

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

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



GOBIERNO DE PUERTO RICO  
ADMINISTRACIÓN DE SEGUROS DE SALUD

**ACTUARIAL SERVICES  
GOVERNMENT HEALTH PLAN  
REQUEST FOR PROPOSALS  
RFP # 2025-001(ACTUARIAL)**

**ISSUE DATE: DECEMBER 30, 2024**

**PROPOSAL DUE DATE: FEBRUARY 20, 2025 ON OR  
BEFORE 11:59 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 PRHIA. 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) financial and actuarial reports to be submitted for the Financial Oversight and Management Board for Puerto Rico (FOMB); 8) support in competitive procurement processes (i.e. Plan Vital, Act. No. 95- Public Employees Health Benefits Act contracts); 9) assessment of fiscal impact of federal law, state law, rules, etc.; 10) Diagnosis Related Groups (DRGs) analysis; 11) federal law waivers and budget neutrality requirements, among other actuarial analyses as needed upon request.

The intent is to award a contract, at a date to be determined, to an entity demonstrating its ability to meet all requirements, with experience in, and knowledge of, Medicaid managed care programs, and successfully operate in Puerto Rico. The effective date of this Agreement will be July 1, 2025 through June 30, 2029 with two (2) options to renew for an additional fiscal year each, that is, from July 1, 2029 until June 30, 2030 (1<sup>st</sup> extension); and from July 1, 2030 to June 30, 2031 (2<sup>nd</sup> and final extension).

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.**

PRHIA is seeking Offerors that:

1. Demonstrate a clear understanding of PRHIA's needs, the services sought and the Offeror's responsibilities.
2. Demonstrate that the Offeror understands its role as partner and advisor to PRHIA.
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 PRHIA's goals and objectives.
5. Demonstrate financial capacity to perform the services of this RFP.
6. Demonstrate operational capacity to support a July 1, 2025, 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 offeror. 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 PRHIA. PRHIA shall not assume responsibility for any answers or clarifications provided by other PRHIA 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 2.4.22 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. Leilani Valle Donato, Esq.  
Principal Proposal Adjudicator  
1549 Calle Alda  
San Juan, PR 00926-2712  
asesprocurement@ases.pr.gov

## **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 PRHIA manages these programs pursuant to a delegation of authority.

PRHIA 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. PRHIA 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. PRHIA 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, PRHIA needs actuarial services in support of GHP contract, as well as other federal requirements for actuarial services.

Beneficiaries that participate in the Plan Vital are approximately 1,100,00 million beneficiaries. Currently, PRHIA holds contracts with four (4) MCOs to provide GHP services. PRHIA also has current contracts with four (4) MAOs to provide services for the Medicare Advantage under Platino coverage, as well as several contracts 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, PRHIA has a contract with a PBM to provide Pharmacy Benefit Management services and MDRP services 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 PRHIA holds with these entities.

PRHIA 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, PRHIA seeks to contract with a qualified Actuarial Service Provider (Contractor) with expertise, financial resources, and experience to provide comprehensive actuarial services in support of the Government Health Program. Responses submitted must demonstrate the capacity and ability to conduct Actuarial Services functions for PRHIA.

#### **1.4 Content of RFP**

This RFP defines PRHIA's 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, rules and policies for the presentation and for the adjudication of the proposal
3. Technical specifications & Scope of Work
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.

**Business Day** - is Monday-Friday, other than a national or state holiday as defined by Law No. 111-2014. Use of the term "day," rather than "Working Day" shall mean a Calendar Day.

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

**CMS** - the Centers for Medicare & Medicaid Services, which is the federal agency responsible for administering Medicare and overseeing state administration of Medicaid.

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

**Contract Term** - the period of time beginning with the commencement date or Effective Date of a Contract and ending when the Contract expires in accordance with its terms, or when it has been terminated.

**Major Subcontractor** – A subcontractor, as herein defined, is a subcontractor who will perform twenty five percent (25%) or more of the tasks to be awarded to the Contractor, or that twenty five percent (25%) or more of the budget assigned for this Contract will be paid to the subcontractor for services related to the SOW of this RFP, or who will perform core tasks under the Contract.

**Managed Care Organization (MCO)** - An insurance company, health care organization, or any other approved health organization in Puerto Rico that meets the CMS definition of an MCO.

**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)”, “offeror(s)”, “vendor”, “supplier(s)”, and “proposer(s)”, “proponent(s)”, “bidder(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/Offeror’s duties.

**Procurement Contact** –PRHIA’s Principal Proposal Adjudicator responsible to manage and 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 process.

### **2.1 Issuing Office and RFP Reference Number**

PRHIA 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 #2025-001 (Actuarial).

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 PRHIA’s best estimate of the schedule that will be followed. Unless stated otherwise, **items will be due at 11:59 p.m. (Atlantic Time) on the dates specified below.** If a component of this schedule – such as *Submission of Proposals* – is delayed, the rest of the schedule will likely be shifted by the same number of days. PRHIA will make every effort to adhere to the following schedule:

Action	Responsible Party	Date
1. Issuance of RFP	PRHIA	December 30, 2024
2. Deadline for questions	Potential Offerors	January 30, 2025
3. Publishing of Responses to Written Questions	PRHIA	February 7, 2025
4. Submission of Proposals	Offerors	On or before February 20, 2025
5. Notice of intent to award Contract	PRHIA	No later than April 4, 2025
6. Reconsideration/Request for Administrative and Judicial Review	Offerors	Ten (10) days after the notification of the Notice of Intent to Award
7. Contract Execution	PRHIA and Awarded Actuarial Services Provider	No later than June 14, 2025
8. Go-Live Date	PRHIA	July 1, 2025
<p><b>NOTE:</b> Dates are subject to change based on number of Proposals to evaluate and final approval from federal partners.</p> <p>PRHIA reserves the right to request additional/clarification from Offeror at any time during the process.</p>		

## 2.3 Details of the Schedule

### 2.3.1 Notice of Intent to Participate

Potential Offerors are encouraged to promptly return by email the Notice of Intent to Participate that accompanies this document (Appendix A) and preferably not later than **February 5, 2025** 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. FAILURE TO SUBMIT THIS FORM AT LEAST ONE BUSINESS DAY BEFORE THE DATE OF SUBMISSION OF THE PROPOSAL WILL BE INTERPRETED AS A DECLINATION TO PARTICIPATE IN THIS PROCESS.

The form must be signed by the Offeror’s representative authorized to legally bind the Offeror, dated, and returned to asesprocurement@ases.pr.gov. If an Offeror does not



receive a username and password within three (3) business days 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\*; and
- Any RFP amendments\*.

**\*THESE DOCUMENTS WILL ALSO BE POSTED IN PRHIA’S WEB PAGE UNDER “CONTRATACION GUBERNAMENTAL”/ACTIVE RFPs.**

### **2.3.2 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:

#### **RFP 2025-001 Actuarial -Question/Clarifications**

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. PRHIA will not answer more than twenty (20) questions per Offeror.

Questions must be received by deadline **on February 7, 2025. See Appendix I of this RFP.**

### **2.3.3 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. They will also be published on PRHIA WebPage under “CONTRATACION GUBERNAMENTAL/ACTIVE RFPs”.

PRHIA shall make every effort to provide answers as close to the deadline as possible. PRHIA 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, PRHIA may consolidate and/or paraphrase similar or related inquiries.

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

PRHIA reserves the right to amend this RFP (including all appendices) any time before the closing date for submitting proposals (February 20, 2025), excluding changes to the schedule of events. Amendments shall be sent to all Offerors appearing on the procurement distribution list pursuant to Section 2.3.1 of this RFP and shall be published on PRHIA's webpage.

### **2.3.4 Deadline for the Submission of Proposal**

Proposals are due on or before 11:59 PM (AST) on **February 20, 2025**. 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 PRHIA 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.

### **2.3.5 Notice of Intent to Award Contract**

The Executive Director of PRHIA shall send the awarded Offeror a written Notice of Intent to Award. A copy of the same shall be notified to all other participating Offerors.

### **2.3.6 Reconsideration/Request for Administrative and Judicial Review**

Any Offeror who understands that it has been affected by the final determination of PRHIA in the adjudication of this RFP may submit a written Petition for Reconsideration within **ten (10) 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 PRHIA from considering the Petition for Reconsideration.

The Petition for Reconsideration must be addressed to the attention of PRHIA 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  
[asesprocurement@ases.pr.gov](mailto:asesprocurement@ases.pr.gov)

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".

#### **2.3.6.1-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 2.3.6 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 this RFP.

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

#### **2.3.6.2-Ruling on the Petition for Reconsideration**

The Board of Directors of PRHIA shall consider the Petition for Reconsideration within ten (10) calendar days of the filing of the petition. If it does not consider the Petition within the ten (10) calendar days, then it shall be understood that it denied the same. If it does considers it, then the BOD will have thirty (30) calendar days to issue its final

determination on the Petition. PRHIA 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 PRHIA was deposited in the mail.

If the Board of Directors does not consider the Petition within the initial ten (10) day period, 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 commences.

### **2.3.7 Contract Execution**

The Offerors shall not have a right to open negotiations of the Contract with PRHIA. 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.

PRHIA 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.

### **2.3.8 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 July 1, 2025.

## **2.4 General Requirements**

**2.4.1** This RFP is open to any Offeror capable of performing the scope of work, subject to the following stipulations:

- A) The Offeror is authorized by the Department of State of Puerto Rico to do business in Puerto Rico prior to Contract Award.
- B) The burden is on the Offeror to present sufficient assurances to PRHIA that awarding the Contract to the Offeror shall not create a conflict of interest.
- C) The Offeror is in compliance with other applicable legal requirements to become a government service provider. (See Section 6.7.11 regarding the Single Registry of Professional Services Provider)
- D) PRHIA 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) PRHIA 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. PRHIA 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.

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

#### **2.4.4 Subcontractors and Delegation**

Proposed use of Major 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 PRHIA for review in accordance with the timeframes outlined in the Contract.

PRHIA reserves the right to audit Subcontractor(s) at the Actuarial Services Provider's expense. See Section 2.4.17.

#### **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 PRHIA will only evaluate the amended/revised Proposal.

#### **2.4.6 Offer Period**

The Proposal shall be binding for a period of one hundred and eighty (180) days after the submission due date. Upon Contract execution, prices agreed upon by the successful Offeror are an irrevocable offer for the term of the Contract and any Contract extension(s).

No other costs, rates, or fees shall be payable to the successful Offeror unless expressly agreed upon in writing by PRHIA.

#### **2.4.7 Disclosure of Proposal Contents; Confidentiality of Proposals**

Proposals will be kept confidential until the contract is awarded. At that time, all Proposals and documents pertaining to the Proposals will be open to the public, except for the material that has been duly marked as proprietary or confidential by the Offeror. The 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 requirements herein below mentioned.

**Blanket labeling of the entire document as “confidential” or “proprietary,” however, shall result in the bid not being evaluated.**

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, it must submit one (1) copy of the full Proposal with proposed confidential information redacted. Mere labeling of a document as confidential or proprietary will not suffice and will not be considered a redacted document. This redacted copy must tell the general nature of the material removed and shall retain as much of the Proposal as possible.

In a separate attachment, Offerors 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.

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 #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 nor considered as proprietary or confidential information. Hence, it will be fully disclosed to the public.**

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.

By submitting a Proposal, Offeror acknowledges that it is responsible for defending the confidential nature of the portions of its Proposal marked as such and agrees to hold harmless and indemnify the Government of Puerto Rico, PRHIA and the Federal Government for all costs or damages associated with PRHIA or other governmental entities defending Offeror's request for confidential treatment. Offeror also agrees that PRHIA may copy the Proposal 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 procurement 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.

If within a reasonable time after the Notice of Intent to Award is issued, a Contract is not finally executed between PRHIA and the selected Offeror, PRHIA reserves the right to cancel said award, and award the contract to the next best Offeror.

Upon submitting its Proposal, the Offeror acknowledges and accepts that even if it is selected, if there is a breakdown in the Contract negotiation that prevents its execution, PRHIA may proceed as herein stated.

#### **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 PRHIA 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. PRHIA's decision as to whether sufficient appropriations and authorizations are available will be accepted by the Contractor as final.

#### **2.4.11 Legal Review**

PRHIA 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 the Procurement Contact.

#### **2.4.12 Governing Law**

This process and ensuing contract 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 PRHIA in writing through the 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 PRHIA and the Offeror selected will be provided by PRHIA. 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 process may result in criminal and/or civil penalties.

#### **2.4.16 Right to Publish**

Throughout this process and Contract term, potential Offerors, Offerors, and the selected Actuarial Services Provider must secure from PRHIA written approval prior to the release of any information that pertains to the potential work or activities covered by this process 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**

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

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 PRHIA. This clause 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 PRHIA, 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 PRHIA.

#### **2.4.18 Rights over the Information**

The Offeror recognizes and accepts that PRHIA is the exclusive owner and that PRHIA has all the ownership rights over any and all information related to or generated or in connection to the Contract(s). PRHIA 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 PRHIA'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 PRHIA, without changes to their original format (no PDF), whenever requested. In the event that PRHIA 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 PRHIA'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, PRHIA 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 PRHIA. 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. PRHIA's funding used in the development of these materials, programs, procedures, etc. shall be documented by the Contractor(s). PRHIA 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. PRHIA 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. PRHIA 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 PRHIA, or acquired by the Contractor on behalf of PRHIA, 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 PRHIA;
- F. Training materials developed for PRHIA'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 PRHIA.

#### **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 PRHIA 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 PRHIA, 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 PRHIA' 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.

PRHIA 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 PRHIA. One exception is for instances in which such communication is unrelated to this procurement and limited to the normal operations of current Contracts with PRHIA. 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 PRHIA will include a provision to the effect that PRHIA, 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 OSG No. 2023-001 from the Office of the Secretary of Government of Puerto Rico and Circular Letter CC-008-2023 from the Office of Management and Budget of the Government of Puerto Rico.**

The mandatory contract clauses required under the above referenced rules and regulations will be included in the Contract awarded to the selected Offeror. See Appendix H of this RFP. The offeror, upon submission of a Proposal, agrees to comply with them.

#### **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 PRHIA, 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. See Appendix J of this RFP.

#### 2.4.26 **Conflicts of Interests**

PRHIA 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, PRHIA maintains an aggressive policy towards actual or potential conflicting interests.

**For purposes of this RFP, PRHIA reserves the right to disqualify any offeror with a conflict of interest or lack of independence.** PRHIA will investigate any charge or allegation to this effect, prior to the disqualification, if any. PRHIA 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 PRHIA 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 PRHIA, nor with the grantors, personnel and PRHIA'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 PRHIA'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 PRHIA 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 PRHIA’ 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”).** PRHIA retains sole discretion to determine whether a Divestiture Action Plan or Conflict Avoidance Plan sufficiently addresses an apparent conflict of interest to PRHIA’ 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 PRHIA, 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 PRHIA 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 PRHIA 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**

PRHIA 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, PRHIA 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, PRHIA 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 PRHIA 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 PRHIA 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 EXPERIENCE & QUALIFICATION REQUIREMENTS & SCOPE OF WORK**

This Section describes the actuarial, financial, and consulting services that are required to be provided by the selected Offeror, herein after under this section as “the Contractor”. The Contractor must be able to provide all of these services throughout the contract term.

PRHIA seeks to contract with a qualified entity that can provide actuarial related expertise to certify actuarial soundness of MCO and MAO capitation rates, and that has demonstrated experience in, and knowledge of, the Medicaid managed care programs and Medicaid Advantage programs, among other related actuarial services.



**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.

**WARNING:** Failure to meet the Minimum Qualifications herein below stated will result in a proposal being found non-responsive and eliminated from consideration.

### **3.1 Offeror's Qualification and Experience Requirements:**

**3.1.1** The Actuarial Services Provider or Contractor shall have the operational capacity to provide all actuarial services sought in this RFP by July 1, 2025. The Offeror must have available sufficient resources to perform the tasks described in this RFP in a time sensitive manner.

**3.1.2** The Contractor, as an entity, must have been in business for a minimum of five (5) years, or the principal/owners must have at least five (5) years' recent ownership/executive management experience with actuarial services supporting Medicaid Managed Care/CHIP programs and actuarial experience certifying Medicaid Managed Care capitation premiums.\* Experience acquired concurrently is considered acceptable.

\*For the purposes of this RFP, the Contractor has full responsibility for the completion of the contractual obligations and tasks. The Contractor undertakes to perform a complete contract and may employ (and manage) one or more subcontractors to carry out specific parts of the contract. **However, the Contractor may not leverage a proposed subcontractor's experience in order to meet the minimum qualifications noted above.**

**3.1.3** The Actuarial Services Provider shall have sufficient experienced and knowledgeable staff to efficiently administer program requirements, as described in this RFP. The Contractor shall provide staff who possess strong attributes to the appropriate tasks outlined in this RFP.

3.1.3.1 Specifically, the Contractor must provide staff with:

- a. Extensive experience related to various healthcare risk adjustment methodologies and models;
- b. Vast and strong experience working with Medicaid Management Information Systems (MMIS) implementation processes and supporting operations, data extraction, code development and data analysis;

- c. Vast and strong experience developing and implementing risk adjustment strategies, applying and designing methods for Medicaid services and utilization such as prospective or retrospective models and methodology for risk corridors.
- d. Vast and strong experience interacting with CMS on behalf of state agencies.
- e. Vast and strong experience in forecasting costs and capitation payments in programs with populations with high rates of costly conditions including but not limited to cancer, diabetes, End-Stage Renal Disease (ESRD), alzheimer's disease, Hepatitis C, hypertension, cerebrovascular disease, cardiovascular disease.
- f. Experience and knowledge related to MCO risk mitigation strategies;
- g. Extensive knowledge of federal and State public healthcare programs and policy which include but are not limited to proficiency in the programmatic aspects of federal Medicaid funding and federal waivers;
- h. Experience in pharmacy utilization trends, new drug therapies and strategies on pharmacy benefit management, Medicaid Drug Rebate Program (MDRP);
- i. Extensive knowledge and background of CMS laws and regulations;
- j. Actuarial backgrounds and certifications and knowledge of actuarial SOPs;
- k. Experience with data analytics, including experience with large datasets, Managed Care encounter data, knowledge of the State's Medicaid data systems, Medicaid programs;
- l. Experience with implementing and maintaining efficiency and quality-based payment methodologies in a Medicare and Medicaid MCO environment.

3.1.3.2. The Contractor shall provide sufficient additional management and administrative support staff necessary to organize, prepare and carry out all administrative tasks associated with conducting the described tasks in this RFP and submitting resultant reports.

**3.1.4 The following additional experience is preferable:**

- a. Experience in social determinants of health, cost estimation for budget formulation activities and other public health initiatives, Behavioral Health,

actuarial planning and strategy for use and allocation of federal funds through managed care.

- b. Experience analyzing healthcare data and actuarial models in the Puerto Rico market.

**WARNING: The absence of the additional preferred experience mentioned in Section 3.1.4 above will not be the basis for disqualification of the Offeror but will be considered when scoring applicable answers.**

### **3.2 Key Personnel:**

**3.2.1** The Contractor shall provide, at a minimum, the following Key Personnel during the term of the Contract. Other key personnel proposed by the Offeror shall be duly justified.

- a. At least one (1) Lead Actuary
- b. At least one (1) Account Executive

3.2.2 If Key Personnel is terminated or becomes unavailable for any reason **during the term of the Contract**, the Actuarial Services Provider shall submit to **PRHIA** the resume of the proposed replacement(s) and offer **PRHIA** 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. **PRHIA** shall also approve the adequacy of all staffing levels.

### **3.2.3 Lead Actuary minimum qualifications and experience requirements:**

**3.2.3.1** Must have at least twenty (20) years of experience in actuarial services and at least ten (10) years of experience in Medicaid management.

**3.2.3.2** This person must have vast and strong experience in designing and applying risk adjustment methodologies in Medicaid, such as retrospective and prospective models. Experience in providing support and implementation services relating to MMIS is also required. Must be a member in good standing of the American Academy of Actuaries (AAA) with active credentials as a Fellow of the Society of Actuaries (FSA).

**3.2.3.3** Must have experience and knowledge of CMS regulations applicable to Medicaid and CHIP capitation rates.

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

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

**3.2.3.6** 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.

**3.2.3.7** Must have experience performing forecasts to provide recommendations on the strategic use of federal funds.

**3.2.3.8** Must have experience in the calculation, development and management of DRG-based payment system

**3.2.3.9** Must be proficient in both the English and Spanish language, both written and oral.

**3.2.4 Account Executive** - The Contractor must assign an Account Executive who will be the point of contact or liaison between PRHIA and the Contractor for this Contract. The Account Executive shall be responsible for the logistics of transmitting data and project deliverables and communication with parties for the entire project and be responsible for all coordination of services.

**3.2.4.1** The Account Executive must have at least three (3) years of combined experience in the last five (5) years in the overall areas required to perform the tasks of this RFP. Specifically, this person must be capable of managing all program requests, be experienced in planning and ensuring compliance with deadlines, per program requirements, must possess decision-making authority and skills, must have experience in working with and reporting directly to the executive management along with the Lead Actuary, and must be able to communicate actuarial subject matter in a managerial or business perspective.

**3.2.4.2** Must possess at least three (3) years of recent experience interacting with CMS on behalf of state agencies, and at least three (3) years of experience as an Account Manager, within the last five (5) years, or related managerial functions.

**3.2.4.3** Must be proficient in both the English and Spanish language, both written and oral.

### **3.3 Scope of Work**

Actuarial services are currently offered by Mercer Health & Benefits, LLC. Due to the status of certain critical current projects, for a period during FY 2025-2026 to be determined, some tasks are envisioned to be continued to be performed by said Contractor while the awarded Contractor performs other duties and cross trains. Accordingly, in case of a change in contractor, there must be a smooth and transparent transition between the current Contractor and the awarded Offeror. The tasks expected to be performed by the awarded Contractor during the first year of the Contract are detailed under Section 3.3.10 of this RFP. The other responsibilities, deliverables and tasks mentioned under this section, are the general scope of work to be performed after the transition period.

#### **3.3.1 Rate Setting Functions for MCOs and Plan Vital**

**3.3.1.1** Managed Care rates are delivered through actuarial reports which provide certification that (1) the rates were developed using the CMS approved rating methodology and assumptions, and (2) that the rates meet actuarial soundness in accordance with 42 CFR § 438.4. Accordingly, Contractor will be an essential asset in the development of the PMPM rates for Plan Vital of the fixed monthly amount, that PRHIA will pay to the GHP contracted MCOs for each Enrollee, to ensure that Benefits under GHP are provided. These rates are to be developed on an annual basis.

**3.3.1.2** PRHIA and the Contractor will apply generally accepted actuarial methods and follow CMS approved processes to develop and document the rates in compliance with federal rules, establish baseline costs, define rate cells, project future costs, make appropriate adjustments, estimate non-benefit costs, and address special Contract provisions.

**3.3.1.3** Contractor shall develop and support rate setting methodologies for PRHIA'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 the MCOs. The methodologies must be acceptable to CMS and PRHIA. Rates are to be changed each federal fiscal year, and as may be required due to changes in coverage.

**3.3.1.4** Contractor shall develop and submit draft rates and methodologies to PRHIA 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.

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

### **3.3.2 Medicare Advantage (Platino Contract) and Act No. 95 Rate Development**

3.3.2.1 The Contractor shall develop the Platino rates in accordance with applicable federal regulation. Accordingly, it shall develop, evaluate and provide PRHIA an actuarial certification to CMS for the Platino members. The historical experience must be evaluated and projected to the rates developed that must be actuarially sound and submitted to CMS.

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

### **3.3.3 Training and Transfer of Knowledge**

The Contractor must provide training and technical assistance concerning rate setting methodology to PRHIA 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.

### **3.3.4 Risk Adjustment:**

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

**A. Risk Scoring Methodology.** The Contractor shall develop and provide detailed documentation on risk scoring methodology to PRHIA that will be applied to rebalance Capitation Rates.

**B. Risk Score Calculations.** The Contractor must calculate individual risk scores, adjustments, and rebalancing factors. The Contractor shall calculate new member level risk scores with updated base data every six months during the rating period from October 1, through September 30 of each rate year.

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

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

### **3.3.5 Medical Loss Ratio (MLR)**

The Contractor must perform the Medical Loss Ratio actuarial analysis and corresponding filings 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.

### **3.3.6 Diagnosis Relates Groups (DRGs) in hospital billing practices**

The Contractor 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.

### **3.3.7 CMS reports:**

3.3.7.1 The Contractor will work with PRHIA to provide written responses to CMS requests and processes. The Contractor 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.

3.3.7.2 The Contractor will provide support and respond to inquiries from PRHIA, CMS, and stakeholders regarding the capitation rate development and the related contract with the MCOs and MAOs.

3.3.7.3 The Contractor shall review CMS-64 filings every quarter to assess the accuracy of the reported figures against PRHIA financial reports, and other relevant sources of data.

### **3.3.8 Data Analysis regarding Pharmacy Benefit Manager (PBM) and Rebate Aggregator (RA) Contracts**

3.3.8.1 Contractor must provide actuarial analysis regarding pharmacy data for the PBM and RA actual contracts.

3.3.8.2 The Contractor shall provide analyses to support PRHIA's management of the prescription drug program for Plan Vital and the Platino program, including, but not limited to providing preferred drug list change impacts, as requested.

### **3.3.9 Other Actuarial Analysis and functions**

**3.3.9.1** As part of the general scope of work, Contractor shall provide PRHIA with strategic planning over federal funds in advance, as a part of the actuarial analysis per fiscal year and report status overestimates vs funds utilization on a monthly basis or any other agreed frequency, if necessary, in order for PRHIA's Executive Office to forecast and evaluate the strategic use of federal funds assigned to the program.

**3.3.9.2** Contractor must have the capacity to work as an auditor for the financial data that MCOs submit to PRHIA. The MCOs contracts for the GHP allows for possible audits for those data and information.

**3.3.9.3** The Contractor shall perform the Short-term Acute Care (STAC) Payment Reconciliation, starting with the years 2025-2026/2026-2027.

**3.3.9.4** The Contractor shall provide PRHIA assistance developing the SFY budget projections.

**3.3.9.5** The Contractor shall prepare the Quarterly budget to actual report to FOMB - Review budgeted expenditures against actual expenditures to produce report for the FOMB.

**3.3.9.6 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.

**3.3.9.7** The Contractor shall provide technical assistance and actuarial support as defined and approved in advance by PRHIA for any services not associated with the current scope of work within the timeline agreed to between PRHIA and the Contractor. This includes assisting PRHIA 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.

**3.3.9.8** Ad Hoc requests

**3.3.10 Transition with current actuaries include, but are not limited to the following tasks:**

- a. Data calibration and implementation with IT via PRHIA Data modelling system for analysis with support of current actuaries.
- b. Actuarial certification for next MCO RFP with Risk Adjustment process-Contractor shall be engaged in understanding the corresponding actuarial certification, data



book and all RFP materials in order to lead the next MCO RFP actuarial component of said procurement process, which is expected to be issued during the last quarter of year 2025. It is most likely that the actuarial certification for said process will be developed by the current actuary, and it is expected for the awarded Offeror to take over the RFP process, subject to operational priority.

- c. Budget model and analysis for forecasting and State Fiscal Year (SFY) budget projections-Understanding the budgeting model, analyzing and pricing program cost for budgeting process with government dependencies for next SFY (2026-2027).
- d. Transition on *budget quarterly to actual* report to FOBM and issuing report to FOMB of SFY when onboarding.
- e. Actuarial certification for next Federal Fiscal Year (FFY) and Risk Adjustment-preparing next FFY actuarial certification (2026-2027)
- f. Utilization mid-year review for Actuarial Certification 2025-2026. (NOTE: The Actuarial Certification for FFY 25-26 is being prepared by the current actuary).
- g. Daily analysis and actuarial support to all PRHIA operations, including but not limited to:
  - i. Legislative and regulatory measures and program service expansion
  - ii. Assistance and advisement in the use of federal funds and reconciliation of CMS-64 with Medicaid Program
  - iii. Pharmacy analysis and forecast
  - iv. Rx analysis and operations support for MDRP rebates and reporting at budget level.
  - v. Other actuarial related tasks, as required by PRHIA.
- h. Actuarial analysis and monitoring support for compliance purposes (See Articles 10; 16; 21-22 of Plan Vital Contract)
- i. Medical Loss Ratio analysis and monitoring for remittance to state or other as determined by PRHIA.
- j. Medicaid Platino actuarial certification for wraparound for year 2027 while cross-training with current actuary.
- k. DRG transition-post-go live monitoring

### **3.4 General Obligations and Actuarial Soundness**

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

- a. 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.

- b. Certify all applicable work products as actuarially sound by a Member of the American Academy of Actuaries (MAAA).
- c. All deliverables submitted to PRHIA shall be compliant with applicable actuarial standards of practice.
- d. All deliverables submitted to PRHIA in final form shall be free from material, statistical, mathematical, and reference error.
- e. Participate in and contribute to all PRHIA meetings related to the Contract. The meetings will include reviewing Contract status, planning for future action, and other aspects as necessary.

### **3.5 Turnover services**

3.5.1 Turnover is defined as those activities required to transition Contract operations to PRHIA or a subsequent contractor upon termination, cancellation, or expiration of the Contract.

3.5.2 Contractor will complete the following turnover services:

- a. Three (3) months from the Effective Date of Contract, Contractor must develop and submit a turnover plan covering the transition of the Contract Deliverables/requirements to PRHIA for approval.
- b. The turnover plan must be supplied in the manner and format required by PRHIA and must contain comprehensive information detailing the proposed schedule, activities, operational support, and resource requirements associated with the turnover tasks outlined below. PRHIA reserves the right to have Contractor submit an updated turnover plan one (1) month prior to the end of the initial term of the Contract or as deemed necessary by PRHIA to ensure that the Turnover plan is current. PRHIA reserves the right to require additional information or modify the turnover schedule, as necessary.
- c. As part of the turnover plan, Contractor must provide PRHIA with copies of all relevant data and documentation related to the Contract.
- d. Contractor will provide PRHIA or its designee(s), with all updated documentation/records that are not included in the turnover plan or that require additional details beyond the turnover plan within fifteen (15) Business Days of the request.

- e. Contractor will not reduce operational staffing levels during the turnover period without prior PRHIA approval. Note: The duration of the turnover period will be provided by PRHIA at the time of turnover.
- f. Contractor may be required to provide the turnover services of a Lead Actuary to assist in answering questions from PRHIA regarding applicable rate certifications provided by Contractor to ensure accurate representation of information. The Lead Actuary provided must be the Lead Actuary responsible for the rate certification in question or have access to the information 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.

- a. Proposal should be prepared simply and economically, providing a straightforward, concise description of the Offeror's qualifications to meet the requirements of this RFP.
- b. Offerors shall submit only one (1) Proposal. Alternative Proposals will not be accepted.
- c. 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.
- d. All pages of the proposal shall include the RFP title "RFP #2025-001 (Actuarial) consistently in either the footer or header on each page.
- e. Proposals must use consecutively numbered pages, using consistent numbering format.
- f. The proposal (including attachments) must be drafted in the English language, excluding certifications and/or documents issued by the Government of Puerto Rico.
- g. The proposal (including attachments) shall not be password protected or locked.
- h. The Proposals must be in Microsoft Word or a searchable PDF format.
- i. Limit responses to Technical Proposal to no more than 30 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

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

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

PRHIA 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. PRHIA 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 of the Proposal

Section Title	Section Weighting
Mandatory Requirements (Section 6)	Pass/ Fail
Technical Proposal (Section 7)	70%
Cost Proposal (Section 8)	30%

**NOTE:** The additional desirable experience mentioned in 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 PRHIA 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.
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 PRHIA' expectations 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 PRHIA' 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 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, PRHIA 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 175 points.

**5.5.1 Table of Maximum Points by Technical Proposal Section.**

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

<b>Technical RFP Section</b>	<b>RFP Section</b>	<b>Section % Weighting</b>	<b>Total Points for Section</b>
Service Proposal and Scope of Work	7.1	63%	110
Readiness and Operational Capacity	7.2	11%	20
Qualifications and Experience Requirements	7.3	26%	45
<b>Total Technical Points</b>		<b>100%</b>	<b>175</b>

**5.5.2 Points to each question will be awarded as follows:**

<b>Point Value</b>	<b>% of Possible Points</b>
3	100%
2	80%
1	50%
0	0%

**5.6 Cost Proposal Evaluation**

- 5.6.1 Each Proposal that passed the Mandatory Requirements evaluation shall have its Technical Proposal evaluated. Only the first three Offerors with the highest technical scores will move forward to cost proposal evaluations. If the difference in scores between the third and fourth place is less than 10%, the fourth place will also move to cost proposal evaluation.
- 5.6.2 Those proposals that are not moved forward from technical evaluations will not have their cost proposals scored.
- 5.6.3 The Evaluation Committee reserves the right to revisit proposals if a technical and/or cost deficiency is discovered during the evaluation. If the Evaluation Committee determines that a proposal is non-responsive and rejects it after opening cost proposals, the Procurement Contact will recalculate scores for each remaining responsive cost proposal to determine (or redetermine) the apparent best-ranked proposal.
- 5.6.4 The Cost Proposal may be determined non-responsive if the Offeror fails to comply with the Cost Proposal instructions and requirements.
- 5.6.5 The Sum of the Total Annual Costs must be based on the blended rate proposed by the Offeror for the provision of all services included in Section 3 of this RFP on an estimated annual hour basis to be provided by PRHIA in the Cost Proposal Template, plus any applicable travel costs.
- 5.6.6 The Sum of the Total Annual Costs proposed for the contract term, which runs from July 1, 2025 to June 30, 2029, and two (2) **optional extensions of one (1) year each** will be evaluated in the Cost Proposal Evaluation for scoring purposes. Nonetheless, the Offeror must provide all the information required in the template. See Section 8 of this RFP.

5.6.7 The total maximum amount of points for Cost Proposal is 75 points. Points will be given for the sum of the Total Annual Costs proposed for the base contract term and optional years. The Offeror’s cost proposal with the lowest total price will receive the highest available points allocated to cost. The points allocated to higher-priced proposals will be equal to the lowest proposal price (LPP) multiplied by the maximum points available for cost, divided by the cost proposal being evaluated.

$$\text{LPP} \times 75 / (\text{Offeror's X Cost Proposal})$$

For example:

Offeror	Years 1-4	Optional Years	Traveling Costs	Sum of Total Annual Costs	Cost Points
A	\$250,000	\$155,000	\$45,000	\$460,000	65
B	\$240,000	\$150,000	\$10,000	\$400,000	75
C	\$400,000	\$350,000	No cost	\$750,000	40

**5.7 Best and Final Offer (BAFO):**

5.7.1 PRHIA may, at its sole discretion, request BAFOs from the top three ranked Offeror’s. The request for a BAFO will allow an Offeror the opportunity to revise its original Cost Proposal or leave it as originally submitted.

5.7.2 Revisions must be submitted in the manner and form prescribed by the BAFO request. PRHIA is not responsible for an Offeror’s failure to timely receive the BAFO request.

5.7.3 PRHIA reserves the right to request more than one BAFO from each of the selected Offerors. A request for a BAFO does not guarantee an award or further negotiations.

5.7.4 If BAFOs are requested by PRHIA and submitted by the Offeror, they will be evaluated using the criteria stated in the BAFO invitation, scored, and ranked by the evaluation committee. However, an Offeror should provide its best offer in its original Cost Proposal. Offerors should not expect or assume that PRHIA will request a BAFO.

**5.8 Intent to Award Contract**

5.8.1 Upon careful consideration of the final recommendations of the Evaluation Committee, PRHIA will make a final determination as to the Offeror that will receive a Contract from the Government of Puerto Rico.



5.8.2 PRHIA 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.

5.8.3 Based on PRHIA's selection of the successful Offeror, the Executive Director of PRHIA shall send such Offeror a written Notice of Intent to Award.

5.8.4 In case that only one Proposal is received or that only one Offeror is a responsive offeror, PRHIA 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.

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

### 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 applicable.

**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 key personnel to be involved in the awarded contract.

### 6.4. References:

6.4.1 Provide a list of three (3) recent specific business references, not more than two (2) years, that can discuss Offeror's qualifications, experience, and performance similar to those sought in this RFP. It is preferable that references are provided for services that were procured in a competitive environment. **The Offeror shall not use PRHIA as a reference to fulfill this requirement. Persons who are currently employed or contracted as consultants by PRHIA are not eligible to be references.**

6.4.2 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 PRHIA authorizing the Director to contact the reference.

6.4.3 The proposal must include contact information (name, company, position title, phone number, email) the references along with a brief description of the services provided, the contract period, and number of years of business relationship.

6.4.4 At least one (1) of the references must be from a contract of a similar scope as required by this request. Properly identify it.

## **6.5. Conflict of Interest**

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

6.5.1 Independence and Conflict of Interest Certification. (Appendix C)

6.5.2 Conflict-of-Interest Affidavit (Appendix C-1).

6.5.3 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.

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## **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 Dun and Bradstreet Reports:**

Offerors with a Dun and Bradstreet number must include a Comprehensive Insight Plus Report, Business Information Report, or Credit eValuator Report (collectively referred to as “Dunn and Bradstreet Reports”).

### **6.7.2 Financial Statements and Financial Solvency**

**NOTE: Financial materials must be submitted as a word searchable PDF.**

6.7.2.1. Offerors must submit an annual report for the entity submitting the Proposal which must include:

- a. Audited financial statements for 2021, 2022, and 2023, that include all supplements, management discussion and analysis, and actuarial opinions;
- b. If applicable, for years 2021, 2022, and 2023, consolidated statements for any holding companies or affiliates; and
- c. A full disclosure of any events, liabilities, or contingent liabilities that could affect Offeror’s financial ability to perform this Contract. At a minimum, financial statements must include:
  - i. Balance sheet;
  - ii. Income statement;
  - iii. Statement of changes in financial position;
  - iv. Statement of cash flows; and
  - v. Capital expenditures.

6.7.2.2.1. If the Offeror is a corporation that is required to report to the Securities and Exchange Commission (SEC), Offeror must submit its three (3) most recent SEC Form 10K, Annual Reports, pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, Title 15 of the United States Code Chapter 2B, Sections 78m or 78o(d).

6.7.2.2.2 If audited financial statements are not available, Offeror must submit unaudited financial information and any other information of the

entity submitting the Proposal that the Offeror believes meets the requirements of this section. Reference Section 6.7.2.2 (Alternate Report). If the submitted documents do not provide adequate assurance of financial stability or solvency, PRHIA reserves the right to request additional information or to disqualify the Offeror.

6.7.2.2.3 If the Offeror is either substantially or wholly owned by another corporate (or legal) entity, the Offeror must include the information required in this section for each such entity, including the most recent detailed financial report for each such entity.

6.7.2.2.4. If PRHIA determines that an entity does not have sufficient financial resources to guarantee the Offeror's performance, PRHIA may require the Offeror to obtain another acceptable financial instrument or resource from such entity, or to obtain an acceptable guarantee from

another entity with sufficient financial resources to guarantee Offeror's performance.

### **6.7.2.2 Alternate Report**

If the Proposal does not contain the annual report specified in Section 6.7.1 above, the Offeror must provide the following within the Proposal:

- (1) a statement that the Offeror does not have an audited annual report for the specified time frame(s); and
- (2) an alternate which contains the following:
  - a. For years 2021, 2022, 2023, Offeror's unaudited financial statements, including all supplements, management discussion and analysis, and actuarial opinions;
  - b. Respondent's unaudited financial statement of the most recent quarter of operation; and
  - c. A full disclosure of any events, liabilities, or contingent liabilities that could affect Offeror's financial ability to perform this Contract. At a minimum, such financial statements must include:
    - i. Balance sheet;
    - ii. Income statement;
    - iii. Statement of changes in financial position;
    - iv. Statement of cash flows; and
    - v. Capital expenditures.

**6.7.2.3 Corporate Guarantee:** If the Offeror is substantially or wholly owned by another corporate (or other) entity, PRHIA reserves the right to request that such parent entity unconditionally guarantee performance by the Offeror in each and every obligation, warranty, term, covenant, and condition of the Contract.

**6.7.3** 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.

**6.7.4** Provide a certification confirming the Offeror's/Offerors' adherence to the requirements of this RFP and the expectations of PRHIA as stated in the RFP.

**6.7.5** 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.

**6.7.6** 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.

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

**6.7.8** 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.

**6.7.9** 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.

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

**6.7.11** 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.

**6.7.11.1** 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 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, PRHIA will cancel the Award and issue an Award in favor of the next best Offeror, and the Offeror will have no legal recourse against PRHIA.**

**WARNING: PRHIA 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 PRHIA 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.**

**6.7.11.2** 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 6.7.11.1.

**NOTE: Failure to fully comply with the terms of this Section 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**

**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** If the Offeror will be using a major subcontractor(s) for functions and responsibilities under the Scope of Work of this RFP, it must provide the following documents, signed and submitted by the Major Subcontractor:

- a) Attestation of Independence and Freedom from Conflict of Interests and Conflict of Interest Affidavit (Appendices C and C-1).
- b) Suspension and Debarment Form (Appendix D of this RFP)
- c) Sworn Statement on Fraud and Misappropriation (Appendix E).
- d) 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 6.7.11. Same rules of said section will apply here.
- e) SAM
- f) 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. Describe the Offeror's experience in providing the services to be subcontracted, with emphasis on clients of similar size as Plan Vital

and details on the number of years of providing services. Do not include PRHIA as one of your clients;

iv. Length of time organization has been in business.

- g) Certification that it possesses and will provide at the time of the signing of the contract between PRHIA and the selected offeror a copy of the insurance policies mentioned in Section 6.8 of this RFP that apply to the services to be provided.
- h) Provide a list of any litigations or sanctions that have been applied under any current or former services contract in the last three (3) years. State the status, final outcome and findings in said process, particularly, any findings of noncompliance under federal or state law.
- i) Provide at least three (3) specific business references with at least one (1) for a state Medicaid program or other large similar government or large private industry project within the last (5) years, or similar engagement or project of similar size and scope to those functions and responsibilities that it would be performing under this RFP, within the last five (5) years. Do not use PRHIA as one of the references to fulfill this requirement. 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 with the above required information a letter addressed to the Executive Director of PRHIA authorizing PRHIA to contact said business references.

## **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 PRHIA, 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 constitute the complete list of Contractor requirements, with the exception of ad hoc requests.

Refer to Section 5.5.1 for total points allotted for each following section.

### **7.1. Service Proposal and Scope of Work Requirements**

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

- 7.1.1 Describe the Offeror's understanding and experience in conducting and certifying the rate setting functions described in this RFP. Explain how the Offeror intends to develop or assist PRHIA in the development of the rate methodology and determine, certify, update, and defend, when necessary, actuarially sound rates for PRHIA's programs. Address Plan Vital's and Medicaid Platino's processes independently. In the response, describe the proposed processes and methodologies for providing all components of the tasks described in Sections 3.3.1 & 3.3.2 in an efficient and time sensitive manner. (20 points)
- 7.1.2 Describe how the Offeror intends to comply with the tasks required under Section 3.3.3 of the Scope of Work regarding training and knowledge. (5 points)
- 7.1.3 Describe how the Offeror intends to comply with the scope of work requirements to support, certify and/or modify a risk adjustment methodology, DRGs payments and MLR as Specified in Sections 3.3.4, 3.3.5 and 3.3.6. (20 points)
- 7.1.4 Describe how the Offeror will provide technical resources to support the CMS requirements and reports on the GHP, Platino, and PBM/RA, as established in this

RFP and how it intends to perform the tasks described under Sections 3.3.7.1 & 3.3.7.2. (10 points)

- 7.1.5 Describe the steps to be taken to review CMS-64 filings every quarter to assess the accuracy of the reported figures against PRHIA financial reports, and other relevant resources of data. (5 points)
- 7.1.6 Describe the Offeror's experience in performing the tasks described in Section 3.3.8 for data analysis regarding PBM/RA contracts, what resources will be provided to PRHIA for these tasks and how the Offeror intends to provide such services. (5 points).
- 7.1.7 Describe the Offeror's proposed approach to comply with the tasks described in Section 3.3.10 to be performed during the first contract year in an efficient and time sensitive manner. (20 points).
- 7.1.8 Describe the steps the Offeror regularly takes in the provision of actuarial services to comply with each of the general obligations and actuarial soundness requirements stated in Section 3.4. (15 points).
- 7.1.9 Provide information on the Offeror's most recent experience preparing a transition plan and providing the type of turnover services described in Section 3.5. (10 points).

**7.2. Readiness and Operational Capacity (Total maximum available points -20)**

- 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 by the July 1, 2025 Contract Effective Date. Include your staffing plan to comply with all duties and responsibilities of the Contractor as stated in the Scope of Work, in a time sensitive manner. (10 points)
- 7.2.2 Describe the methods to be utilized to maintain the level of cooperation with PRHIA necessary for the proper performance of all contractual responsibilities and to apprise PRHIA of any issues and status. (10 points)

**7.3. Qualifications and Experience Requirements (Total maximum available points -45 points)**

### **7.3.1 Offeror's Experience:**

Provide evidence of the Offeror's experience, as required under Section 3.1.2, of having been in business for a minimum of five (5) years, or the principal/owners must have at least five (5) years' recent ownership/executive management experience with actuarial services supporting Medicaid Managed Care/CHIP programs and at least two (2) years in the last four (4) years of actuarial experience certifying Medicaid Managed Care capitation premiums. (5 points)

### **7.3.2 Key Personnel:**

Describe the experience and expertise of the specific individuals within the Offeror's organizational structure who would perform the services outlined in this RFP and that have been identified as the Key Personnel. Provide a copy of their *curriculum vitae* demonstrating all the required experience and expertise, as stated in this RFP. (10 points).

### **7.3.3 Staffing:**

Describe the experience and expertise of the specific individuals within the Offeror's organizational structure who would perform the services outlined in this RFP and that have the required experience stated in Section 3.1.3 of this RFP. Provide a copy of their *curriculum vitae* demonstrating compliance with all the required experience and expertise, as stated in this RFP. (10 points)

**7.3.4** Describe services similar to those sought under Section 3.3.9 of 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: (20 points)

- 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.

## 8 Cost Proposal

8.1 The Offeror shall also submit a cost proposal, using the format included in **Appendix F (Cost Proposal Template)** 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 PRHIA, the Contract may be extended for up to two (2) additional years, beyond the initial four (4) year Contract period. Therefore, the Offeror's Proposal must include cost for six (6) years.

8.2 The Cost Proposal needs to be signed by the person authorized to legally bind the Offeror. The submitted Cost Proposal must include a duly signed PDF copy of the Cost Proposal Template with initials on each page as well as an Excel version. Both must contain the same information and each page must be identified with the name of the Offeror. In case of any inconsistencies between the PDF signed copy and the Excel version of the Offeror's Cost Proposal, the signed copy will prevail.

8.3 The Cost Proposal must be submitted separately from the Technical Proposal. Be advised, PRHIA may reject any proposal with a Cost template that is not separately submitted.

8.4 The Cost proposal shall include the all-inclusive hourly rate per staff title or job position for each staff category to be used in the provision of services under this RFP. Key Personnel must be included in the table. These rates are for informational purposes only.

8.5 The Offeror must provide an all-inclusive blended rate proposed for the provision of all the services requested under this RFP. This will be the rate to be used to calculate total cost for each contract year and corresponding evaluation for scoring points.

8.6 The annual hours established for the calculation of total annual cost for each contract year is just for evaluation purposes. Optional Extension term costs are included in the cost proposal for evaluation purposes only. PRHIA makes no guarantee of volume, usage, or total compensation to be paid to any Offeror under any award contract, if any, resulting from this RFP.

8.7 Include any travel expenses to be charged for on-site visits. The Contractor will be expected to follow the state government's per-diem policy. Additional expenses will not be allowed unless specified in the proposal and agreed upon in the contract for services. Costs must be unbundled and listed separately. Provide a total "not to exceed" amount

for the proposed Contract.

8.8 The cost proposal should provide sufficiently detailed information to allow PRHIA to assess the reasonableness of the Offeror's cost.

**Appendixes Pages Follow**

# Appendix A

## Notice of Intent to Participate

RFP # 2025-001 (Actuarial)

The Notice of Intent to Participate should be signed and returned to the Procurement Contact BY EMAIL.

ORGANIZATION: \_\_\_\_\_

CONTACT REPRESENTATIVE\*: \_\_\_\_\_

TITLE\*: \_\_\_\_\_ PHONE NO\*.: \_\_\_\_\_

EMAIL\*: \_\_\_\_\_ FAX NO.: \_\_\_\_\_

MAILING ADDRESS\*: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_

**PLEASE RESPOND BY MARKING WITH AN (X) THE APPROPRIATE BOX:**

- Firm DOES intend to respond to this RFP.
- Firm DOES NOT 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 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 Section 4.2 and Appendix B, Item 2 of this RFP.



# Appendix B

## Letter of Transmittal Form

RFP # 2025-001 (Actuarial)

**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 4.2 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 - 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**



## Appendix C

# Independence and Freedom, from Conflict Of Interest Certification

RFP # 2025-001 (Actuarial)

A. PRHIA 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).<sup>1</sup> PRHIA 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. PRHIA requires that all Contractors/Subcontractors, when executing their professional services, exhibit complete loyalty towards PRHIA, 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 PRHIA or other Puerto Rico government entities. This duty includes the continued obligation to disclose to PRHIA 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
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

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<sup>1</sup> 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.

those with whom they have family, business, or other ties that are determined by PRHIA, 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 Participant<sup>2</sup>; 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 PRHIA.

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 PRHIA' 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. PRHIA retains sole discretion to determine whether a Divestiture Action Plan or Conflict Avoidance Plan sufficiently addresses an apparent conflict of interest to PRHIA' 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 PRHIA 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 PRHIA or the performance of the Contractor/Subcontractor, and to establish procedures to guard against the existence of a conflict of interest.

I. PRHIA, 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

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

conflicts of interest. PRHIA, 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 PRHIA' 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 PRHIA 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 PRHIA' determination of the best method for addressing those conflicts of interest.

J. If PRHIA 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 PRHIA determines that a conflict of interest exists and the conflict may not be resolved or mitigated to the sole satisfaction of PRHIA, 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 PRHIA, 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 PRHIA. If such conflicting interests arise after the execution of the Contract, the Contractor shall notify PRHIA 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 PRHIA 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 PRHIA
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 \_\_\_\_\_, 202\_\_.

\_\_\_\_\_

(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 \_\_\_\_\_, 202\_\_.

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# Appendix C-1

## Conflict of Interest Affidavit

RFP # 2025-001 (Actuarial)

**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 <sup>1</sup> 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. **PRHIA 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  
 DBA<sup>2</sup>       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: \_\_\_\_\_

\_\_\_\_\_

<sup>1</sup> 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.

<sup>2</sup> *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:

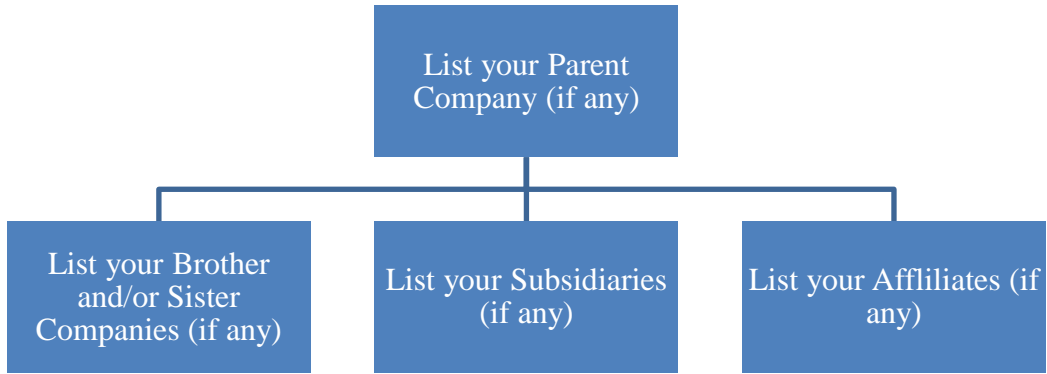
**Affiliate Company Name:** \_\_\_\_\_

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 PRHIA 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. **PRHIA 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. **PRHIA 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 **PRHIA 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 \_\_\_\_\_, 202\_\_.

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# Appendix D

## Suspension and Debarment Certification

RFP # 2025-001 (Actuarial)

The entering of a Contract between PRHIA 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. PRHIA’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 PRHIA 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 PRHIA 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 PRHIA 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 PRHIA, PRHIA 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, PRHIA, 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 PRHIA believes that this procurement schedule so permits and an exception is applicable and warranted under the circumstances. In no event will PRHIA 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 # 2025-001 (Actuarial)

### 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)<sup>1</sup>, 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 "Anti-Corruption Code for the New Puerto Rico", or any another legal provision that penalizes crimes against the treasury and the public confidence, and neither

---

<sup>1</sup> 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 offeror 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 \_\_\_\_\_, 202\_\_.)

\_\_\_\_\_  
(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 \_\_\_\_\_, 202\_\_.

NOTARY PUBLIC

# Appendix F

## Actuarial Services Provider Cost Proposal Template

RFP # 2025-001 (Actuarial)

NAME OF OFFEROR : \_\_\_\_\_

### 1. Table 1: Billing Rates

STAFF POSITION TITLE	HOURLY RATE					
	Base Years				Optional Terms	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Lead Actuary						
Account Executive						

### 2. Provide detailed information on blended rates:

**Table 2: Blended Hourly Rate:**

BLENDED HOURLY RATE					
Base Years				Optional Terms	
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6

### C. Provide detailed information on applicable travel costs for on-site visits:

**Table 3: Travel Cost**

MAXIMUM ANNUAL TRAVEL COST					
Base Years				Optional Terms	
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6

**D. Table 4 - Total Annual Cost:**

**INSTRUCTIONS:**

1. On the first row, multiply the corresponding blended rate (from the corresponding year in Table 2) by 20,000 (maximum estimated annual hours).
2. On the second row, include the Total Annual maximum travel cost stated on Table 3.
3. On the third row, include the sum of row 1 and row 2 for each year.

Total Annual Cost for SOW based on an estimated maximum total of <b>20,000</b> annual hours	TOTAL ANNUAL COST					
	Base Years				Optional Terms	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
\$	\$	\$	\$	\$	\$	\$
Total Annual maximum travel cost	\$	\$	\$	\$	\$	\$
<b>Total Annual Cost</b>	\$	\$	\$	\$	\$	\$

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_, 202\_  
Date

\_\_\_\_\_  
(Name of person signing)

\_\_\_\_\_  
(Position)

## Appendix G

# Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

RFP # 2025-001 (Actuarial)

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 # 2025-001 (Actuarial)

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.

**2026-0000\_**  
**GOVERNMENT OF PUERTO RICO**  
**PUERTO RICO HEALTH INSURANCE ADMINISTRATION (ASES)**  
**SAN JUAN, PUERTO RICO**

**PROFESSIONAL SERVICE AGREEMENT**

This Agreement for Professional Services (this "Agreement") is made and entered into by and between the Puerto Rico Health Insurance Administration, a public corporation of the Government of Puerto Rico created by Act Number 72 of September 7, 1993, as amended, (hereinafter referred to as "**ASES**" by its Spanish acronym), represented by its Executive Director, \_\_\_\_\_, of legal age, [marital status] and resident of \_\_\_\_\_, Puerto Rico; and [**Contractor**], a \_\_\_\_\_ organized and existing under the laws of \_\_\_\_\_ and authorized to do business under the laws of the Government of Puerto Rico (hereinafter referred to as "**SECOND PARTY**" or "\_\_\_\_\_"), represented by its \_\_\_\_\_, \_\_\_\_\_, authorized to appear on behalf of the corporation, by a Certificate of the Professional Services Providers Registry (RUP, by its Spanish acronym), number \_\_\_\_\_ issued by de Puerto Rico's General Services Administration (ASG by its Spanish acronym).

**WHEREAS, ASES**, by virtue of the powers conferred to it under Act 72 of September 7, 1993, as amended, has the authority to engage professional, technical and consulting services that are necessary and convenient to carry out the activities, programs and operations of **ASES**.

**WHEREAS, RFP...**

**THEREFORE, ASES** and **SECOND PARTY** (collectively referred to as **THE PARTIES**) enter into this Agreement under the following:

**TERMS AND CONDITIONS**

1. **ASES** agrees to engage with **the SECOND PARTY** to render professional services in Actuarial services.
2. The services to be provided by **the SECOND PARTY** shall encompass the subjects and objectives, as specified in the Proposal and Scope of Work dated [], and incorporated as integral part of this Agreement:[Insert SOW]
3. This Agreement will be in effect from the date of its full execution until **June 30, 2029**. Notwithstanding any provision to the contrary in this Agreement, either party shall have the right to terminate this Agreement by providing the other party with thirty (30) days' prior notice by registered mail, return receipt requested, or overnight express mail. This contract shall be subject to annual renewal.

The rights, duties and responsibilities of **ASES** and **SECOND PARTY** shall continue in full force and effect during the applicable notice period. **ASES**, however, shall be

obligated to pay all fees and expenses incurred up to the effective date of termination, in accordance with the terms of this Agreement.

4. The **SECOND PARTY** represents that it has full knowledge of any applicable federal or local law impacting the GHIP sponsored by the Commonwealth of Puerto Rico and the advice and services to be provided will consider such laws and regulations, including, but not limited to, the Balanced Budget Act of 1997, as amended; Social Security Act, as amended; the Medicaid Managed Care Regulations, as amended and Puerto Rico State Plan.
5. **ASES** shall pay to **Contractor** per hour of service at the following rates:
6. **ASES** shall compensate the **SECOND PARTY** up to \_\_\_\_\_dollars (\$\_\_\_\_\_), for services rendered only. This amount may be increased subject to written approval by either the Executive Director or Sub – Director. **SECOND PARTY** is responsible for tracking the available balance under this Agreement.
7. Payments made by **ASES** under the terms of this Agreement shall be paid from the budget item account corresponding to number \_\_\_\_\_.
8. Invoices will be submitted to **ASES** monthly, always within the first five (5) days following the period involved. Invoices should be submitted at **SECOND PARTY** hourly rate according to the work done and tasks (deliverables) conducted during the invoiced period. Each invoice will include itemized details of the services rendered on an hourly basis. If the invoice is not submitted within the first five (5) days of the month following the period involved, payment may be issued within the following month. Each invoice must be duly certified by an authorized representative of **SECOND PARTY**. Each invoice shall include an itemized detail of the services rendered, must be certified as just and correct, and should certify that payment thereof has not been received. The invoice should detail the available balance of the Agreement’s budget when submitting the invoice as well as the available balance of the Agreement at the time the invoice is delivered. **SECOND PARTY** is solely responsible of assigning the necessary resources for the delegated cases and matters. The invoices should be presented accompanied with a short summary of the total quantity of the Contract, the invoices sent and the available balance of the Contract which will be formatted as:

Contract Number:

Balance \$ \_\_\_\_\_

Invoice detail xxx	\$ _____
Invoice xxx	\$ _____
Invoice xxx	\$ _____
Current invoice xxx	\$ _____
Balance at the date of this invoice	\$ _____

Invoices shall identify and detail services rendered to federal projects, if applicable, specifying the tasks performed per federal program and total invoiced.

Example: Invoice Federal Project – MMIS  
Example: Invoice Federal Project – HIT IMPLEMENTATION  
Example: Regular Invoice ASES

**ASES** may not honor invoices submitted after ninety (90) days of the invoiced services having been rendered. **SECOND PARTY** accepts and agrees to this requirement and understands that if it does not comply with this requirement, it waives its right to payment for services rendered.

Invoices must include a written certification stating that no officer or employee of **ASES** or the Department of Health, its subsidiaries or affiliates, if any, will derive or obtain any benefit or profit of any kind from this Agreement, with the acknowledgement that invoices which do not include this certification will not be paid. This certification must read as follows:

*“We certify under penalty of nullity that no public employee of the Puerto Rico Health Insurance Administration will derive or obtain any benefit or profit of any kind from the contractual relationship which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Agreement. The only consideration to be received in exchange for the delivery of goods or for services provided is the agreed-upon price that has been negotiated with an authorized representative of ASES. The total amount shown on this invoice is true and correct. The services have been rendered, and no payment has been received.”*

**ASES** shall verify the invoices within twenty (20) working days of the date of the invoice and, if they comply with the requirements set forth in this Agreement, will proceed with payment to **SECOND PARTY** within thirty (30) days of said approval. **ASES** will promptly notify **SECOND PARTY** of any questions regarding invoices so that **SECOND PARTY** can receive timely payment. **ASES** will administer the payment by means of an electronic transfer pursuant to Exhibit B of this Contract. In the event any invoice goes unpaid for more than sixty (60) days, **SECOND PARTY** reserves the right to suspend its performance of the services contracted for hereunder.

9. All invoices shall be signed and mailed or physically delivered to the attention of:

POSTAL ADDRESS

Executive Director  
Administración de Seguros de Salud  
P.O. Box 195661  
San Juan, PR 00919-5661

PHYSICAL ADDRESS

Executive Director  
Administración de Seguros de Salud  
1549 Calle Alda  
Urb. Caribe  
San Juan, PR 00926-2712

10. If **SECOND PARTY** does not comply with the above requirements in the submission

of the invoices, it will waive its right to payment for services rendered.

11. **ASES** will review the invoice and will make proper payment, subject to any audits or requests for additional information that **ASES** may need to do, at its sole discretion, to substantiate expenses incurred. The **ASES** reserves the right to review all invoices and perform all necessary audits solely to substantiate expenses incurred.
12. Each of the exhibits (interchangeable appendix) attached are expressly incorporated herein and made a part of this Contract, and all references to this Contract shall include the exhibits hereto. In the event of any inconsistency between this Contract and the exhibits attached hereto, this Contract shall govern.
13. **ASES**, its designees or the Controller's Office, shall have the right during the term of this Agreement or up to five (5) years after the term, to review and audit **the Second Party's** records relating to their services under this Agreement.
14. **SECOND PARTY** will not receive any payment for services rendered under this Agreement until the Agreement has been registered at the Office of the Comptroller of the Government of Puerto Rico, as required by Act Number 18 of October 30, 1975, as amended.
15. Neither this Agreement, nor the services to be provided hereunder, may be assigned or subcontracted without the written approval of **ASES**. The request to contract a third party must specify the matters in which he/she will intervene and must be submitted in writing. This request must: (1) be submitted in writing, (2) identify the Subcontractor, (3) specify the tasks in which the Subcontractor will intervene, and (4) disclose the remuneration that the Subcontractor will receive for the work carried out, and the profit margin, if any, that **SECOND PARTY** will have in relation to the subcontractor's paid fees. If the Subcontractor is to dedicate 25% or more of its time to the tasks assigned in the contract between **ASES** and **SECOND PARTY**, the Subcontractor must submit all the documents and certifications required from **SECOND PARTY** for the government contracting. See Circular Letter No. 1300-16-16 of the Puerto Rico Treasury Department. **SECOND PARTY** will be responsible for providing these documents and certifications from the Subcontractor to **ASES** when requesting authorization from **ASES** for the subcontract. The delegation of services without the mentioned authorization will be sufficient cause to terminate this contract. Failure to comply with this clause will hold you responsible for any damages or losses that may be caused to **ASES**, whether directly or indirectly. In any subcontract executed by the **SECOND PARTY**, said PARTY shall ensure that the Subcontractor understands, acknowledges and agrees to comply with the terms and conditions set forth in this Contract, whenever applicable, that includes but is not limited to, intellectual property, data and information, knowledge transfer requirements; **ASES's** right of inspection and audit; the government agencies' right to inspection and audit; confidentiality and privacy policies, among others.

16. **SECOND PARTY** acknowledges the proprietary and confidential nature of all internal, non-public, information systems, financial, and business information relating to the **ASES**, the Government of the Commonwealth of Puerto Rico, its agencies, corporations, and municipalities and their personnel. **SECOND PARTY** and its employees shall keep in confidence all such information and shall not make public or disclose any of said materials, except as necessary to perform its services, without the previous written consent of **ASES**. **SECOND PARTY** will ensure that any authorized subcontractor or expert is subject to this confidentiality obligation. The restriction on confidentiality shall not apply to information that **SECOND PARTY** must disclose by law or legal process, (ii) is either already in the public domain or enters the public domain through no fault of **SECOND PARTY**, (iii) is available to **SECOND PARTY** from a third party who, to **SECOND PARTY** knowledge, is not under any non-disclosure obligation to **ASES**, or (iv) is independently developed by or for **SECOND PARTY** without reference to any confidential information of **ASES**.
17. **SECOND PARTY** shall furnish **ASES** with reports, analysis or other such materials as **ASES** may reasonably request, which, to the extent prepared by **SECOND PARTY** specifically and exclusively for **ASES** shall at all times be the property of **ASES**, subject to **SECOND PARTY** reservation of rights and the prohibitions on distribution of **SECOND PARTY** work product to third parties in this Agreement. The Parties will sign a mutually agreed Business Associate Agreement.
18. Subject to **SECOND PARTY** reservation of rights in and to the **SECOND PARTY** Tools and the prohibitions on distribution of **SECOND PARTY** work product to third parties in this Agreement, all Information created from data, documents, messages (verbal or electronic), reports, or meetings involving or arising out of or in connection with this Agreement is property of **ASES** (hereinafter referred to as "**ASES** Data and Information"). Hence, all the documents related to the Agreement 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 or their authorized representatives. Additionally, **ASES** will have the right to copy all the documents requested, at no cost.

In the same way, all documents related and produced as a result of this Agreement, including but not limited to policies, procedures, analysis, protocols, and communications, must be made available and filed with **ASES** representatives, without changes to their original format (no PDF), whenever requested. If **ASES** request copies of these, **SECOND PARTY** shall deliver them without alterations and/or omissions. **SECOND PARTY** shall not refuse, and if so, it will constitute an obstruction to the efforts of **ASES's** auditors and a breach of Contract subject to penalties and sanctions.

19. No deliverable, report, data, procedure or system created by **SECOND PARTY** for **ASES** that is necessary to fulfilling **SECOND PARTY** responsibilities under the Agreement, as determined by **ASES**, shall be considered proprietary of **SECOND PARTY**.
20. **THE SECOND PARTY** shall make all data and information available to **ASES** or its authorized representatives, which will also provide the data to CMS or other pertinent government agencies and authorities upon request. **SECOND PARTY** is expressly prohibited from sharing, distributing, disseminating, or publishing **ASES** data and information without the express prior written consent of **ASES**. In the event of a dispute regarding what is or is not **ASES** data and information, **ASES** decision on this matter shall be final and not subject to appeal.
21. The **SECOND PARTY** is required to perform transfers of knowledge on a continuous basis with **ASES** personnel. The **SECOND PARTY** will be responsible of delivering reports regarding current work and completed work to the area that administers this agreement, quarterly since the execution of the Agreement, and on or before the date the of the last payment made under this contract, or within the first ten (10) days from the date of termination, whichever first. **SECOND PARTY** must have completed a transfer of knowledge that will guarantee an orderly continuity of services and labor, including manuals, instructions and any other materials required to provide continuity and ensure that **ASES** personnel knows and understands completed and uncompleted tasks, as well as the status and items pending to complete unfinished tasks.
22. **SECOND PARTY** shall submit in writing any user manuals, operating manuals, maintenance manuals and/or training manuals for software or other information system programs developed for **ASES**.
23. To the extent applicable to this Agreement, this Section describes the intellectual property ownership requirements that **SECOND PARTY** shall meet:

**ASES** shall have all ownership rights, not superseded by other licensing restrictions, in all materials, programs, procedures, etc., designed, purchased, or developed by **SECOND PARTY** and funded by **ASES**. **SECOND PARTY** shall use Agreement funds to develop all necessary materials, programs, products, procedures, etc., and data and software to fulfill its obligations under the Agreement. The **ASES** funding used in the development of these materials, programs, procedures, etc. shall be documented by **SECOND PARTY**. **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 **SECOND PARTY** 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 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 **SECOND PARTY** on behalf of **ASES**, which are used in performance of the Agreement.
- b. All internal system software and programs developed by **SECOND PARTY** or subcontractor, including all source codes, which result from the performance of the Agreement; excluding commercial software packages purchased under the Contractor's own license.
- 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** staff, agents or designated representatives in the operation and maintenance of this software.

24. To the extent applicable, **ASES** acknowledges that before executing this Agreement and contemplating the same, the **SECOND PARTY** may have developed and designed certain programs and systems such as standard operating procedures, programs, business plans, policies and procedures, which **ASES** acknowledges are the exclusive property of the **SECOND PARTY**, as long as those programs or systems have not been developed or designed for **ASES**. Nevertheless, in case of for cause termination, **ASES** is hereby authorized to use to the extent allowable by any applicable commercial software and hardware licensing that exists at that moment or with which agreement can be reached at that moment with the vendor to modify such licensing to permit its use by **ASES**. This shall be at no cost to **ASES** and such properties for a period of one hundred and twenty (120) Calendar Days to effect an orderly transition to any new **SECOND PARTY** or service provider. In any case where the use of such systems from an operational perspective would also influence other lines of **SECOND PARTY's** business or where licensing restrictions cannot be remedied, the **SECOND PARTY** shall operate such systems on behalf of **ASES**. Such an operation by the **SECOND PARTY** on behalf of **ASES** can occur at **ASES'** discretion under the full supervision of their employees or appointed third party personnel. Under such a scenario, **ASES'** access to Data will be restricted through the most efficient means possible to the **SECOND PARTY's** Data segment.

25. **SECOND PARTY** shall not deny access to **ASES** Data under any case or circumstances, nor retain **ASES** Data while controversies between **ASES** and **SECOND PARTY** are resolved and finally adjudicated. **SECOND PARTY** may, in accordance with legal disaster recovery and records retention requirements, store copies of **ASES** data in



an archival format (e.g. tape backups), which may not be returned or destroyed upon request. Such archival copies are subject to confidentiality obligations as may be set forth in this Agreement.

26. **SECOND PARTY** acknowledges the Health Insurance Portability and Accountability Act of 1996 (better known as HIPAA), and that its privacy and security rules require any entity covered by said legislation to train its workforce in their provisions on privacy, confidentiality and security of protected information, as defined in the Act and its regulations. The Act requires the covered entity to set policies and procedures relating to privacy, confidentiality, creation, management, transmission, and access of protected information, and to train its workforce in such policies and procedures. **SECOND PARTY** acknowledges that it is subject to compliance with the policies and procedures of HIPAA and **ASES** procedures established for compliance with HIPAA and its regulations. Hence, **SECOND PARTY** must comply with all terms and policies of the HIPAA and must follow all standards for the handling of protected information. **SECOND PARTY** should ask all employees, subcontractors or agents to abide by the restrictions and conditions that apply to them in the management of protected information. **SECOND PARTY** certifies that it meets the standards set out on HIPAA and its regulations, as well as on any other state law that protects the privacy, confidentiality and security of information. **ASES** reserves the right to cancel this contract if **SECOND PARTY** does not comply with this section of the Agreement, the HIPAA, its regulations, and any state law or regulation regarding privacy, confidentiality and security of information. The parties agree to sign a Business Associate Agreement.

27. **SECOND PARTY** should report immediately to **ASES** any unauthorized use or disclosure, or suspected unauthorized use or disclosure, of any protected information immediately as **SECOND PARTY** becomes aware of the event. The report shall be made in writing and delivered to the Executive Director of **ASES**, including the following:

- One or two sentence description of the event;
- Description of the roles of the people involved in the event (e.g., employees, participant users, service Providers, unauthorized persons, etc.)
- The type of Data / Information as well as Personal Health Information that was breached;
- Enrollees likely impacted by the event;
- Number of individuals or records impacted/estimated to be impacted by the event;
- Actions taken by **the SECOND PARTY** to mitigate the event;
- Current status of the event (under investigation or resolved);
- Corrective action taken and steps planned to be taken to prevent a similar event.

**SECOND PARTY** shall have a duty to supplement the information contained in the notification as it becomes available and to cooperate with **ASES**. The notification required by this Section shall not include any PHI.

28. **SECOND PARTY** agrees to indemnify and hold harmless **ASES** and/or the Government of Puerto Rico from all third-party claims, suits, actions, liabilities, and reasonable attorney and defense costs, resulting from **SECOND PARTY** gross negligence, fraud or willful misconduct in the execution of this Agreement.
29. Completion of the agreed-upon Scope of Work and each of its discrete deliverables, milestones, reports, etc. is contingent upon the timely, effective and complete fulfillment of the **ASES** obligations noted herein. **ASES** will provide all necessary and reasonably requested information, direction and cooperation to enable **SECOND PARTY** to provide the Services in a timely fashion. **ASES** agrees that **SECOND PARTY** shall use all information and data supplied by **ASES** or on its behalf without independently verifying the accuracy, completeness or timeliness of it. **SECOND PARTY** will not be responsible for any delays or liability arising from missing, delayed, incomplete, inaccurate or outdated information or data attributed to **ASES**. No liability, damages, penalty or default of any sort shall be attributed to **SECOND PARTY** without the fulfillment of these obligations by **ASES** in a manner that is timely, effective and satisfactory to both Parties
30. **SECOND PARTY** acknowledges that in executing its professional services pursuant to this Agreement it has the obligation to exhibit complete loyalty toward **ASES**, including having no adverse interests with private or government entities or persons. Adverse interests include representing or servicing clients who have or may have interests that are contrary to **ASES**. This duty includes the continued obligation to disclose to **ASES** all circumstances of its relations with clients and third persons, and any interest that could influence **SECOND PARTY**, while this Agreement is in effect.

**SECOND PARTY** represents conflicting interests when, on behalf of one client it must support that which is its duty to oppose to comply with its obligations with another client. **SECOND PARTY** also represents conflicting interests when its conduct is described as such in the standards of ethics applicable to its profession, or in Puerto Rico's laws and regulations.

The conduct herein described by one of **SECOND PARTY's** directors, officers or employees shall constitute a violation of this prohibition. **SECOND PARTY** shall avoid even the appearance of the existence of a conflict of interest.

**SECOND PARTY** acknowledges the power of the Executive Director or its representative to oversee the enforcement of the prohibitions herein established.

**31. Termination:**

- A. This Agreement may be terminated by **ASES** for any reason and at any time upon thirty (30) days or less, depending of the contracted services, written notice to **SECOND PARTY**.
- B. Furthermore, **SECOND PARTY** failure to comply with its duties and responsibilities and to perform the services set forth herein, or its negligence or unlawful behavior in the execution of the Agreement, shall constitute a breach of the Agreement by **SECOND PARTY** that entitles **ASES** to terminate this Agreement immediately without prior notice. **ASES** may also terminate this Agreement immediately without prior notice if probable cause for arrest is found or a judgment for conviction is entered against **SECOND PARTY** or any of its officers, employees, or subcontractors authorized by **ASES** under this Agreement, for any crime against the treasury, public faith, or for crimes involving public funds or property, either of state or federal origin; or if an extraordinary fiscal situation arises that justifies an immediate budget cut.
- C. It is expressly agreed that **SECOND PARTY** will conclude any pending work at the time of cancellation of the contract, as required by **ASES**. **ASES** will not be obliged to pay additional compensation to the agreed under this contract. **SECOND PARTY** will not be entitled to any additional compensation except the already billed for until that date. **SECOND PARTY** expressly acknowledges that in the eventuality of not existing or allocating funds for the payment of the contracted services, the contract will be terminated with no other right than to collect what has already been worked.
- D. It is noted that if **SECOND PARTY** is part of the Registry of Convicted Persons for Corruption and Related Offenses “Registro de Personas convictas por Corrupción y Delitos Relacionados”, this Contract will be null and the funds paid will have to be returned to **ASES**.
- E. In accordance with Guide #16 of Circular Letter No. 93-11 of October 25, 2011, issued by the Office of Management and Budget of the Government of Puerto Rico, all contracts that are: (a) awarded in an electoral year; (b) paid with resources of funds allocated by the Legislature; and (c) have a contract term extending beyond December 31, 2024, may be rescinded at any time after December 31, 2024, by the new officials appointed during the new four-year administration period.

**32. Conflict of Interest:**

- A. **SECOND PARTY** certifies that neither it, nor any of its employees or officers, has an interest in this agreement that may interfere with their official duties as employees of any agency, instrumentality, public corporation or municipality of the Government of Puerto Rico.
- B. **SECOND PARTY** certifies that at the time of the execution of this Agreement, it does not have, nor does it represent anyone who has interests that conflict with

those of the Government of Puerto Rico, or any of its agencies or municipalities, or **ASES**. If such conflicting interests arise after the execution of this Agreement, **SECOND PARTY** shall notify **ASES** immediately.

- C. **SECOND PARTY** certifies that it does not have other contracts with government agencies, public corporations, or municipalities of the Government of Puerto Rico. If **SECOND PARTY** has any other contract with the Government of Puerto Rico, it will be disclosed by written communication to **ASES** stating the amount of the contract and its effective date and termination.

**33. Subcontractors:**

- A. **ASES** and **SECOND PARTY** agree that **SECOND PARTY** status hereunder, and the status of any agents, employees and subcontractors or experts engaged by **SECOND PARTY** shall be that of an independent contractor only and not that of an employee or agent or **ASES**. **SECOND PARTY** recognizes that it shall not be entitled to employment benefits such as vacations, sick leave, retirement benefits and others because of its condition as an independent contractor. **SECOND PARTY** shall not have any power or right to enter into agreements on behalf of **ASES**.

**34. Certifications:**

- A. **By virtue of Act 73-2019 from the Puerto Rico General Services Administration (ASG by its Spanish acronym) THE SECOND PARTY** certifies the submission of the “CERTIFICACIÓN ÚNICA DEL REGISTRO DE PROVEEDORES DE SERVICIOS PROFESIONALES” (RUP) issued by ASG. It is expressly acknowledged that this certification is an essential condition of this Agreement. With the RUP certification the **SECOND PARTY**:
- i. Certifies and guarantees that as of the date of execution of this Agreement and to the best of its knowledge, it has not been convicted and none of its shareholders, employees, officers, or agents have been convicted, have probable cause, and that it has no knowledge that any of the foregoing is subject of any investigation, in connection with a civil or criminal procedure in state or federal court for criminal charges related to the public treasury, the public trust, a public function, or a fault that involves public funds or property including **SECOND PARTY** its subsidiaries and/or a parent company. If the previously submitted certification to ASG is not correct in its entirety or in any of its parts, it shall constitute sufficient cause for **ASES** to terminate this Agreement immediately, without prior notice. If the status of **SECOND PARTY** with regards to the charges previously mentioned should change at any time during the term of the Agreement, it shall notify **ASES** promptly. The failure to comply with this responsibility constitutes a violation of this Section and shall result in the remedies mentioned previously.

- ii. Certifies that at the time of execution of this Agreement it is not engaged in or is a party to any lawsuit against the Government of Puerto Rico, or any of its instrumentalities, agencies or municipalities.
- iii. Certifies that as of the date of execution of this Agreement and during the past five (5) years, it has not been required to file Puerto Rico tax returns, and Social Security tax returns with the U.S. Government as required by applicable law. **SECOND PARTY** has submitted a Negative Certification of Debt from the Treasury Department of the Government of Puerto Rico.
  - 1. It is expressly acknowledged that this is an essential condition of this Agreement, and if this certification is incorrect, **ASES** shall terminate this Agreement immediately and **SECOND PARTY** will have to reimburse **ASES**.
  - 2. By the end of this Agreement, **SECOND PARTY** will present an updated Certification of Debt. **SECOND PARTY** acknowledges that the last payment owed under this Agreement will be disbursed if such Certification of Debt is negative and no money is owed to the Treasury Department of the Government of Puerto Rico. If by the end of this Agreement there is an outstanding balance owed that cannot be cleared by the Treasury Department, **SECOND PARTY** agrees to cancel the amount through retention from last payment.
  - 3. For purposes of this Agreement, tax debt shall mean any debt that **SECOND PARTY** or any of its officials or other parties which **ASES** authorizes **SECOND PARTY** to subcontract, may have with the Government of Puerto Rico for income taxes, excise taxes, real or chattel property taxes, including any special taxes levied, license rights, tax withholdings for payment of salaries and professional services, taxes for payment of interests, dividends and income to individuals, corporations and non-resident partnerships, for payment of interests, dividends, and other earnings shares to residents, and social security for chauffeurs.
- iv. Has provided ASG with a certificate of existence issued by the Department of State of the Government of Puerto Rico and a corporate resolution where **SECOND PARTY** expressly authorizes the undersigned to execute this Agreement on behalf of the corporation, if applicable. It is expressly acknowledged that these are essential conditions of this Agreement, and if these certifications previously submitted to ASG are incorrect, **ASES** shall terminate this Agreement immediately and **SECOND PARTY** will have to reimburse **ASES**.

- v. That as of the execution of this Agreement, it is current on payment of workers' compensation premiums in accordance with applicable law. **SECOND PARTY** has provided ASG with a negative certification of debt from the Workers Compensation Corporation of the Government of Puerto Rico, if applicable. It is expressly acknowledged that this is an essential condition of this Agreement, and if the certification previously submitted to ASG is incorrect, **ASES** shall terminate this Agreement immediately and **SECOND PARTY** will have to reimburse ASES.
- vi. Agrees to pay all unemployment insurance premiums due in accordance with applicable law. **SECOND PARTY** represents that as of the date of execution of this Agreement, it is current on payment of unemployment insurance premiums due in accordance with applicable law. It is expressly acknowledged that this is an essential condition of this Agreement, and if the certification previously submitted to ASG is incorrect, **ASES** shall terminate this Agreement immediately and **SECOND PARTY** will have to reimburse **ASES**.
- vii. Warrants that at the time of execution of this Agreement it has no obligation to retain child support payments. It is expressly acknowledged that this is an essential condition of this Agreement, and if the certification previously submitted to ASG is incorrect, **ASES** shall terminate this Agreement immediately and **SECOND PARTY** will have to reimburse **ASES**.
- viii. Represents that as of the date of execution of this Agreement, it is current on payment of property taxes in accordance with applicable law. It is expressly acknowledged that this is an essential condition of this Agreement, and if this certification previously submitted to ASG is incorrect, **ASES** shall terminate this Agreement immediately and **SECOND PARTY** will have to reimburse **ASES**.
- ix. Has provided, as a condition for the execution of this Agreement, the following certifications to ASG:
  - 1. Certification of having filed income tax returns in the past five (5) years from the Treasury Department of Puerto Rico (Model SC-6088)
  - 2. Certification from Puerto Rico's Treasury Department attesting that there is no outstanding debt or, if a debt exists, that it is subject to payment plan (or pending administrative review under applicable law or regulations) (Model SC-6096)
  - 3. Certification from Puerto Rico's Center for the Collection of Municipal Revenues ("CRIM" for its Spanish acronym) certifying that there is no outstanding debt in the past five (5) years or, if a debt exists, that it is subject to payment plan (or pending administrative review under

applicable law or regulations).

4. Certification from Puerto Rico's Department of Labor and Human Resources of compliance with unemployment insurance, temporary disability insurance and/or chauffeur's social security, if applicable.
5. Certification of incorporation from the State Department of Puerto Rico.
6. Certificate of Good Standing
7. Certifications of no outstanding alimony or child support debts, if applicable.
8. Merchant Registry Certification (Model SC 2918)
9. Certification of Sales Tax Return File (IVU for its Spanish acronym) (model SC 2927) and if apply, certification of No Debt of Sales Tax Return.

- x. It is expressly recognized that the foregoing are material conditions of this Agreement. In the event the above certifications and acknowledgments contained in this clause are not correct, in whole or in part, it shall be sufficient cause for **ASES** to terminate the Agreement and **SECOND PARTY** shall reimburse **ASES** any sum of monies received under the same.

35. Both **PARTIES** hereby declare that, to the best of their knowledge, no public officer or employee of the Government of Puerto Rico, its agencies, instrumentalities, public corporations or municipalities or employee of the legislative or judicial branches of the government has any direct or indirect interest in the present Agreement that is not duly recognized by law; that no person requested or accepted gifts, gratuities, favors, services, donations, loans or anything else in return for this Agreement; that no person requested or accepted any goods from **SECOND PARTY** as payment for performing the duties and responsibilities of their jobs with **ASES**; and that **SECOND PARTY** or its officials has no family relationship, within the fourth degree of consanguinity or second degree of affinity, with any official or employee of **ASES** with the power to influence and participate in public policy decisions of **ASES**.

36. **SECOND PARTY** is an independent contractor and as such shall be responsible for the payment of its income taxes and its individual and employers' withholdings under the applicable tax laws of Puerto Rico or the US Internal Revenue Code. **SECOND PARTY** is not entitled to fringe benefits, such as retirement or disability. **ASES** will neither retain, nor discount, any amounts from payments made to **SECOND PARTY** for income tax purposes or for Social Security, except those applicable in accordance with the Puerto Rico Internal Revenue Code and its regulations.

37. **SECOND PARTY** will offer professional and consulting services to **ASES**. Therefore, **ASES** will be responsible for the withholding of one point five (1.5) percent of the amounts paid under this Contract and shall forward such withholding to the

Treasury Department of the Government of Puerto Rico pursuant to Public Law Number 48- 2013.

- A. The Code of Internal Revenue establishes that **ASES** will withhold ten (10) percent from the professional services payment rendered under this Agreement, if it is a foreign corporation under the law of any state, twenty (20) percent of the payment will be withheld and if it is a foreign corporation under the law of other country, it will be withheld twenty-nine (29), percent unless **SECOND PARTY** presents to **ASES** a retention waiver from the Treasury Department of the Government of Puerto Rico. The items to defray the subsistence allowance, accommodation or other similar expenses will not be subject to withholding.
38. **SECOND PARTY** warrants and agrees that in the provision of services under this Agreement it will not discriminate based on race, color, gender, origin or social status, age, political or religious beliefs or any other discriminating cause. **SECOND PARTY** also acknowledges that under the provisions of Act No. 46 of March 4, 2002, it cannot discriminate against a person for his or her sexual orientation, gender, gender identity, ethnicity, marital status, birth, or for the person's physical or mental impairment.
39. **SECOND PARTY** also certifies and warrants that at the moment of the execution of this Agreement is in complete compliance with Public Law Number 168 of 2000, as amended, also known as "Ley de Mejoras al Sustento de Personas de Edad Avanzada de Puerto Rico."
40. **SECOND PARTY** agrees that in connection with the services provided hereunder, it will comply with all the applicable employment laws and regulations.
41. Documents presented by **THE SECOND PART** that will become part of the Contract:
  - A. Certification issued by the ASG as part of the active registry on the *Registro Único de Proveedores de Servicios Profesionales (RUP)*.
  - B. Contractor Certification Requirement indicating if any subcontractor will be needed in connection with this Agreement.
  - C. HIPAA training evidence, if applies.
  - D. Conflict of Interest Certification by virtue of the PR Government Ethics Act.
  - E. Evidence of active registry on the System for Award Management (SAM).
42. **SECOND PARTY** certifies that it has received a copy of and agrees to comply with Act No. 84 of June 18, 2002, as amended, which establishes the Code of Ethics for contractors, suppliers and applicants for economic incentives of the Executive Agencies of the Government of Puerto Rico and the Government Ethics Law, Act No. 12, enacted on July 24, 1985, as amended.
43. No amendment of this Agreement shall be valid unless in writing and signed by both parties.



44. Unless otherwise provided in this Agreement, any notice to the parties required or permitted hereunder will be deemed to have been duly given as of the date of receipt if in writing and delivered personally, mailed by certified mail, return receipt requested, or sent by overnight delivery by the U.S. Postal Service or other independent carrier, to the following:

**[CONTRACTOR INFORMATION]**

Attn:

**Puerto Rico Health Insurance Administration (ASES)**

Attn:

PO Box 195661  
San Juan, PR 00919-5661

Either party may change its address for notice by giving the other party prior written notice of the new address in conformity with the foregoing provisions of this Section and the date upon which such a new address will become effective.

45. **SECOND PARTY** acknowledges that it cannot continue to provide services under this Agreement after its expiration date or when such services entail payment of an amount that exceeds the total allowed for this Agreement. No services will be paid in violation of this clause, and any request and acceptance of services in violation of this provision will be made without any legal authority and will not bind **ASES**.
46. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all other oral or written representations, understandings or agreements relating to the subject matter hereof. Neither party shall be bound by the provisions of any pre-printed or other written terms and conditions after the date of this Agreement relating to the subject matter hereof unless such additional terms and conditions are made effective pursuant to the Amendments subsection of this section.
47. If any provision of this Agreement is declared or found to be illegal, unenforceable or void, then such provision shall be invalid, but each other provision hereof not so affected shall be enforced fully as permitted by applicable law.
48. This Agreement shall be governed by and construed in accordance with the laws of the Government of Puerto Rico. The courts and authorities of the Government of Puerto Rico shall have jurisdiction over all controversies that may arise with respect to this Agreement. The parties hereby waive any other venue to which they might be entitled by virtue of domicile or otherwise. Should either party initiate or bring a suit or action before any other court, it is agreed that upon application, any such suit or action shall be dismissed, without prejudice, and may be filed in accordance with this provision. The party bringing the suit or action before a court not agreed to herein shall pay to the other party all the costs of seeking dismissal including reasonable attorney's fees.
49. **ASES** certifies that the present contract has the appropriate governmental

authorizations necessary for its execution and according to provisions in the Act Number 66 of June 17, 2014, known as the "Fiscal and Operational Sustainability Act of the Government of the Commonwealth of Puerto Rico". Nevertheless, **ASES** is not exempted from registering this transaction in the Government of Puerto Rico Office of Management and Budget (OGP by its Spanish acronym) Electronic Platform.

**50. Circular Letter 008-2023 from the Office of Management and Budget of December 27, 2023.**

A. **Interagency services:** Both contracting **PARTIES** acknowledge and agree that the contracted services may be provided to any entity of the Executive Branch with which the contracting entity makes an interagency agreement or by direct order of the Office of the Government Chief of Staff (Oficina del Secretaría de la Gobernación). These services will be performed under the same terms and conditions regarding hours of work and compensation set forth in this Agreement. For purposes of this Section, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well as instrumentalities, public corporations, and the Office of the Governor.

**B. Termination:**

- i. The Government Chief of Staff shall have the power to terminate this Agreement at any time.
- ii. In case this Agreement is exempted from authorization from the Government Chief of Staff according to the dispositions specified in Circular Letter 008-2023, the Government Chief of Staff shall have discretion to take any necessary steps in those situations when a breach or potential breach with the public policy established by the Governor is observed.

C. **Financial Oversight and Management Board Contract Review Policy for Puerto Rico:** The Parties acknowledge that the **SECOND PARTY** has submitted the certification entitled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Management and Oversight Board for Puerto Rico, signed under penalty of perjury by the Executive Director of the Contractor (or another officer with an equivalent position or authority to issue such certifications). A signed copy of the "Contractor Certification Requirement" is included as an annex to this agreement.

**51. Circular Letter 013-2021 from the Office of Management and Budget of June 7, 2021:**

1. **ASES** certifies that **SECOND PARTY** was selected as a provider of the professional services described in this contract pursuant to Executive Order 2021-029. Likewise, **THE PARTIES** certify that they are aware of the provisions of said Executive Order and Circular Letter and that any contract covered by it that has not followed the processes and requirements established therein will be terminated."
2. At the time of signing this contract, **SECOND PARTY** does not maintain a contractual relationship in force with any entity of the Government of Puerto Rico. In addition, **SECOND PARTY** acknowledges and accepts that omitting to mention any governmental

entity, with which it has a current contractual relationship may result in the termination of this contract if required by **ASES**.

52. It is certified that the Legal Advisor of **ASES** reviewed this Contract and determined that it complies with the legal system.

IN WITNESS WHEREOF, the parties hereto sign this Agreement, in San Juan, Puerto Rico this \_\_\_\_ day of \_\_\_\_ 2025.

**PUERTO RICO HEALTH  
INSURANCE ADMINISTRATION**

**[Contractor]**

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Executive Director  
EIN:

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EIN:

Budget item account:

# APPENDIX I

## Questions and Answers Template

RFP # 2025-001 (Actuarial)

Appendix I is the Question and Answers Template to be used by Offerors when providing questions to PRHIA regarding this RFP. It is imbedded in this document but also is included as a separate WORD document entitled Appendix I– Questions and Answers Template.

### Instructions:

Please provide all questions by populating this template. For each question, first include the specific section number to which the question pertains. Then provide the specific page number of the document that the question pertains to, and provide the detailed question. All questions submitted in this Template are subject to the conditions set forth in this RFP. **Please only submit questions using this Template and save it and send as a WORD document only. Questions sent in other formats (e.g., PDF) will not be accepted.** PRHIA reserves the right to disregard any questions that have not been submitted using this template.

#	Section #	Page #	Questions	Answers
1				
2				
3				
4				
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# Appendix J

## Lobbying Certification for Contracts, Grants, Loans, And Cooperative Agreements

RFP #2025-001 (Actuarial)

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Proponent certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Proponent understands and agrees that the provisions of 31 U.S.C. § 3801 *et seq.*, apply to this certification and disclosure, if any.

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Signature of Proponent's Authorized Official

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Name and Title of Proponent's Authorized Official

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Date