



Request for Proposal (RFP)

NATIONAL HEALTH INSURANCE REAL TIME ADJUDICATION AND ELIGIBILITY VERIFICATION SYSTEM

RFP #CTC/10-11/HSA/014

Date of Issue: 6 Oct 2010

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1.0 INTRODUCTION

1. The Government of the Cayman Islands invites qualified Vendors to submit proposals to provide an electronic Real Time claims Adjudication (RTA) and Eligibility Verification System (EVS), (collectively "RTA/EVS") with the goal of implementing this system by 1 July 2011.
2. RTA/EVS will be implemented to administer claims that are processed between the Cayman Islands Health Services Authority (HSA) and the Cayman Islands National Insurance Company (CINICO).
3. There is no financial or contractual commitment implied on the part of the HSA or CINICO to expand the scope of the Project at this time, but the long term vision is to expand RTA/EVS to all health care providers (private physicians, pharmacies and other healthcare entities) as well as the commercial insurance companies conducting business with HSA/CINICO.
4. RTA/EVS must possess the automated functionality necessary to provide:
 - a. Real time access to current and complete member eligibility information
 - b. 24 hours access to accurate data including coverage restrictions
 - c. Real time eligibility verification and claims adjudication
 - d. Collection of accurate patient utilization and demographic data to better track health trends
 - e. Improved efficiency and customer service by removing onerous manual processes
 - f. Capability to process approximately 1.5 million claims and 6,000 pre-authorization requests on a monthly basis
5. All questions regarding this RFP must be in writing and be sent by email to the Procurement Officer, Lisa Bell, at lisa.bell@hsa.ky, no later than Friday 20th October 2010.

2.0 PROCUREMENT TIMELINES

The procurement schedule of events set out herein represents the Cayman Islands Government's best estimate of the schedule that will be followed. If any component of this schedule is delayed, such as the closing date for receipt of proposals, dependent tasks in the rest of the schedule will be shifted by the same number of days. The present planned procurement schedule of events is as follows:

Task	Key Procurement Task	Date
1	Issue RFP	6-Oct-10
2	Questions due to the Procurement Officer	20-Oct-10
3	Closing date for receipt of bid proposals and amendments to bid proposals	5-Nov-10
4	Vendor presentations	15-20 Nov-10
5	Evaluation and recommendation	30-Nov-10
6	Contract approval and execution of contract	15-Dec-10
7	Implementation begins	2-Jan-11
8	Go-Live	1- Jul-11

3.0 STRATEGIC ISSUES AND OPERATIONAL MODELS

STRATEGIC ISSUES

The current eligibility verification and claims processing environment in the Cayman Islands is troubled by the same general problems as those in the United States.

1. **Inefficiencies in Claims Processing:** The current claims processing environment in healthcare is extremely inefficient, accounting for 26-34% of the total administrative overhead in healthcare. A large portion of this inefficiency is due to incorrect patient identification and eligibility checking that leads to the cumbersome and costly process of managing bad debt and the rework associated with denied claims.
2. **Delays in Financial Transactions:** The lengthy days in accounts receivable is largely due to the failure of the eligibility checking process and the lengthy time now required to adjudicate a claim. These lengthy A/R days have many downstream negative effects on the efficient financial management of the healthcare organization, which ripples into the community of suppliers and vendors who conduct business with the organization.
3. **Patient Dissatisfaction:** Patients are very dissatisfied with the current claims processing system which frequently leaves them in a financially confusing state-of-affairs, at least. In many situations, patients are surprised with bills that are much higher than they expected and they are unprepared to pay. The patients' dissatisfaction with the claims and billing processes taints the entire healthcare experience, regardless of the quality of service provided by the clinical staff.
4. **Physician and Hospital Dissatisfaction: Clinics and hospitals are very dissatisfied with the current claims processing system** for many of the same reasons listed above—it makes the financial management of the business very difficult; it alienates patients; and it has a ripple effect on the morale of physicians, nurses, and other staff who, regardless of the patient care they provide, become blamed victims of the flawed claims processing system.
5. **Insurance Companies' Dissatisfaction:** Insurance companies are dissatisfied with the current claims processing environment because of the high administrative overhead burden. The current system creates similar inefficiencies in their organizations and challenges to their internal financial management.
6. **Employer Dissatisfaction:** Employers are dissatisfied because of the high costs of healthcare in general, and the financial overhead of the inefficient claims processing system that they ultimately pay. Likewise, their employees' morale suffers because of the inadequacies of the current patient identification, eligibility verification, and claims processing system.
7. **Fee For Service vs. Bundled Pricing:** The current healthcare economic model in the Cayman Islands is dominated by the American Medical Association Clinical Procedure Terminology (CPT)-based Fee For Service (FFS). However, this CPT-FFS model is generally recognized as economically unsustainable. As a consequence, the strategic direction for HSA/CINICO is to move away from a CPT/FFS model towards bundled pricing, sometimes also known global pricing based on ICD10 and Diagnosis Related Grouping (DRG) pricing.
8. **Medical Identity Fraud:** There is a growing need to positively identify patients to reduce the incidents in which patients' identities are being stolen or willingly shared for the purposes of fraudulently obtaining healthcare treatment at the expense of employers, government, and insurance companies.

FUTURE OPERATIONAL MODELS

Under this Project, HSA/CINICO envision improvements and/or elimination of the problems described above through the development of an RTA/EVS that supports the following operational scenarios:

1. **Eligibility Verification:** Through the use of biometrics, magnetic swipe card, proximity card or other means, patients will be positively identified and their insurance eligibility verified at the time of registration and again upon arrival for service at the clinic or hospital. Eligibility verification must accommodate the following:
 - a. **Eligibility of the patient:** The patient's eligibility for coverage by their insurance company must be verified in real time. If the patient is not eligible or is not insured, the system must, in some fashion,

- facilitate the resolution of the patient's ineligibility by providing guidance and/or alternatives for coverage, such as the contact information for their employer's health insurance benefits manager, or a form and instructions to apply for indigent care support.
- b. **Physician credentialing:** The system must be capable of verifying that the physician is credentialed to treat the patient who was deemed eligible for treatment.
 - c. **Facility credentialing:** The system must be capable of verifying that the facility which is being visited by the patient and used by the physician is credentialed to support the treatment of the patient.
2. **Adjudication of an Outpatient Encounter:** In an ambulatory setting, immediately at the close of the encounter, the treating physician and/or other clinician will document the patient's diagnosis, relevant clinical procedures, and orders in the patient's electronic medical record. This information will be transmitted to the insurance company and adjudicated in real-time.
- a. If desired by the patient and the physician, this adjudication can be reviewed in the exam room as treatment options and estimates before being submitted as an actual claim, in order to facilitate discussions between the patient and physician which address the patient's out-of-pocket expenses compared to the treatment options that are available for their condition. This adjudication process will also cover referral scenarios.
 - b. The patient will leave the exam room and proceed to the check-out clerk, where the adjudicated claim and the patient's bill will be ready for review and payment.
3. **Adjudication and Inpatient Hospital Encounter:** Prior to being admitted, the patient will have the right to review a summary of options and cost estimates regarding their upcoming treatment. Likewise prior to being admitted, the patient's coverage will be verified for eligibility through the EVS. During the inpatient stay, the exchange of data between the EMR and RTA system will ensure that charges, reimbursements, patient's out of pocket expenses and coverage limits will be calculated and adjudicated in real time, so that all parties—patients, hospitals and insurance companies-- can be constantly informed of the financial profile for the patient's encounter, if so desired,

4.0 FUNCTIONAL REQUIREMENTS

1. The National Health Insurance Real Time Adjudication And Eligibility Verification System must at least meet the functional requirements described in this RFP.
2. The successful Vendor must provide and implement a means for electronically capturing and transmitting verification and adjudication information to and from patients and clinicians at the point-of-service, including patient homes and other locations that accommodate a mobile healthcare setting. There are approximately 50,000 eligible clients across the three Cayman Islands registered with approved health insurance providers in the Islands.
3. The successful Vendor must provide for a unique patient identifier and unique provider identifier. The unique identifiers must integrate seamlessly with the existing Cerner electronic medical record system used by the Health Services Authority and be compatible with existing technologies used by all registered health insurance providers. The unique identifier must facilitate the ability to access/track all related policies for a beneficiary and adjudicate the claims based on a predetermined sequence.
4. The successful Vendor will be responsible for:
 - 4.1. Implementation, maintenance, upgrades, and replacement of the devices used for unique identification such as ID cards, proximity fobs, card swipes, card readers, biometric devices, etc.

- 4.2. Training for the clinical providers.
- 4.3. Operational support to the providers.
- 4.4. Patient education material.
5. It is the HSA/CINICO's preference to adopt ICD-10 codes and US HIPAA 5010 transaction sets with the implementation of this system, unless the Vendor is able to present a convincing argument to the contrary.
6. There must be a central Registration System to enroll Beneficiaries. This system must interface with existing Health Insurance provider databases in the Cayman Islands and seamlessly create the Membership data needed to feed the Adjudication System. The Registration system must ensure the proper validation of input data against specified business rules. The registration system must validate the authenticity of Physicians and Providers using the registry of approved providers from the Cayman Islands Health Regulatory Department.
7. RTA/EVS shall support Provider Type Validations to ensure Providers can only submit claims for procedures in their area of practice.
8. RTA/EVS shall validate the Prescriber/Physician and their specialty to ensure they are qualified to perform a particular procedure, or to prescribe a specific drug.
9. RTA/EVS must have the ability to coordinate health benefits between multiple insurance carriers, on-line, real-time.
10. RTA/EVS must have the ability to detect and report fraudulent provider behavior and patient identity theft or fraud.
11. RTA/EVS shall support pre-authorizations to allow or deny specific transactions for a given beneficiary at a specific future date. The following status of pre-authorizations will be allowable:
 - 11.1. **Authorized** – This status will authorize the services associated with treatment plans and override rejections that previously exist or override future potential eligibility rejections.
 - 11.2. **Benefit Override** - These are authorizations that override/alter the member's benefits. For instance, a member may have a particular co-pay amount but for a particular drug the co-pay is waived.
 - 11.3. **Denied Authorization** – This status indicates that the clinical services called for in the provider's care plan for the patient are not authorized under the patient's current insurance plan or eligibility status.
12. RTA/EVS must have the ability to associate diagnoses and appropriate procedures, supplies, and drugs that are relevant to those diagnoses
13. The adjudication must result in a successful payment using the pre-determined formula for reimbursement with accompanying "payment reference number" or a rejection with a clear and unambiguous reason(s) for rejection. There must be no "PENDING" claims.
14. RTA/EVS must provide the ability to promptly (i.e., within near-real time after claims submission) and accurately reimburse Providers for claims adjudicated.
15. RTA/EVS must provide an EOB (explanation of benefit) for each payment such that the Provider can easily reconcile cheques or bank transfers against Claims facilitated for that day or period. The Provider Interface used to submit the claims must facilitate this reconciliation.
16. RTA/EVS must include the options to print checks or to facilitate electronic funds transfer to the Providers' bank accounts. In either case an EOB must be produced by RTA/EVS.

17. RTA/EVS must be able to export information to any standard accounting package.
18. RTA/EVS must have adequate administrative controls to effectively contain cost and reduce fraud
19. RTA/EVS must have a means of invalidating the unique identifier if lost by re-issuing a new identifier with new version numbers, thereby rendering previous identifier un-usable.

5.0 AUDIT & CONTROL REQUIREMENTS

1. The Vendor's system must support robust audit control features to protect the integrity, confidentiality and availability of information; and easily facilitate the tracking of all system changes and the transactions that are processed by the system.
2. RTA/EVS must provide specific information on all claims to facilitate in-depth analysis for auditing and the provision of other analyses of the data which is processed by the system.
3. The patient's unique identifier must be activated before a claim can be submitted. In addition to the unique identifier being activated, the Provider Interface must be so designed to allow the printing of a receipt that will be signed by the person collecting the prescription (in the case of Pharmacy claims) or by the Beneficiary for other types of claims (medical etc.)

6.0 TECHNICAL REQUIREMENTS

1. The Cayman Islands Health Services Authority currently utilizes information technology products from Cerner Corporation—PowerChart, ProFile and ProFit—to document its clinical services and process its claims and manage its accounts receivables and reimbursements. Please describe how the Vendor's system will be designed for compatibility with Cerner, but not dependent upon it, thus leaving the HSA with the option of utilizing another system other than Cerner if the HSA so desires.
2. The RTA/EVS must possess the technologies and processes to ensure flexibility and adaptability, and can rapidly respond to changes in project scope and functionality. The proposed technology must address:
3. Interoperability -- the ability to easily share data between disparate information systems, including those from different vendors. The system must be designed around standardized data nomenclature and vocabulary to support information exchange and analytics. At present, HSA/CINICO favors the adoption of ICD-10 diagnosis and procedure codes for claims processing and the US HIPAA 5010 transaction codes for electronic data interchange. Other options will be considered if the Vendor presents a compelling case for such.
4. Modularity – A design based upon reusable and loosely coupled system components, so that a single component can be upgraded or replaced without affecting the entire system.
5. Performance – Those features of the system which ensure a rapid system response time under all workloads, and the integrated tools to measure and manage this requirement.
6. Availability – Those features of the system which ensure that the system is available 24x7, and the integrated tools to measure and manage this requirement.
7. Reliability -- Those features of the system which ensure that the system performs as expected, reliably, at all times, and can recover gracefully to a known state (known to the patient, provider, and/or HSA and CINICO) when an error or malfunction does occur; and the integrated tools to measure and manage this requirement.

8. Maintainability -- Those features of the system which ensure that the system is affordably, easily and quickly maintained by skills that are readily available during the entire lifecycle of the system while in operation at HSA/CINICO; and the integrated tools to measure and manage this requirement.
9. Scalability – Those features of the system which ensure that the system’s capacity can increase or decrease easily, quickly, and affordably in response to changes in HSA’s and CINICO’s business needs; and the integrated tools to measure and manage this requirement.
10. Security -- Those features of the system which ensure the protection of HSA/CINICO’s data; and the integrated tools to measure and manage this requirement.

7.0 EVALUATION CRITERIA AND WEIGHTINGS

The criteria listed below have been drafted to accord with Regulations 36 to 39 of the Financial Regulations (2004) and subsequent revisions. The integrity of the public sector and its authorities relies on all tenders being evaluated fairly and impartially against the eligibility criteria stated in the advertisement and this documentation. The evaluation criteria require that all tenders be subject to an overriding requirement to ensure value for money. Tenders will be evaluated by an Evaluation Committee. Tenders meeting the eligibility requirements will also be evaluated against the following set of evaluation criteria.

Response Weighting Formula	Percentage
ADMINISTRATION/MANAGEMENT SUPPORT SERVICES	15%
EXPERIENCE	30%
TECHNOLOGY	20%
FEE	25%
MISCELLANEOUS OTHER	10%
TOTAL	100%

8.0 PROPOSAL FORMAT

The proposal must be presented in the format described in the following Section.

1. Cover Letter With Authorizing Signature

The cover letter must summarize the firm’s interest in the RFP and contain a signature of an individual authorized to legally bind the person, partnership, company or corporation submitting the proposal. The cover letter must also contain the name, street address, telephone number, fax number, web site URL and e-mail address of the proposing firm. In addition, the cover letter must disclose the Vendor’s legal status: sole proprietor, partnership, corporation, Limited Liability Company, *etc.*

2. Table of Contents

Each complete proposal must include a table of contents, identifying the required components and page numbers.

3. Executive Summary

The Vendor will provide a brief summary of their understanding of the scope of the RFP services and their proposed approach.

4. Vendor Qualifications

The proposal will demonstrate that the company has the relevant experience providing the services for which they are submitting a proposal and that the staff proposed for positions on this Project has the appropriate knowledge and experience obtained on Projects of similar nature, size and scope. The Cayman Islands Government may require substitution/replacement of any key personnel assigned to the Project if it determines that person does not possess the skills necessary to satisfactorily complete the tasks assigned.

To demonstrate qualifications, the Vendor must provide the following:

4.1. Company Experience

Proposals must provide a statement explaining corporate and staff knowledge in the specific areas on which the company is submitting a proposal. Experience preferably will be from the last five years, although earlier experience may be submitted if it demonstrates continuity of services over a broad span of years. The document should include an overview of the company's history, business development and ownership. The company must also confirm that all services are all in-sourced within their company and provide the business address where these services will be performed. Full disclosure is required as to the company's type of client base and customers who uses and accesses their verification system. Please summarize all of your Company's past, present or future direct or indirect affiliation with other companies/businesses within the Cayman Islands.

4.2. Related Experience

Proposals must describe similar Projects, completed or currently in process, within the past five years that demonstrate the skills and services to be used in this Project. The proposal should include a description of the history of each Vendor Project. Additionally, the Vendor will provide the following information related to three previous and/or current contracts, which are considered identical or similar to the requirements of this RFP:

- Name, address, and telephone number of contracting agency
- The name of the contracting agency Project director who may be contacted for verification of all information submitted. If the Project director is not available as a reference, a suitable substitute and a statement of justification may be included.
- Contracts with government agencies
- Dates of the contracts and
- A brief, written description of the specific prior services performed and the outcome of that engagement.

4.3. Personnel/Staff Experience

Proposals must provide an assurance that the Vendor has the staff to produce the Project deliverables. The Vendor will provide an organizational chart and staffing plan of the individuals proposed to work on this Project. The Vendor's proposed key staff must be available at any time throughout the duration of the project.

A resume is required for each staff member proposed to work on this Project. The resumes must include:

- Educational qualifications
- Summary of employment experience
- Specific experience with the service areas for which they are being proposed
- Previous work assignments in a similar role for this type of engagement

5. Project Approach, Management and Timeline

The Vendor will describe the high-level activities that will be undertaken to ensure the Project deliverables are completed accurately and according to the schedule of events.

The descriptions provided by each Vendor must include an initial work plan defining the general approach and control mechanisms to be implemented, and an initial Project schedule.

The Vendor is expected to describe in detail in the actions necessary to produce the deliverables and meet the requirements described herein. In addition, the Vendor should use examples, spreadsheets, Project planning, and pro forma reports to describe the format and content of the deliverables.

Proposals must address all of the requirements set forth in this RFP, and must describe how the services will be provided. Proposals, which merely offer to provide services, will be considered non-responsive and will not be considered.

5.1. Information Technology

The Vendor must provide the following:

- 5.1.1. Architectural diagrams of your system, including internal and external interfaces.
- 5.1.2. A detailed description of the technology that the HSA and CINICO are expected to possess in order to utilize your system.
- 5.1.3. A detailed description of the hardware, software, databases, operating systems, network components, data models, underlying programming languages used for development and software object models of your system.
- 5.1.4. A complete history of software releases and patches, including the dates and purposes.
- 5.1.5. A summary of the customers currently using your system, the versions of the software they are using, and the date they started using it.
- 5.1.6. A three-year prospective product strategy roadmap, including major software releases and/or changes to the architecture.
- 5.1.7. A description of the technology and capability to extract data from the system for the purposes of system monitoring, business intelligence, and ad hoc analytics.
- 5.1.8. A description of your disaster avoidance, recovery, and continuity of operations plan.
- 5.1.9. A full disclosure of any technology that is used in the product which is considered unusual by normal standards and/or uniquely proprietary. Failure to disclose this information during the procurement phase of the project can be used as grounds for disqualifying the vendor and/or canceling an awarded contract.

- 5.1.10. A description of the administrative, physical, and technical security controls used to protect patient and financial data that is processed by the RTA/EVS system.
- 5.1.11. A summary of the most recent independent risk assessment of the system which ensures that the security of the data processed by the RTA/EVS system meets external benchmarks such as the United States Health Information Portability and Accountability Act (HIPAA) for protecting patient and HSA/CINICO data.
- 5.1.12. A summary of the technical staff involved in the development, maintenance, and support of the RTA/EVA system, including their average tenure and the number of staff in each role.

6. Pricing

This section of the bid must be delivered in a separate document. The Vendor must outline their pricing structure which must include the following major headings and its associated services

- 6.1. Set-up cost (if any)
- 6.2. Detail basis of on-going annual costs, projected five years
- 6.3. All deliverables must have their prices clearly identifiable
- 6.4. All quotations shall be in United States Dollars only
- 6.5. All prices quoted shall be inclusive of all costs
7. All pricing shall be guaranteed not to increase, for the first year and any increases in the subsequent year must be clearly indicated and receive approval upon performance review by HSA/CINICO.
8. The Vendor must clearly outline the payment schedule it wants the Evaluation Committee to consider.
9. The Vendor should factor in any transportation, lodging, and per diem costs that may be required for any site visits to or by the HSA or CINICO staff.
10. Payment is contingent upon successful completion of Project deliverables and will be made upon receipt of an invoice from the Vendor for those completed and approved deliverables. The payment schedule will be finalized during contract negotiations.
11. The final negotiated cost will not be exceeded.
12. It is understood that after receipt of an invoice, the Cayman Islands Government will require up to thirty (30) days to process the invoice for payment.

9.0 VENDOR PRESENTATIONS

1. After an initial evaluation of Bid Proposals by the proposal evaluation committee, the Government will conduct Presentations with Vendors who have submitted proposals determined to be reasonably eligible for award. The Government will request that Vendor finalists make all Presentation of the Bid Proposal's offering. The presentation will be made in the Cayman Islands. The determination of participants, order, agenda and schedule for the presentations is at the sole discretion of the State and will be provided during the Evaluation process. Vendor staff designated as "Key Personnel" in the Vendor's Bid Proposal will be among those expected to attend.

2. The Presentation will include appropriate slides, graphics, handouts and other media selected by the Vendor to illustrate the Vendor's Bid Proposal. The presentation shall not materially change the information contained in the Bid Proposal.
3. If modifications to the scope of work are made as a result of these discussions, they will be put in writing as part of an RFP amendment and Vendors will be given the opportunity to submit supplements to their original proposals. Material presented in Bid Proposal supplements that materially changes the original submittal will be disallowed. No claim for additional services, not specifically provided herein, will be allowed by the Government except to the extent provided by a valid modification or amendment to this agreement.
4. Following oral presentations, Vendors will provide an electronic copy of their presentation to the Evaluation Committee.

10.0 PROCUREMENT REQUIREMENTS

1. The Vendor's proposal must address all services described in this RFP as a consolidated set of services. Proposals will be evaluated on overall quality of content and responsiveness to the purpose and specifications of this RFP. Only those proposals that include complete information as required by this RFP will be considered for evaluation. The Cayman Islands Government is not obligated to solicit information if it is not in the Vendor's proposal.
2. Each Vendor, by making a proposal, represents that (1) this document has been read and constitutes acceptance of the terms, conditions, criteria, and requirements set forth in this RFP; and (2) the proposal submitted is based upon the understanding of the specifications and requirements described in this RFP.
3. **PROPOSAL SUBMISSION DEADLINE AND PACKAGING**
 - 3.1. The proposal package must contain two separate parts: (a) Vendor's proposed solution, and (b) Cost proposal. Each part must be sealed and clearly labeled to indicate whether it contains the Vendor and proposed solution or cost proposal as well as the RFP name. Vendors must ensure that no reference to cost is made in part (a) Vendor and proposed solution.
 - 3.2. Each proposal must be submitted as one original and six copies. Use 8 ½ x 11 white paper only, with each page numbered consecutively. Do not provide materials not requested, including samples and brochures.
 - 3.3. Proposals must be submitted in sealed packages or envelopes and clearly marked with the due date and the statement "Cayman Islands Government Request For Proposal – National Health Insurance Real Time Adjudication And Eligibility Verification System" in large print. Electronic or facsimile copies will **not** be accepted. Vendors who mail proposals should allow a sufficient mail delivery period to ensure timely receipt of their proposals. Proposals received after the deadline will not be accepted for consideration. All proposals must be mailed or delivered to:

Central Tenders Committee
1st Floor, Government administrative Building
71 Elgin Avenue, Grand Cayman KY1-9000
Cayman Islands
Attention: Ronnie Dunn, Chairman
Tender #CTC/10-11/HSA/014

4. DISCUSSIONS/NEGOTIATIONS/AWARDS

4.1. By submission of a response to this solicitation, the Vendor agrees that during the period following issuance of the solicitation and prior to the final award of contract, the Vendor will not discuss this procurement with any party.

4.2. The Cayman Islands Government reserves the right to make multiple and/or partial awards.

5. PROPOSAL VALIDITY

The Vendor must certify that the proposal and associated costs are valid for 90 days after the proposal submission date of this RFP.

5. ADDENDUM TO RFP

In the event that it becomes necessary to revise any part of this RFP due to inquiries raised or other reasons, an addendum to this RFP will be provided to all Vendors.

6. ERRORS IN PREPARATION

The Proposal Evaluation Committee has the right to rely on cost proposal provided by Vendors. The Vendor may be responsible for any mathematical error or incorrect extension of any calculations leading to Vendor's cost proposal. The Proposal Evaluation Committee reserves the right to reject proposals that contain errors.

7. PROPRIETARY MATERIAL

The cost proposal submitted in the Vendor's proposal will include any allowance for royalties or fees to be paid to outside parties for rights to use any proprietary material and should be so identified in the Cost Proposal.

8. WARRANTY AND SUPPORT SERVICES

Notwithstanding prior acceptance by the Government of the Cayman Islands of any deliverables under any contract resulting from this RFP, the Vendor expressly warrants all documentation, reports and other items as correct and complete with the terms of the contract.

9. ERRORS

Upon recognition of an error, deficiency or defect on behalf of the Vendor, the Government will notify the Vendor in writing citing the specific deficiency. The Vendor will, within ten (10) days of receipt of such notice, respond with a plan to correct any deficiencies cited in correspondence. If the plan is inadequate to correct the deficiency or if the Vendor fails to implement the plan or to correct the error, deficiency or defect, or the error recurs, the Government may, at its option, act to correct the problem. The Vendor will be required to reimburse the Government within 30 days for any such costs incurred or the Government may consider this to be cause for breach of contract.

11.0 RFP DEFECTS AND OMISSIONS

Vendors should carefully review this solicitation for defects or omissions. Comments concerning defects and omissions must be made in writing and received by the Procurement Office by the time and date indicated. This will expedite issuance of any necessary amendments. It will also help prevent the opening of a defective solicitation and unnecessary exposure of Vendor's proposals, upon which an award could not be made. Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the Evaluation Committee, in writing, before the time indicated.

12.0 JOINT VENTURES

Joint ventures will not be allowed in response to this procurement. For the purposes of this procurement, a joint venture is defined as follows:

A risk sharing partnership arrangement of two (2) or more Vendors, who have teamed together to address a Project's set of contracted services. In this type of partnership, no single Vendor assumes the lead role of "prime contractor" over one or more partner "subcontractors".

However, the use of subcontractors by the successful Vendor is allowed, as long as the successful Vendor is the sole prime contractor. Planned involvement or actual use of subcontractors on this Project must be approved by the Government of the Cayman Islands in writing before any involvement of the subcontractor in Project activities. If subcontractors are approved, the successful Vendor to this RFP will be the sole point of contact for all efforts on this Project

13.0 CONFLICTS OF INTEREST

Vendors must disclose any instances where the firm or any individuals working on the contract has a possible conflict of interest and, if so, the nature of that conflict. The Government of the Cayman Islands reserves the right to cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the Vendor's proposal. The CI Governments' determination regarding any questions of conflict of interest will be final.

14.0 OFFER HELD FIRM

Proposals must remain open and valid for at least 90 calendar days from the deadline specified for submission of proposals. In the event an award is not made within 90 calendar days, the Government will send a written request to all Vendors deemed eligible for award asking Vendors to hold their price firm for a longer specified period of time.

15.0 VENDOR'S CERTIFICATION

By signature on the proposal, Vendors certify that they comply with all of the following:

1. The laws of the Cayman Islands
2. All terms, conditions, and requirements set forth in this RFP
3. A condition that the proposal submitted was independently arrived at, without collusion
4. A condition that the offer will remain open and valid for the period indicated in this solicitation
5. A condition that the firm and any individuals working for the firm have not engaged in any attempts to bribe or otherwise instill a conflict of interest with members of HSA/CINICO who are involved in this procurement

If any Vendor fails to comply with the provisions stated in this paragraph, the Government reserves the right to reject the Bid Proposal, terminate the contract, or consider the Vendor in default.

16.0 PROPOSAL PREPARATION COSTS

HSA/CINICO will not pay any cost associated with the preparation, submittal, or presentation of any proposal.

17.0 RIGHTS RESERVED

Stewardship and all property rights associated with the patient data that is processed by the RTA/EVS system will be retained exclusively by HSA/CINICO. The Vendor is explicitly prohibited from sharing HSA/CINICO data with any third party or benefitting financially or materially from the secondary analysis of that data, without a signed contract of terms and conditions from HSA/CINICO explicitly allowing for such sharing or benefit.

The Government of the Cayman Islands has every intention to award a contract as a result of this RFP. However, issuance of this RFP does not commit the Government of the Cayman Islands to award a contract. The Cayman Islands Government reserves the right to:

- Cancel the RFP
- Reject any or all proposals received in response to this RFP
- Award part or all of the RFP services to one or more Vendors
- Waive provisions of the RFP that are determined to be inconsequential
- Not award, or terminate any contract if it is determined that adequate funding is not available; and
- Award major service sections of this RFP to multiple Vendors.

All materials submitted in response to this RFP become the property of the Cayman Islands Government and should be appended to any formal documentation, which would further define or expand any contractual relationship between the Government and Vendor resulting from this process.

The Evaluation Committee may reject any proposal that does not comply with all of the material and substantial terms, conditions, and performance requirements of the RFP.

Vendors may not qualify the proposal. If a Vendor does so, the Evaluation Committee may determine the proposal to be a non-responsive counteroffer and the proposal may be rejected.

The Evaluation Committee may waive minor informalities that:

- Do not affect responsiveness
- Are merely a matter of form or format
- Do not change the relative standing or otherwise prejudice other offers
- Do not change the meaning or scope of the RFP
- Are trivial, negligible, or immaterial in nature
- Do not reflect a material change in the work or,
- Do not constitute a substantial reservation against a requirement or provision.

The Cayman Islands Government reserves the right to reject any Vendor or Bid Proposal determined to be non-responsive. The Government also reserves the right to refrain from making an award if it determines that to be in its best interest.

18.0 SUPPLEMENTAL TERMS AND CONDITIONS

1. Bid Proposals including supplemental terms and conditions will not be accepted. Any proposals with supplemental conditions that conflict with those contained in this RFP or that diminish the Government's rights under any contract resulting from the RFP will be considered null and void. The Government is not responsible for identifying any conflicting supplemental terms and conditions that have been submitted in Bid Proposals before issuing a contract award. After award of contract:
2. If conflict arises between a supplemental term or condition included in the Bid Proposal and a term or condition of the RFP, the term or condition of the RFP will prevail; and
3. If the Government's rights would be diminished as a result of application of a supplemental term or condition included in the Bid Proposal, the supplemental term or condition will be considered null and void.
4. DISCLOSURE OF PROPOSAL CONTENTS
 - a. All proposals and other material submitted become the property of the Cayman Islands Government and may be returned only at the Government's option. All proposals and related information, including detailed cost information, will be held in confidence until an award is made.
 - b. After award, proposals will be subject to the Government's Freedom of Information Law. Records are closed or confidential only if specifically stated in law. Vendors may make a written request that trade secrets and other proprietary data contained in proposals be held confidential. Material considered confidential by the Vendor must be clearly identified and the Vendor must include a brief statement in their transmittal letter that sets out the statutory basis for confidentiality. The Evaluation Committee will respond to the Vendor's request, in writing, with a written determination whether the information is an exception to the Freedom of Information Law and the information will be processed appropriately.
5. NEWS RELEASES
 - a. News releases related to the contracts awarded from this RFP may only be made with prior approval of the Government of the Cayman Islands.
6. CONTRACT NEGOTIATION
 - a. After final evaluation, the Evaluation Committee may negotiate with the Vendor of the highest-ranked proposal. Negotiations, if held, will be within the scope of the request for proposals and limited to those items that would not have an effect on the ranking of proposals. If the highest-ranked Vendor fails to provide necessary information for negotiations in a timely manner or fails to negotiate in good faith, the Government may terminate negotiations and negotiate with the Vendor of the next highest-ranked proposal. When contract negotiations are held, the Vendor will be responsible for all cost including its travel and per diem expenses.
7. NOTICE OF INTENT TO AWARD - VENDOR NOTIFICATION OF SELECTION
 - a. After the completion of contract negotiation, the Evaluation Committee will issue a written Notice of Intent to Award and send copies to all Vendors. The Notice of Intent Award will set out the names and addresses of all Vendors and identify the proposal selected for award. The scores and placement of other Vendors will not be part of the Notice of Intent to Award.

- b. The successful Vendor named in the Notice of Intent to Award is advised not to begin work, purchase materials or enter into subcontracts relating to the Project until both the successful Vendor and the Government sign the contract.

ATTACHMENT D - SERVICE CONTRACT TEMPLATE

The following pages present a sample Service Contract that would be modified per the scope of this RFP and signed by the Cayman Islands Government and the contractor prior to commencement of work.

CONTRACT

PURCHASE OF SERVICE AGREEMENT

WHEREAS, the Cayman Islands Government, has determined the services referred to in the paragraph below entitled "Scope of Service" should be purchased; and

WHEREAS, _____, (Vendor) proposes to provide those services;

NOW, THEREFORE, the State and Vendor enter into the following:

AGREEMENT

I. TERM OF THE AGREEMENT

The term of this agreement will be from the ___day of _____ 20___ through the ___day of _____ 20___. However, this agreement may be terminated with or without cause by either party giving the other party thirty (30) days prior written notice.

II. SCOPE OF SERVICE

The Vendor agrees to provide a real-time National Health Insurance Real Time Adjudication and Eligibility Verification System to include

- Real time access to current and complete member eligibility information
- 24 hours access to accurate data including coverage restrictions
- Real time electronic claims verification and adjudication
- Collection of accurate patient utilization and demographic data to better track health trends
- Improved efficiency and customer service by removing onerous manual processes

III. COMPENSATION

The Cayman Islands Government, upon written request of the Vendor, agrees to pay the Vendor \$_____ for completing the scope of service. Total payment under the terms of this agreement will not exceed \$_____. **Final payment requests will be submitted to the Government no later than thirty (30) days after the expiration of this agreement.**

IV. VENDOR'S UNDERSTANDING OF TERM OF FUNDING

The Vendor understands that this agreement is a one-time agreement, and acknowledges that it has been furnished no assurances that this agreement may be extended for periods beyond its termination date.

V. VENDOR ASSURANCES

This agreement will be construed according to the laws of the Cayman Islands. In connection with the furnishing of supplies or performance of work under this agreement, persons who contract with or receive funds to provide services to the Cayman Islands Government are obligated and agree to comply with all local laws.

VI. AUTHORITY TO CONTRACT

The Vendor will not have the authority to contract for or on behalf of or incur obligations on behalf of the Cayman Islands Government. However, the Vendor may subcontract with qualified Vendors of services provided that any such subcontract will acknowledge the binding nature of this

agreement, and incorporate this agreement, together with its attachments as appropriate. The Vendor agrees to be solely responsible for the performance of any subcontractor.

VII. **INDEPENDENT ENTITY**

The Vendor will perform as an independent entity under this agreement. The Vendor, its employees, agents, or representatives are not employees of the Cayman Islands Government for all purposes. No part of this agreement will be construed to represent the creation of an employer/employee relationship. The Vendor will retain sole and absolute discretion in the judgment of the manner and means of carrying out the Vendor's activities and responsibilities under this agreement.

VIII. **NONPERFORMANCE**

Failure by the Vendor to perform the terms of this agreement will constitute a breach of contract, and will result in the immediate termination of the agreement. In the event of a termination for breach by the Vendor, the Government may retain, as liquidated damages, any payment to be made under this agreement which remains unpaid at the time of the breach, and may also recover from the Vendor, those amounts already paid for individual items of work which are incomplete at the time of the breach.

However, should a breach by the Vendor be caused by circumstances, beyond the control of the Vendor, and no fault of its own, so as to render the agreement impossible of performance by the Vendor, then the agreement will be terminated. In the event of a breach, by the Vendor, in such circumstances, the Government may set off, against any liability or obligations owed to the Vendor, under this agreement or otherwise, any amounts paid for individual items of work which are incomplete at the time of the breach, but will not be entitled to liquidated damages.

The Government will give written notice, to the Vendor, of the termination, which notice will specify the effective date thereof.

IX. **TERMINATION OF AGREEMENT FOR INADEQUACY OF FUNDS**

It is agreed that in the event appropriations to the Government of the Cayman Islands are not obtained and continued at a level sufficient to allow for payments to the Vendor, for the services identified in Paragraph II, the obligations of each party hereunder may be terminated at the option of the Government, provided that any such termination will be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

X. **INDEMNITY**

Vendor agrees to defend, indemnify, and hold harmless the Government of the Cayman Islands, the Health Services Authority and the Cayman Islands National Insurance Company, its agencies, officers and employees, from any and all claims of any nature, including all costs, expenses, and attorneys' fees, which may in any manner result from or arise out of this agreement. Vendor also agrees to defend, indemnify, and hold the Cayman Islands harmless for all costs, expenses, and attorneys' fees incurred in establishing and litigating the indemnification coverage provided herein. This obligation will continue after termination of this agreement.

XVII. **APPLICABLE LAW**

This agreement will be governed by and construed in accordance with the laws of the Cayman Islands.

XVIII. **ASSIGNMENT**

Neither Party will assign this agreement and rights without the written approval of the other Party. Such approval will not be unreasonably withheld. This agreement will be equally binding on the respective Parties, their successors and assigns.

XIX. **CONFIDENTIAL INFORMATION**

The Vendor agrees not to use or disclose any information it receives from the Cayman Islands Government under this agreement that is confidential or exempt from mandatory public disclosure except as necessary to carry out the purposes of this agreement or as authorized in advance by the State. The Government agrees not to disclose any information it receives from the Vendor which the Vendor has previously identified as confidential and which the Government determines in its sole discretion is protected from mandatory public disclosure under a specific exception in the Freedom of Information Law. The duty of the Government and the Vendor to maintain confidentiality of information continues beyond the term of this agreement, including any extensions or renewals.

XX. **OWNERSHIP OF WORK PRODUCT**

All work product, equipment or materials created or purchased under this agreement belong to the Government of the Cayman Islands and must be delivered at the Government's request upon termination of this agreement. Vendor agrees that all materials prepared under this agreement are "works for hire". Use of work product or materials for purposes other than the scope of this agreement must be approved in writing by the Cayman Islands Government.

XXII. **ATTORNEY FEES**

In the event a lawsuit is instituted by the Government to obtain performance due to any kind under this agreement, and the Government is the prevailing party, the Vendor will pay all reasonable attorney fees and costs in connection with the lawsuit.

XXIII. **ALTERNATIVE DISPUTE RESOLUTION – JURY TRIAL**

The Government does not agree to any form of binding arbitration, mediation, or other forms of mandatory alternative dispute resolution. The parties have the right to enforce their rights and remedies in judicial proceedings. The Government does not waive any right to a jury trial.

VENDOR

By _____

DATE

(TITLE)
