

**ADMINISTRACIÓN DE
SEGUROS DE SALUD DE PUERTO RICO
(ASES)**

**PUERTO RICO HEALTH INSURANCE
ADMINISTRATION (PRHIA)**



**ACTUARIAL SERVICES
GOVERNMENT HEALTH PLAN
REQUEST FOR PROPOSALS
RFP # ACTUARIAL 2022**

ISSUE DATE: OCTOBER 13, 2021

PROPOSAL DUE DATE: NOVEMBER 15, 2021 4:00 PM (AST)

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1. GENERAL INFORMATION

1.1 Purpose

This document constitutes a request for submissions from qualified entities to provide actuarial services. The Contractor selected as a result of this Request for Proposals (RFP) will provide actuarial services support for the public health insurance programs administered by ASES. The requested services will include fiscal management, consulting, and technical assistance with: **1) actuarial analysis regarding the Centers for Medicare and Medicaid Services (CMS) requirements and requested certifications; 2) determine the Per Member Per Month (PMPM) rates for the Government Health Plan (GHP) (Plan Vital, Platino, Ley 95- Public Employees Health Benefits Act); 3) financial reporting support in order to apply for federal funding; 4) fiscal reporting on encounter data in order to optimize healthcare services; 5) actuarial and fiscal analysis for budget initiatives; 6) financial analysis on chronic health condition payments (risk adjustment); 7) Diagnosis Related Groups (DRGs) analysis; 8) financial and actuarial reports to be submitted for the Financial Oversight and Management Board for Puerto Rico (FOMB); 9) competitive procurement process (i.e. Plan Vital, , Platino contracts, Act. No. 95- Public Employees Health Benefits Act contracts); 10) assessment of fiscal impact of federal law, state law, rules, etc.; 11) federal law waivers and budget neutrality requirements, among other actuarial analyses as needed upon request.**

PLEASE NOTE: THE SCOPE OF WORK FOR THIS RFP EXCLUDES THE SERVICES CURRENTLY NEEDED BY ASES FOR THE UPCOMING RFP FOR THE SELECTION OF THE MANAGED CARE ORGANIZATIONS FOR THE GOVERNMENT HEALTH PLAN – VITAL.

The intent is to award a contract, at a date to be determined, to an entity demonstrating its ability to meet all requirements and successfully operate in Puerto Rico. The effective date of this Agreement will be February 1, 2022 through June 30, 2023 with an option to renew for an additional fiscal year from July 1, 2023 until June 30, 2024.

This Request for Proposals (RFP) defines the Puerto Rico Health Insurance Administration's (Administración de Seguros de Salud – ASES) minimum service requirements, solicits responses, and outlines the process for evaluating submissions and selecting Contractors.

The Offeror must agree, and quote costs based on the Total Ownership Cost Method. The Total Ownership Cost Method includes not only the direct costs of the specific deliverables required for the provision of the Contracted Services but also all indirect

costs that would be logically attributed to the provision of such Services. It is an all-inclusive rate.

ASES is seeking Offerors that:

1. Demonstrate a clear understanding of ASES's needs, the services sought and the Offeror's responsibilities.
2. Demonstrate that the Offeror understands its role as partner and advisor to ASES.
3. Demonstrate the Offeror's capability to perform all services and meet all Contract requirements.
4. Demonstrate how the Offeror will contribute to the achievement and advancement of ASES's goals and objectives.
5. Demonstrate financial solvency and stability to perform the services of this RFP.
6. Demonstrate operational capacity to support a February 1, 2022 Effective Date.

1.2 Procurement Contact

The Procurement Contact is the sole point of contact regarding the RFP from the date of issuance until selection of the successful bidder. Any inquiries or requests regarding this procurement shall be submitted in writing and by email.

The Offeror may only contact the Procurement Contact regarding this procurement. Other Government of Puerto Rico employees, consultants, and agents do not have the authority to respond on behalf of ASES. ASES shall not assume responsibility for any answers or clarifications provided by other ASES staff, or by any other Government of Puerto Rico employee or agent. An Offeror that contacts another Government of Puerto Rico employee or agent in violation of this requirement will be excluded and disqualified from further participation in this RFP. See Section 2.4.23 of this RFP.

The decisions notified by the Procurement Contact on any matter regarding this RFP shall be final.

Contact information for the Procurement Contact is as follows:

Mrs. Raquel Vera
1549 Calle Alda
San Juan, PR 00926-2712
asesactuarialservicerfp@asespr.org

1.3 Background

Pursuant to Title XIX of the Federal Social Security Act, 42 USC 1396 *et seq.* ("the Social Security Act"), and Act No. 72 of September 7, 1993 of the Laws of Puerto Rico

("Act 72"), a comprehensive program of medical assistance for the medically needy persons that exists in Puerto Rico. The Puerto Rico Health Department ("the Health Department") is the Single State agency designated to administer medical assistance in Puerto Rico under Title XIX of the Social Security Act of 1935, as amended, and is in charge of ensuring the appropriate delivery of health care services under Medicaid and the Children's Health Insurance Program ("CHIP") in Puerto Rico, and ASES manages these programs pursuant to a delegation of authority.

ASES is a public corporation with autonomy to develop and execute the terms of its organic law, Act Number 72 of September 7, 1993, as amended. ASES is responsible for health care policy, purchasing, planning, and regulation pursuant to Act 72, as amended, and other sources of law of Puerto Rico, and pursuant to this statutory provision. ASES has established a managed care program under the medical assistance program, known as "GHP," "GHP Program," "the Government Health Plan", or "Vital". As part of its responsibilities, ASES needs actuarial services in support of GHP contract, as well as other federal requirements for actuarial services.

Beneficiaries that participate in the Government Health Plan, are approximately 1.5 million beneficiaries. In 2018, ASES contracted with five (5) Managed Care Organizations (MCOs) under GHP. Effective October 1, 2020, ASES now holds contracts with four (4) MCOs to provide GHP services. ASES also has current contracts with four (4) MCOs to provide services for the Medicare Advantage under Platino coverage, as well as one (1) contract under Puerto Rico's Act No. 95 of 1963 in order to provide a health plan for officials and employees of the government of Puerto Rico. In addition, ASES has contract with a PBM to provide Pharmacy Benefit Management services and a Pharmacy Program Administrator (PPA) to provide Rebate services, Maximum Allowable Cost (MAC) list services and Formulary Management services. The MCOs are obligated to accept the terms and conditions of the contract that ASES holds with these entities.

ASES is authorized to negotiate and enter into contracts with entities to perform required functions under the laws of the federal Government and the Government of Puerto Rico, to support the Medicaid and other health services provided by the Federal Government. In this RFP, ASES seeks to contract with a qualified Actuarial Provider for specified functions. Responses submitted must demonstrate the capacity and ability to conduct Actuarial Services functions for ASES.

1.4 Content of RFP

This RFP defines ASES' minimum service requirements, solicits responses and outlines the process for evaluating proposals and selecting the Contractor. This RFP contains the following information:

1. Instructions to Offerors contained throughout this RFP
2. Procedures and policies for the presentation and for the adjudication of the proposal
3. Technical specifications
4. Appendices, including the Cost Proposal Template and Other Required Forms

1.5 Definitions

This section contains definitions and abbreviations that are used throughout this document.

ACTUARIAL SERVICES - The use of mathematical and statistical models, probability, finance, economics, computer programming, and other resources to create actuarial models to evaluate and predict future payouts for insurance purposes.

Commonwealth Population – Beneficiaries that participate on the Government Health Plan, there are approximately 1.5 million beneficiaries in the Plan Vital.

Conflict of Interests – Any group of acts, facts, or circumstances that according to ASES' determination and judgment appears to bring into question the image, independence, objectivity or fair treatment of the Contractor. As established in detail in Section 2.4.26 and 2.4.27. This term also incorporates the requirements for conflict-of-interest safeguards at 2 CFR 200.318.

Contract – A written agreement between ASES and the Actuarial Services Provider for the provision of specified functions set forth in this RFP.

Island-wide – All geographic areas that comprise the entirety of Puerto Rico, including Vieques and Culebra.

Medicaid – The joint Federal/state program of medical assistance established by Title XIX of the Social Security Act.

Offeror – Any person, corporation, or partnership that submits a response to this RFP. The terms “contractor(s)”, “bidder(s)”, “vendor(s)”, “supplier(s)”, and “proposer(s)” are also used interchangeably. For purposes of this RFP, the use of the terms “shall”, “must” and “will” are used interchangeably when describing the Offeror's/Contractor's/Bidder's duties.

Procurement Contact – The person or designee authorized by ASES to manage or administer the RFP process.

Proposal – A response submitted to this RFP, including all attachments.

Request for Proposals – This refers to this document and all documents used to solicit responses, including those attached or incorporated herein by reference.

Subcontract – The written contract between the Actuarial Services Provider and a Subcontractor to perform a specified part of the Actuarial Services Provider’s obligations under the Contract.

Subcontractor – Any organization or person, including the Actuarial Services Provider’s parent, subsidiary or affiliate, who has a subcontract with the Contractor to provide any function or service for the Contractor specifically related to securing or fulfilling the Actuarial Services Provider’s obligations to the Government of Puerto Rico under the terms of the Contract.

2. CONDITIONS GOVERNING THIS REQUEST

The following is the schedule and major events as currently defined well as the conditions governing this initiative.

2.1 Issuing Office and RFP Reference Number

ASES is the issuing office for this RFP and all subsequent addenda relating to it. This RFP is titled Actuarial Services and its reference number is RFP # Actuarial 2022.

It is required to refer to or include this number on all proposals, correspondence, and documentation relating to the RFP.

2.2 Schedule

The delivery schedule set forth herein represents ASES’s best estimate of the schedule that will be followed. Unless stated otherwise, **items will be due at 4:30 p.m. (Atlantic Time) on the dates specified below**. If a component of this schedule – such as *Submission of Responses* – is delayed, the rest of the schedule will likely be shifted by the same number of days. ASES will make every effort to adhere to the following schedule:

Action	Responsible Party	Date
1. Issuance of RFP	ASES	October 13, 2021
2. Deadline for questions	Potential Offerors	October 29, 2021

3. Publishing of Responses to Written Questions	ASES	November 8, 2021
4. Submission of Proposals	Offerors	On or before 4:00 PM (AST) on November 15, 2021
5. Notice of intent to award Contract	ASES	Estimated for December 17, 2021
6. Reconsideration/Request for Administrative and Judicial Review	Offerors	See Article 3.19 of Law No. 38 of 2017, as amended.
7. Contract Execution	ASES and Awarded Actuarial Services Provider	No later than January 19, 2022
8. Go-Live Date	ASES	February 1, 2022
<p>NOTE: Dates are subject to change based on number of Proposals to evaluate and final approval from federal partners.</p> <p>ASES reserves the right to request additional/clarification from Offeror at any time during the initiative process.</p>		

2.3 Details of the Schedule

2.3.1 Acquisition of RFP Document Package

A. From October 15, 2021, entities interested in obtaining an electronic copy of the RFP Document Package and participate in the process must send a written certification request by email to asesactuarialservicerfp@asespr.org, stating its:

- (1) interest in submitting a Proposal; and
- (2) provide the contact information (name, position, email address and telephone number) of the person authorized to request the RFP Document Package and communicate during the process with ASES' Procurement Contact.

B. Upon receipt of the request certification, ASES will send the bank account information for the corresponding payment of the RFP Document Package, which will have a non-refundable cost of five hundred dollars (\$500.00) payable by check, manager's check, "money order" or electronic transfer payable to ASES .

PAYMENT MUST BE MADE BY THE ENTITY THAT WILL SUBMIT THE PROPOSAL.

C. After payment, the interested entity will send to ASES, by email, the evidence of payment provided by the financial institution, which must include:

- (1) date of payment;
- (2) amount of the payment made to ASES; and
- (3) name of the interested entity making the payment.

D. Any deficit in payment, even caused by a transaction fee charged by the financial institution or an intermediary, will preclude ASES from providing the RFP documents until such deficit is covered. THE DEADLINE TO SEND EVIDENCE OF FULL PAYMENT FOR THE ACQUISITION OF THE RFP DOCUMENT PACKAGE IS 4:00 PM (AST) ON OCTOBER 22, 2021.

E. Even after providing access to the RFP Document Package, if there is any notification from ASES' banking institution to the effect that payment has not been received in full, it will be understood for all purposes that the Potential Offeror has not properly acquired the RFP Document Package and no further participation in the process will be allowed until such payment is made.

2.3.2 Acknowledgement of Receipt of RFP Form and Notice of Intent to Participate

Potential Offerors are encouraged to promptly return by email the Acknowledgment of Receipt Form of RFP and Notice of Intent to Participate that accompanies this document (Appendix A) to have their organization placed on the procurement distribution list and receive the username and password to access the secure site where Proposals will be uploaded. The form must be signed by the Offeror's representative authorized to legally bind the Offeror, dated, and returned to asesactuarialservicerfp@asespr.org.

FAILURE TO SUBMIT AN ACKNOWLEDGEMENT OF RECEIPT FORM SHALL CONSTITUTE A PRESUMPTION OF RECEIPT OF THE RFP AND WILL RESULT IN THE POTENTIAL OFFEROR NOT ABLE TO ACCESS THE SECURE SITE AND UPLOAD THE PROPOSAL.

If an Offeror does not receive a username and password within one (1) business day from the date of submission of Appendix A, the Offeror may contact the Procurement Contact.

At a minimum, the procurement distribution list will be used to distribute:

- Written responses to questions
- Any RFP amendments

2.3.3 Deadline to submit written questions regarding RFP

Offerors that fail to report a known or suspected problem with the RFP and/or its accompanying materials or fail to seek clarification and/or correction of the RFP and/or its accompanying materials shall submit a Proposal at their own risk. In addition, if awarded the Contract, the Contractor shall not be entitled to additional compensation for any additional work caused by such problem, including any ambiguity, conflict, discrepancy, omission, or error.

Potential Offerors may submit to the Procurement Contact a maximum of **twenty (20)** written questions as to the intent or clarity of this RFP and its appendices. The Offeror shall submit all questions by a non-encrypted email that must contain the following as the subject line:

Question/Clarifications: (Offeror's Name)

Questions shall be clearly labeled and shall cite the Section(s) in this RFP or other document that forms the basis of the question. For example, if the Offeror has a question related to this procurement schedule, the Offeror must cite to Section 2.1 of this RFP.

No compound or multi-part questions are allowed. If submitted, each part of the compound or multi-part question will count as one (1) of the twenty (20) questions allowed. ASES will not answer more than twenty (20) questions per Offeror.

Questions must be received by deadline **4:30 PM (AST) on October 29, 2021.**

2.3.4 Publishing Responses to Written Questions/RFP Amendments

Written responses to questions and any RFP amendments will be distributed to all potential Offerors appearing on the procurement distribution list.

ASES shall make every effort to provide answers as close to the deadline (November 8, 2021). ASES reserves the right to determine, at its sole discretion, appropriate and adequate responses to written comments, questions, and requests for clarification. To the extent practical, inquiries shall remain as submitted. However, ASES may consolidate and/or paraphrase similar or related inquiries.

ASES official responses and other official communications pursuant to this RFP shall constitute an amendment or supplement of this RFP.

ASES reserves the right to amend this RFP (including all appendices) any time before the closing date for submitting proposals (November 15, 2021), excluding changes to the schedule of events. Amendments shall be sent to all Offerors appearing on the procurement distribution list pursuant to Section 2.3.2 of this RFP.

2.3.5 Deadline for the Submission of Proposal

Proposals are due at 4:00 pm (AST), **November 15, 2021**. Any Proposal received after this deadline **will be rejected and will cause the Proposal to be disqualified**.

Offerors are required to submit only one (1) Proposal in response to this RFP. The entire Proposal must be uploaded onto the secure site with the unique password and username given to the Offeror. The Offeror must place the Proposal in the appropriate folders with the Offeror's name.

The Offeror shall not distribute the Proposal to any entity not specified in this RFP, nor shall the Offeror share its Proposal with other potential Offerors.

The contents of any Proposal shall be maintained in strict confidentiality by ASES according to **Section 2.4.7 of this RFP** and shall not be disclosed to competing Offerors or the general public during the procurement process and only may be disclosed after the Contract is awarded.

2.3.6 Notice of Intent to Award Contract

Based on ASES' Board of Directors selection of the successful Offeror, the Executive Director of ASES shall send such Offeror a written Notice of Intent to Award.

2.3.7 Reconsideration/Request for Administrative and Judicial Review

Any reconsideration request by an Offeror must be made in accordance with applicable Puerto Rico law; see Articles 3.19 & 4.2 of Act 38 of 2017, as amended.

Any Offeror who understands that it has been affected by the final determination of ASES in the adjudication of this RFP may submit a written Petition for Reconsideration within **twenty (20) Calendar Days** from the date of the mailing of the Notice of Award of this RFP. This is a jurisdictional term, not subject to extension of time. Failure to timely present the petition will preclude ASES from considering the Petition for Reconsideration.

The Petition for Reconsideration must be addressed to the attention of ASES Board of Directors and sent by mail and email to the following addresses:

Urb. Caribe Sector El Cinco
1549 Calle Alda
San Juan, PR 00926-2712
Tel. (787) 474-3300 ext. 3006
asesactuarialservicerfp@asespr.org

The envelop must clearly and prominently state the name and number of this RFP and be titled “PETITION FOR RECONSIDERATION”. The email must include in the subject “Petition for Reconsideration”.

2.3.7.1-Notification to other Offerors

The petitioner must notify all other Offerors who participated in this RFP with a copy of the Petition of Reconsideration within the same term mentioned in Section 2.3.7 of this RFP. This is a requirement of strict compliance.

The petition must contain the following requirements which are essential to perfect the petition:

1. Be signed by a duly Authorized Representative of the petitioner;
2. Clearly establish the relevant facts, reasons and arguments on which it is based;
3. Include the necessary documentary evidence to sustain the veracity of the facts alleged;
4. Clearly state the remedy(ies) sought;
5. Certify that all parties have been duly notified of the petition, as stated in Section 2.3.7.4 of this RFP.

Failure to duly comply with these requirements may be sufficient cause to dismiss the petition.

2.3.7.2-Ruling on the Petition for Reconsideration

The Board of Directors of ASES shall consider the Petition for Reconsideration within thirty (30) calendar days of the filing of the petition. ASES may extend said term only once, for an additional term of fifteen (15) calendar days.

If a ruling on the Petition is made, the twenty (20) calendar days for requesting judicial review will begin from the date on which a copy of the notification of the decision of the Board of Directors of ASES was deposited in the mail.

If the Board of Directors does not rule on the Petition within the thirty (30) day period, or within the **timely** extended term, the Petition for Reconsideration shall be deemed rejected outright, and the twenty (20) calendar day’s term to request a judicial review before the Court of Appeals will commence.

Likewise, the party adversely affected by a decision on reconsideration filed before ASES, may request judicial review before the Court of Appeals within a jurisdictional

period of twenty (20) calendar days from the date of the mailing of notice of the final order or resolution.

2.3.8 Contract Execution

The Offerors shall not have a right to open negotiations of the Contract with ASES. Any Offeror who places conditions on its Proposal to negotiate the terms and conditions of the Contract, excluding pricing, will be disqualified from the process. The contents of this RFP, as revised and/or supplemented, and the successful Offeror's Proposal will be incorporated into and become part of the Contract.

ASES assumes no liability for any work performed by the selected Offeror in anticipation of a binding Contract prior to the approval date and the Effective Date of the Contract.

2.3.9 Contract Effective Date

The Contract Effective Date is the date on which the Offeror would initiate the Actuarial Services. As of the date of this RFP, the Effective Date is expected to be February 1, 2022.

2.4 General Requirements

2.4.1 This RFP is open to any Offeror capable of performing the work addressed in the Contract in Appendix H, subject to the following stipulations:

- A) The Offeror and any proposed subcontractor is/are authorized by the Department of State of Puerto Rico to do business in Puerto Rico prior to Contract Award. If at the time of submittal of the proposal, the Offeror and any proposed subcontractor is in the process of being so authorized, the Offeror must present sufficient evidence of said process and the current status.
- B) The burden is on the Offeror to present sufficient assurance to ASES that awarding the Contract to the Offeror shall not create a conflict of interest.
- C) The Offeror and any proposed subcontractor is/are in compliance with other applicable legal requirements to become a government service provider. (See Section 6.7 regarding the Single Registry of Professional Services Provider)
- D) ASES may make investigations as it may deem necessary and/or convenient to determine the Offeror's ability to adhere to the requirements specified in this RFP.
- E) ASES will reject the Proposal of any Offeror that is not a responsive Offeror or that fails to submit a responsive offer.

2.4.2 Acceptance of Conditions Governing this RFP and Other Factors

Submission of a response constitutes acceptance of the evaluation process contained in Section 5 of this RFP. ASES assumes no liability for any work performed by the selected Offeror in anticipation of a binding Contract prior to the approval date and the Go-Live Date of the Contract

2.4.3 Incurring Costs

Any costs or expenses incurred by the Offeror in preparing, transmitting, or presenting any Submission in response to this RFP, and/or related to the preparation for Contract effectiveness shall be borne solely by the Offeror. Contractor Responsibility

Any Contract that may result from this RFP shall specify that the successful Offeror is solely responsible for fulfillment of the Contract with ASES.

2.4.4 Subcontractors and Delegation

Proposed use of Subcontractors must be clearly identified and explained in the Proposal, and all Subcontractors must be identified by name. The Contractor shall be wholly responsible for the entire performance under the terms of the Contract, whether Subcontractors are involved. Offerors awarded a Contract must submit Subcontract(s) to ASES for review in accordance with the timeframes outlined in the Contract.

ASES reserves the right to audit Subcontractor(s) at the Actuarial Services Provider's expense. **See Section 2.4.18.**

2.4.5 Amended Proposals

Proposals may be amended prior to the deadline for receipt of proposals. If amended, Proposals shall be resubmitted by the Offeror in its entirety. Any previous proposal will be discarded and ASES will only evaluate the amended/revised Proposal.

2.4.6 Offerors' Rights to Withdraw Proposal

The Offeror may withdraw its Proposal at any time prior to Contract award through an official communication to the Procurement Contact, duly signed by its authorized representative. **See Section 1.2.**

2.4.7 Disclosure of Proposal Contents; Confidentiality of Proposals

Proposals will be kept confidential until and when Contracts are awarded. At that time, all Proposals and documents pertaining to the Proposal will be open to the public, except for the material that is proprietary or confidential and duly marked as such. Procurement

Contact will not disclose or make public any pages of a Proposal on which the Offeror has stamped or imprinted in a conspicuous way “proprietary” or “confidential,” subject to the following requirements.

Proprietary or confidential data shall be readily separable from the Proposal to facilitate eventual public inspection of the non-confidential portion of the Proposal. **If the Offeror requests confidential treatment, Offeror must submit one (1) copy of the full Proposal (including the Cost Proposal) with proposed confidential information redacted.**

1. This redacted copy must tell the general nature of the material removed and shall retain as much of the Offer as possible.
2. In a separate attachment, Offeror shall supply a listing of the provisions identified by Section/subsection number for which it seeks confidential treatment and identify the statutory basis or bases under federal law and/or Puerto Rico Law, including a detailed justification for exempting the information from public disclosure.
- 3. Blanket labeling of the entire document as “confidential” or “proprietary,” shall result in the Proposal not being evaluated.**
4. The Offeror that does not want confidential treatment, must submit a certification to the effect that it does not request confidential treatment of any portion of its proposal and agreeing to release and hold ASES, the federal and state government harmless.

Confidential data is normally restricted to confidential financial information concerning the Offeror's organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act and Act No. 80 of June 3, 2011, as amended, (known as “Industrial and Trade Secret Protection Act of Puerto Rico”). The price of products offered, or the cost of services proposed shall not be designated as proprietary or confidential information.

If a request is received for disclosure of data for which an Offeror has made a written request for confidentiality, Procurement Contact shall examine the Offeror’s request and make a written determination that specifies which portions of the Proposal should be disclosed. The Offeror will be provided with five (5) business days to object to the ruling. Unless there is an objection which has not been resolved, the Proposal will be so

disclosed. The Proposal shall be open to public inspection subject to any continuing prohibition on the disclosure of confidential data.

2.4.7.1 Hold harmless provision

By submitting a Proposal, the Offeror agrees to hold harmless and indemnify the Government of Puerto Rico, ASES and the Federal Government for all costs or damages associated with ASES or other governmental entity defending Offeror's request for confidential treatment. Offeror also agrees that ASES may copy the Offer to facilitate evaluation, or to respond to requests for public records. Offeror warrants that such copying will not violate the rights of any third party.

The Government of Puerto Rico maintains the right to use all ideas, or adaptations of those ideas, contained in any Proposal received in response to this RFP. Selection or rejection of the Proposal shall not affect this right.

2.4.8 No Obligation

This RFP in no manner obligates the Government of Puerto Rico or any of its agencies to use any proposed professional services until a valid written Contract is executed and approved by the appropriate authorities.

2.4.9 Termination

This RFP may be terminated at any time, and any and all Proposals may be rejected, in whole or in part, when ASES determines in its sole discretion that the termination serves the best interest of the Government of Puerto Rico.

2.4.10 Sufficient Appropriation

Any Contract awarded as a result of this RFP process may be terminated if sufficient Government of Puerto Rico and/or federal appropriations or authorizations, including those from the FOMB do not exist. Such termination will be made by written notice to the Contractor. ASES's decision as to whether sufficient appropriations and authorizations are available will be accepted by the Contractor as final.

2.4.11 Legal Review

ASES requires that all Offerors agree to be bound by the General Requirements contained in this RFP. Any Offeror concerns must be promptly brought to the attention of Procurement Contact. **See Section 1.2 of this RFP.**

2.4.12 Governing Law

This initiative and any agreement with Offerors that may result from it shall be governed by the laws of the Government of Puerto Rico and, where appropriate, the body of laws applicable to federal grants.

2.4.13 Basis for Proposal

Only information included in this RFP and the information supplied by ASES in writing through Procurement Contact in the form of questions and answers should be used as the basis for the preparation of Offerors' Proposals.

2.4.14 Contract Terms and Conditions

The Contract between ASES and the Offeror selected will be provided by ASES. The contents of this RFP, as revised and/or supplemented, and the successful Offeror's Proposal will be incorporated into and become part of the Contract.

2.4.15 Notice

Offerors are advised that any violation of Federal or Puerto Rico law and regulation regarding attempts to improperly influence this initiative may result in criminal and/or civil penalties.

2.4.16 Right to Publish

Throughout this initiative process and Contract term, potential Offerors, Offerors, and the selected Actuarial Services Provider must secure from ASES written approval prior to the release of any information that pertains to the potential work or activities covered by this initiative or a subsequent Contract. Failure to adhere to this requirement may result in disqualification of the Offeror's Proposal or termination of the Contract.

2.4.17 Ownership of Proposals; Subcontract Clauses and requirements

ASES is the sole and exclusive owner of all the information related to, or generated, or in connection to this RFP, including, but not limited to, the use and costs of the services provided, health information, etc. ASES is the sole and exclusive owner of the property rights over all the data and information related to the GHP Contract, including this RFP and the Proposals not otherwise withdrawn.

All the documents related to the Contract will be subject to evaluation and Audits, and shall be made available, within a reasonable period of time and without modifications,

for evaluation by ASES's personnel and their Authorized Representatives. Additionally, ASES will have the right to request these documents at no cost to ASES.

The Offeror awarded the Contract for the Actuarial services who will be subcontracting services under this RFP shall include a clause in their subcontracts stating that the personal and utilization information or data pertaining to the GHP Enrollees belongs exclusively to ASES. This clause shall also require that the Contractor and its Subcontractor do not give access, assign, or sell, the information and data to third parties, without the prior written consent from ASES, and all private information be managed in accordance with HIPAA requirements. The Offeror awarded the Contract is required to include penalty clauses in Subcontractor contracts to discourage this practice. The penalty clauses shall state that related fines will be payable to ASES.

2.4.18 Rights over the Information

The Offeror recognizes and accepts that ASES is the exclusive owner and that ASES has all the ownership rights over any and all information related to or generated or in connection to the Contract(s). ASES has exclusive rights over all the information and data, including but not limited to, the Enrollees' personal and health information and the data related to utilization, costs, and fees.

The Offeror selected, and its Subcontractor shall not transfer, assign, dispose or sell this information to third parties or use it for commercial purposes or in their own private businesses. Engaging in such a practice constitutes a violation of HIPAA and ASES's property rights and shall result in penalties, fines or the rescission and termination of the Contract.

All documents related to Contract, including, but not limited to, policies, procedures, analysis, protocols, and communications, shall be made available and filed with ASES, without changes to their original format (no PDF), whenever requested. In the event that ASES requests copies of these, the Contractor shall deliver them without alterations and/or omissions. The Contractor shall not refuse to these requests. Refusal to provide requested documents will constitute an obstruction to the efforts of ASES's auditors and a breach of Contract subject to penalties and sanctions, including termination of the Contract.

In addition to the intellectual property ownership rights in the Contract, the following subsection describes the intellectual property ownership requirements that the Contractor shall meet during the term of the Contract in relation to federal financial participation.

2.4.18.1 Rights over software data

To facilitate obtaining the desired amount of federal financial participation under 42 CFR 433.112, ASES shall have all ownership rights, not superseded by other licensing restrictions, in all materials, programs, procedures, etc., designed, purchased, or developed by the Contractor and funded by ASES. The Contractor shall use contract funds to develop all necessary materials, programs, products, procedures, etc., and data and software to fulfill its obligations under the Contract. ASES's funding used in the development of these materials, programs, procedures, etc. shall be documented by the Contractor(s). ASES shall have all ownership rights in data and software, or modifications thereof and associated documentation and procedures designed and developed to produce any systems, programs report and documentation and all other work products or documents created under the Contract. ASES shall have these ownership rights, regardless of whether the work product was developed by the Contractor or any Subcontractor for work product created in the performance of this Contract. ASES reserves, on behalf of itself, the U.S. Department of Health and Human Services and its contractors, a royalty-free, non-exclusive and irrevocable license to produce, publish or otherwise use such software, modifications, documentation and procedures. Such resolved data and software include, but is not limited to, the following:

- A. All computer software and programs, which have been designed or developed for ASES, or acquired by the Contractor on behalf of ASES, which are used in the performance of the Contract.
- B. All internal system software and programs developed by the Contractor or Subcontractor(s), including all source codes, which result from the performance of the Contract;
- C. All necessary data files;
- D. User and operation manuals and other documentation;
- E. System and program documentation in the form specified by ASES;
- F. Training materials developed for ASES's staff, agents or designated representatives in the operation and maintenance of this software and other programs.

2.4.19 Availability of Funds

Any Contract resulting from this RFP will be subject to the availability of funds by the Government of Puerto Rico, subject to the transfer of federal, Government of Puerto Rico, and municipal funds being made available to ASES.

2.4.20 Relations with Government Entities

In the event that the Offeror is awarded a Contract, the Offeror will be required and obligated to establish a close cooperative and working relationship with ASES and with awarded Contractor in the future.

The Offeror awarded a Contract will have a continuous obligation to establish a close and cooperative relationship with ASES, and the concerned Government of Puerto Rico and federal agencies, including, but not limited to:

- CMS;
- Comptroller of the Government of Puerto Rico and Federal Government;
- The Office of the Inspector General;
- The Department of Justice and the Medicaid Fraud Control Unit (MFCU)
- The United States Department of Health and Human Services;
- The Puerto Rico Health Department and its Office for the Medicaid Program, among others.

2.4.21 Statements by the Offeror

An Offeror's Proposal constitutes the instrument through which the Offeror manifests its interest, offers, commitments and representations and agrees to be legally bound by the contents thereof.

Statements included in the Offeror's Proposal will be accepted in good faith by ASES' officials during the evaluation and adjudication process. The Offeror's Proposal constitutes material evidence of the Offeror's commitments and representations and will be incorporated into the Contract to the extent the Offeror is awarded such Contract.

ASES reserves the right to reject an Offeror's Proposal or to disqualify any Offeror for noncompliance with the requirements of this RFP at any time during the presentation, evaluation or adjudication process.

2.4.22 Prohibition Regarding Interference in the Evaluation and Adjudication Process

During this procurement process, Offerors shall not be allowed to obtain information, interfere, influence, exert pressure or communicate with individuals named to this RFP evaluation committee nor any other employee, consultant, or Agent of ASES. One exception is for instances in which such communication is unrelated to this procurement and limited to the normal operations of current Contracts with ASES. As

explained on matters related to this RFP Offerors may only communicate directly with the Procurement Contact.

FAILURE TO STRICTLY ABIDE BY THIS RULE WILL CAUSE THE DISQUALIFICATION OF THE OFFEROR FROM THIS PROCESS.

2.4.23 Access to contract materials

The Contract awarded by ASES will include a provision to the effect that ASES, the Department of Health, the U.S. Comptroller General, or any of their duly Authorized Representatives, must have access to any books, documents, papers and records and staff of the Contractor which are directly pertinent to the Actuarial Services for the purpose of making evaluations, examinations, excerpts and transcriptions.

2.4.24 Contractual Clauses pursuant to Executive Order Memorandum No. 2021-003 from the Governor of Puerto Rico and Circular Letter CC-001-2021 from the Office of Management and Budget of the Government of Puerto Rico.

The following clauses will be included in the Contract awarded to the selected Offeror. The offeror, upon submission of a Proposal, agrees to comply with the following Contract Clauses:

2.4.24.1 Interagency Services Clause

“As applicable, the contracted services under this RFP can be rendered to any entity of the Executive Branch, with which ASES executes an interagency agreement or by direct disposition of the Governor’s Chief of Staff. These services shall be rendered under the same terms and conditions specified on the ensuing contract, as for work hours and compensation. The term “entity of the Executive Branch” includes all agencies of the Government of Puerto Rico, as well as instrumentalities and public corporations, and the Office of the Governor.”

2.4.24.2 Termination by the Executive Branch

“The Governor’s Chief of Staff has the power to cancel the ensuing contract under this RFP at any moment.”

2.4.24.3 FOMB Certification Requirement

“The Parties shall acknowledge that the Contractor will submit the certification entitled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board for Puerto Rico and in force as of November 6, 2017 and as amended on October 30,

2020, signed by the Contractor's Executive Director (or other official with a position or authority equivalent to issue such certifications). A signed copy of the Contractor Certification Requirement shall be included as an annex to the ensuing contract.”

2.4.25 Lobbying

No appropriated funds supporting this Contract may be expended by the Contractor for payment of any person for influencing or attempting to influence an employee of ASES, a Member or employee of the Puerto Rico Legislature, a member or employee of Congress in connection with the award of this Contract, the making of any federal funding grant award connected to this Contract, the making of any Federal loan connected to this Contract, the entering into any cooperative agreement connected to this Contract, and the extension, continuation, or modification of this Contract.

If any funds other than federally appropriated funds have been paid or will be paid to any person influencing or attempting to influence an officer or employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

2.4.26 Conflicts of Interests

ASES is required by federal and Government of Puerto Rico law to assure the integrity and equal, fair and impartial treatment of the Offerors who elect to participate in this RFP procurement process. This duty and principle apply throughout this procurement process, including the evaluation, selection, negotiation, adjudication and execution of the Contract. To maintain among the Offerors in this RFP open and free competition, ASES maintains an aggressive policy towards actual or potential conflicting interests.

For purposes of this RFP, ASES reserves the right to disqualify any offeror with a conflict of interest or lack of independence. ASES will investigate any charge or allegation to this effect, prior to the disqualification, if any. ASES reserves the right, during the term of the Contract, at any time after concluding the due process of law required, to amend, cancel, rescind, or terminate the Contract awarded to an Offeror, if ASES becomes aware of the existence of a Conflict of Interest or any situation which may affect the Offeror’s independence.

Offerors who participate in this RFP procurement process shall not have any interest that may or could represent an actual, potential or future Conflict of Interest, in relation to the award, execution and performance of the Contract to be signed with ASES, nor with the grantors, personnel and ASES’s public service officials, its Board of Directors, or any

other personnel responsible for the evaluation or adjudication of the Contract, their family members or persons with whom they live, up to a fourth-degree of consanguinity or a second-degree of affinity. Neither can the Offeror be awarded a Contract that, in ASES's sole discretion, creates the appearance of impropriety.

2.4.27 Independence and Conflict of Interest Safeguards

A. The Offeror/Contractor and any Subcontractor(s) which may be engaged by the Offeror/Contractor(s) to perform any part of the Scope of Work (SOW) of this RFP shall be independent from the influence of any: (a) Contracted MCOs; (b) healthcare provider of the GHP, herein after collectively referred to as "GHP Participant". Therefore, at the time of the signature of the Contract, the Contractor and any Subcontractor(s) which may be engaged by the Contractor to perform any part of the SOW of this RFP shall not: (a) operate, directly or through an agreement, arrangement, contract, corporate operational scheme or through an executive or employee of the Contractor/Subcontractor, or family member within the fourth-degree of consanguinity or second degree of affinity, a GHP Participant; and/or (b) be owned or controlled by, or own or control a contracted MCO, or GHP Participant; unless ASES in its sole discretion waives these independence and conflict of interest safeguards.

WARNING: If such a lack of independence exists at the time of the submission of the Proposal for this RFP, the Offeror shall be required to submit with its Proposal either (i) an action plan to divest of the property, control or financial interest that causes the lack of independence (hereinafter referred to as "Divestiture Action Plan"), and correct or eliminate the lack of independence; or (ii) a detailed explanation as to why a conflict of interest is eligible to be waived and should be waived in ASES' sole discretion prior to the awarding of the RFP, and/or the actions that Offeror proposes and shall take in order to further eliminate the conflict of interest (both hereinafter referred to as "Conflict Avoidance Plan"). ASES retains sole discretion to determine whether a Divestiture Action Plan or Conflict Avoidance Plan sufficiently addresses an apparent conflict of interest to ASES' satisfaction in order for the Offeror to be awarded the RFP. The Offeror shall also submit Appendix C of this RFP accepting that, if awarded a Contract, the Divestiture Action Plan or Conflict Avoidance Plan, as approved in writing by ASES, will be expeditiously implemented before the signature of the Contract. **Failure to provide a divestiture action plan or Conflict Avoidance Plan where required, and Appendix C, will be sufficient cause for the disqualification of the offeror.**

- B. Conflict of Interest Safeguards. The Offeror/Contractor and any Subcontractor that may be engaged by the Offeror/Contractor to perform any part of the Scope of Work (SOW) of this RFP shall be free from conflict of interest. This includes but is not limited to situations where the Offeror/Contractor or any proposed Subcontractor has an ongoing contract with a GHP Participant.

If a conflict of interest exists at the time of the submission of the Proposal or is reasonably expected to occur during the term of the Contract, the Offeror and proposed subcontractor must fully divulge the circumstances creating or expected to create the conflict of interest and submit with the Proposal a Conflict Avoidance Plan with the corrective measures that will be taken to eliminate such conflict(s).

Therefore, at the time of the signature of the Contract, the Contractor and any Subcontractor(s) which may be engaged by the Contractor to perform any part of the SOW of this RFP shall not: (a) operate, directly or through an agreement, arrangement, contract, corporate operational scheme or through an executive or employee of the Contractor/Subcontractor, or family member within the fourth-degree of consanguinity or second degree of affinity of a GHP Participant; and/or (b) be owned or controlled by, or own or control a GHP Participant; unless ASES in its sole discretion waives these independence and conflict of interest safeguards.

WARNING: If a conflict of interest is determined to exist that cannot be resolved to the satisfaction of ASES before the signature of the Contract, the conflict will be grounds for deeming a Proposal non-responsive and the disqualification of the Offeror will ensue.

2.4.28 Criminal Background Check

ASES is prohibited by law to enter into contracts with any Offeror, its affiliates or subsidiary companies, or if any of its officers, directors, agents, members, partners, ruling bodies or other persons that perform equivalent functions for the Offeror, that has been convicted or pleaded guilty in Puerto Rico, the United States of America, or any other country, of criminal acts or constituting corruption, fraud, embezzlement, or unlawful appropriation of public funds, pursuant to Act 2 of 2018, as amended, and crimes stated in Articles 4.2, 4.3 or 5.7 of Act No. 1-2012, as amended; Articles 250-266 of Act No. 146-2012, as amended; or any of the crimes stated in Article 6.8 of Act No. 8-2017, as amended.

In addition, ASES may refuse to contract with any Offeror if any person who has an ownership or Control interest in the entity or is an agent or managing employee of the

Offeror, has been convicted of a criminal offense related to the person's involvement in any program established under Medicare, Medicaid, or the Title XX services programs. Taking into consideration the public policy for careful oversight in the adequate use of public funds, as well as the rules for proper public administration in Government contracts, ASES is required to adopt, in all of their contracts and amendments, the following safeguards:

- In the case of a legal person, to require a certification to the effect that neither it nor any of its shareholders, members, partners, Agents, officers, principals, employees, subsidiaries, or Parent Companies has been convicted or pleaded guilty for any crimes involving corruption, Fraud, embezzlement, or unlawful appropriation of public funds or property, in the Government of Puerto Rico or federal jurisdictions. (Refer to Appendix E).
- To include a contractual clause to the effect that the Contract will be terminated and rescinded if the Contractor is convicted for the commission of any crimes involving corruption, Fraud, embezzlement, or unlawful appropriation of public funds or property, in the Government of Puerto Rico or federal jurisdictions.
- To require that the Contractor recognize its obligation to report, in a continuous manner, during the term of the Contract, any fact or event related to the conviction for crimes involving corruption, fraud, embezzlement, or unlawful appropriation of public funds or property, in the Government of Puerto Rico or federal jurisdictions. This duty shall be of a continuous nature during all the stages of this procurement and term of the Contract.
- To require the Contractor that in the event it knows that it or one of its Subcontractors is under investigation for, or accused of, in Puerto Rico or any other jurisdiction, a crime involving corruption, fraud, embezzlement, or unlawful appropriation of public funds, pursuant to Act No. 2 of 2018, it must affirmatively disclose this information to ASES in writing immediately upon acquiring such knowledge. Refer also to Appendix E of this RFP.
- To require a certification to the effect that, during the ten (10) years prior to the formalization of the Contract, the entity entering into the Contract has not committed any crimes involving corruption, fraud, embezzlement, unlawful appropriation of public funds or property, in the Government of Puerto Rico or federal jurisdictions.

- To include a contractual clause to the effect that before the Effective Date of the Contract, pursuant to 42 CFR 455.104, the Contractor shall disclose to ASES the identity of any person who has an ownership or control interest in the entity or is an agent or managing employee of the entity, who has been convicted of a criminal offense related to the Medicare, Medicaid, or Title XX services programs.

3. SCOPE OF WORK

This Section describes the actuarial, financial, and consulting services that are required to be provided by the selected Offeror. The selected Offeror must be able to provide all of these services throughout the contract term. As stated in Section 1.1, the scope of work for this RFP excludes the services currently needed by ASES for the upcoming RFP for the selection of the Managed Care Organizations for the Government Health Plan – Vital.

PLEASE NOTE: Offerors will be requested to provide responses that address all of the requirements of this RFP as part of its Technical Proposal. Due to the dynamic nature of the GHP program, resource constraints, changes in federal regulations, and the changing legal environment, not all components are known at this time.

3.1 Offeror’s Qualification and Experience Requirements:

3.1.1 The Actuarial Services Provider shall have the operational capacity to provide all actuarial services sought in this RFP by February 1, 2022 and meet all the specific requirements as outlined in the Contract in Appendix H of this RFP, specifically, the core statement of work for Actuarial Services as described in Section 2 of the Contract.

3.1.2 Must have experience working with Medicaid Management Information Systems (MMIS), data extraction, code development and data analysis.

3.1.3 Must have five (5) years of experience within the last seven (7) years developing and implementing risk adjustment strategies.

3.1.4 Must have five (5) years of experience within the last seven (7) years interacting with CMS on behalf of state agencies.

3.1.5 Additional preferred experience in :

- a. Actuary models such as Medicaid Risk Adjustment and Medicare Risk Adjustment, Risk Adjustment Data Validation (RADV) Audit, and/or End-Stage Renal Disease (ESRD) at a minimum.
- b. Analyzing healthcare data and actuarial models in the Puerto Rico area.

WARNING: The absence of the additional preferred experience mentioned in Section 3.1.5 above will not be the basis for disqualification of the Offeror.

3.2 Staffing – The Actuarial Services Provider shall have sufficient experienced and knowledgeable staff to efficiently administer program requirements.

3.2.1 The Offeror shall provide, at a minimum, the following Key Personnel:

- 3.2.1.1 At least one (1) Lead Actuary;
- 3.2.1.2 At least one (1) Project Manager;
- 3.2.1.3 At least one (1) Analyst.

Other key personnel proposed by the Offeror shall be duly justified.

3.2.2 If Key Personnel is terminated or becomes unavailable for any reason, the Actuarial Services Provider shall submit to ASES the resume of the proposed replacement(s) and offer ASES the opportunity to review the qualifications of the proposed replacement(s). Key Personnel must be replaced within thirty (30) Calendar Days of the position's vacancy. ASES shall also approve the adequacy of all staffing levels.

3.2.3 Lead Actuary minimum qualifications and experience requirements:

3.2.3.1 Must be a member in good standing of the American Academy of Actuaries (AAA) with active credentials and fit the qualifications of the Fellow of the Society of Actuaries (FSA).

3.2.3.2 Must be qualified to sign statements of actuarial opinion for life and health insurance company annual statements in accordance with the AAA qualification standards for actuaries signing such statements.

3.2.3.3 Must have at least ten (10) to twenty (20) years of experience in actuarial services.

3.2.3.4 Must have at least five (5) to ten (10) years of experience with Medicaid Managed Care rate development.

3.2.3.5 Must have firsthand experience of pricing or valuing life/health insurance or reinsurance business and in preparing actuarial analysis, certification and state exhibits for healthcare insurance, preferably Medicaid, and government funded programs.

3.2.4 Project Manager(s) minimum qualifications, experience, and other scope of work requirements:

3.2.4.1 The Offeror must assign a project manager to each Task Area. Project manager(s) will be the point of contact between ASES and the Contractor for each project. Project manager(s) shall be responsible for the logistics of transmitting data and project deliverables and communication with parties for the entire project.

3.2.4.2 The project manager(s) must have at least seven (7) years of experience with projects of similar size and complexity. ASES reserves the right of prior approval for the named project manager(s). ASES also reserves the right of prior approval for any replacement of the project manager(s).

3.2.4.3 The project manager(s) or designee(s) shall be available within one (1) business day of ASES request for unscheduled telephone conferences.

3.3 Training and Knowledge

Provide training and technical assistance concerning rate setting methodology to ASES personnel, as needed. This includes training agenda and materials for specific sessions, delivery of training related to use of rate setting methodologies, and statistical data analysis.

3.4 Rate Setting

Develop and support rate setting methodologies for ASES's existing managed care programs, with the possibility that additional programs or populations may be added. Support for the rate setting methodologies shall include a written report of the methodology (narrative) used for MCO. The methodologies must be acceptable to CMS and ASES. Rates are to be changed each fiscal year of the Government of Puerto Rico, and as may be required due to changes in coverage.

Contractor shall develop and submit draft rates and methodologies to ASES every one-hundred and twenty (120) calendar days prior to the date the rates are to become effective. CMS has final approval of all rates and methodologies.

Contractor shall submit additional rate settings, actuarial opinions, and impacts to ASES for approval within sixty (60) calendar days of request.

3.5 Managed Care Program (Plan Vital)

PMPM Rates-Contractor will be an essential asset in the development in accordance with actuarially sound principles and practices as specified in 42 CFR 438.4, of the fixed monthly amount, that ASES will pay to the GHP contracted MCOs for each Enrollee, to ensure that Benefits under GHP are provided.

3.6 Risk Adjustment:

Contractor's duties include, but are not necessarily limited, to the following:

A. Risk Scoring Methodology. Develop and provide detailed documentation on risk scoring methodology to ASES that will be applied to rebalance Capitation Rates.

B. Risk Score Calculations. Calculate individual risk scores, adjustments, and rebalancing factors.

C. Risk Adjustment Reconciliations and Capitation Adjustments. Reconcile total capitation amounts paid to the health plans with the rebalanced results after risk adjustment has been applied.

D. Performance Measures. Contractor shall provide to ASES the risk score adjustments and rebalancing at the time the draft capitation rates are submitted to ASES.

3.7 Medical Loss Ratio (MLR)

Contractor must be able to perform the actuarial analysis on any of the following formats: *population specific basis, contract-specific bases or aggregated cross multiple contracts*, as the regulation allows Puerto Rico to use any of the mentioned formats.

3.8 Diagnosis Related Groups (DRGs) in hospital billing practices

Offeror must have the capacity to calculate the DRG-based payment system using the GHP historical data on this area. Payments for inpatient hospital services in the GHP have been based on *per diem* rates and sub-capitation payments, with accurate and complete reporting of diagnosis and procedure codes not being a requirement for hospitals to be paid appropriately.

3.9 CMS reports:

Offeror must ensure that the methodologies developed, and rates calculated under all tasks meet all federal and Government of Puerto Rico requirements, including CMS guidance for actuarial soundness in accordance with 42 CFR 438.4.

3.10 Medicare Advantage (Platino Contract), Act No. 95 GHP

ASES must evaluate and provide an actuarial certification to CMS for its Platino members. The historical experience must be evaluated and projected to the rates developed that must be actuarially sound and submitted to CMS.

Under the Act No. 95 Contract, ASES extends the GHP coverage for those government employees who are not eligible under Medicaid. Offeror must be able to develop actuarial reports for the rates under this contract.

3.11 Data regarding Pharmacy Benefit Manager (PBM) and Pharmacy Benefit Administrator (PBA) Contracts

Offeror must provide under the contract actuarial analysis regarding pharmacy data for the PBM and PBA actual contracts.

3.12 Other Actuarial Analysis

3.12.1 Offeror must have the capacity to analyze and design a fee schedule for the GHP. Under the GHP ASES does not have its own fee schedule, ASES will like to explore the idea of having ownership of a fee schedule using as an example the Medicare fee schedule.

3.12.2 Offeror must have the capacity to work as an auditor for the financial data that MCOs submit to ASES. The MCOs contracts for the GHP allows for possible audits for those data and information.

3.12.3 The Contractor shall provide technical assistance and actuarial support as defined and approved in advance by ASES for any services not associated with the current scope of work. This includes assisting ASES with program changes, new waiver development, and exploring options and strategies to include requirements and oversight of the Surplus and/or Reinsurance requirement in contract form the actuarial perspective.

3.12.4 Performance Measures: Contractor shall provide all technical assistance and actuarial support within the timeline agreed to between ASES and the Contractor.

3.12.5 Ad Hoc Analysis: perform actuarial analyses as requested by ASES.

3.13 General Obligations and Actuarial Soundness

With regard the duties and tasks of this RFP, the Contractor shall:

1. Ensure that the methodologies developed, and rates calculated under all tasks meet all federal and government of Puerto Rico requirements, including CMS guidance for actuarial soundness.
2. Certify all applicable work products as actuarially sound by a Member of the American Academy of Actuaries (MAAA).
3. All deliverables submitted to ASES shall be compliant with applicable actuarial standards of practice.
4. All deliverables submitted to ASES in final form shall be free from material, statistical, mathematical, and reference error.

3.14 Data analysis for litigations and appeals.

The Contractor shall provide all necessary assistance in all stages of the appeal process or other litigation concerning rate settings and actuarial services, including but not limited to providing expert testimony where appropriate to defend the actuarial determinations made.

3.15 Meetings

Contractor must participate in and contribute to all ASES meetings related to the Contract. The meetings will include reviewing Contract status, planning for future action, and other aspects as necessary.

4. PROPOSAL FORMAT, ORGANIZATION AND CONTENT

This section describes the format, organization, and content of the Offeror's Proposal. Failure to conform to these specifications will result in disqualification of the response. **Offeror shall submit only one (1) Proposal and Cost Proposal Template.** Alternative proposals will not be accepted.

4.1 Format Requirements

All proposals must address the following requirements.

- Proposal should be prepared simply and economically, providing a straightforward, concise description of the Offeror's qualifications to meet the requirements of this RFP.
- Offerors shall submit only one (1) Proposal. Alternative Proposals will not be accepted.
- Must be typewritten on standard 8 ½" x 11" paper. The pages should have one-inch margins, and the font shall be 12 point Arial. The Proposal must be set at a one and one-half (1.5) line spacing. Larger paper (up to 11" x 17") and smaller fonts are permissible for charts, diagrams, spreadsheets, etc.
- All pages of the proposal shall include the RFP title "RFP: Actuarial Services Provider 2022" consistently in either the footer or header on each page.
- Proposals must use consecutively numbered pages, using consistent numbering format.
- The proposal (including attachments) must be drafted in the English language, excluding certifications and/or documents issued by the Government of Puerto Rico.
- The proposal (including attachments) shall not be password protected or locked.
- The Proposals must be in Microsoft Word or a searchable PDF format.
- Limit responses to Technical Proposal to no more than 20 one-sided pages.

4.2 Signature

The person authorized to legally bind the Offeror must sign each RFP appendix that requires a signature and/or initials.

5. EVALUATION PROCESS

5.1 General Evaluation Process

ASES' Evaluation Committee, designated by the Executive Director of ASES, shall conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this RFP. ASES shall be the sole judge in the selection of the successful Offerors.

ASES seeks to award the Contract to the Offeror who best meet the requirements affordably and that will be the most advantageous to ASES. This may result in an award to a higher rated, higher priced Offeror where the decision is consistent with the evaluation factors and ASES reasonably determines that the technical superiority and/or overall business approach of the higher priced Offeror outweighs the price difference.

ASES reserves the right to ask clarifying questions and request additional information from the Offeror at any stage of the process. If the Offeror fails to answer and/or respond

to any clarifying questions or requests for additional information, the Offeror’s Proposal may be disqualified. ASES reserves the right to waive minor irregularities and minor instances of non-compliance.

5.2 Scoring Summary for the Proposal

Proposals will be **weighted** using the following Table:

5.2.1: Scoring Summary the Proposal

Section Title	Section Weighting
Mandatory Requirements (Section 6)	Pass/ Fail
Technical Proposal (Section 7)	80%
Cost Proposal (Section 8)	20%

NOTE: The Additional Desirable Organizational Experience mentioned in Sections 3.1.5 and 6.3 of this RFP will not be basis for disqualification of the Offeror.

5.3 Scoring Criteria for the Technical and Costs evaluation

The following table shows the scoring criteria ASES will use to assign points for the Technical and Cost Evaluation:

Point Value	Descriptions	Criteria for Point Assignment
0	Does Not Meet Requirement	A particular RFP requirement was not addressed in the Offeror’s proposal. Proposal response is missing or is non-responsive for it does not addresses any of the requirements.
1	Partially Meets Requirement	Offeror’s Proposal demonstrates some attempt at meeting a particular RFP requirement, but that attempt falls below acceptable level. The Offeror failed to provide a fully compliant response to the requirements in the RFP and the omission(s), or defect(s), are significant. The quality of the proposal response is considered to be less than average for a qualified Offeror.

Point Value	Descriptions	Criteria for Point Assignment
2	Meets Requirement	Offeror's Proposal fulfills a particular RFP requirement in all material respects, potentially with only minor, non-substantial deviation Proposal response comply with the requirements and provided an adequate description of how the requirements would be met. The proposal response is considered to be of average quality for a qualified Offeror
3	Exceeds Requirement	Offeror's Proposal fulfills a particular RFP requirement in all material respects and offers some additional level of quality in excess of ASES' expectations (e.g. Additional Preferred Experiences in Section 7.3 (9) will be scored as exceeds). The proposal response complies with the requirements and provided a good and complete description of how the requirements would be met, is above the average quality that is expected from a qualified Offeror.

In assigning points, evaluators shall consider issues including, but not limited to, the extent to which a Proposal response:

- a. Is lacking the required information (e.g. whether it is lacking depth or breadth or significant facts and/or details).
- b. Is fully developed.
- c. Demonstrates that the Offeror understands ASES' needs, the services sought, and/or the Offeror's responsibilities.
- d. Illustrates the Offeror's capability to perform all services and meet all requirements.
- e. Demonstrates the Offeror's capacity, capability and/or commitment to exceed regular service needs, that is, whether it offers enhanced features, approaches, or methods, or creative or innovative business solutions.

5.4 Mandatory Requirements Evaluation

Each Proposal shall be evaluated to determine whether the requirements, as specified in this RFP, including Qualifications and Experience (Section 6) as specified in this RFP, have been met. Failure to adequately meet any Mandatory submission requirement may cause the entire Proposal to be deemed non-responsive and be rejected from further consideration. However, ASES reserves the right to waive minor irregularities and minor instances of non-compliance.

Each proposal will be scored as either Pass or Fail for each Mandatory Criteria set forth in Section 6.

5.5 Technical Proposal Evaluation

Each Proposal that passed the Mandatory Requirements evaluation shall be evaluated to determine whether the technical requirements have been met. The Evaluation Committee will review, evaluate, and score the sections of each Technical Proposal based on the Proposal’s completeness, thoroughness, and how it demonstrates that it meets or exceeds the RFP requirements. The total maximum amount of points for Technical Proposal is **800 points**.

5.5.1 Table of Maximum Points by Technical Proposal Section.

Maximum points for each Technical category to be scored as follows:

Technical RFP Section	RFP Section	Section % Weighting	Total Points for Section	Number of Questions	Points for Each Question
Technical Proposal-Scope of Work Requirements	7.1	30%	240	6	40
Readiness and Operational Capacity	7.2	20%	160	4	40
Experience Requirements	7.3	30%	240	8	30
Technical Questions	7.4	10%	80	4	20
Information and Systems	7.5	10%	80	4	20
Total Technical Points		100%	800	26	

5.5.2 Points to each question will be awarded as follows:

Point Value	% of Possible Points
3	100%
2	80%
1	60%
0	0%

For each of the technical experience requirements evaluation criteria (Section 7.3), reviewers will collectively judge whether the response **exceeds, meets, partially meets, or does not meet** the requirements expressed in the RFP, and assign the appropriate point value as established on Section 5.3, as follows:

Experience Requirement		
5 to 10 Years		
-5 Years	Score 0	Does Not Meet Requirement
5 to 9 Years	Score 1	Partially Meets
10 Years	Score 2	Meets
10+ Years	Score 3	Exceeds
10 to 20 Years		
-10 Years	Score 0	Does Not Meet Requirement
10 to 19 Years	Score 1	Partially Meets
20 Years	Score 2	Meets
20+ Years	Score 3	Exceeds

5.6 Cost Proposal Evaluation

Each Proposal that passed the Mandatory Requirements evaluation shall have its Cost Proposal evaluated to determine whether the cost is reasonable and realistic. The Cost Proposal may be determined non-responsive if the Offeror fails to comply with the Cost Proposal instructions and requirements.

The Sum of the Total Annual Costs proposed for the base year and optional year will be evaluated in the Cost Proposal Evaluation (Offeror's Total Costs).

The total maximum amount of points for Cost Proposal is 200 points. The Offeror's cost proposal with the lowest price will receive the highest available rating allocated to price. Each proposal that has a higher price than the lowest will have a lower rating for price. The points allocated to higher-priced proposals will be equal to the lowest proposal price (LPP) multiplied by the maximum points available for price, divided by the higher proposal price.

$$\frac{\text{LPP} \times 200}{\text{Offeror's X Cost Proposal}}$$

5.7 Intent to Award Contract

Upon careful consideration of the final recommendations of the Executive Evaluation Committee, ASES' Board of Directors will make a final determination as to the Offeror that will receive a Contract from the Government of Puerto Rico.

ASES reserves the right to select a Proposal with a higher Cost Proposal, if the quality of the service or if it is in the best interest of the Government of Puerto Rico in this regard, so warrants it. Such a determination must be fully justified in the record.

Based on ASES' Board of Directors selection of the successful Offeror, the Executive Director of ASES shall send such Offeror a written Notice of Intent to Award.

In case that only one Proposal is received or that only one Offeror is a responsive proponent, ASES reserves the right, in its best interest and in its sole discretion, to award the RFP to said Offeror with or without a prior negotiation or cancel the RFP.

Upon selection of the Offeror that will receive a Contract, ASES shall initiate the contracting process. The selected Offeror shall be notified in writing that the response has been accepted and that ASES intends to engage Offeror under the terms of the Contract.

6. MANDATORY REQUIREMENTS

The following documents must be included, in the order stated below. These documents will not count towards the page limit noted in Section 4.1 of this RFP.

6.1 Letter of Transmittal

Include as the Cover Page of the Proposal a signed Letter of Transmittal. See Appendix B of this RFP).

6.2 Company Description

Provide a detailed description of the company, its operations, and ownership, addressing the following:

- i. General description of primary business of the organization and its client base.
- ii. Organization's areas of specialization.
- iii. Any current or recent experience working with state Medicaid agencies.
- iv. Size of organization, including structure.
- v. Length of time organization has been in business, as well as how long the organization has been providing Actuarial Services Provider type services.
- vi. What attributes make your company an ideal partner for ASES.

6.3 Qualification Requirements

Provide proof of the following qualifications for the Lead(s) Actuary(ies) as well as for the Company:

6.3.1 Good Standing Certification from the American Academy of Actuaries of the Lead Actuary that will be assign for this contract.

6.3.2 Evidence of Active credentials from the AAA and FSA if applies.

6.3.3 Evidence of qualifications to sign statements of actuarial opinion for life and health insurance company annual Compliant with statements in accordance with the American Academy of Actuaries qualification standards for actuaries signing such statements.

6.3.4 Evidence of experience of pricing or valuing life/health insurance or reinsurance business.

6.3.5 Evidence of experience in preparing actuarial analysis, certification and state exhibits for healthcare insurance, preferably Medicaid, and government funded programs.

6.3.6 CV/Resume for each personnel to be involved in the awarded contract.

6.4 References:

Provide a list of three (3) specific business references that can discuss Offeror's qualifications, experience, and performance similar to those sought in this RFP. Each reference must include the contact's name, phone number, email address, a brief description of the services provided, and the period of service. Include a letter addressed to the Executive Director of ASES authorizing him to contact the reference.

It is preferred that references are provided for services that were procured in a competitive environment. **The Offeror shall not use ASES as a reference to fulfill this requirement. Persons who are currently employed or contracted as consultants by ASES are not eligible to be references.**

6.5 Conflict of Interest

The Offeror must provide the following documentation for ASES to evaluate any current or potential Conflict of Interest:

1. Independence and Conflict of Interest Certification. (Appendix C)
2. Conflict-of-Interest Affidavit (Appendix C-1).
3. Provide any relevant documentation regarding your organization's relationship to parent, affiliated and/or related business entities, including, but not limited to subcontractors, subsidiaries, joint ventures, or sister companies.

6.6 Suspension and Debarment Form

The Offeror must complete the Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters Form to certify compliance with federal regulations. (See Appendix D of this RFP).

6.7 Financial and Legal Documentation

6.7.1 Provide financial statements prepared by an independent Certified Public Accountant (CPA) for the two (2) most recent fiscal years. If the Financial Statements for the latest full fiscal years have not been issued, submit Management-prepared financial statement and related notes. Explain any negative financial information in the Offeror's financial statements.

6.7.2 Provide a list of terminated contracts for the type of services required in this RFP, including expired or non-renewed Contracts, in the last five (5) years and the reason/circumstances pertaining to the termination.

6.7.3 Provide a certification confirming the Offeror's/Offerors' adherence to the requirements of this RFP and the expectations of ASES as stated in Section 1.1 of the RFP.

6.7.4 Corporate resolution identifying the person authorized to represent and legally bind the entity. In case of a Limited Liability Company, the Offeror must submit evidence of the designation as Administrator or as authorized voting member. See Letter of Transmittal, Appendix B of this RFP.

6.7.5 A sworn statement certifying that it has no debts with the government of Puerto Rico, or with any state agencies, corporations or instrumentalities that provide or are related to the provision of health services or, if a debt exists, that such debt is subject to a payment plan with which the Offeror is in compliance, a work plan to reconcile amounts

in controversy with which the Offeror is in compliance or pending administrative review under applicable law or regulations. In such case, the Offeror must submit recent evidence of said payment plan, debt reconciliation agreement or pending administrative review.

6.7.6 Letter to indicate the agencies or government agencies with which the Offeror has or is in contract negotiation process.

6.7.7 Provide evidence of registration in the System for Award Management (SAM) <https://www.sam.gov/SAM/>. If not currently registered, provide evidence of current status of registration process. **WARNING:** The Offeror must be registered at the time of the Award.

6.7.8 Provide a certification to the effect that all current personnel who would be providing services under the RFP and eventual contract are trained in the administrative, physical and technical aspects of HIPAA Law as established in 45 CFR §§ 164.308, 164.310, 164.312, 164.316. If said personnel is not currently trained, explain why and submit a Certification to the effect that, if awarded a contract, will fully comply with this requirement.

6.7.9 Submit the Sworn Statement on Fraud and Misappropriation duly filled in and signed before a Notary Public (Appendix E of this RFP).

6.7.10 Provide a current Certification of the Single Registry of Professional Service Providers (RUP).

NOTE: For the contracting of professional services in the Government of Puerto Rico, it is a **mandatory requirement** that the professional service provider be registered in the Single Registry of Professional Service Providers (RUP for its Spanish acronym), under the corresponding category and its corresponding certification of registry issued by the Puerto Rico General Services Administration (“Administración de Servicios Generales” or “ASG” for its Spanish acronym). In order to promote the most participation in the process, which redounds in fostering the most competition possible to obtain the best quality and prices for the benefit of the Government of Puerto Rico, if at the time of the submission of the proposal the Offeror cannot fully comply with the mandatory requirement of submission of the RUP certification, the following rules will be strictly applied.

6.7.10.1 If the Offeror has completed the registry process and is awaiting issuance of the certification by ASG at the time of submitting the Proposal, the Offeror must submit:

1. evidence of payment of the certification process;
2. an explanation of the current status of said process;
3. all the certifications and documentation submitted to the RUP with evidence of submission; and
4. within five (5) business days of having submitted the Proposal, it must either submit the RUP certification or inform its current status.

If the status remains as pending, it will be the sole responsibility of the Offeror to submit the RUP certification as soon as it is issued by ASG. In such a case, the Offeror must then submit:

5. a certification attesting that it recognizes that, if a Contract is awarded to the Offeror under this RFP*:
 - i. the Offeror must provide, before the signature of the Contract, a Current Certification of the Single Registry of Professional Service Providers (RUP Certification); and
 - ii. **that failure to provide the RUP Certification will cause the disqualification of the Offeror, ASES will cancel the Award and issue an Award in favor of the next best Offeror, and the Offeror will have no legal recourse against ASES.**

WARNING: ASES reserves the right to Award the RFP, even if at the time of the Award the winning Offeror does not have the RUP Certification, provided that ASES has been given sufficient reliable and convincing proof that there is no impediment for the ASG to issue the RUP Certification before the Contract is signed.

6.7.10.2 If the Offeror is not registered in the RUP at the time of submission of the Proposal:

1. the Offeror must submit with the Proposal all the certifications required by the RUP. See *Boletín Informativo #2021-003 RUP*.
2. the Offeror will be given an automatic term of five (5) business days, from the date of the deadline for the submission of the Proposal, to submit the RUP Certification. If at that time, the Offeror is registered but ASG has still not issued the certification, the Offeror must then comply with Section 6.7.10.1.

NOTE: Failure to fully comply with the terms of Section 6.7.10 is cause for the disqualification of the Offeror.

6.8 Insurance Policies

Provide a copy of all liability insurance policies including at a minimum, its liability insurance policy, workers' compensation policy, if different from the "Fondo del Seguro del Estado" policy, and Professional Responsibility Insurance. If you do not possess any, please explain why and submit a certification to that effect.

6.9 Subcontractor

If the Offeror will be using subcontractors for functions and responsibilities under the Scope of Work of this RFP, it must provide the following documentation, signed and submitted by the Subcontractor:

6.9.1 Identify each subcontractor, specify the tasks in which each subcontractor will intervene and disclose the remuneration that the subcontractor will receive for the work to be carried out, and the profit margin, if any, that the Offeror will have in relation to the subcontractor's paid fees.

6.9.2 Attestation of Independence and Freedom from Conflict of Interests and Conflict of Interest Affidavit (Appendices C and C-1).

6.9.3 Suspension and Debarment Form (Appendix D of this RFP)

6.9.4 Sworn Statement on Fraud and Misappropriation (Appendix E).

6.9.5 Certification of the Single Registry of Professional Service Providers ("RUP" for its Spanish acronym) issued by the Puerto Rico General Services Administration ("Administración de Servicios Generales de Puerto Rico" or "ASG" for its Spanish acronym). See Section 6.7.10.

6.9.6 Certification that all current personnel who would be providing services under the RFP and eventual contract are trained in the administrative, physical and technical aspects of HIPAA Law. If said personnel is not currently trained, submit a Certification to the effect that, if awarded a contract, the Subcontractor would fully comply with this requirement.

6.10 Redacted Proposals

6.10.1 If the Offeror requests confidential treatment, submit one (1) copy of the full Proposal (including the Cost Proposal) with proposed confidential information redacted

according to Section 2.4.7 of this RFP. The redacted copy must tell the general nature of the material removed and shall retain as much of the Proposal as possible.

6.10.2 Supply a listing of the provisions identified by Section/subsection number for which the Offeror sought confidential treatment and the statutory basis or bases under federal law, Puerto Rico Law, including a detailed justification for exempting the information from public disclosure.

6.10.3 If the Offeror does not request confidential treatment of any portion of its proposal, it must submit a certification to that effect agreeing to release and hold harmless ASES, the Government of Puerto Rico and the Federal Government, as stated in Section 2.4.7 of this RFP.

7. TECHNICAL PROPOSAL

The Offeror shall complete all requirements, including the narratives and required appendices, in this section. In responding to each question, the Offeror shall explicitly state whether a subcontractor will be utilized. If the Offeror intends to utilize a subcontractor(s), the Offeror must provide the name of the subcontractor in the response.

Offeror must demonstrate the necessary experience and capacity to assume all applicable functions as demonstrated by providing detailed responses to the following questions. This includes providing a detailed narrative, diagrams, exhibits, examples, sketches, descriptive literature and/or detailed information specifically tailored for the services required under this RFP to demonstrate its ability to meet requirements.

Offerors should understand that all items in the Contract in Appendix K constitutes the complete list of Contractor requirements, with the exception of ad hoc requests.

Refer to Section 5.2 for total points allotted for each following section.

7.1 Technical Proposal- Scope of Work Requirements

Offerors shall provide, in relation to responsibilities set forth in the Scope of Work (Section 3) of this RFP, the following information:

1. Description of the Offeror's understanding and experience in conducting and certifying the rate setting functions. Explain how you intend to develop or assist ASES in the development of the rate methodology and determine, certify, update, and defend, when necessary, actuarially sound rates for ASES' programs.

2. Description how you intend to comply with the tasks required under Section 3.3 of the Scope of Work regarding training and knowledge.
3. Description of how the Offeror intends to comply with the scope of work requirements to develop, support, certify and/or modify a risk adjustment methodology, DRGs payments and MLR as Specified in Sections 3.6, 3.7 and 3.8.
4. Description on how the Offeror will provide technical resources to support the CMS requirements and reports on the GHP, Platino, Act No. 95 an PBM and PBA as established in Sections 3.9, 3.10 and 3.11.
5. Description of what resources will be provided to analyze and design a fee schedule for the GHP, as stated in Section 3.12.1 of the Scope of Work.
6. Description on how the Offeror will comply with work as an auditor for the financial data that MCOs submit to ASES as specified on Section 3.12.2.

7.2 Readiness and Operational Capacity

- 7.2.1 Provide a detailed description on how you intend to have full operational capacity to perform all required scope of work services under this RFP and support a February 1, 2022 Contract Effective Date.
- 7.2.2 Describe your staffing plan to comply with all duties and responsibilities of the Contractor as stated in the Scope of Work.
- 7.2.3 Describe how the Offeror will perform and meet all reporting requirements associated with Section 3 of this RFP.
- 7.2.4 Describe the methods to be utilized to maintain the level of cooperation with ASES necessary for proper performance of all contractual responsibilities and to apprise ASES of any issues and status.

7.3 Experience Requirements

The Offeror must provide proof of the following experience requirements:

1. Certification that the Lead Actuaries have ten (10) to twenty (20) years of actuarial experience.

2. Have at least one (1) Actuary that fit the description of the Fellow of the Society of Actuaries (FSA), who will be Assigned to ASES contract.
3. Have least one (1) Actuary that has five (5) to ten (10) years of experience with Medicaid managed care rate development.
4. Experience working with Medicaid Management Information Systems (MMIS), data extraction, code development and data analysis.
5. Five (5) years to ten (10) years of experience developing and implementing risk adjustment strategies and in interacting with Centers for Medicare and Medicaid Services (CMS) on behalf of state agencies.
6. Is qualified to sign statements of actuarial opinion for life and health insurance.
7. Firsthand experience of pricing or valuing life/health insurance or reinsurance business. Well experienced in preparing actuarial analysis, certification and state exhibits for healthcare insurance, preferably Medicaid, and government funded programs.
8. **Additional preferred experience:**
 - i. Preferably a Health Insurance Actuary Firm with experience in actuary models such as Medicaid Risk Adjustment, Risk Adjustment Data Validation (RADV) Audit, and/or End-Stage Renal Disease (ESRD) at a minimum.
 - ii. Experience analyzing healthcare data and actuarial models in the Puerto Rico area.

7.4 Technical Questions

Offeror must demonstrate the necessary experience and capacity to assume all applicable Actuarial Services Provider functions as demonstrated by providing detailed responses to the following questions:

1. Describe the level of technical experience in providing the types of services sought by the RFP.
2. Evidence of the experience as it relates to the GHP programs and GHP rate methodologies.
3. What experience do you have providing similar services in connection with Medicaid? Please indicate whether you would be able to provide the services envisioned in this RFP and note specifically whether you currently have the staffing capacity as indicated in section 3.2 of this RFP.
4. Describe services similar to those sought by this RFP that the Offeror has provided to other businesses or governmental entities within the last twenty-four (24) months.

For each similar service, provide a matrix detailing:

- i. Project title;
- ii. Project role (primary contractor or subcontractor);
- iii. Name of client agency or business;
- iv. General description of the scope of work;
- v. Start and end dates of contract for services as originally entered into between the parties;
- vi. If the contract was terminated for any reason before completion, detail the reason(s) for the termination;
- vii. Project Budget;
- viii. Whether the services were provided timely and within budget;
- ix. Any damages, penalties, disincentives assessed, or payments withheld;
- x. List administrative or regulatory proceedings or adjudicated matters related to this service to which the Offeror has been a party; and
- xi. Contact information for the client's project manager including address, telephone number, and electronic mail address.

7.5 Information and Systems

- 7.5.1 Provide a brief summary of the Business Continuity and Disaster Recovery ("BC-DR") Plan that provides reasonable safeguards against the destruction, loss, intrusion and unauthorized alteration of Data and system processes.
- 7.5.2 Describe the Offeror's ability to assure that systems shall be able to transmit, receive and process Data in a secure and HIPAA-compliant. In addition, answer the following questions:
 - 7.5.2.1 Is the Offeror involved in an active breach investigation? If Yes, provide details.
 - 7.5.2.2 During the past five (5) years, has the Offeror had any privacy breach incident, complaint, or litigation? If Yes, provide a brief description of any corrective action plan, contractual and/or administrative sanctions or judgement imposed as a result.
 - 7.5.2.3 Indicate whether you have a Privacy officer, Security officer and provide their names and qualifications?
- 7.5.3 Provide a description of the Offeror's data processing and analytical experience and capabilities, including any technologies, special techniques, skills or abilities that

the organization considers necessary to accomplish the goals and objectives of this RFP.

- 7.5.4 Briefly describe how your technical infrastructure support the services that you provide to Medicaid in other states.

8. Cost Proposal

The Offeror shall also submit a cost proposal, using the format included in **Appendix F** that addresses all costs associated with meeting the requirements noted above in Section 3 of the RFP and rates per hour. Each page must be identified with the name of the Offeror. At the discretion of ASES, the Contract may be extended for up to one (1) additional year, beyond the initial one and a half (1.5) year Contract period. Therefore, the Offeror's Proposal should include cost for two and a half (2.5) years.

The Cost Proposal is signed by the person authorized to legally bind the Offeror.

Attachment Pages Follow

Appendix A

Acknowledgement of Receipt Form of RFP and Notice of Intent to Participate

RFP # Actuarial 2022

In acknowledgment of receipt of this Request for Proposal (RFP), the undersigned agrees that s/he has received a complete copy, beginning with the title page and table of contents, and ending with Appendix K.

The Acknowledgment of Receipt Form should be signed and returned to the Procurement Contact BY EMAIL on or before **October 15, 2021 at 4:00 PM (AST)**.

ORGANIZATION: _____

CONTACT REPRESENTATIVE*: _____

TITLE*: _____ PHONE NO*.: _____

EMAIL*: _____ FAX NO.: _____

MAILING ADDRESS*: _____

CITY: _____ STATE: _____ ZIP CODE: _____

Please respond as follows:

1. Firm does/does not (*circle one*) intend to respond to this RFP.

SIGNATURE**: _____ DATE: _____

Print Name: _____

Position: _____

*Name and address herein provided will be used for all correspondence related to this RFP except that the invitation to present the best and final offer and the Notice of Intent to Award will be notified to the person authorized to sign the Contract, that is, the person identified under Item 2 of Appendix B. Hence, the contact information in this Appendix must be the same information to be provided in Appendix B, Item 3.

**This document must be signed by the person authorized to contractually obligate the organization. See Sections 3.3.2, 4.8, 6.7.3.4 and Appendix B, Item 2 of this RFP.

Appendix B

Letter of Transmittal Form

RFP # Actuarial 2022

Offeror's Name: _____

Items #1 to #6 EACH MUST BE COMPLETED IN FULL.

1. Identity (Name) and Mailing Address of the submitting organization:

2. Person authorized by the organization to contractually obligate/legally bind the organization
(must be the same person identified in the Corporate Resolution, See Section 4.3 of this RFP:

Name _____

Title _____

Email address _____

Telephone number _____

Fax number _____

3. Person to be contacted for clarifications and additional information: (This Information must be the same as that provided under Appendix A -Acknowledgement of Receipt Form of RFP and Notice of Intent to Participate)

Name _____

Title _____

Email address _____

Telephone number _____

Fax number _____

4. Use of subcontractor (Select one)

___ No Subcontractor will be used in the performance of this Contract **OR**

___ The following Subcontractor will be used in the performance of this Contract (indicate the service to be performed):

(Attach extra sheets, as needed)

5. Please describe any relationship with any entity that will be used in the performance of this Contract.

(Attach extra sheets, as needed)

6. ___ I concur that submission of our Proposal constitutes acceptance of all the conditions governing this procurement including but not limited to the Evaluation Factors contained in Section 6 of this RFP.

___ On behalf of the submitting organization named in item #1, above, I understand that the Contract provided remains subject **ONLY** to revisions required by ASES, the Centers for Medicare & Medicaid Services, Financial Oversight and Management Board for Puerto Rico, Government of Puerto Rico and acknowledge that the submitting organization named in item #1 above, is prepared to and capable of complying with all of the terms in the Contract.

___ I acknowledge receipt of any, and all, amendments to this RFP.

_____, 2021

Authorized Signature*

Date

*Must be signed by the person identified in item #2, above

Appendix C

Independence and Freedom, from Conflict Of Interest Certification

RFP # Actuarial 2022

A. ASES intends to avoid situations of lack of independence and/or conflicts of interest or the appearance of conflicts of interest on the part of the Offeror/Contractor(s); Proposed subcontractor(s)/Subcontractor(s); or employees, officers, directors, shareholders or members of the Offeror/Contractor or Proposed subcontractor(s)/Subcontractor(s).¹ ASES reserves the right to determine, in its sole discretion, whether any information received from any source indicates or evidences the existence of a potential or actual conflict of interest or lack of independence.

B. ASES requires that all Contractors/Subcontractors, when executing their professional services, exhibit complete loyalty towards ASES, including having no adverse interests against it, as well as having no material adverse interests with any other Puerto Rico government entities.

C. Adverse interests include representing clients who have or may have interests that are contrary to ASES or other Puerto Rico government entities. This duty includes the continued obligation to disclose to ASES any circumstances of its relations with clients and third persons that could influence the Contractor or its Subcontractors in a materially adverse way in the execution of its duties under the Contract. Adverse interests also arise when, among others, the Contractor/Subcontractor must support on behalf of one client that which it has a duty to oppose on behalf of another client. Adverse interests also arise when so stated in standards of ethics applicable to the Contractor's/Subcontractor's profession, or Puerto Rico's laws and regulations.

D. It will also be considered a conflict of interest:

1. any instance where the Contractor or any of its Subcontractor(s), or any of their shareholders, members, employees, officers, or directors has an interest, financial or otherwise, whereby the use or disclosure of information obtained while performing services under the Contract would allow for private or personal benefit or for any purpose that is inconsistent with the goals and objectives of the Contract; or

¹ The term "Offeror/Contractor," for these purposes, includes the Offeror, Contractor, Proposed Subcontractor(s), Subcontractor(s); and the shareholders, members, employees, officers, and directors of these entities. The term "Subcontractor," for these purposes, is limited to those individuals or entities engaged by the Offeror/Contractor to perform any part of the Scope of Work (SOW) for this Contract.

2. any instance where a Contractor or any of its Subcontractor(s), or any of their shareholders, members, employees, officers, or directors use their positions for purposes that are, or give the appearance of being, for private gain for themselves or others, such as those with whom they have family, business, or other ties that are determined by ASES, in its sole discretion, to be a conflict of interest.

3. Situations stated in Section 2.4.26 & 2.4.27 of the RFP.

E. If, at the time of submission of the Proposal to this RFP the Offeror/Contractor or Proposed Subcontractor(s)/Subcontractor(s) is:

1. Actuarial firm contracted by GHP MCOs Participant²; or
2. owns, controls, operates or is owned, controlled or operated by a GHP Participant; or
3. has contractual or financial relationship with a GHP Participant, their representatives, agents or associations

such situations must be fully reported in writing to ASES.

F. The Offeror shall submit with the Proposal either: (i) a Divestiture Action Plan to divest the property, control or financial interest that causes the lack of independence, and remedy the same; or (ii) a detailed explanation as to why a conflict of interest is eligible to be waived and should be waived in ASES' sole discretion prior to the awarding of the RFP, and/or the actions that the Offeror proposes and shall take in order to further eliminate the conflict of interest (both hereinafter referred to as "Conflict Avoidance Plan").

G. ASES retains sole discretion to determine whether a Divestiture Action Plan or Conflict Avoidance Plan sufficiently addresses an apparent conflict of interest to ASES' satisfaction in order for the Offeror to be awarded the RFP.

FAILURE TO PROVIDE EITHER A DIVESTITURE ACTION PLAN OR A CONFLICT AVOIDANCE PLAN WITH APPENDIX C WILL BE SUFFICIENT CAUSE FOR THE DISQUALIFICATION OF THE OFFEROR. FAILURE TO COMPLY WITH THE DIVESTITURE ACTION PLAN OR THE CONFLICT AVOIDANCE PLAN APPROVED BY ASES WILL BE SUFFICIENT CAUSE FOR THE CANCELLATION OF THE AWARD AND THE ISSUANCE OF A NEW AWARD TO THE NEXT BEST OFFEROR.

H. If the Offeror/Contractor or Proposed Subcontractor(s)/Subcontractor has a suspected or potential conflict of interest or reasonably expects that during the term of the Contract it could have one, the Offeror/Contractor or Proposed Subcontractor shall provide with the Proposal a description of the relationship and a Conflict Avoidance Plan designed to ensure that such a relationship will not adversely affect ASES or the performance of the Contractor/Subcontractor, and to establish procedures to guard against the existence of a conflict of interest.

² The terms actuarial firm, and GHP MCOs Participants includes their representatives, agents, or associations.

I. ASES, in its sole discretion, will determine whether the specific provisions of the Divestiture Action Plan and/or Conflict Avoidance Plan satisfactorily address the lack of independence, actual or potential conflicts of interest. ASES, in its sole discretion, may impose additional requirements for the Divestiture Action Plan and/or Conflict Avoidance Plan, which may include, without limitation, the following:

1. Termination of contractual obligations that in ASES' determination create actual or potential conflicts of interest.
2. Removal of management or staff members from the Offeror's/Contractor's identified project team who ASES determines were involved in the relationship creating the conflict of interest.
3. Creation of an "ethical firewall," with measures to ensure that no information is shared among the Offeror/Contractor's identified project team and persons who are not members of the Offeror/Contractor's identified project team.

These requirements will vary, depending on the nature of the actual or potential conflict(s) of interest, the manner in which those actual or potential conflicts of interest impact the contract, and ASES' determination of the best method for addressing those conflicts of interest.

J. If ASES is aware or becomes aware of a known or suspected conflict of interest, the Offeror/Contractor will be given an opportunity to submit additional information to resolve the conflict of interest. An Offeror/Contractor with a suspected conflict of interest will have an opportunity to provide complete information regarding the suspected conflict of interest and a proposal to avoid any such conflict. If ASES determines that a conflict of interest exists and the conflict may not be resolved or mitigated to the sole satisfaction of ASES, before or after the award of the Contract, **IT WILL CONSTITUTE GROUNDS FOR REJECTION OF THE PROPOSAL OR TERMINATION OF THE CONTRACT, AS THE CASE MAY BE, BY THE CONTRACTOR AND/OR SUBCONTRACTOR AND IN FAVOR OF ASES, ACCORDINGLY.**

K. By signing this Certification, the Offeror/Proposed Subcontractor acknowledges and accepts that, if awarded a Contract under this RFP:

1. It will not acquire any interest, direct or indirect, that would conflict in any material manner or degree with or have a material adverse effect on the performance of its services pursuant to this RFP
2. No person having any such interest shall be employed and that it will submit a conflict of interest form, attesting to these same facts, by January 10 of each calendar year; at any time, within fifteen (15) Calendar Days of request by ASES. If such conflicting interests arise after the execution of the Contract, the Contractor shall notify ASES immediately
3. It shall be the responsibility of the Contractor/Subcontractor to maintain independence and to establish necessary policies and procedures to assist the Contractor and its subcontractor, if any, in determining if the actual individuals performing work under the Contract have any impairment to their independence

4. It shall take all necessary actions to eliminate threats to impartiality and independence, including but not limited to reassigning, removing, or terminating employees or Subcontractors

5. The Executive Director of ASES or its authorized representative has the power to oversee the enforcement of any Divestiture Action Plan or Conflict Avoidance Plan previously approved in writing by ASES

6. This Certification shall be incorporated into the Contract

7. These requirements shall be in effect for the term of the Contract, including extensions, if any

8. The duty to provide information about interests and conflicting relations is continuous and extends throughout the Contract Term

CERTIFICATION

I, _____ (full name), in my capacity of _____ (position) from _____ (organization name) after being authorized to represent (organization name), declare upon oath and certify that:

All the statements contained in this document have been read and fully understood by the undersigned, that I have been advised by my legal advisors and company's counsels on the obligations, acknowledgments and representations made in this Certification and I accept the consequences of signing this Certification; and

(Check the ones that apply)

- That the Offeror/Proposed subcontractor comply with the independence requirements of Section 2.4.27 A of this RFP and/or no conflict of interest exists that would jeopardize the ability of the Offeror and its proposed subcontractor to fulfill the terms of this Proposal.
-
- A lack of independence situation exists, a detailed explanation of the same and the corresponding Divestiture Action Plan is attached to this Certification.
-
- A conflict of interest does exist, a detailed explanation of the same and a Conflict Avoidance Plan to address the conflict of interest is attached to this Certification.
-
- A suspected or potential conflict of interest exists or is expected to occur during the term of the Contract, and additional information is attached along with a Conflict Avoidance Plan to address the possible conflict of interest.

And IN WITNESS THEREOF, I swear and sign this affidavit on _____, _____, today _____, 2021.

(Signature of the Declarant)

Affidavit Number _____

Sworn and subscribed before me by _____, whose personal circumstances have been previously stated, and whom I give faith to know personally/have identified by means of _____. In _____, _____, today _____, 2021.

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Appendix C-1

Conflict of Interest Affidavit

RFP # Actuarial 2022

Instructions: The Offeror and Subcontractor to be used for functions and responsibilities under the RFP must disclose and describe in detail any kind of financial or economic interests, relationships, economic transactions or any arm-length transactions, including a description of any type of disbursements by the Offeror's/Subcontractor's arrangements or contracts as required. Also, shall describe the hierarchical or legal relationship between Parent Company, affiliates, subsidiaries or any other entity related to the Offeror/Subcontractor. In addition, shall report any Conflict of Interest ¹ or economic relationship with family members of Contractor's/Subcontractor's stockholders, Board of Directors or Officials of the entity. This disclosure should include a description of percentage (%) of ownership or participation, expense or cost allocation method between the entities and any other related information. The Offeror/Subcontractor must declare upon oath and certify that this form and the additional documents attach to it contain all the existing economic relationships of the Offeror/Subcontractor. This form must be signed and subscribed by a notary. If a Subcontractor is filing the document, please substitute the word "Offeror" for "Subcontractor" where applicable. **ASES reserves the right to disqualify the Offeror for failure to provide Information herein requested.**

The following Information on ownership and Control must be disclosed:

1. Report your Organizational Structure

How is your company legally organized?

Sole Proprietorship Partnership Corporation
 DBA² Limited Profit Non-Profit
 Unlimited Other: _____

Which of the following best describes your company relationship, ownership or participation with other companies?

Affiliated Subsidiary Parent Brother/Sister
Other: _____

¹ A Conflict of Interest is any set of facts or circumstances that appears to compromise or may reasonably compromise the fairness, independence or objectivity of the Offeror/Subcontractor(s) if it obtain the contract to be awarded, including but not limited to personal or business interest that would present an actual, potential, or apparent Conflict of Interest with the performance of that contract or may create an appearance of impropriety.

² *Doing Business As*

Please attach a flowchart or hierarchical chart including all the companies related to the Offeror/Subcontractor.

Please produce a table which summarizes all the companies related, including full names of stockholders, their position within the company (if applicable) and their own percent (%) of participation, Control and interest in the company, such as the percent (%) of participation, Control and interest in any brother or Sister Corporation, affiliate, subsidiary, and/or Parent Company. If an immediate family member of the Offeror owns or has any kind participation (economic or administrative) related to the Offeror company or any other of the affiliate or subsidiary companies, please disclose their names, percent (%) of participation, Control or interest in each company.

Offeror's Company Name _____

Stockholders Names:	% Participation in company	% of Control	% of Interest	Other:

Parent Company Name: _____

Stockholders Names:	% Participation in company	% of Control	% of Interest	Other:

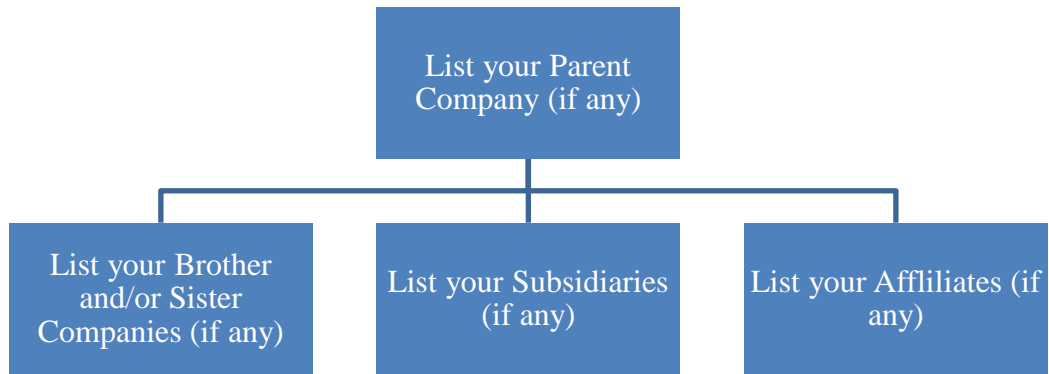
Affiliate Company Name: _____

Stockholders Names:	% Participation in company	% of Control	% of Interest	Other:

Subsidiary Company Name: _____

Stockholders Names:	% Participation in company	% of Control	% of Interest	Other:

2. Describe the Hierarchical or Judicial Structure of the Offeror:



A. Disclose any Affiliates, including domestic and foreign.

- i. Report any common ownership.
- ii. Describe any distribution of voting stock.
- iii. Disclose any common management.

- iv. Explain any contractual relationship.

—

Describe any expense or cost allocation methods between both entities, including: base Data (source and period of time considered), method of allocation (percentage or any other), rational for calculation, and frequency. If this agreement is in writing, provide a copy.

- B. Describe any Subsidiaries, including those domestic and foreign.

- i. In determining whether affiliation exists, consideration is given to all appropriate factors including common ownership, common management, and contractual relationships (including a franchise agreement in some cases), whether or not it is organized for profit or is located in the United States or its outlying areas. Business concerns are Affiliates of each other if, directly or indirectly, either one controls or has the power to Control the other, or another concern controls or has the power to Control both.

A party is considered to Control or have the power to Control a concern, even though the party owns, controls, or has the power to Control less than Fifty percent (50%) of the concern's voting stock (taking in consideration other matters).

Affiliate signifies a condition of being united; being in close connection, allied, associated, or attached as a Member or branch with another person, body, or organization. Affiliate Company is one which is effectively controlled by another company or a company in which there is ownership (direct or indirect) of five percent (5%) or more of the voting stock. Also, is a corporation which is related as parent and subsidiary, characterized by identity of ownership of capital stock.

Parent Company is one owing more than fifty percent (50%) of the voting shares of another company, called subsidiary. Also, a Parent Company is a corporation which has working Control through stock ownership of its subsidiaries. Brother or sister corporations mean two or more corporations owned and effectively Controlled by one or more individuals, and where these corporations are involved, earnings can be transferred between them only through common shareholder(s), who will be subject to progressive individual income tax.

- ii. Any Control through common management includes:
 - a. Interlocking management (Officers, directors, employees, or principal stockholders) of one concern serve as a working majority of the board of directors or officers of another concern);
 - b. Common facilities (one concern shares common office space and/or employees and/or other facilities with another concern);
 - c. Newly organized concern (Former officers, directors, principal stockholders of one concern organized a new concern in the same or a related industry or field).

iii. Control through contractual relationships includes joint ventures and acquisition and property sale assistance. A subsidiary corporation is one in which another corporation (i.e. parent) owns at least a majority of the shares, and thus has Control. The term subsidiary corporation is also used to describe a company with more than fifty percent (50%) of whose voting stock is owned by another.

1. Report any common ownership:
2. Describe any distribution of voting stock:
3. Disclose any common management:
4. Explain any contractual relationship:
5. Describe any expense or cost allocation methods between both entities, including: base Data (source and period of time considered), method of allocation (percentage or any other), rational for calculation, and frequency. If this agreement is in writing, provide a copy.
6. Please list all the MCOs and health care Providers which are owned or under Control by the Offeror or who own and/or control the Offeror and/or participate in any business related to them, including administrative agreements.

Facilities Owned:	% of Participation	Facilities under Control:	% of Participation	Administrative Agreements:

Report names and positions of directors, officials or Agents which represent the Offeror and any other of the Affiliates, subsidiaries, Parent, brother or sister companies or any other company related by ownership, Control, interest or management agreements.

Official, Directors or Agents Names:	#1 Company Name	Position	#2 Company Name	Position

Note: If additional space is necessary to disclose all the financial relations, please attach additional paper sheets or make a copy of this form. There is a continuing duty to notify ASES of any actual or potential Conflicts of Interest that may develop during the course of the evaluation process of the Proposals including the negotiation process before signing the Contract. **ASES reserves the right to disqualify any Offeror/Subcontractor who has Conflict of Interests and/or to terminate any agreement after getting knowledge of any Conflict of Interest not reported.**

The Offeror must declare upon oath and certify that this form and any other additional document attached to it contain all the existing economic relationships of the Offeror. This form must be signed and subscribed by a notary. **ASES RESERVES THE RIGHT TO DISQUALIFY THE OFFEROR IN CASE ANY INFORMATION HEREIN REQUIRED WAS NOT DISCLOSED OR WAS FALSELY SUBMITTED.**

I, _____ (*full name*), in my capacity of _____ (*position*) from _____ (company name) after being authorized to represent the Offeror, declare upon oath and certify that this document contains all the information related to potential Conflict of Interests and economic or financial relationships of the Offeror at the present. I certify that there is not additional information to report, or intentionally hidden or not disclose as requested. Also, I understand that **ASES reserves the right to disqualify our Proposal in case that any information was not disclosed or was falsely submitted.**

Sign _____ Date _____

Affidavit Number _____

Sworn and subscribed before me by _____, whose personal circumstances have been previously stated, and whom I give faith to know personally/have identified by means of _____.

In _____, _____, today _____, 2021.

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Appendix D

Suspension and Debarment Certification

RFP # Actuarial 2022

The entering of a Contract between ASES and the successful Offeror pursuant to this RFP is a “covered transaction,” as defined by 2 C.F.R. Part 376, 2 CFR part 180 and other applicable federal regulations. ASES’s Contract with the successful Offeror shall contain a provision relating to debarment, suspension, and responsibility. All Offerors must provide as a part of their Proposals a certification to ASES in the form provided below. **FAILURE OF AN OFFEROR TO FURNISH A CERTIFICATION OR PROVIDE SUCH ADDITIONAL INFORMATION AS REQUESTED BY THE PROCUREMENT CONTACT FOR THIS RFP WILL RENDER THE OFFEROR NONRESPONSIVE.** Furthermore, the Offeror shall provide Immediate written notice to the Procurement Contact for this RFP if, at any time prior to Contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

Although ASES may review the veracity of the certification through the use of the Federal Excluded Parties Listing System or by any other means, the certification provided by the Offeror in paragraph (a) below is a material representation of fact upon which ASES will rely when making a Contract award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to ASES, ASES may terminate the Contract resulting from this request for proposals for default.

The certification provided by the Offeror in paragraph (a) below will be considered in connection with a determination of the Offeror's responsiveness. A certification that any of the items in paragraph (a) below exists, may result in rejection of the Offeror’s Proposal for non-responsiveness and the withholding of an award under this RFP. If the Offeror’s certification indicates that any of the items in paragraph (a) below exists, the Offeror shall provide with its Proposal a full written explanation of the specific basis for, and circumstances connected to, the item.

The Offeror’s failure to provide such explanation will result in rejection of the Offeror’s Proposal. If the Offeror’s certification indicates that any of the items in paragraph (a) below exists, ASES, in its sole discretion, may request that the U.S. Department of Health and Human Services and any other applicable federal agency grant an exception under 2 C.F.R. 180.135 and any other applicable federal regulations if ASES believes that this procurement schedule so permits and an exception is applicable and warranted under the circumstances. In no event will ASES award a Contract to an Offeror if the requested exception is not granted for the Offeror.

CERTIFICATION

The statements under letters A through F MUST BE ANSWERED.

(a)(1) By signing and submitting a Proposal in response to this RFP, the Offeror certifies, to the best of its knowledge and belief, after reasonable inquiry, that:

(i) The Offeror and/or any of its Principals-

- A. Are/are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any federal department or agency; **(REQUIRED)**
- B. Have/have not, within a three (3) year period preceding the date of the Offeror's Proposal, been convicted of or had a civil judgment rendered against them for: commission of Fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or Government of Puerto Rico) contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; **(REQUIRED)**
- C. Are/are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity (federal, state or Government of Puerto Rico) with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this certification; **(REQUIRED)**
- D. Have/have not, within a three (3) year period preceding the date of Offeror's Proposal, had one or more public agreements or transactions (federal, state or Government of Puerto Rico) terminated for cause or default; and **(REQUIRED)**
- E. Have/have not been excluded from participation from Medicare, Medicaid, other federal health care programs or other federal behavioral health care programs pursuant to Title XI of the Social Security Act, 42 U.S.C. § 1320a-7 and other applicable federal statutes. **(REQUIRED)**
- F. Have/have not within the last ten (10) years, been convicted of, pled guilty to, or pled nolo contendere to any felony and/or any Medicaid, Medicare, or health care related offense or have been debarred or suspended by any federal or state government body, and if so, an explanation providing relevant dates. Offeror shall include the Offeror or any of the Offeror's employees, Agents, independent contractors, or proposed Subcontractor(s), the Offeror's Parent organization, Affiliates, and subsidiaries. **(REQUIRED)**
 - i. "Principal," for the purposes of this certification, shall have the meaning set forth in 2 C.F.R. 180.995 and shall include an officer, director; owner, partner, principal investigator, or other person having management or supervisory responsibilities related to a covered transaction. "Principal" also includes a consultant or other person, whether or not employed by the participant or paid with federal funds, who: is in a position to handle federal funds; is in a position to influence or Control the use of those funds; or occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction.

- ii. For the purposes of this certification, the terms used in the certification, such as covered transaction, debarred, excluded, exclusion, ineligible, ineligibility, participant, and person have the meanings set forth in the definitions and coverage rules of 2 C.F.R. part 180 and other applicable federal regulations.
- iii. Nothing contained in the foregoing certification shall be construed to require the establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

OFFEROR: _____

SIGNED BY: _____

TITLE: _____

DATE: _____

This appendix must be signed by the person identified in Appendix B under item #2.

Appendix E

Form of Sworn Statement on Fraud and Misappropriation

RFP # Actuarial 2022

SWORN STATEMENT

I (full name) _____ of legal age, (marital status) _____, (profession) _____ and resident of _____ (municipality) _____, Puerto Rico, under the most solemn oath, DECLARE:

1. That my name and other personal circumstances are as previously described.
2. That the Board of Directors has been informed of the content of this Sworn Statement and that it has authorized me by means of a Resolution of the Board of Directors to subscribe this Sworn Statement.
3. That I am the President, of the company _____ [Organization Name], which is duly organized and/or authorized to do business pursuant to the laws of the Government of Puerto Rico, (hereinafter "the Offeror").

Or in the alternative: that I am the _____ (position) of _____, and because the President is unavailable to notarize this document, I have been authorized according to Paragraph 2, for signing this Sworn Statement.)

4. That I am legally authorized by the company, to sign this Sworn Statement.
5. That to the best of my knowledge, and believe, after diligent investigation, the company, its subsidiary companies, Affiliates, and/or headquarters, and/or their respective shareholders, directors, associates, officers, functionaries, executives, principals and/or employees, and/or business associate(s)¹, have not been convicted, no probable cause has been found for their arrest, nor are they under investigation in any legislative, judicial or administrative procedure, whether in or out of Puerto Rico, for reasons of any conduct that may be held to constitute Fraud, embezzlement or illegal appropriation of public funds, according to the provisions of Act 2-2018 known as "Ant-Corruption Code for the New Puerto Rico", or any another legal provision that penalizes crimes against the treasury and the public confidence, and neither

¹ Business Associate: For purposes of Appendix E of this RFP, this term shall mean any person or entity with whom the Offeror has had, at any point during the last five (5) years, or has at present, a business relationship covered under a written contract to provide, directly or indirectly, 25% or more of its time to the tasks assigned to the Offeror under this RFP or other tasks ordinarily performed by the Offeror in its business; or that will receive 25% or more of the total compensation under this RFP; or that will perform tasks under this RFP as a subcontractor.

have I, the Declarant, been investigated, arrested, convicted, declared guilty nor sentenced for the conducts previously mentioned.

Or in the alternative: in the case of having knowledge that any of the persons identified in the above mentioned positions or categories have been or are being investigated, arrested, declared guilty, convicted or sentenced for such conduct and/or criminal offences referred to in the preceding paragraph, a statement regarding this fact shall form part of this sworn declaration. The statement must be included in an additional sheet describing positions, full names, charges, description of the offence or offences for which they have been or are being investigated, convicted or sentenced, including current processes status.

6. I give faith that I have personal knowledge, as does the company, its subsidiary companies, Affiliates, and/or headquarters, and/or their respective shareholders, directors, associates, officers, functionaries, executives, principals and/or employees, that the crimes referred to in these provisions include, but are not limited to:

1. Aggravated illegal appropriation, in all its modalities;
2. Extortion;
3. Fraud in constructions;
4. Fraud in the execution of construction work;
5. Fraud in the delivery of things;
6. Undue intervention in the contracting processes of auctions or in the operations of the Government;
7. Bribery, in all its modalities;
8. Aggravated bribe;
9. Offering of a bribe;
10. Undue influence;
11. Crimes against public funds;
12. Preparation of false documents;
13. Presentation of false documents;
14. Forgery of documents;
15. Possession and transfer of false documents; and
16. Crimes under the laws of the United States and of its territories and state jurisdictions of the United States, whose elements are equivalent to those of the crimes aforementioned.

7. That I have been advised by my legal advisors and company's counsels on the obligations imposed by Act 2-2018, and other applicable laws, and I acknowledge and accept the consequences of signing this Sworn Statement.

8. That I certify that I, as well as the Company, know of our continuous duty to report on any investigation, accusation or conviction against the Company, its subsidiary companies, Affiliates and/or headquarters, and/or their respective shareholders, directors, associates, officers, functionaries, executives, principals and/or employees, related to the crimes and undue conducts listed in Clause 5 & 6.

9. That I certify that neither, the Declarant nor the Company, its subsidiary companies, affiliates and/or headquarters, and/or their respective shareholders, directors, associates, officers, functionaries, executives, principals and/or employees, to the best of my knowledge

or according to what has been informed to me, have incurred nor will we incur in conducts that violate the law, anti-trust federal and state regulations and guidelines, such as agreeing with any another company and/or company proponent to set fixed prices, submit proposals or take any another action for the purpose of impeding, restricting or limiting free competition; or that may have an adverse or negative impact on the services to be offered to the population.

10. That the above declared is the truth and nothing but the truth.

And IN WITNESS THEREOF, I swear and sign this affidavit on _____, _____, today _____, 2021.)

(Signature of the Declarant)

(Name of the Declarant)
(Position)
(Company Name)

Affidavit Number _____

Sworn and subscribed before me by _____, whose personal circumstances have been previously stated, and whom I give faith to know personally/have identified by means of _____. In _____, _____, today _____, 2021.

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Appendix F

Actuarial Services Provider Cost Proposal Template

RFP # Actuarial 2022

	Staff Title	Est. Hours	Hourly Rate	First Contract Term(1.5 years)	Optional Contract Term (1 year)	Overall Contract (2.5 years)
1						
2						
3						
4						
5						
6						
7						
8						
9						
	Total					

Appendix G

Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

RFP # Actuarial 2022

In addition to other provisions required by the HHS agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

- A. Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- B. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
- C. Equal Employment Opportunity. Except as otherwise provided under 41 CFR part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, Equal Employment Opportunity (30 FR 12319, 12935, 3 CFR 1964-1965 Comp., p. 339) as amended by Executive Order 11375 amending Executive Order 11246 Relating to Equal Employment Opportunity, and implementing regulations at 41 CFR part 60.
- D. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR part 5). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR part 3). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the

construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

E. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

F. Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR part 401 and any implementing regulations issued by the awarding agency.

G. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

H. Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR part 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

I. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of

Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Appendix H

Model Contract

RFP # Actuarial 2022

Appendix H is the Model Contract. It is not imbedded in this document but is included as a separate document entitled Appendix H– Model Contract.