are attached to this policy:

- Securities acceptable as collateral to secure deposits,
- Listing of authorized personnel,
- Relevant investment statutes and ordinances,
- Repurchase agreements and tri-party agreements,
- Safekeeping agreements,
- Wire transfer agreements,
- Current banking contract,
- Sample investment reports, and
- Glossary.

Exhibit A-1
Pricing Page for Banking Services
Years 1-2

The bidder must complete and sign this Exhibit and return it with the bidder’s proposal. A firm, fixed price must be submitted for each transaction for the initial and second contract periods, and total guaranteed not-to-exceed prices for the third through fifth periods. Additionally, a firm, fixed number of basis points either above or below the 91-day (13-week) T-Bill yield rate must be quoted for all contract periods. The bidder is cautioned to read **Section D** of the RFP as it contains the terms relevant to extension of the contract period. In order to determine the maximum potential liability, MCHCP shall consider all extension period prices when evaluating the bidder’s cost.

			Initial Contract Period			Second Contract Period		
Transaction	Transaction Type	Basis for Payment	Transaction Price per Each	Estimated Quantity	Total Cost	Transaction Price per Each	Estimated Quantity	Total Cost
00001	ACH Debits File Originated	Per Item			\$0.00			\$0.00
00002	ACH Debits Web Originated	Per Item			\$0.00			\$0.00
00003	Files Processed	Per File			\$0.00			\$0.00
00004	ACH Prenotes	Per Item			\$0.00			\$0.00
00005	ACH Return Items	Per Item			\$0.00			\$0.00
00006	ACH Notifications of Change	Per Item			\$0.00			\$0.00
00007	ACH Credits File Originated	Per Item			\$0.00			\$0.00
00008	ACH Credits Web Originated	Per Item			\$0.00			\$0.00
00009	Account Maintenance	Per Month per Account			\$0.00			\$0.00
00010	Account Reconciliation	Per Item			\$0.00			\$0.00
00011	Positive Pay	Per File			\$0.00			\$0.00
00012	Issued Checks	Per Check			\$0.00			\$0.00
00013	Deposited Items Surcharged	Per Item			\$0.00			\$0.00
00014	Items Deposited Unencoded	Per Item			\$0.00			\$0.00
00015	Return of Deposit Items *	Per Item			\$0.00			\$0.00
00016	Stop Payment Orders	Per Order			\$0.00			\$0.00
00017	Wire Transfers – In/Out	Per Wire Record Sent			\$0.00			\$0.00
00018	Federal Clearing Notices (Federal Payor Services)	Per Notice			\$0.00			\$0.00
00019	Deposits	Per Each			\$0.00			\$0.00
	Total				\$0.00			\$0.00
* For return of deposit items after second (2nd) presentment.								
00020	The bidder must quote a firm, fixed number of basis points either above or below the 91-day (13-week) T-Bill yield rate:							
			Initial Contract Period			Second Contract Period		
	Basis points ABOVE the 91-day (13-week) T-Bill yield rate							
	Basis points BELOW the 91-day (13-week) T-Bill yield rate							
00021	The bidder must list any additional charges below. These may include one-time set-up fees or any other costs associated with implementation.							
		Basis for Payment	Initial Contract Period			Second Contract Period		
	Other 1	_____						
	Other 2	_____						
	Other 3	_____						

Exhibit A-1 (continued)
Pricing Page for Banking Services
Years 3-5

The bidder must quote a not-to-exceed percentage increase for Years 3-5 of the contract. Percentage increases will apply to each transaction price category, and each increase for Years 3, 4 and 5 will be applied to the 2nd year prices quoted in the tab labeled "Exhibit A-1 (Years 1-2).

	Year 3	Year 4	Year 5
Not-to-Exceed Percentage Increase			

The bidder must quote a firm, fixed number of basis points either above or below the 91-day (13-week) T-Bill yield rate for Years 3-5 of the contract:

	Year 3	Year 4	Year 5
Basis points ABOVE the 91-day (13-week) T-Bill yield rate			
Basis points BELOW the 91-day (13-week) T-Bill yield rate			

 Authorized Signature

 Date

Exhibit A-2

Pricing Page for Investment Management for the Capital Markets and Investment Account

The bidder must bid on the following investment management pricing option (Option One) and the Reverse Repurchase Agreements section in order to be compliant with the RFP. However, the bidder may also offer a different investment management pricing option in addition to Option One – Capital Markets. If bidder completes Option Two, then the bidder must also complete the Sample Exercise in order to meet the requirements of the RFP. The Sample Exercise will be utilized by MCHCP in the evaluation of the RFP.

Reverse Repurchase Agreements

Contractor agrees to lend MCHCP such funds at the following rate:

Such interest charged shall be the amount borrowed that day multiplied by the rate and divided by 360. [Example: MCHCP borrows \$1,500,000 for one day, and the Rate is 4.0%. $(\$1,500,000 \times 4\%) / 360 = \166.67 .]

Option One - Capital Markets

1. If the investment portfolio yield is less than the 91-day (13 week) T-bill yield rate, then the full amount of any such investment return shall be applied to the appropriate accounts as identified by MCHCP.
2. If the investment portfolio yield is higher than the 91-day (13 week) T-bill yield rate, then the full amount of any such investment return up to the first _____ basis points over the 91-day (13 week) T-bill yield rate [Price A] shall be applied to the appropriate accounts as identified by MCHCP.
3. If the investment portfolio yield exceeds the 91-day (13 week) T-bill yield rate plus Price A, then:
 - (1) Contractor shall earn the first additional _____ basis points [Price B] over Price A; and
 - (2) MCHCP shall earn any return above and beyond the 91-day (13 week) T-bill yield rate plus Price C [Price A + Price B = Price C].

Option Two - Capital Markets

Bidders may choose to bid a different investment management pricing option other than Option One - Capital Markets. Bidders that choose to provide an alternative pricing option should detail the offer in an attachment and submit it with the RFP response. The attachment should be clearly labeled "Capital Markets Investment Strategy".

Bidders must also complete the following sample exercise and submit it with your proposal.

Sample Exercise

Assume that the Capital Markets Investment Account has total assets of \$36 M. Explain your strategies and approach, including asset mix, expected yields, and all transaction costs related to your strategy. Compare your expected yield to Option One and appropriate benchmarks. This exercise should show anticipated transactions for the period of January 1, 2014 through December 31, 2014.

Authorized Signature

Date

Exhibit A-3

Pricing Page for Investment Management for the State Retiree Welfare Benefit Trust Investment Account

Bidder must bid on the following investment management pricing option in order to be compliant with the RFP. The bidder must also complete the Sample Exercise in order to meet the requirements of the RFP. The Sample Exercise will be utilized by MCHCP in the evaluation of the RFP.

The Board has currently adopted a moderate approach to investing these funds (33% invested in equities). The bidder must provide a detailed explanation of the proposed investment approach along with all costs incurred by MCHCP or passed along to the trust fund (i.e., all processing, purchasing, redemption, exchange, and/or account fees, etc.). In addition, the bidder must also provide an expected rate of return. In addition the bidder must also provide an expected rate of return including a three-year history of performance with this model.

Bidders must outline their proposed investment strategy in an attachment labeled "Retiree Welfare Benefit Trust Investment Strategy". The Sample Exercise listed below must also be included.

Sample Exercise

For this exercise, assume that the State Retiree Welfare Benefit Trust Investment Account has total assets of \$85 M. Explain your strategies and approach, including asset mix, expected yields, and all transaction costs related to your strategy. Compare your expected yield to appropriate benchmarks. This exercise should show anticipated transactions for the period of January 1, 2014 through December 31, 2014.

Authorized Signature

Date

EXHIBIT B

BIDDER'S PRIOR EXPERIENCE

PRIOR SERVICES PERFORMED FOR:

ADDRESS _____
CITY _____ STATE ____ ZIP _____
PERSON FAMILIAR WITH PERFORMANCE _____
TITLE _____ TELEPHONE _____
TYPE OF ORGANIZATION _____
DATES OF CONTRACT _____
DESCRIPTION OF SERVICES PROVIDED _____

=====

PRIOR SERVICES PERFORMED FOR:

ADDRESS _____
CITY _____ STATE ____ ZIP _____
PERSON FAMILIAR WITH PERFORMANCE _____
TITLE _____ TELEPHONE _____
TYPE OF ORGANIZATION _____
DATES OF CONTRACT _____
DESCRIPTION OF SERVICES PROVIDED _____

EXHIBIT C
PERSONNEL STAFFING

Staff member - Background and expertise of personnel

1. _____ (Name) _____ (Title)

Background and Experience

2. _____ (Name) _____ (Title)

Background and Experience

3. _____ (Name) _____ (Title)

Background and Experience

4. _____
(Name) (Title)

Background and Experience

5. _____
(Name) (Title)

Background and Experience

EXHIBIT D
IMPLEMENTATION SCHEDULE

EXHIBIT E
BIDDER'S PROPOSED MODIFICATIONS TO THE RFP
2014 BANKING AND INVESTMENT SERVICES RFP

The bidder must utilize this document to clearly identify by subsection number any exceptions to the provisions of the Request for Proposal (RFP) and include an explanation as to why the bidder cannot comply with the specific provision. Any desired modifications should be kept as succinct and brief as possible. **Failure to confirm acceptance of the mandatory contract provisions will result in the bidder being eliminated from further consideration as its proposal will be considered non-compliant.**

Any modification proposed shall be deemed accepted as a modification of the RFP if and only if this proposed modification exhibit is countersigned by an authorized MCHCP representative on or before the effective date of the contract awarded under this RFP.

Name/Title of Individual

Organization

Signature

Date

On behalf of MCHCP, the undersigned individual hereby attests that he or she is authorized to enter into this Agreement and agrees to all the terms specified herein.

Executive Director
Missouri Consolidated Health Care Plan

Date

**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2014 Employee Health Clinic RFP
August 28, 2013**

These responses are provided by MCHCP to questions received from potential bidders for the 2014 Employee Health Clinic RFP. MCHCP has listed similar questions and responses only once.

General

1	Will MCHCP consider a joint proposal from a national and local provider, while a first time partnership, does draw on both parties' historical and current capabilities to meet all minimum requirements?	MCHCP will not consider a joint proposal of two separate entities. There must be a single entity to submit a proposal.
2	Will MCHCP consider a three-year minimum agreement term vs. one year for purposes of the proposal?	No, the term of the contract as outlined in the bidder invitation letter is for one year with an additional four (4) one-year renewal options available at the sole option of the MCHCP Board of Trustees.
3	Is there latitude in the start date to be moved to March 1, 2014?	No.
4	Can you please share your future vision for your organization's growth / expansion over the next 3 to 5 years?	For the purposes of this RFP, MCHCP is seeking to pilot an on-site employee health clinic. Future plans and possible expansion opportunities are defined in Exhibit B, Scope of Work, Section B6.2.
5	Have you defined the essential functions for all roles within your organization?	MCHCP has defined the roles within MCHCP for the purposes of the on-site clinic and are as described within the RFP.
6	Can you share any detail with regard to your benefit and/or incentive design? o How will the wellness program and/or health center impact same? o Do you have an HSA plan? If so, can you share the enrollment? o What are the current benefit design plans?	<p>The services provided under the on-site clinic are separate and distinct from the benefit and incentive designs provided under MCHCP's other medical plan offerings.</p> <p>However, MCHCP's Strive for Wellness incentive plan design and wellness program are operated by a separate MCHCP wellness services vendor. As explained in Exhibit B, Scope of Work, Section B2.7, the on-site clinic vendor will work closely with MCHCP's Strive for Wellness team to promote, market and assist in coordinating wellness initiatives. The specifics will be discussed with the proposal finalists.</p> <p>MCHCP's current HDHP enrollment is approximately 5.7 percent of the eligible population.</p> <p>At present, MCHCP has a PPO 300, PPO 600 and HDHP with HSA. For an overview of the medical plans, please see our webpage at: http://www.mchcp.org/stateMembers/medical/comparisonChart_2013.asp. For your convenience, MCHCP has attached a page to this Q&A document that contains the information as well.</p>
7	How are you handling pharmacy needs at present? Imaging?	MCHCP medical plan members receive their prescription drugs through its pharmacy benefit manager, Express Scripts. Medical orders for imaging studies are covered through its third party administrators, UMR and Coventry.

**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2014 Employee Health Clinic RFP
August 28, 2013**

8	Are there any billing considerations that we should be aware of (zero \$\$\$ claims, FSA issues, etc.)?	MCHCP is not aware of any particular billing considerations. MCHCP does anticipate that the vendor would provide the patient a receipt of payment for the employee's share of the visit cost. MCHCP does not anticipate that the vendor would be billing another third party for the remainder of the service cost. There will be some services that do not include a patient cost if the patient is a MCHCP medical plan member and the service is a preventive service such as a flu shot, lipid profile, etc. As explained in the invoicing section, MCHCP will be reimbursing the vendor on a cost basis less any monies received from the patient for the cost of the visit.
9	Can you share demographic information about your participant group? Average age, male/female percentage, etc.	The average age of employees in the counties surrounding the clinic location is 51.2 years. Approximately 63 percent of the employees are female.
10	Can you please confirm your estimated number of total participants in the "immediate area" of the health center including employees, retirees, and dependents? o Employees with access to the clinic= o Spouses with access to the clinic= o Child dependents with access to the clinic=	The clinic will provide services for active state employees who are eligible under MCHCP statutes, regulations and/or plan. Dependents of active state employees are not eligible for clinic services. Approximately 7,000 state employees work in the immediate area of the capitol building, with a total of 13,880 state employees working in the county of Cole, but not conveniently located to the on-site clinic space.
11	What is the anticipated/expected employee growth rate?	The number of employees is dependent upon the personal services budget as passed by the Missouri General Assembly and enacted into law. MCHCP does not anticipate appreciable variance in the number of employees unless the personal services budget authority is reduced through legislative or Governor action.
12	What is the annual attrition rate?	The number of employees is dependent upon the personal services budget as passed by the Missouri General Assembly and enacted into law. MCHCP does not anticipate appreciable variance in the number of employees unless the personal services budget authority is reduced through legislative or Governor action.
13	Is there an existing co-pay for employees when visiting a clinic? If so, what is it?	For employees in existing medical plans, office visit patient charges are dependent upon the medical plan chosen by the employee. Please refer to the plan design provided as an attachment to this Q&A document. Employees will pay an on-site clinic visit fee. The fee will vary based upon the patient's status as a MCHCP medical plan member or not as a medical plan member. The on-site clinic visit fee amounts will be determined after contract award and will be dependent upon the estimated cost of the on-site clinic visit based upon the pricing proposal of the awarded vendor. There will be some services that do not include a patient fee if the patient is a MCHCP medical plan member and the service is a preventive service such as a flu shot, lipid profile, etc.
14	At present, what are your biggest cost drivers in terms of medical spend (injury / illness type specifics, problematic days/times/shifts, etc.)?	Please see the attached document.

**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2014 Employee Health Clinic RFP
August 28, 2013**

15	How are you currently handling your employee health situation? Utilization of near site health centers, occupational medicine facilities, primary care entities?	This is a new endeavor for MCHCP and the State of Missouri, Office of Administration. Health benefits are currently provided through an insurance PPO model provided through contracted TPAs - UMR and Coventry.
16	If you do utilize a near site health center or health centers, please answer the following: o What are the current days and hours care is available? o What is your process for “after hours care”? o What is the current provider mix at these centers? o Who is the near site entity / organization?	MCHCP does not currently contract for a near-site health center. There are a number of doctor’s offices, clinics, urgent care centers in and around Cole county that our members utilize.
17	Are you generally satisfied with the quality of the medical care delivered in the community at present? Primary care? Specialists? Any bad experiences?	MCHCP has not identified any specific issues with the quality of the medical care delivered in the community.
18	What are the current components of your wellness program? o How satisfied are you with your current wellness program overall? o What sort of participation % have you achieved over the past few years? o How do you envision your wellness program interfacing with your new health center? o Will the clinic be used for the Wellness providers labs/biometrics? If so, how will the Wellness provider schedule appointments with the clinic?	Information about the Strive for Wellness program and incentives can be found on our website at the following link: http://www.mchcp.org/stateMembers/striveForWellness/index.asp . You may also consult our Summary of Benefits and Coverage for detailed information about how the two Strive for Wellness Incentives work and for incentive amounts. This information is available on the MCHCP website at the following link: http://www.mchcp.org/stateMembers/publications/documents/sbcAllPlans_2013.pdf . MCHCP's satisfaction with its current wellness vendor is not relevant for the purposes of this RFP. At present MCHCP has a participation rate of around 60% in the Partnership Incentive and 75% in the Tobacco-Free Incentive. MCHCP’s Strive for Wellness incentive plan design and wellness program are operated by a separate MCHCP wellness services vendor. As explained in Exhibit B, Scope of Work, Section B2.7, the on-site clinic vendor will work closely with MCHCP’s Strive for Wellness team to promote, market and assist in coordinating wellness initiatives. The specifics will be discussed with the proposal finalists. Wellness Program participants could obtain preventive lab screenings at the on-site employee clinic should they choose to complete the screenings there. The wellness services provider will not schedule appointments. All clinic visits will be scheduled by the on-site clinic vendor. There will not be coordination of the wellness services provider with the on-site clinic vendor for preventive lab screenings.
19	Do you currently have a formal pre-placement physical demands testing program (for essential demands)? Who provides these?	MCHCP has updated Exhibit B - Scope of Work to remove pre-employment physicals and drug testing as a required service. The revised Exhibit B has been provided as a reference document in HighRoads.

**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2014 Employee Health Clinic RFP
August 28, 2013**

20	Do you currently have a formal pre-placement physical examination program? Who provides these?	MCHCP has updated Exhibit B - Scope of Work to remove pre-employment physicals and drug testing as a required service. The revised Exhibit B has been provided as a reference document in HighRoads.
21	Do you currently have a formal return to work program for injured workers? Impairment rating process (IME, etc.)? Who typically handles these?	A formal return to work service is not a required service of this RFP.
22	Aside from drug testing, do you conduct other medical surveillance? Hearing testing? Pulmonary function? Other?	MCHCP has updated Exhibit B - Scope of Work to remove pre-employment physicals and drug testing as a required service. The revised Exhibit B has been provided as a reference document in HighRoads.
23	Do you have a vaccination program? If so, what is included? And does it include dependents of all ages?	MCHCP includes in its medical plan coverage for services recommended by the U.S. Preventive Services Task Force (Categories A and B) and immunizations recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Preventions.
24	Do you currently have a drug testing program? If yes, do you want our organization to take over those responsibilities? o May we have detail with regard to the construction of these services? Does your program test for pre-placement? post-accident? Random? DOT? o How is your random pool administered? o Have you had good success with your reference lab? Who do you use? o Are you looking to modify any of these programs?	MCHCP has updated Exhibit B - Scope of Work to remove pre-employment physicals and drug testing as a required service. The revised Exhibit B has been provided as a reference document in HighRoads.
25	If Occupational Medicine is requested, are work related screenings required for job retention/hiring? Ex. Physicals, Drug Screens, Hearing Tests	Occupational Medicine services are not in the Scope of clinic services to be offered in the pilot phase.
26	How many other clinics are in the vicinity that are used by employees?	There are no other on-site medical clinics used by employees. This is the first such initiative for state employees. There are providers available through the medical plan. Provider look up is available on the MCHCP website at http://www.mchcp.org/stateMembers/providers/providerUMR.asp .
27	Are employees and dependents price sensitive?	MCHCP has not surveyed its membership in regard to this issue to determine if state employees are more or less price sensitive than the general population.

**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2014 Employee Health Clinic RFP
August 28, 2013**

28	<p>Can you provide historical information and average cost per visit for the following categories:</p> <ul style="list-style-type: none"> o Physician office visits per 1,000 <ul style="list-style-type: none"> <input type="checkbox"/> Average cost for physician: <input type="checkbox"/> Average cost for specialty physician: o Inpatient admits per 1,000 <ul style="list-style-type: none"> <input type="checkbox"/> Average cost per inpatient visit: o ER admits per 1,000: <ul style="list-style-type: none"> <input type="checkbox"/> Average cost per ER admit: o Urgent care visits per 1,000: <ul style="list-style-type: none"> <input type="checkbox"/> Average cost per urgent care visit: o Outpatient visits per 1,000: <ul style="list-style-type: none"> <input type="checkbox"/> Average cost per outpatient visit: 	Please see the attached document.
29	What staff mix do you envision being put in place?	Clinic staffing expectations are listed in Exhibit B, Scope of Work, Section B5. Additional information on requirements for staffing are listed in Exhibit B, Scope of Work, Sections B2.2, B2.3, and B2.4.
30	Do you anticipate a no-charge model, meaning use of the health center will be at no cost to the participants?	Employees will pay an on-site clinic visit fee. The fee will vary based upon the patient's status as a MCHCP medical plan member or not as a medical plan member. The on-site clinic visit fee amounts will be determined after contract award and will be dependent upon the estimated cost of the on-site clinic visit based upon the pricing proposal of the awarded vendor.
31	Do you feel comfortable with us recruiting from the existing provider pool in the community?	Exhibit B, Scope of Work, Section B5 explains vendor requirements related to clinic staffing. Exhibit B, Scope of Work, Section B2.2, B2.3, and B2.4 explains clinic vendor requirements related to hiring and selection of necessary staff required to meet the desired level and scope of services.
32	What are your top three goals for your new health center?	MCHCP's top three goals are to provide access to quality, affordable health care in a cost-efficient setting; improve employee productivity by reducing time away from work; and decrease barriers to accessing care for employees.
33	What do you perceive to be your three biggest challenges currently when it comes to employee health?	MCHCP has high rates of diabetes, hypertension, heart disease, and other conditions related to obesity.
34	Will MCHCP please fill out the attached worksheet that requires additional information requests?	No. MCHCP will not be able to complete the attached worksheet for your company only. If the worksheet is completed, MCHCP will provide it to all bidders as an RFP document. Much of the information you are seeking through the worksheet request can be found in Exhibit B, Scope of Work; in the Announcement letter; in the Introduction and Instructions document; and other RFP documents provided when the RFP opened on August 20, 2013 through HighRoads.

**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2014 Employee Health Clinic RFP
August 28, 2013**

Exhibit B - Scope of Work

Exhibit B - Scope of Work	Response
1 Can you please clarify your desire to have parking passes generated via the scheduling system? What challenges do you envision participants facing, if any, relative to parking?	The clinic space is located in the Harry S Truman State Office Building. Parking spaces have been allocated by the lessor of the clinic space. They are dedicated parking spots for clinic visitors traveling from offices that are located outside the Capitol complex. Parking space near the clinic space is very limited. Employees working in the building where the clinic is located may park more than a mile away from the building. The lessor dedicated parking spots must have a “clinic visit parking pass” properly displayed in the vehicle in order to ensure those dedicated spots are accessible to true clinic visitors and not taken by employees looking for a convenient spot to park for lunch or a quick meeting in the building, etc.
2 Can you please clarify and share your goals relative to establishment of “virtual waiting room capability”.	The primary goal of a virtual waiting room is to allow employees to be at their work desk rather than in the clinic waiting room as they wait for their appointment and to be called into the exam room. MCHCP is looking for vendor solutions to be able to manage that type of environment.
3 Can you clarify your articulated desire to have health center staff members participate in “emergency first response for worksite injuries”?	While the on-site clinic scope of services does not include workers compensation services, return to work care, or full emergency care, the clinic could provide an initial evaluation and then refer the injured worker to the hospital emergency room for treatment as necessary.
4 Regarding Section B7.2 - Provide a web-based registration system whereby members may schedule an appointment. The web-based appointment system will send auto-reminders when appointment time is approaching so clinic participants may wait in place. Please describe the process for auto-reminders. Is this completed through outlook or a similar system?	MCHCP is not looking for email specific reminders as HIPAA privacy concerns would prohibit such an approach. MCHCP is seeking for the bidder’ best practice information and scheduling tool applications. An example could be that the employee could be sent an email with a non-specific message that would tell them they have a message waiting. Then the member would sign onto the vendor's patient portal and have an alert for appointment reminders. This example is for illustrative purposes and is not intended to limit the bidder's creative response and best practice proposal.

Introduction and Instructions

Introduction and Instructions	Response
1 Your RFP document specifically mentions approximately 7,000 employees working in the “immediate area” of the capitol building. Can you please confirm your intent with regard to utilization of the health center by dependents? Retirees?	The clinic will provide services for active state employees who are eligible under MCHCP statutes, regulations and/or plan. Dependents of active state employees are not eligible for clinic services. Approximately 7,000 state employees work in the immediate area of the capitol building, with a total of 13,880 state employees working in the county of Cole, but not conveniently located to the on-site clinic space.
2 Your RFP contemplates a health center this is open Monday through Friday from 8am to 5pm. Into the future, do you envision and expansion of hours or days? Do you envision your new health center being operational on nights or weekends at some point?	For the purposes of this RFP, MCHCP is seeking to pilot an on-site employee health clinic. Future plans and possible expansion opportunities are defined in Exhibit B, Scope of Work, Section B6.2.

**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2014 Employee Health Clinic RFP
August 28, 2013**

3	The space allocation articulated in the RFP documents is 918 sq ft. Is this a definitive number? Is additional space available to accommodate alternate design suggestions and/or future expansion?	Exhibit B, Scope of Work, Section B4. provides detail on the lease requirements associated with this RFP. MCHCP is seeking to pilot an on-site clinic in the space located on the 4th floor of the Truman Building. The allocated space design has been provided with the RFP documents as Attachment 1. Alternate design suggestions will not be allowed for this RFP. Future plans and possible expansion opportunities are defined in Exhibit B, Scope of Work, Section B6.2.
4	The lease for the space (on the lease agreement) states the lease is for 6 months but the initial term contract is for one year with not-to-exceed maximum costs for 2015 and 2016. Please confirm the term of the lease.	An updated lease agreement document was provided to all bidders via HighRoads on 08/26/2013. Please see the new agreement for terms of the lease beyond the initial 6 month term.
5	What is the difference between the initial pricing (due 9/4) and the final pricing (due 9/6)?	Though not required, MCHCP is suggesting bidders complete the pricing worksheet earlier than the final due date of September 6 in order to ensure that all aspects of the worksheet are completed.
6	Are all components of the minimum requirement for on-line scheduling absolute and non-negotiable, specifically the parking management?	Yes.

Cost Drivers

	Jan 2011 - Dec 2011	Jan 2012 - Dec 2012	% Change
Admits per 1000	78.79	76.20	(3.3%)
Days per 1000	314.81	287.85	(8.6%)
Avg Length of Stay	4.00	3.78	(5.4%)
ER Visits/1000	326.77	332.77	1.8%
OP Fac Visits/1000	1,846.81	1,968.48	6.6%
Office Visits/1000	6,545.65	6,725.99	2.8%
OP Lab Svcs/1000	7,271.33	7,986.98	9.8%
Days Supply PMPM Rx	33.04	34.41	4.2%
Scripts/1000 Rx	11,606.43	11,715.07	0.9%

Top 20 Major Diagnostic Categories (by Net Pay)

<u>MDC</u>	<u>Patients</u>	<u>Net Pay</u>		<u>Admits</u>	
		<u>Total (\$M)</u>	<u>PMPM</u>	<u>Total</u>	<u>Per 1000</u>
Musculoskeletal	25,584	\$50.4	\$54.51	551	7.15
Circulatory	16,069	\$32.1	\$34.70	620	8.05
Digestive	12,852	\$24.6	\$26.59	542	7.04
Health Status	48,636	\$24.1	\$26.08	79	1.03
Ear, Nose, Mouth & Throat	30,460	\$15.2	\$16.48	59	0.77
Nervous	8,683	\$14.5	\$15.71	243	3.16
Respiratory	12,895	\$12.9	\$13.93	394	5.12
Skin, Breast	21,145	\$12.7	\$13.79	141	1.83
Myeloproliferative Diseases	1,227	\$10.6	\$11.43	36	0.47
Kidney	8,014	\$10.5	\$11.38	176	2.29
Metabolic	16,602	\$9.3	\$10.01	267	3.47
Pregnancy, Childbirth	1,543	\$9.0	\$9.77	938	12.18
Female Reproductive	7,651	\$8.2	\$8.90	141	1.83
Liver, Pancreas	1,648	\$7.2	\$7.84	166	2.16
Newborns	860	\$6.1	\$6.61	724	9.40
Mental	9,393	\$4.4	\$4.77	348	4.52
Infections	4,412	\$3.8	\$4.11	134	1.74
Injuries, Poisonings	4,490	\$3.8	\$4.10	87	1.13
Blood	2,739	\$3.7	\$3.99	82	1.06
Eye	9,746	\$3.3	\$3.59	8	0.10

Overview of 2013 Medical Plans

MCHCP medical benefits are not available to employees of Missouri Department of Transportation, Missouri Department of Conservation or Missouri Highway Patrol.

Additional Plans

- TRICARE Supplement Plan is available for eligible active state employees, retirees and terminated vested subscribers or survivors.
- Medicare Supplement Plan is available for Medicare retirees and their Medicare dependents.

Comparison of Benefits

	PPO 300 Plan		PPO 600 Plan		High Deductible Health Plan (HDHP) with Health Savings Account (HSA)	
	Through UMR (all regions) or Coventry Health Care* (Southwest and South Central regions only)				Through UMR (all regions)	
	Network	Non-Network	Network	Non-Network	Network	Non-Network
Plan Description	You pay the deductible and coinsurance amounts until you reach the out-of-pocket maximum.	You pay higher deductible and coinsurance amounts until you reach the out-of-pocket maximum.	You pay the deductible and coinsurance amounts until you reach the out-of-pocket maximum.	You pay higher deductible and coinsurance amounts until you reach the out-of-pocket maximum.	You pay the deductible and coinsurance amounts until you reach the out-of-pocket maximum.	You pay higher deductible and coinsurance amounts until you reach the out-of-pocket maximum.
					Your HSA can be used to help pay medical and prescription expenses.	
Deductible <i>Individual</i> <i>Family</i>	\$300 \$600	\$600 \$1,200	\$600 \$1,200	\$1,200 \$2,400	\$1,250 \$2,500	\$2,500 \$5,000

Out-of-Pocket Maximum <i>Individual</i> <i>Family</i>	\$1,200 \$2,400	\$2,400 \$4,800	\$1,500 \$3,000	\$3,000 \$6,000	\$2,500 \$5,000	\$5,000 \$10,000
Preventive Services	100% coverage	30% coinsurance after deductible	100% coverage	30% coinsurance after deductible	100% coverage	40% coinsurance after deductible
Office Visit	Primary Care: \$25 copayment** Specialist: \$40 copayment** Chiropractor: \$20 copayment With Medicare: 10% coinsurance after deductible	30% coinsurance after deductible	10% coinsurance after deductible	30% coinsurance after deductible	20% coinsurance after deductible	40% coinsurance after deductible
Urgent Care	\$50 copayment** With Medicare: 10% coinsurance after deductible	\$50 copayment** With Medicare: 10% coinsurance after network deductible	10% coinsurance after deductible	10% coinsurance after network deductible	20% coinsurance after deductible	20% coinsurance after network deductible
Emergency Room	\$200 copayment*** With Medicare: 10% coinsurance	\$200 copayment*** With Medicare: 10% coinsurance after network deductible	10% coinsurance after deductible	10% coinsurance after network deductible	20% coinsurance after deductible	20% coinsurance after network deductible
Hospital (Inpatient)	10% coinsurance after deductible	30% coinsurance after deductible	10% coinsurance after deductible	30% coinsurance after deductible	20% coinsurance after deductible	40% coinsurance after deductible

Lab and X-ray	10% coinsurance after deductible	30% coinsurance after deductible	10% coinsurance after deductible	30% coinsurance after deductible	20% coinsurance after deductible	40% coinsurance after deductible
Surgery	10% coinsurance after deductible	30% coinsurance after deductible	10% coinsurance after deductible	30% coinsurance after deductible	20% coinsurance after deductible	40% coinsurance after deductible
Prescription Drugs	<p>100% coverage for formulary birth control and tobacco cessation prescriptions. At network pharmacies, PPO Plan members pay a copayment. HDHP members pay the full price of prescriptions until the deductible is met, then pay coinsurance. At non-network pharmacies, you pay the full price of the prescription and file a claim. You are reimbursed the network discounted amount, less the applicable copayment or coinsurance. Find detailed coverage information in the Prescription Drug Benefit Chart.</p>					

* **Southwest Region Counties:** Barry, Barton, Cedar, Christian, Dade, Dallas, Greene, Hickory, Jasper, Laclede, Lawrence, McDonald, Newton, Polk, St. Clair, Stone, Taney, Vernon and Webster

South Central Region Counties: Douglas, Howell, Oregon, Ozark, Shannon, Texas and Wright

** The PPO 300 Plan copayments differ from the copayments under the old Copay or HMO plans. The primary care, specialist, chiropractor and urgent care copayments cover the office visit only. You will be responsible for the cost of any lab, X-ray or other services associated with the visit, which apply to your deductible and out-of-pocket maximum.

*** The emergency room copayment covers all services associated with the visit. If you visit the ER and are admitted to the hospital, the copayment will be waived, and all services will apply to the deductible and out-of-pocket maximum.

EXHIBIT B
SCOPE OF WORK

B1. GENERAL REQUIREMENTS

- B1.1 The contractor shall provide employee health clinic services for state employees situated in Jefferson City, MO state office buildings primarily surrounding the Capitol complex in accordance with the provisions and requirements of this document. The contractor understands that in carrying out its mandate under the law, MCHCP is bound by various statutory, regulatory and fiduciary duties and responsibilities and contractor expressly agrees that it shall accept and abide by such duties and responsibilities when acting pursuant to this engagement. The contractor agrees that any and all subcontracts entered into by the contractor for the purpose of meeting the requirements of this contract are the responsibility of the contractor. MCHCP will hold the contractor responsible for assuring that subcontractors meet all of the requirements of this contract and all amendments thereto. The contractor must provide complete information regarding each subcontractor used by the contractor to meet the requirements of this contract.
- B1.2 The contractor is obligated to follow the performance standards as agreed to in Section 12 of the Health Clinic Questionnaire.

B2. SPECIFIC REQUIREMENTS – The contractor shall:

- B2.1 Provide an onsite employee health clinic for state employees working in and around the Capitol complex in Jefferson City, MO. The clinic will be located in the Truman State Office Building, located at 301 W. High St, Jefferson City, MO.
- B2.2 Be responsible for selection, hiring, and oversight of staff required to meet the desired level and scope of services.
- B2.3 Be responsible for proper hiring and selection of necessary subcontractors or vendors to execute medical services not provided by the contractor.
- B2.4 Be responsible for the day-to-day operations of the onsite clinic during the life of the contract. Contractor agrees that general hours of operation will be Monday – Friday, 8:00 a.m. to 5:00 p.m., excluding State holidays.
- B2.5 Provide all medical supplies and equipment required for operation of the on-site clinic.
- B2.6 Provide access to CLIA waived lab and other routine diagnostic services.
- B2.7 Participate in planning of promotional and educational events with MCHCP. This includes coordinating events or information to address on-site health trends or topical health-related issues. The contractor shall work with MCHCP's wellness program to promote, market and assist in coordinating MCHCP's wellness initiatives including but not limited to MCHCP's worksite wellness program, "*Strive for Wellness*", such as health screenings, fitness challenges, weight management programs, prevention awareness activities, disease management activities, tobacco cessation services, etc.

- B2.8 Collaborate with MCHCP and MCHCP vendor partners to refer and promote case, health, and disease management services and participation.
- B2.9 Provide electronic medical record functionality that includes patient registry, e-prescribing, auto reminders for preventive care and reporting, and clinical decision support tools.
- B2.10 Maintain an electronic appointment system as part of its technology solution. The appointment system will log and report on cancelled appointments, changes to appointments and length of appointments. The system will also accommodate and track walk-in requests.
- B2.11 Provide a designated account manager to MCHCP.
- B2.12 Conduct clinic member satisfaction surveys annually and share those results with MCHCP.
- B2.13 Provide monthly, quarterly and annual reporting regarding utilization of the clinic.

B3. INDEMNIFICATION AND INSURANCE

- B3.1 The contractor indemnifies, defends and holds MCHCP and the State of Missouri, its directors, officers, agents, and employees harmless against any and all claims, actions, or demands against MCHCP and the State of Missouri, its directors, officers, agents, and employees, and against any and all damages, liabilities, or expenses, including attorneys fees, arising out of negligent acts or omissions of Contractor under this Agreement.
- B3.2 Neither party shall be liable to the other for incidental, special, exemplary, punitive or consequential damages, including, but not limited to, loss of profits or revenue, interference with business operations, of loss of tenants, lenders, investors or buyer or the liability to use the property as a result of any failures under this agreement.
- B3.3 The contractor shall at its sole expense carry the following insurance policies acceptable to MCHCP as follows:
 - Medical Professional Liability Coverage with a minimum of \$5 million per occurrence and \$10 million aggregate;
 - Workers' Compensation – statutory;
 - Commercial General Liability Insurance (including Products, Contractual, and Advertising Liability) with minimum \$3 million per occurrence combined single limit of liability;
 - Pollution Legal Liability Insurance with minimum \$3 million combined single limit per occurrence covering the sudden or gradual discharge, release or escape of pollutants or hazardous materials;
 - Errors and Omissions with minimum of \$3 million per occurrence combined single limit of liability.
 - The vendor may include an umbrella/excess liability policy to meet the minimum limits.

Each policy shall be submitted to MCHCP and (except worker's Compensation) shall be in such form as to protect the contractor, MCHCP and the State of Missouri, its directors, officers, and the agents and employees of MCHCP and the State of Missouri from any claims or damages for personal injury, including death and damage to property

which may arise from acts of omissions of Seller under this Agreement. MCHCP and the State of Missouri shall be named as additional insureds. The insurance policies shall not limit the vendor's obligation to meet its indemnity obligations. Each insurer shall possess at least a Best's rating of A. The vendor shall provide MCHCP and the State of Missouri a certificate of insurance. The vendor's failure to maintain all coverage shall be considered a material breach.

B4. LEASE REQUIREMENTS

B4.1 The contractor shall lease space from the Office of Administration, Division of Facilities Management, Design and Construction (hereinafter referred to as the state agency), at the Harry S Truman State Office Building in accordance with the provisions and requirements stated herein and shall operate a health clinic in the leased space. The format of such lease is attached hereto as Attachment 2.

B5. CLINIC STAFFING

B5.1 Key Personnel – Contractor shall provide clinic staffing to perform the activities called for in this RFP including but not limited to:

B5.1.1 Collaborative Physician (MD) to provide collaborative support and supervision

B5.1.2 Advanced Practice Registered Nurse (APRN) to diagnose, treat and prescribe under the supervisory physician

B5.1.3 Registered Nurse (RN), Licensed Practical Nurse (LPN) or Physician Assistant (PA) who directs, initiates, and implements patient care plans and provides nursing care and on-site services

B5.1.4 Medical Assistant (MA) to provide basic administration, gather information from patients, and draw and collect blood samples

B5.1.5 Clerical staff to serve as receptionist and for general office work and assistance, etc.

B5.2 The contractor must assure that all tasks are conducted by the appropriate person (for example, all Central reviews must be conducted by a licensed APRN, RN, LPN, PA, MD, or DO).

B5.3 The contractor must provide staff qualified/licensed in the State of Missouri in the areas of the scope of work.

B5.4 Staff Replacement

B5.4.1 Bidders must propose a detailed approach to staff replacement to be used during the contract.

B5.4.2 Personnel whose names and resumes are submitted in the proposal shall not be removed from or replaced in this contract prior to informing MCHCP.

B6. CLINIC SERVICES

B6.1 Services and conditions to be treated shall include but not be limited to:

- Sore throats/ears/headache

- Strains/sprains/musculoskeletal problems
- Non-specific abdominal pain
- Non-specific chest pain
- Cough
- Sinus conditions
- Allergies/allergy injections
- Hormone injections
- Immunizations
- Biometric screenings
- Flu shots
- Rashes
- Acute urinary complaints
- Personal hygiene related problems
- Acute injuries/acute routine office procedures
- Emergency First-Response for worksite injuries
- Minor surgical procedures, such as sutures for laceration treatment
- Ordinary and routine care of the nature of a visit to the doctor's office
- Treatment and monitoring of diabetes and hypertension
- CLIA waived lab

B6.2 In future years, MCHCP is open to considering additional areas that would generate efficiencies and cost savings. Examples of such services may include but is not limited to worker's compensation services and pharmacy.

B7. COMMUNICATIONS AND CUSTOMER SUPPORT – The contractor shall:

B7.1 Provide a toll-free call center staffed by qualified professionals that allows members to schedule an appointment, communicate with clinical staff about labs results, follow up, ask simple medical questions, etc. Any use of automated phone trees must be brief. The call center must:

- B7.1.1 Be a dedicated toll-free call center phone number and customized greeting for MCHCP.
- B7.1.2 Have translation services available for Spanish and other languages. Translation service should be available immediately and not require an additional phone call by the member.
- B7.1.3 Equip staff with other MCHCP phone numbers and information to refer members to proper resources such as MCHCP's medical plans, lifestyle coaching program, disease management programs and employee assistance program when appropriate.
- B7.1.4 Equip staff with other MCHCP vendor phone numbers to refer members for additional benefits, etc.
- B7.1.5 Have staff trained and available to use a TDD service for the hearing impaired and must make reasonable ADA accommodations for other special needs groups at no additional cost to MCHCP.

B7.1.6 Provide toll-free call center hours as negotiated during implementation but at a minimum to include Monday through Friday hours of 8:00 a.m. to 5:00 p.m. CT.

B7.1.7 Provide a dedicated voice mailbox for participants; messages must be returned within 30 minutes if left during business hours or on the next business day if left at any other time.

B7.2 Provide a web-based registration system whereby members may schedule an appointment. The web-based appointment system will send auto-reminders when appointment time is approaching so clinic participants may wait in place.

B7.3 Provide an appointment system that includes the capability to print parking passes for a specified amount of time before and after an appointment time that may be placed in clinic visitor's windshield for the length of the appointment.

B7.4 Develop and circulate communication materials to employees about the employee health clinic. Communications will be prepared in collaboration with MCHCP and must be reviewed and approved by MCHCP prior to distribution.

B7.5 Provide a web portal that is customizable with MCHCP's specifications, be innovative and engaging, tailored to ensure ease of access, and support a simplified member experience.

B7.5.1 The contractor's web portal must be fully accessible to all members, including hearing- and visually-impaired members. This includes providing real-time closed captioning or transcripts available immediately, for any videos, webinars, or webcast events included on the website.

B8. ELIGIBILITY

B8.1 The contractor shall agree that eligible participants shall be as defined by MCHCP and that services will only be provided to those who are eligible under MCHCP statutes, regulations and/or plans.

B8.2 The contractor must be able to accept MCHCP eligibility information on a regular basis. The contractor must provide a technical contact that will provide support to MCHCP's Information Technology department for EDI issues. MCHCP will negotiate the layout and file transmission method following vendor selection; however, MCHCP retains final approval on the contents of the file and transmission method.

B9. IMPLEMENTATION AND ACCOUNT MANAGEMENT

B9.1 The final implementation schedule must be agreed to by MCHCP within 20 days of the contract award. At a minimum, the timeline must include the required dates for the following activities:

- Hiring medical personnel
- Ordering equipment and supplies
- Equipment delivery and set-up
- Training key staff
- Testing of eligibility file

- Development of communication materials
 - Printing of communications
 - Testing of data transmission to Truven Health Analytics
- B9.2 MCHCP requires the contractor to meet with MCHCP staff and/or Board of Trustees as requested to discuss the status of the MCHCP account in terms of utilization patterns and costs, as well as propose new ideas or programs that may benefit MCHCP and its members. These meetings will take place at the MCHCP office. The contractor team attending these updates must include appropriate account managers and company decision makers who can affectively impact the account.
- B9.3 The contractor shall establish and maintain throughout the term of the contract an account management team that will work directly with MCHCP staff. This team must include but is not limited to a dedicated account executive, a clinical services manager, a person responsible for preparing the reports, and a management information system representative. Approval of the account management team rests with MCHCP. The account executive and service representative(s) will deal directly with MCHCP's Chief Wellness Officer, and other staff designated by MCHCP. The account management team must:
- B9.3.1 Be able to devote the time needed to the account, including being available for frequent telephone and occasional on-site consultation with MCHCP. Proposers who do not demonstrate a commitment to account service will not receive serious consideration.
- B9.3.2 Be extremely responsive. All inquiries from MCHCP must be acknowledged within eight (8) hours of receipt.
- B9.3.3 Be thoroughly familiar with virtually all of the contractor's functions that relate directly or indirectly to the MCHCP account.
- B9.3.4 Cut through bureaucracy within the contractor's organization. The account management team must be able to affectively advance the interest of MCHCP through the contractor's corporate structure.
- B9.4 MCHCP requires the contractor to assign a Contract Administrator who will be the primary point of contact for contractor's performance under the contract and who has the authority to make decisions that are binding on the contractor. Vendor issues, scope of work issues, and other corporate matters may be referred to a higher level of authority than the Contract Administrator if the contractor so chooses.
- B9.4.1 Preferred minimum qualifications for the Contract Administrator assigned to the MCHCP account include:
- At least three years of demonstrated effective supervisory experience with a healthcare related operation or system;
 - At least three years of supervisory experience; and
 - Bachelor's degree from an accredited college or university.
- B9.5 The contractor shall agree that MCHCP reserves the right to review and approve all written communications developed and used by the contractor to communicate specifically with MCHCP members at any time during the contract period. Notwithstanding the foregoing, nothing herein prohibits contractor from communicating directly with members in the

regular course of providing services under the contract (e.g. responding to member inquiries, etc.).

B10. REPORTING

B10.1 The contractor shall agree to:

B10.1.1 Provide encounter data to MCHCP and/or MCHCP's decision support system vendor (currently Truven Health Analytics) in the detail and format specified by MCHCP with the understanding that the data shall be owned by MCHCP;

B10.1.2 Provide data in an electronic format and within a timeframe specified by MCHCP;

B10.1.3 Place no restraints on use of the data provided MCHCP has in place procedures to protect the confidentiality of the data consistent with HIPAA requirements

MCHCP reserves the right to retain a third party contractor (currently Truven Health Analytics) to receive the data from the contractor and store the data on MCHCP's behalf. The contractor agrees to cooperate with MCHCP's designated third party contractor, if applicable, in the fulfillment of the contractor's duties under this contract, including the provision of data as specified without constraint on its use.

The contractor shall agree to pay applicable fees associated with data format changes due to contractor-initiated or regulatory contractor requirement.

B10.2 The contractor shall provide, no later than the last day of the month immediately following the end of each quarter of the calendar year, a written report with respect to the provision of medical services by the staff of the on-site clinic. The written report will be in a form reasonably satisfactory to both MCHCP and the contractor. It is contemplated that the written report will include: (a) the number of employees treated during the immediately preceding calendar quarter, (b) the number of employees for whom work-related treatments were provided, (c) the types of services administered, and (d) other utilization reports upon request of MCHCP.

B10.3 The contractor shall provide return on investment (ROI) reporting on an annual basis no later than 120 days following the end of the calendar year. The methodology used for calculating ROI must be acceptable to MCHCP.

B10.4 The contractor shall submit standard reports to MCHCP on a monthly, quarterly, and annual basis. A copy of the bidder's proposed reporting package must be included with the response to the RFP. MCHCP and the contractor will negotiate the format and content during negotiations and prior to award of a contract resulting from the RFP.

B10.5 At the request of MCHCP, the contractor shall submit additional ad hoc reports on information and data readily available to the contractor. If any reports are substantially different from the reports agreed upon, fair and equitable compensation will be negotiated with the contractor.

B10.6 Outcomes Measurement and Reporting –The contractor shall:

- B10.6.1 Document and report participant satisfaction with the program annually or in accordance with the timeline recommended by MCHCP and via an agreed-upon tool.
- B10.6.2 Make standard and/or ad hoc reports available to support the performance standards outlined in Section 12 of the Health Clinic Questionnaire.
- B10.6.3 Meet the performance standards as agreed to in the performance guarantees exhibit.
- B10.6.4 Agree to put a portion of the fees at risk for the performance standards outlined in Section 12 of the Health Clinic Questionnaire.
- B10.6.5 Utilize the HighRoads Vendor Manager product or other product designated by MCHCP that allows the contractor to self-report compliance and non-compliance with performance guarantees. MCHCP reserves the right to audit performance standards for compliance.

B11. INVOICING AND PAYMENT

- B11.1 The contractor shall agree to provide MCHCP with an invoice in an encrypted electronic, format no more frequently than once per month. The invoice shall include the monthly management fee, salary fees and operational costs of the clinic location and reflect any monies received from clinic patients as a reduction to operational costs.
- B11.2 The monthly management fee shall be a fixed cost and shall consist of an administrative fee, clinic management fee, profit, communication/marketing costs, staff training, salary costs, licensing and renewal fees, uniform allowance, profit, clinic lease fees, and professional liability/malpractice insurance.
- B11.3 The monthly operational costs shall include medical supplies and equipment, office supplies, information system hardware/software, utilities, housekeeping and janitorial supplies, and other items that may be required by the contractor to provide adequate medical services. The invoiced amount of such medical supplies and other items shall be the contractor's actual cost of such items, supplies and expenses. Contractor shall provide documentation supporting its operational costs.
- B11.4 The contractor shall provide a detailed billing by the 3rd business day following the month of service. Payment will be initiated via Automated Clearing House (ACH) to the contractor on the 10th of the month following the month of service. Contractor will securely provide bank account and bank routing information to MCHCP's Chief Fiscal Officer (CFO) for the purpose of electronic payment.

- B12. MCHCP SERVICES – MCHCP will provide the following services to assist the contractor:
- B12.1 Facilitate communication between contractor and decision support system vendor, currently Truven Health Analytics
 - B12.2 Assist in notification/education of participants regarding the program
 - B12.3 Payment of monies due the contractor

**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2014 Banking and Investment Services RFP
August 27, 2013**

This response is provided by MCHCP to a question received from a potential bidder for the 2014 Banking and Investment Services RFP.

Exhibit B - Scope of Work

Response

1	<p>Regarding Section B2.2.2, will you please clarify the following statement:</p> <p>“ACH files will be transferred on an “as needed” basis via web-based transmission from MCHCP and via a secure FTP. ACH files will be one-sided and Contractor must create offset entries. Contractor must accept e-mail to confirm ACH file totals.”</p> <p>Is the desire to confirm your NACHA files for release by sending an email to the financial institution? Or are you wanting file totals (confirmations) emailed to you after the file has been processed?</p>	<p>MCHCP requests file totals be confirmed by the financial institution via email after the file has been processed.</p>
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**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2014 Banking and Investment Services RFP
September 19, 2013**

This response is provided by MCHCP to a question received from a bidder for the 2014 Banking and Investment Services RFP.

Renewal

Response

1	In the Summary of Edits of the RFP, item 13 contains reference to Renewal Proposals required to be submitted by June 1 for the following year's renewal. Can you expand on this requirement, please? Is there required format for the Renewal Proposal? Are there required elements of the renewal proposal? Can you please expand on the reasoning of the June 1st timeline for submission of the renewal proposals?	Renewal proposals would be required to confirm annually the proposed pricing arrangement at either equal to or better than the pricing arrangement included in the best and final offer. The contract terms are for the initial contract period and (4) one year renewal option years at the sole discretion of the Board of Trustees. Annual renewal proposals received by June 1, would allow the Board of Trustees the discretionary time necessary to consider the proposal.
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**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2014 Banking and Investment Services RFP
September 20, 2013**

This response is provided by MCHCP to questions received from a bidder for the 2014 Banking and Investment Services RFP.

Retiree Welfare Benefit Trust	Response
<p>1 What is the decision making process for determining the direction of this trust? Example: <input type="checkbox"/> State policy <input type="checkbox"/> Leadership at the MCHCP <input type="checkbox"/> A board associated with the MCHCP</p>	<p>The provisions of Chapter 103 of the Missouri Revised Statutes; Health Plan for State Employees, under applicable sections, outline the establishment, purpose, and powers to carry out the Plan.</p>
<p>2 What are the actuarial assumptions for the Retiree Welfare Benefit Trust?</p>	<p>MCHCP prepares a Comprehensive Annual Financial Report (CAFR). Actuarial assumptions related to the Retiree Welfare Benefit Trust can be viewed in this report available on our website at www.mchcp.org/aboutUs/annualReport.asp.</p>
<p>3 The state treasurers model policy does not include equities. Is there a different investment policy statement for the Retiree Welfare Benefit Trust?</p>	<p>Yes, the Board of Trustees accepted a moderate approach to design the portfolio based upon the characteristics of the actuarial obligations with flexibility to adjust and project cash flows in changing rate environments.</p>
<p>4 Does the investment manager have full discretion in the management of the investment pools inside the Investment Policy Statement?</p>	<p>Pursuant to the provisions of Chapter 103 of the Missouri Revised Statutes, the Board of Trustees may contract with an investment counselor. Investment counselors will work with the Board of Trustees to develop formal strategies to meet or exceed the overall return objectives measured against all risks and regulatory factors.</p>
<p>5 Please let us know the broad asset allocation of the Retiree Welfare Benefit Trust. Example: <input type="checkbox"/> 60% bonds and 40% stocks in the Retiree Welfare Benefit Trust <input type="checkbox"/> 55% stocks, 35% bonds, and 10% alternatives in the Retiree Welfare Benefit Trust</p>	<p>Generally, Fixed Income - 40% to 70%; Equities 20% to 50%; Cash Equivalents 0% to 10%</p>
<p>6 What are the constraints of the equity portion of the Retiree Welfare Benefit Trust portfolio? Example: <input type="checkbox"/> 100% domestic large-cap equities <input type="checkbox"/> 70% domestic equity and 30% international equity <input type="checkbox"/> 80% large-cap equity and 20% small-cap equity</p>	<p>Generally, Large Cap 0% to 50%; Small Cap Growth and Value 0% to 30%; International 0% to 30%.</p>

**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2014 Banking and Investment Services RFP
September 20, 2013**

Capital Markets Investment Account

Response

1	<p>What is the decision making process for determining the direction of this account? Example: <input type="checkbox"/> State policy <input type="checkbox"/> Leadership at the MCHCP <input type="checkbox"/> A board associated with the MCHCP</p>	<p>The provisions of Chapter 103 of the Missouri Revised Statutes; Health Plan for State Employees, under applicable sections, outline the establishment, purpose, and powers to carry out the Plan.</p>
2	<p>What are the actuarial assumptions for the Capital Markets Investment Account?</p>	<p>The Capital Markets Investment Account does not have an independent separate actuarial evaluation performed. The funds invested in this account are covered by the investment policy included at Attachment 2.</p>
3	<p>Are there any securities restrictions in the Capital Markets Investment Account? Does the state treasurers model policy apply here? Is there a different investment policy statement for the Capital Markets Investment Account?</p>	<p>The funds invested in this account are covered by the investment policy included at Attachment 2.</p>
4	<p>What is the targeted duration of the portfolio associated with the Capital Markets Investment Account? Example: <input type="checkbox"/> 3 years <input type="checkbox"/> 5 years <input type="checkbox"/> 10 years</p>	<p>The maximum maturities are stated on page 6 of 7 of the investment policy included at Attachment 2.</p>
5	<p>Does the investment manager have full discretion in the management of the investment pools inside the Capital Markets Investment Account?</p>	<p>Pursuant to the provisions of Chapter 103 of the Missouri Revised Statutes, the Board of Trustees may contract with an investment counselor. Investment counselors will work with the Board of Trustees to develop formal strategies to meet or exceed the overall return objectives measured against all risks and regulatory factors.</p>