

STATE OF CONNECTICUT OFFICE OF THE STATE COMPTROLLER

REQUEST FOR PROPOSALS

PROCUREMENT SERVICES AND OVERSIGHT FOR PHARMACY BENEFIT MANAGEMENT

I. STATEMENT OF OBJECTIVES

The State of Connecticut, acting through the Office of the State Comptroller (OSC) is publishing this Request for Proposals (RFP) for technical assistance and professional services in: (1) procuring a Pharmacy Benefit Manager (PBM) and related services; and (2) ongoing oversight of PBM contract compliance. A respondent may submit a response for either or both of the above services. The respondent may be an individual or organization providing consulting, auditing or oversight services for public sector pharmacy benefit programs.

The state of Connecticut through OSC intends to solicit bids for PBM services for a contract commencing July 1, 2019. In order to ensure adequate time to select a vendor and allow for implementation OSC will seek to release a Request for Proposal (RFP) for Pharmacy Benefit Management services in the fall of 2018. OSC's last procurement of PBM services occurred in 2012, for a contract beginning July 1, 2013. Since that time new technologies have emerged that may allow for more efficient and accurate evaluation of PBM proposals. In addition, significant changes have occurred in the PBM industry, including introduction of formulary exclusions, value based contracting, new manufacturer payments to PBMs in addition to rebates, and the continued challenge of high cost specialty drugs. In the face of these changes the OSC is seeking to identify qualified vendors to assist the agency in developing, releasing and evaluating a RFP for PBM services to achieve the following objectives:

1. An efficient procurement process that results in a new PBM contract that provides the highest possible service to state health plan members at the lowest possible cost to the state of Connecticut.
2. Designing the new PBM contract to ensure alignment of the interests of the PBM and the State to the extent possible and to provide adequate oversight in areas where such interests have the potential to diverge.
3. Continuous oversight of the PBM's compliance with contract terms and conditions, including monitoring PBM claims processing to ensure that contractual discounts and rebates are being properly applied.

All respondents must meet the general conditions set forth in this RFP and are asked to respond only to the specific questions asked.

II. BACKGROUND INFORMATION

The State Comptroller is empowered by Connecticut General Statutes Section 5-259 to arrange and procure "a group hospitalization and medical and surgical insurance plan" for

State employees and retirees, including coverage for prescription drugs. The Healthcare Policy & Benefits Services Division (HPBSD) of the Office of the State Comptroller (OSC) administers the State healthcare coverage program for employees and retirees. The OSC also procures health coverage for enrollees of the Connecticut Partnership Plan (<http://www.osc.ct.gov/ctpartner/index.html>) and non-state public employers under PA 15-93.

Effective July 1, 2010, the State of Connecticut began providing healthcare benefits to employees and retirees including prescription drug coverage on a self-funded basis. OSC is required to obtain competitive bids for administration of such health care benefits on a regular basis.

III. STATE OF CONNECTICUT PHARMACY BENEFITS AND CURRENT VENDORS

Currently the OSC administers pharmacy benefits for approximately 240,000 covered lives. Active and Pre-65 Retirees are covered under a self-insured pharmacy benefit plan administered by CVS Health, which includes around 180,000 lives. Approximately 60,000 Medicare-eligible members are covered under a fully insured Medicare Advantage Part D plan (MAPD). The pharmacy benefit management contract with CVS Health to administer benefits on behalf of the Active and Pre-65 retiree population will expire on June 30, 2019.

Currently, CVS Health administers a custom maintenance drug network on behalf of the state of Connecticut. For active employees and those retiring after October 2, 2011 maintenance drugs can only be filled through mail order or at participating maintenance drug network pharmacies. When prescriptions are filled at a maintenance drug network pharmacy the state gets mail order discounts. The maintenance drug network is operated as an “any willing provider” pharmacy network; any pharmacy willing to accept mail order reimbursement rates can participate. Currently, more than 300 Connecticut pharmacy locations are in this network.

HEALTH ENHANCEMENT PROGRAM

In 2011, in response to a collective bargaining agreement, the State implemented the Health Enhancement Program (HEP) a value-based insurance design (VBID) program. State employees, certain retirees, and their dependents that enroll in the HEP program are required to seek age-appropriate preventive services. Enrollees who are identified with one of five medical conditions (diabetes types I and II, asthma and Chronic Obstructive Pulmonary Disease (COPD), coronary artery disease, hypertension, and hyperlipidemia) must also adhere to certain condition-specific education requirements. The enhanced benefit design reduces copays for certain services to remove barriers to care, including reduced prescription drug copays for prescriptions used to treat HEP related chronic conditions. The State has contracted with Care Management Solutions, Inc. (CMSI) to provide compliance monitoring and chronic condition counseling services in connection with HEP.

FALSE CLAIMS ACT

The state employee health plan is considered a state-run plan for the purposes of the Connecticut's False Claims Act. As a result fraudulent claims paid by the state employee plan including pharmacy claims are subject to civil action by the Attorney General of the State of Connecticut.

IV. SCOPE OF WORK

The selected Contractor will be required to provide the OSC with technical assistance and professional services as necessary to develop and execute an efficient and effective procurement process for a PBM and to provide continuous oversight and management of said contract.

The term of this engagement will be a one-year contract for consulting services in connection with the procurement, contracting and implementation of the PBM contract and an ongoing consulting contract for a term of three years (with up to two one-year extensions) to monitor the selected PBM's compliance with contracted terms. OSC may award separate contracts to different bidders for each part of this procurement.

Preferred qualifications are past experience and demonstrated proficiency in providing the services described below, preferably for public sector clients. The Contractor will be expected to provide the following general services:

1. Providing technical and support services to the OSC for the purpose of developing an efficient and effective PBM procurement process, which may include the ability to institute a reverse auction or the use of more traditional RFP methods to achieve similar competitive results.
2. Assist the OSC in writing and reviewing contract terms for the selected PBM, including ensuring the interests of the PBM and State are aligned as much as possible and provide adequate oversight in areas where such interests have the potential to diverge.
3. Act as a subject matter expert on PBM procurement and assist the State with evaluation of the technical aspects and pricing of proposals submitted by PBM bidders. The State expects that at least six PBMs will submit PBM proposals and participate in competitive bidding for the PBM contract.

This shall include, without limitation, an evaluation of each PBM bidder's:

- a. Clinical programs;
- b. Operations;
- c. Account management;
- d. Customer Service/Member Services;
- e. Benefit Management and Plan Design;
- f. Claim Management Services;

- g. Reporting;
 - h. Formulary Management;
 - i. Business Model;
 - j. Pharmacy Network;
 - k. Formulary and Formulary Disruption; and
 - l. Contract terms.
4. Post-contract award, the Contractor shall provide continuous oversight of the selected PBM's compliance with contract terms, including review of claims accuracy, identification of errors or deviations from contract

V. PROPOSAL SUBMISSION REQUIREMENTS

Each proposal must include the following:

1. Title Page

A title page indicating the date, subject, name of the Contractor, central office address and the local office address—if a local office will be performing the contracted services—and the address, telephone number, name and title of the Contractor's contact person for the purpose of clarifying any information submitted.

2. Organizational Structure

A general description of the Contractor's organization, including its legal structure (corporation, partnership, franchise, etc.), the number of professional and support staff employed and its primary business functions (benefits consulting, actuarial consulting, asset management, insurance provider, etc.).

3. Experience

A description of the Contractor's experience specific to the services requested in this RFP, including the relevant experience of the staff/principal(s) who would be assigned to this project. List all comparable governmental agencies, corporations, and organizations for which the staff members designated for this engagement have provided similar services within the past two (2) years, specifying those with a unionized workforce. In addition, the listing should include the number of years that the Contractor has been retained by comparable governmental agencies, corporations, and organizations to provide such services.

Contractors are encouraged to identify other experience, factors, or strengths that they possess which may assist the State in its selection process.

4. References

Names, addresses, and phone numbers of individuals who can serve as references.

References should be managers and union officials who have worked directly with the Contractor in engagements relevant to the scope of the work proposed in the RFP.

5. Computer Systems

Description of the on-site computer system Contractor will be using.

6. Fee Structure

Provide aggregate hourly and per diem rates, along with a total maximum, not to exceed cost estimate or a bundled rate for the services requested. Please indicate any at risk guarantees to which the respondent would be willing to commit. Please provide bundled rates and at risk guarantees for each requested service independently. The State is not responsible for any costs incurred by any party in responding to this RFP.

The State of Connecticut is exempt from the payment excise, transportation, and sales tax imposed by the Federal Government and the State; accordingly, such taxes must not be reflected in the proposed price.

7. Conflict of Interest

Disclose any current or past (within the last ten years) business relationships which may pose a conflict of interest.

8. Regulatory Issues

Disclose any regulatory problems experienced in the past ten years.

9. Additional Procurement Requirements

The Connecticut Department of Administrative Services (“DAS”) has implemented a requirement that all firms seeking to do business with the State create a business profile on the DAS Business Network (“BizNet”) system. BizNet eliminates certain redundancies, such as the former requirement to complete and submit forms even though the forms had been recently submitted in response to another Request for Proposals. In addition to eliminating redundancy, BizNet has automated the completion and submission of required Ethics Affidavits and Non Discrimination forms. Firms must now upload these forms electronically to their BizNet account and update them on an annual basis, rather than submitting paper copies with each proposal. Firms will have the ability to view, verify and update their information by logging in to their BizNet account, prior to submitting responses to an RFP.

Additional required forms as described below must be submitted to or be on file with the BizNet system by the deadline for submission of proposals. Paper or electronic copies need not be provided with the submission to the Comptroller's office.

Create an account on BizNet by using the following link:

<https://www.biznet.ct.gov/AccountMaint/Login.aspx>.

Once your firm creates an account, login and select “CT Procurement” and then “Company Information” for access. If you experience difficulty establishing or otherwise managing your firm's account, please call DAS at 860-713-5095.

The following required forms must be completed and uploaded to BizNet in accordance with the following instructions:

Required Forms

Follow instructions for submission of the following:

a) Agency Vendor Form (SP-26NB), available at:

[http://das.ct.gov/Purchase/Info/Vendor_Profile_Form_\(SP-26NB\).pdf](http://das.ct.gov/Purchase/Info/Vendor_Profile_Form_(SP-26NB).pdf)

b) W-9 Form, available at: <http://www.irs.gov/pub/irs-pdf/fw9.pdf>

Ethics Certifications

The following Ethics Forms must be signed, dated, notarized, uploaded or updated on BizNet. To obtain these forms, you must login to BizNet and follow the instructions referenced above.

- OPM Ethics Form 1: Gift & Campaign Contribution Certification;
- OPM Ethics Form 5: Consulting Agreement Affidavit;
- OPM Ethics Form 6: Affirmation of Receipt of State Ethics Laws Summary
- OPM Ethics Form 7: Iran Certification

For information on how to complete these forms, please access the Office of Policy and Management website by using the following link:

http://www.ct.gov/opm/cwp/view.asp?a=2982&q=386038&opmNAV_GID=1806

10. Affirmative Action and Nondiscrimination

Choose one (1) of the forms listed below that applies to your business. Complete and upload or update the form on BizNet annually. To obtain a copy of these forms, you must login to BizNet and follow the instructions referenced above.

- Form A: Representation by Individual (Regardless of Value); or
- Form B: Representation by Entity (Valued at \$50,000 or less); or
- Form C: Affidavit by Entity (Valued at \$50,000 or more); or
- Form D: New Resolution by Entity; or
- Form E: Prior Resolution by Entity

For information on how to complete these forms, please access the Office of Policy and Management website by using the following link:

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

Commission on Human Rights and Opportunities (“CHRO”) Workplace Analysis Affirmative Action Report/Employment Information Form.

The CHRO Workplace Analysis Affirmative Action Report/Employment Information must be completed in BizNet and updated as necessary. You must login to BizNet and follow the Instructions referenced above. For information on how to complete these forms you may contact Diane Comeau at Diane.Comeau@ct.gov for assistance.

For information about how to upload the Ethics Affidavits and Non-Discrimination forms please access the following page. <http://das.ct.gov/images/1090/Upload%20Instructions.pdf>.

Affirmative Action The proposal must include a summary of the Contractor's experience with affirmative action including a summary of the Contractor's affirmative action plan and the Contractor's affirmative action policy statement.

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

- a. The Contractor's success in implementing an affirmative action plan;
- b. The Contractor's success in developing an apprenticeship program complying with Section 46a-68-1 to 46a-68-17 of the Connecticut General Statutes, inclusive;
- c. The Contractor's promise to develop and implement a successful affirmative action plan;
- d. The Contractor's submission of employment statistics contained in the "Workforce Analysis Affirmative Action Report," indicating that the composition of its work force is at or near parity when compared to the racial and sexual composition of the work force in the relevant labor market area; and
- e. The Contractor's promise to set aside a portion of the contract for legitimate small Contractors and minority business enterprises, where applicable (See C.G.S. §32-9e).

The State of Connecticut's Contract Compliance Forms applicable to State contracts are available at <http://www.ct.gov/chro/cwp/view.asp?a=2525&Q=315900>, please click on the four forms indicated below to download the pdf files from the CHRO web page:

Notification to Bidders

This document gives notice that the contract to be awarded is subject to the contract compliance requirements mandated by State statutes and regulations.

Workforce Analysis Affirmative Action Report-State Contractors

This employment information form is used to report the racial and sexual composition of a firm's or corporation's workplace. The form must be completed by the Contractor and submitted with the proposal.

Affidavit for Certification of Subcontractors as Minority Business Enterprises

Upon award of a contract, this form is used to document the good faith efforts of a Contractor to include minority business enterprises as subcontractors (including suppliers) on the State contract

Contract Compliance Notice Poster

This notice concerns the prohibition of discrimination in employment practices. Upon award of a

State contract, the notice must be posted by the Contractor in conspicuous places accessible to all employees and applicants for employment. More information about the State of Connecticut's Contract Compliance requirements is available on the Commission on Human Rights and Opportunities' web site at www.state.ct.us/chro under "Contract Compliance."

Your proposal should confirm you have downloaded, completed, and submitted all of the procurement documents listed above to BizNet. If not, please explain.

11. Authorized Agent

An authorized agent for the Contractor with authority to negotiate and contractually bind the Contractor must sign the proposal; such individual's title, address, and telephone number must also be provided.

12. Submission Requirements

A. All responses must include completed Campaign and Gift Certifications.

B. All responses must include an Affirmation of Receipt of Summary of State Ethics Laws. Attachment III.

C. The respondent must submit one original, one unbound, plus 10 copies of their response in a sealed envelope upon which a clear indication has been made of the RFP reference title and the date and time the proposal is submitted. Each bidder shall submit two copies of its complete response on a CD or DVD. In additions, any bidder that submits matter that it in good faith determines to contain trade secrets or confidential commercial or financial information must provide two copies of its RFP response in a CD or DVD (an original and one copy), from which all trade secrets and confidential data have been redacted and which may be disclosed without objection in the event that the State receives a FOIA request for its proposal.

The package should be delivered to:

STATE OF CONNECTICUT
OFFICE OF THE STATE COMPTROLLER
Attention: Steven Cosgrove
Administrative Services Division
55 Elm Street, Second Floor
Hartford, CT 06106

VI. REVIEW PROCESS AND SCHEDULE

June 8, 2018	Release of RFP by OSC
June 15, 2018	Questions from potential bidders should be submitted to osc.rfp@ct.gov by 2:00 PM.
June 22, 2018	OSC provides e-mail response to questions received

June 25, 2018	Notice of Intent to respond due by 2:00 PM. Fax to 860-702-3662 or email to osc.rfp@ct.gov
July 16, 2018	Proposals due at OSC by 2:00 p.m.
July 17-25, 2018	Reading and Scoring of Proposals
July 26, 2018	Finalist Interviews, if desired
July 27, 2018	Contract Award

VII. QUESTIONNAIRE

Respondents must complete the Questionnaire Sections applicable to each of the RFP services(s) for which they are responding.

A. Procurement Experience and Qualifications (All Services)

1. Provide a brief history of your firm, including when it was founded, how it grew and its current size and market area.
2. Describe the company's lines of business including the number of employees, number of credentialed actuaries, licensed pharmacists, primary business, and relative prominence of firm's pharmacy consulting services.
3. Describe the office location(s) that will service the State of Connecticut. Describe the number of staff at the office location, their qualifications and the ability of the staff to handle additional workload.
4. Identify the professional staff that would be assigned to this project and provide resumes for each supervisor and professional person so identified. Describe their anticipated roles and duties for this engagement.
5. Provide a minimum of five (5) references of large governmental clients for whom you have performed similar services during the last three (3) years. Include contact information for these clients.

B. Questionnaire re technical assistance and professional services for PBM procurement (Omit if bidding only on PBM contract compliance service)

Proposed Program Approach

1. Make a statement indicating your understanding as to the scope of work requested.
2. Briefly describe your firm's approach and give specific illustrations of

procurement procedures that will be employed in the engagement.

3. Provide an estimate of time needed to fulfill the requirements as presented following receipt of all required data.

Service Specific Questions

1. Recently the state of New Jersey used a “reverse auction” procurement process to select the PBM for its public sector health plan beneficiaries. The process involved several rounds of bidding in which bidders were informed of their relative position after each round and then were invited to improve their bid in the next round. The potential benefit of a reverse auction is to extract the deepest possible discounts at which a PBM is still willing to administer the plan; reducing PBM profits and increasing savings to the plan sponsor. The state of Connecticut may consider utilizing a reverse auction or elements of a reverse auction as part of its upcoming PBM procurement. Please respond to the following questions related to this process.
 - a. Has your firm ever administered a reverse auction in connection with PBM procurement? If so, what technology or process was used to administer the auction?
 - b. What procurement process would your firm propose to ensure that OSC achieves the lowest possible prescription drug costs in its upcoming PBM procurement? If your firm proposes an approach other than a reverse auction, please describe the relative merits of your proposed approach and why it will achieve greater savings for the state of Connecticut. What are the average savings your firm has achieved with other clients using the proposed procurement process? Please provide specific examples of results involving large public sector groups.
 - c. Identify the potential risks of using a reverse auction for a PBM procurement? Is there potential for gaming the system? How would you structure the bidding process to ensure that bidders are incentivized to give their best price rather than a price just low enough to beat the nearest competitor?
2. Will your firm guarantee a certain percentage discount over the State of Connecticut’s current pharmacy contract? If so, what percentage of your fees are you willing to put at risk and what is the percentage discount your firm will guarantee?
3. Please describe how your firm reprices claims to determine the cost impact of proposed pricing by PBMs? Is your firm equipped to reprice claims down to the individual claim level? Does your firm utilize nationally-accepted drug data sources, such as MediSpan or First DataBank? Please describe the relative

accuracy of your repricing model?

4. Please describe how your firm will assist with analyzing the technical components of the RFP and the type of summary information your firm typically provides to the RFP committee to assist them in scoring proposals. Please provide examples.
5. Please describe the type and level of assistance your firm provides in drafting and/or reviewing contract terms and conditions to ensure compliance with the winning contractor's proposal.
6. In recent years PBMs have begun to re-categorize certain manufacturer payments as something other than rebates, effectively shielding from view certain compensation the PBM is receiving with respect to the plan. What has been your firm's success in assisting plan sponsors to receive such additional manufacturer payments that exceed the limited PBM definition of rebates? In making pricing comparisons how does your firm account for any additional manufacturer payments being passed through to the health plan?
7. The typical process for incorporating rebates into a PBM procurement process is requiring the PBMs to provide guaranteed levels of quarterly or annual rebates. While the rebate guarantee gives some indication of the expected amount of rebates that can be expected under the contract it is the OSCs experience that such guarantees are almost always exceeded. Is there a better way to measure the relative value of negotiated rebates across PBMs? Please describe any experience your firm may have in employing alternative methods to compare rebates across PBMs in the procurement process.
8. Due to the dynamics of the prescription drug market, PBMs are consistently able to improve their negotiated discounts with pharmacies. The state of Connecticut typically procures pharmacy benefits for a period of 3 years with the option of two 1 year extensions. Please describe the strategies your firm uses to ensure that your clients maintain market leading discounts in the out years of the contract.
9. The state of Connecticut currently utilizes the CVS Health Standard formulary in order to maximize rebates. This formulary may not provide adequate protection against high cost/low value drugs, which are sometimes added to the formulary by a PBM in order to generate rebates. How does your pricing model account for the sufficiency of PBM formularies including: the inclusion of high cost/low value drugs and the potential impact of the formulary design on medical spend?
10. PBMs provide significant pricing advantages for 90-day prescriptions and often put in place plan edits to require 90-day supplies in certain circumstances. Some studies have found that 90-day supplies are associated with higher rates

of medication adherence; however, there are certain instances where requiring a 90-day supply can result in waste and or abuse. Please describe your firm's experience in creating a procurement process and contract terms that allow the plan sponsor to take advantage of the benefits of 90-day supplies – increased medication adherence and better price discounts – while limiting waste and abuse?

11. The state of Connecticut currently has a maintenance drug network (see description in background section). Does your firm have experience in negotiating similar networks? Please describe.
12. Please describe your process for measuring network adequacy, including the adequacy of a limited maintenance drug network?
13. Please describe how the procurement process and contract terms can assist the state of Connecticut in holding the PBM accountable for monitoring its pharmacy network for captive pharmacies, compound pharmacy abuses and other potentially exploitive schemes.
14. What is your firm's experience in procuring PBM services with transparent contract terms in which the plan reimburses the PBM for actual amounts paid to pharmacies, passes through all manufacturer payments, and is paid a PMPM administrative fee?
 - Please describe successful procurements for transparent PBM services in which your firm has been involved.
 - Please describe how such proposals can be accurately evaluated accounting for the varying contract terms across pharmacies.
 - Does your firm recommend that plan sponsors receive bids for transparent PBM services as well as traditional structures?
15. What is your firm's experience in procuring related pharmacy services, such as specialty pharmacy services, diabetes or other chronic disease management programs, etc., in combination with the PBM procurement process?
16. Specialty drugs are a significant and growing portion of total pharmacy spend. Please describe the strategies your firm incorporates into the procurement process to ensure the best possible specialty discounts and management programs – where applicable.

**C. Questionnaire for ongoing oversight of PBM Contract Compliance
(Omit if bidding only on Procurement Services)**

Proposed Program Approach

1. Make a statement indicating your understanding as to the scope of work requested.

2. Briefly describe your firm's approach and give specific illustrations of the type of oversight, procedures and technologies to be employed.
3. Provide an estimate of time required to implement performance of the requirements as presented following receipt of all required data.

Service Specific Questions

1. Please describe the process your firm uses to ensure the PBM is meeting its contract requirements, including pricing discounts and rebate guarantees.
2. Is your firm able to review each individual pharmacy claim against nationally-accepted drug data sources such as MediSpan or First DataBank to ensure the contracted discounts are being applied correctly?
3. Describe your process for recouping funds from the PBM when errors are found and your experience in working with PBMs to ensure the errors are fixed for future claims.
4. After the receipt of a pharmacy claims data feed what is a typical time frame required for your firm to review claims and report on contract compliance.
5. In your book of business what is the average rate of PBM claims processing errors found? What is the average rate of PBM claims processing errors for large plans (>25,000 members)? What is the average PMPM savings achieved across your book of business? What is the average PMPM savings that your firm has achieved for large plans?
6. What technologies do you use to review the claims to ensure compliance with the contract terms?
7. Will your firm guarantee a certain level of recouped costs associated with claims processing oversight? If yes, what percentage of your fees are you willing to put at risk and what level of recoupment will you guarantee?

VIII. PRICE PROPOSAL

Respondents shall submit pricing on a PMPM, per claim or flat fee for service basis. Respondents should include performance guarantees in the pricing proposal.

IX. TERMS AND CONDITIONS / INSTRUCTIONS TO CONTRACTORS

Contractors responding to this RFP must be willing to adhere to the following conditions and must affirmatively state their adherence to these requirements with a transmittal letter appended to their proposal response.

1. Acceptance or Rejection by the State—The State reserves the right to accept or reject any or all proposals submitted for consideration. All proposals will be kept sealed and safe until the deadline for submission has passed.

2. Conformance with Statutes—Any contract awarded as a result of this RFP must be in full conformance with statutory requirements of the State of Connecticut and the Federal Government.

3. Ownership of Proposals—All proposals submitted in response to this RFP are to be the sole property of the State, and subject to the applicable Freedom of Information provisions of Connecticut General Statutes, Sections 1-200 et seq. Any proposer that submits matter that it in good faith determines to contain trade secrets or confidential commercial or financial information must provide two redacted copies of its RFP response in a CD or DVD (an original and one copy), which may be disclosed without objection in the event that the State receives a FOIA request for its proposal.

4. Ownership of Subsequent Products—Any product, whether acceptable or unacceptable, developed under a contract award as a result of this RFP is to be the sole property of the State of Connecticut, unless explicitly stated otherwise in the RFP or contract.

5. Communication Blackout Period—Except as called for in this RFP, contractors may not communicate about the RFP with any of the following: the Healthcare Policy & Benefit Services Division within the OSC or members of the Healthcare Cost Containment Committee (HCCCC) until the successful bidder(s) are selected. However, because the pressing nature of certain current initiatives affecting administration of healthcare benefits and population health management, selected employees of the incumbent healthcare consultant (Segal, Inc.) have been designated to communicate with the OSC regarding those projects during the procurement process.

No Contractor or Contractor's representative may contract an employee of the State or member of the HCCCC or their representatives regarding their proposal until final selections have been made. Until such time as final selections are made, any such contact will be considered collusion under the "Terms and Conditions" herein and may be grounds for disqualification of the Contractor's proposal.

6. Notice of Intent to Respond—The notice of intent to respond (Attachment I) will be due at the offices of OSC by 2:00 P.M. on June 15, 2018. In the notice, the Contractor must provide an email address to receive information about the RFP, answers to questions submitted by contractors, and other matters about the contractor selection process. The form may be submitted by fax to 860-702-3662 or emailed to osc.rfp@ct.gov.

No responses will be accepted from firms that fail to submit a Notice of Intent to Respond.

7. Availability of Work Papers—All work papers and data used in the process of performing this project must be available for inspection by the State of Connecticut Auditors of Public Accounts for a period of three (3) years or until audited.

8. Timing and Sequence—All timing and sequence of events resulting from this RFP will ultimately be determined by the State.

9. Stability of Proposed Prices—Any price offerings from Contractors must be valid for a period of one hundred eighty (180) days from the due date of the Contractor proposals.

10. Oral Agreements—Any alleged oral agreement or arrangement made by a Contractor with any agency or employee will be superseded by the written agreement.

11. Amending or Canceling Requests—The State reserves the right to amend or to cancel this RFP prior to the due date and time, if such action is deemed to be in the best interest of the State.

12. Rejection for Default or Misrepresentation—The State reserves the right to reject the proposal of any Contractor that is in default of any prior contract or for misrepresentation.

13. State's Clerical Errors in Awards—The State reserves the right to correct inaccurate awards resulting from its clerical errors.

14. Rejection of Qualified Proposals—Proposals are subject to rejection in whole or in part if they limit or modify any of the terms and conditions and/or specifications of the RFP.

15. Contractor Presentation of Supporting Evidence—A Contractor, if requested, must be prepared to present evidence of experience, ability, service facilities and financial standing necessary to satisfactorily meet the requirements set forth or implied in the proposal.

16. Changes to Proposal—No additions or changes to the original proposal will be allowed after submittal. While changes are not permitted, clarification at the request of the State may be required at the Contractor's expense.

17. Expenses Incurred—The State will not reimburse any Contractor for any costs or expenses incurred in preparing proposals or in any other connection with the RFP, including travel expenses relating to an oral presentation. All expenses incurred by the Contractor in preparing and submitting proposals are the sole responsibility of the Contractor.

18. Collusion—By responding to this RFP, the Contractor implicitly states that the proposal is not made in connection with any competing Contractor submitting a separate response to the RFP, and is in all respects fair and without collusion or fraud. It is further implied that the Contractor did not participate in the RFP development process, had no knowledge of the specific contents of the RFP prior to its issuance, and that no employee of the agency participated directly or indirectly in the Contractor's proposal preparation.

19. Conformance to Instructions—All responses to the RFP must conform to the instructions herein. Failure to provide any required information, provide the required number of copies, meet deadlines, answer all questions, follow the required format, or

failure to comply with any other requirements of this RFP may be considered appropriate cause for rejection of the response.

20. Appearances—In some cases, Contractors may be asked to appear to give demonstrations, interviews presentations or further explanation to the RFP's screening committee.

21. Standard Contract and Conditions—The Contractor must accept the State's standard contract language and conditions. See Standard Contract and Conditions. Attachment II.

22. Entire Agreement—The contract will represent the entire agreement between the Contractor and the State and will supersede all prior negotiations, representations or agreements, alleged or made, between the parties. The State shall assume no liability for payment of services under the terms of the contract until under the terms of the contract until the successful Contractor is notified that the contract has been accepted and approved by the Office of the State Comptroller and by the Office of the Attorney General. The contract may only be amended by means of a written signed agreement by the Office of the State Comptroller, the Contractor, and the Office of the Attorney General.

23. Rights Reserved to the State—The State reserves the right to award in part, to reject any and all proposals in whole or in part, to waive technical defects, irregularities and omissions if, in its judgment, the best interest of the State will be served.

24. Receipt of Summary of State Ethics Laws. The Contractor must acknowledge that it has received a summary of State Ethics Laws by submitting a signed receipt with its bid. See Attachment III hereto.

X. STANDARD CONTRACT TERMS AND CONDITIONS

Be advised that the State has certain contract requirements. Contractors responding to this RFP must be willing to adhere to the following contract requirements and must affirmatively state their adherence to these terms and conditions with a transmittal letter appended to their proposal response.

Attached as Attachment II are the Terms and Conditions which must be strictly adhered to. In addition, the Contractor must agree that the contract shall be governed by, construed, and enforced in accordance with the laws and court decisions of the State of Connecticut without giving effect to its principles of conflicts of laws. Under no circumstances may a State contract contain limited liability and/or binding arbitration provisions. The State may not indemnify a Contractor or waive its sovereign immunity.

Additionally, please be advised that the State will require the following provision:

At all times, Contractor shall utilize approved, qualified personnel necessary to perform the services under this Agreement.

Contractor shall advise the State promptly, in writing, of any labor related occurrence known to Contractor involving Contractor's employees which may reasonably be expected to affect Contractor's performance of services under this agreement. Notwithstanding such occurrence, the Contractor shall at all times assign competent personnel/staff to perform the services contracted for under this agreement. If at any time the State in its sole discretion determines that the personnel/staff assigned to perform the services under this agreement is incompetent, dishonest or uncooperative, State reserves the right to request that Contractor reassign personnel/staff and arrange for an employee(s) or subcontractor(s) satisfactory to State to provide the services otherwise performable by the Contractor hereunder.

Contractor shall review any requests by State to reassign personnel/staff. In requesting such reassignment of personnel/staff, State shall give thirty days (30) notice to Contractor of State's desire for such reassignment. Contractor will then have fifteen (15) days to investigate the situation and attempt, if it so desires, to resolve the situation to the mutual satisfaction of the parties. Should the parties not reach a mutual resolution, then fifteen (15) days thereafter, or thirty (30) days from the date of the notice of reassignment, the State may terminate this agreement by providing written notice.

XI. EVALUATION OF PROPOSALS

Each proposal will be evaluated by a Screening Committee using the following criteria to determine which respondents are most capable of implementing OSC's requirements.

PBM Procurement Consulting and Assistance

1. Competitiveness of respondent's price proposal including guarantees and proposed at risk fees
2. Respondent's experience with and ability to perform the required services, including experience in working on similar projects with large public plans.
3. Respondent's understanding of the project's purpose and scope, as evidenced by the proposed approach and level of effort. Likelihood of proposed project plan, including proposed bidding process and the demonstrated ability of such bidding process to generate the greatest possible discounts for the State. The ability of the firm to improve the efficiency of the procurement process through technology and the type, format and content of assistance offered to the RFP committee. The demonstrated accuracy of proposed plan for repricing bidder proposals and efficiency with which repricing can be performed.
4. Respondent's ability to extract favorable contract terms on behalf of the State of Connecticut, including proposed strategies for: ensuring payment of maximum rebates to the state; reductions in waste associated with 90-day supplies or lack of network oversight by the PBM; retaining market leading discounts throughout the term of the contract; lowest cost and best management of specialty drugs spend.

5. Demonstrated competence of key personnel. Availability of key personnel to complete the tasks required for the scope of work
6. Conformity with specifications contained herein.
7. Demonstration of respondent's commitment to affirmative action by full compliance with the regulations of the Commission on Human Rights and Opportunities.
8. At the option of the Screening Committee, respondent's oral presentation.

Oversight of PBM contract compliance

1. Competitiveness of respondent's price proposal including guarantees and proposed at risk fees
2. Respondent's experience with and ability to perform the required services, including experience in working on similar projects with large public plans.
3. Respondent's understanding of the project's purpose and scope, as evidenced by the proposed approach and level of effort. The demonstrated accuracy of the claims review process and the efficiency with which the claims review can be performed.
4. Respondent's demonstrated ability to recoup funds from PBM for improperly processed claims and correct claims processing errors moving forward.
5. Demonstrated competence of key personnel. Availability of key personnel to complete the tasks required for the scope of work
6. Conformity with specifications contained herein.
7. Demonstration of respondent's commitment to affirmative action by full compliance with the regulations of the Commission on Human Rights and Opportunities.
8. At the option of the Screening Committee, respondent's oral presentation.

Attachment I

INTENT TO BID FAX FORM

*Please fill out the Intent to Respond Form and fax it to 860-702-3662
or email a PDF of the completed form to osc.rfp@ct.gov*

*Attention: Steven Cosgrove
OSC Administrative Services Division*

This is to confirm that we have received the Request for Proposal for the State of Connecticut. We wish to advise that we **will** **will not** submit a proposal to provide:

We are not submitting a proposal because

Signature of this form presents your intent to bid.

Signature: _____

Email address: _____ *Date:* _____

Note: This form must be received no later than 2:00 p.m. June 15, 2018 to be considered for selection.

Attachment II
Standard Contract Terms

Office of the State Comptroller Standard Contract and Conditions

SECTION 1

This Agreement (“Agreement”) is made and entered into as of the ____ of _____, 2013 (“Effective Date”) by and between the State of Connecticut by and through the Office of the State Comptroller (“Comptroller”), and _____ (“Contractor”) under the authority of Conn. Gen. Stat. Sections 3-112.

SECTION 2

CONTRACT PERIOD AND DEFINITIONS

This Agreement shall begin effective July 1, 2013 and shall expire on June 30, 2017 and the duties of the Contractor as set forth in Section 4 of this Agreement shall be completed by the Contractor no later than June 30, 2017 (hereinafter “end date”), at which time the parties may agree to extend the Agreement for an additional term, not to exceed two years.

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

SECTION 3

NOTICE OF CHANGE AND TERMINATION

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

Comptroller: Office of the State Comptroller
55 Elm Street
Hartford, CT 06106
Attention: Business Services Office

Contractor: _____

Any request for written notice under this Agreement shall be made in the manner set forth in this section. The parties may change their respective addresses for notices under this paragraph upon prior written notification to the other.

If for any reason, the Contractor shall fail to fulfill in a timely manner and proper manner its obligations under this Agreement, the Comptroller shall thereupon have the right to terminate this Agreement by giving written notice to the Contractor of such termination and the reason therefore specifying the effective date thereof at least thirty (30) days before the effective date of such termination. In such event, all records and data prepared by the Contractor under this Agreement shall become available for audit. The Contractor shall not be relieved of liability to the Comptroller for damages sustained by the Comptroller by virtue of any breach of the Agreement by the Contractor, and the Comptroller may withhold any payments to the Contractor for the purposes of set-off until such time as the exact amount of damages to the Comptroller is determined.

The Comptroller or the Contractor may terminate this Agreement for any time by giving at least 60 days notice in writing to the other party. If the agreement is terminated by the Comptroller as provided herein, all fees earned up to the date of termination pursuant to _____ shall accrue and be paid to the Contractor.

SECTION 4

SPECIFICATION OF SERVICES

(Insert Outline of Work)

SECTION 5

COST AND SCHEDULE OF PAYMENTS

The Comptroller shall pay the CONTRACTOR a total sum not to exceed _____ for services performed under this AGREEMENT.

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

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

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

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

Invoices for expenses, if allowed, shall include a detailed account of expenses specifying the day when and purpose for which they were incurred as well as all receipts, invoices, bills and other available documentation as evidence of the actual cost of such expenses.

Such expenses may include, but are not limited to: mileage @ 50.5 cents per mile; costs of travel including airfare and hotels, and office expenses such as, phone calls, copying, postage and package delivery incurred in connection with the service pertaining to this AGREEMENT. All expenses will be reimbursed at cost.

SECTION 6

OTHER CONDITIONS

A. Entire Agreement

This Agreement embodies the entire agreement between the Comptroller and the Contractor on matters specifically addressed herein. The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind or nature not set forth herein. This Agreement shall supersede all prior written agreements between the parties and their predecessors. No changes, amendments or modifications of any terms or conditions of the Agreement shall be valid unless reduced to writing and signed by both parties and where applicable approved by the Office of the Attorney General. The Contractor's proposal response was used as determinative in the request for proposal process that resulted in this Agreement.

B. Changes in Service

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

C. Independent Contractor

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

If applicable, Contractor shall deliver copies of any and all current license(s) and registration(s)

relating to the services to be performed under this Agreement to the Comptroller, at the time of the execution of this Agreement, as evidence that such are in full force and effect.

D. Laws and Regulations

The Agreement shall be deemed to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of this Agreement that it shall be governed by, construed, and enforced in accordance with the laws and court decisions of the State of Connecticut without giving effect to its principles of conflicts of laws.

The Contractor agrees that the sole and exclusive means for the presentation of any claims against the State arising from this Agreement shall be in accordance with Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings in any State or Federal Court in addition to, or in lieu of, said Chapter 53 proceedings.

To the extent that any immunities provided by Federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor waives any objection which it may now have or will have to the laying of venue of any Claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.

The Contractor shall provide written notice to the State of any litigation that relates to the services directly or indirectly financed under this Agreement or that has the potential to impair the ability of the Contractor to fulfill the terms and conditions of this Agreement, including but not limited to financial, legal or any other situation which may prevent the Contractor from meeting its obligations under the Agreement.

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

E. Labor and Personnel

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

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

F. Conflicts, Errors, Omissions, and Discrepancies

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

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

G. Indemnity

Contractor hereby indemnifies and shall defend and hold harmless the State of Connecticut, the Comptroller, its officers, and its employees from and against any and all suits, actions, legal or

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

H. Nondisclosure

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

I. Quality Surveillance and Examination of Records

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

The Comptroller or its representatives shall have the right at reasonable hours to examine any books, records, and other documents of Contractor or its subcontractors pertaining to work performed under this Agreement and shall allow such representatives free access to any and all such books and records. The Comptroller will give the Contractor at least twenty-four (24) hours notice of such intended examination. At the Comptroller's request, the Contractor shall provide the Comptroller with hard copies of or magnetic disk or tape containing any data or information in the possession or control of the Contractor which pertains to the Comptroller's business under this Agreement. The Contractor shall incorporate this paragraph verbatim into any Agreement it enters into with any subcontractor providing services under this Agreement.

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

In the event that this Agreement constitutes a grant Agreement, and the Contractor is a public or private agency other than another state agency, the Contractor shall provide for an audit acceptable to the Comptroller, in accordance with the provisions of Conn. Gen. Stat. Sec. 7-396a.

J. Insurance

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

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

<u>Coverage:</u>	<u>Minimum Amounts and Limits</u>
1. Workers' Compensation	Connecticut Statutory Requirements
2. Employer's Liability	To the extent included under Workers' Compensation Insurance Policy
3. Adequate comprehensive Vehicle Liability Insurance covering all vehicles owned or leased by Contractor and in the course of work under this Agreement:	
a. Bodily Injury Insurance meeting Connecticut statutory requirements;	
b. Property Damage Insurance meeting Connecticut statutory requirements;	

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

Contractor shall deliver Certificates of Insurance relating to all of the above referenced coverages to the Comptroller at the time of the execution of this Agreement as evidence that

policies providing such coverage and limits of insurance are in full force and effect, which Certificate shall provide that no less than thirty (30) days advance notice will be given in writing to the Comptroller prior to cancellation, termination or alteration of said policies of insurance.

K. Non-Waiver

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

L. Promotion

Unless specifically authorized in writing by the Comptroller, the Contractor shall have no right to use, and shall not use, the name of the State of Connecticut, its officials or employees, the seal of the Comptroller, or the seal of the Comptroller:

1. In any advertising, publicity, promotion; nor
2. To express or imply any endorsement of the Contractor's products or services; nor

To use the names of the Comptroller, its officials or employees or the Comptroller seal or Comptroller's seal in any manner (whether or not similar to uses prohibited by subparagraphs 1 and 2 above), except as only to manufacture and deliver in accordance with this Agreement such items as are hereby contracted by the Comptroller, provided however, the use of the Comptroller seal shall require specific and express permission from the Secretary of the Comptroller.

M. Confidentiality

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

N. Subpoenas

In the event the Contractor's records are subpoenaed pursuant to Conn. Gen. Stat. Section 36a-43, the Contractor shall, within twenty-four (24) hours of service of the subpoena, notify the person designated for the Comptroller in Section 3 of this Agreement of such subpoena. Within thirty-six (36) hours of service, the Contractor shall send a written notice of the subpoena together with a copy of the same to the person designated for the Comptroller in Section 3 of this Agreement.

O. Survival

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

P. Americans with Disabilities Act

This clause applies to those Contractors which are or will become responsible for compliance with the terms of the Americans with Disabilities Act of 1990 during the term of the contract. Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. Failure of the Contractor to satisfy this standard either now or during the term of the contract as it may be amended will render the contract voidable at the option of the Comptroller upon notice to the Contractor. Contractor warrants that it will hold the Comptroller harmless from any liability which may be imposed upon the Comptroller as a result of any failure of the Contractor to be in compliance with this Act.

Q. Non-Discrimination and Executive Orders

This Agreement is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices, Executive Order No. Seventeen of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings and Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, concerning violence in the workplace, all of which are incorporated into and are made a part of the Contract as if they had been fully set forth in it. At the Contractor's request, the Client Agency shall provide a copy of these orders to the Contractor.

This Agreement may also be subject to Executive Order No. 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms and Executive Order No. 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, in accordance with their respective terms and conditions.

Non-Discrimination -The Contractor agrees to the following provisions required pursuant to 4a-60a of the Connecticut General Statutes:

For the purposes of this section, “minority business enterprise” means any small Contractor or supplier of materials fifty-one percent or more of the capitol stock, if any, or assets of which is owned by a person or persons. (1) who are active in the daily affairs of the enterprise; (2) who have the power to direct the management and policies of the enterprise; and (3) who are member of a minority, as such term is defined in subsection (a) of Connecticut General Statutes section 32-9n; and “good faith” means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. “Good faith efforts” shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements. For purposes of this section, “Commission” means the Commission on Human Rights and Opportunities. For purposes of this section, “Public works contract” means any agreement between any individual, firm or corporation and the state or any political subdivision of the state other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the state, including but not limited to, matching expenditures, grants, loans, insurance or guarantees.

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

accordance with regulations adopted by the Commission; (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this section and Connecticut General Statutes sections 46a-68e and 46a-68f and with regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes sections 46a-56, 46a-68e and 46a-68f; (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission and permit access to pertinent books, records and accounts, concerning the works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprise as subcontractors and suppliers of materials on employment practices and procedures of this Contractor as relate to the provisions of this section and section 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.

Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices: affirmative advertising, recruiting; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.

The Contractor shall include the provisions of subsection _____ of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes Section 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

The Contractor agrees to comply with the regulations referred to in this Section as they exist on

the date of this Agreement and as they may be adopted or amended from time to time during the term of this Agreement and any amendments thereto.

Non-discrimination Regarding Sexual Orientation - Unless otherwise provided by Connecticut General Statutes, Section 46a-51p, the Contractor agrees to the following provisions required pursuant to Section 4a-60a of the Connecticut General Statutes:

(1) The Contractor agrees and warrants that in the performance of the Agreement such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding, and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said Commission pursuant to Section 46a-56 of the Connecticut General Statutes; (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts concerning the employment practices and procedures of the Contractor which relate to provisions of this section and Section 46a-56 of the Connecticut General Statutes.

The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on any subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for non compliance in accordance with Section 46a-56 of the Connecticut General Statutes provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

S. Sovereign Immunity

Notwithstanding any provisions to the contrary contained in this Agreement, it is agreed and

understood that the State of Connecticut shall not be construed to have waived any rights or defenses of sovereign immunity which it may have with respect to all matters arising out of this Agreement.

T. Assignment

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

U. Severability

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

V. Headings

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

W. Third Parties

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

X. Non Waiver

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

Y. Contractor Certification

The Contractor certifies that the Contractor has not been convicted of bribery or attempting to bribe an officer or employee of the Comptroller, nor has the Contractor made an admission of

guilt of such conduct which is a matter of record.

Z. Summary of State Ethics Laws

Pursuant to the requirements of section 1-101qq of the Connecticut General Statutes, the summary of State ethics laws developed by the State Ethics Commission pursuant to section 1-81b of the Connecticut General Statutes is incorporated by reference into and made a part of the Agreement as if the summary had been fully set forth in the Contract. (See: http://www.ct.gov/ethics/lib/ethics/guides/2016/contractors_guide_to_the_code_of_ethics_revjan2016b.pdf)

Attachment III

This form is MANDATORY and must be completed, signed and returned before your bid can be considered by the Comptroller's Office.

**COMPTROLLER'S AFFIRMATION OF RECEIPT OF
SUMMARY OF STATE ETHICS LAWS**

The undersigned, as a duly authorized officer of the company/firm bidding/negotiating the attached contract, affirms (1) receipt of the summary of State ethics laws for contractors, (2) that key employees of the company/firm have read and understand the summary and (3) that company/firm agrees to comply with the provisions of State ethics laws.

Signature & Title

Date

Company Name

Principal Address

FEIN/SSN