



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER  
**INS11013**

PAGE  
**1**

ADDRESS CORRESPONDENCE TO ATTENTION OF  
**SHELLY MURRAY  
 304-558-8801**

VENDOR

\*126110829      317-575-7672  
**UNITED HEALTH ACTUARIAL SVCS I  
 11611 N MERIDIAN ST STE 330  
 CARMEL IN 46032**

STATE

**INSURANCE COMMISSION  
 1124 SMITH STREET  
 CHARLESTON, WV  
 25305-0540      304-558-3707**

DATE PRINTED <b>04/04/2011</b>	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
-----------------------------------	---------------	----------	--------	---------------

BID OPENING DATE: **05/11/2011**      BID OPENING TIME: **01:30PM**

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	LS		946-12		
<p style="text-align: center;"><b>OPEN END CONTRACT</b></p> <p>THE WEST VIRGINIA PURCHASING DIVISION, FOR THE AGENCY, THE WEST VIRGINIA INSURANCE COMMISSION, IS SOLICITING BIDS FOR ACTUARIAL RATE REVIEW OF LIFE AND HEALTH PRODUCT FILINGS AND CONSULTING SERVICES PER THE ATTACHED SPECIFICATIONS.</p> <p>TECHNICAL QUESTIONS MUST BE SUBMITTED IN WRITING TO SHELLY MURRAY IN THE WEST VIRGINIA PURCHASING DIVISION VIA MAIL AT THE ADDRESS SHOWN AT THE TOP OF THIS RFQ, VIA FAX AT 304-558-4115, OR VIA E-MAIL AT SHELLY.L.MURRAY@WV.GOV. DEADLINE FOR ALL TECHNICAL QUESTIONS IS 04/25/2011 AT THE CLOSE OF BUSINESS. ALL TECHNICAL QUESTIONS RECEIVED, IF ANY, WILL BE ADDRESSED BY ADDENDUM AFTER THE DEADLINE.</p> <p><b>ACTUARIAL SERVICES</b></p> <p><b>EXHIBIT 3</b></p> <p>LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE UPON AWARD AND EXTENDS FOR A PERIOD OF ONE (1) YEAR OR UNTIL SUCH "REASONABLE TIME" THEREAFTER AS IS NECESSARY TO OBTAIN A NEW CONTRACT OR RENEW THE</p>						

**RECEIVED**  
 2011 MAY 10 AM 10:02  
 WV PURCHASING DIVISION

SEE REVERSE SIDE FOR TERMS AND CONDITIONS			
SIGNATURE 	TELEPHONE 317-575-7672	DATE May 10, 2011	
TITLE Principal & Consulting Actuary	FEIN 04-3738148	ADDRESS CHANGES TO BE NOTED ABOVE	

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER  
**INS11013**

PAGE  
**2**

ADDRESS CORRESPONDENCE TO ATTENTION OF  
**SHELLY MURRAY  
 304-558-8801**

VENDOR

\*126110829 317-575-7672  
 UNITED HEALTH ACTUARIAL SVCS I  
 11611 N MERIDIAN ST STE 330  
  
 CARMEL IN 46032

SHIP TO

INSURANCE COMMISSION  
  
 1124 SMITH STREET  
 CHARLESTON, WV  
 25305-0540 304-558-3707

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
04/04/2011				

BID OPENING DATE: **05/11/2011** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>ORIGINAL CONTRACT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. DURING THIS "REASONABLE TIME" THE VENDOR MAY TERMINATE THIS CONTRACT FOR ANY REASON UPON GIVING THE DIRECTOR OF PURCHASING 30 DAYS WRITTEN NOTICE.</p> <p>UNLESS SPECIFIC PROVISIONS ARE STIPULATED ELSEWHERE IN THIS CONTRACT DOCUMENT, THE TERMS, CONDITIONS AND PRICING SET HEREIN ARE FIRM FOR THE LIFE OF THE CONTRACT.</p> <p>RENEWAL: THIS CONTRACT MAY BE RENEWED UPON THE MUTUAL WRITTEN CONSENT OF THE SPENDING UNIT AND VENDOR, SUBMITTED TO THE DIRECTOR OF PURCHASING THIRTY (30) DAYS PRIOR TO THE EXPIRATION DATE. SUCH RENEWAL SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AND SHALL BE LIMITED TO TWO (2) ONE (1) YEAR PERIODS.</p> <p>CANCELLATION: THE DIRECTOR OF PURCHASING RESERVES THE RIGHT TO CANCEL THIS CONTRACT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICES SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.</p> <p>OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)</p> <p>QUANTITIES: QUANTITIES LISTED IN THE REQUISITION ARE APPROXIMATIONS ONLY, BASED ON ESTIMATES SUPPLIED BY</p>						

SIGNATURE			TELEPHONE 317-575-7672		DATE May 10, 2011
TITLE Principal & Consulting Actuary			FEIN 04-3738148		ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER  
**INS11013**

PAGE  
**3**

ADDRESS CORRESPONDENCE TO ATTENTION OF  
**SHELLY MURRAY  
 304-558-8801**

VENDOR

\*126110829 317-575-7672  
 UNITED HEALTH ACTUARIAL SVCS I  
 11611 N MERIDIAN ST STE 330

CARMEL IN 46032

SHIP TO

INSURANCE COMMISSION  
  
 1124 SMITH STREET  
 CHARLESTON, WV  
 25305-0540 304-558-3707

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
04/04/2011				

BID OPENING DATE: **05/11/2011** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>THE STATE SPENDING UNIT. IT IS UNDERSTOOD AND AGREED THAT THE CONTRACT SHALL COVER THE QUANTITIES ACTUALLY ORDERED FOR DELIVERY DURING THE TERM OF THE CONTRACT, WHETHER MORE OR LESS THAN THE QUANTITIES SHOWN.</p> <p>ORDERING PROCEDURE: SPENDING UNIT(S) SHALL ISSUE A WRITTEN STATE CONTRACT ORDER (FORM NUMBER WV-39) TO THE VENDOR FOR COMMODITIES COVERED BY THIS CONTRACT. THE ORIGINAL COPY OF THE WV-39 SHALL BE MAILED TO THE VENDOR AS AUTHORIZATION FOR SHIPMENT, A SECOND COPY MAILED TO THE PURCHASING DIVISION, AND A THIRD COPY RETAINED BY THE SPENDING UNIT.</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THE STATE MAY DEEM THE CONTRACT NULL AND VOID, AND TERMINATE SUCH CONTRACT WITHOUT FURTHER ORDER.</p> <p>THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT SHALL SUPERSEDE ANY AND ALL SUBSEQUENT TERMS AND CONDITIONS WHICH MAY APPEAR ON ANY ATTACHED PRINTED DOCUMENTS SUCH AS PRICE LISTS, ORDER FORMS, SALES AGREEMENTS OR MAINTENANCE AGREEMENTS, INCLUDING ANY ELECTRONIC MEDIUM SUCH AS CD-ROM.</p> <p>EXHIBIT 6</p> <p>PRICE ADJUSTMENT PROVISION:          THE STATE OF WEST VIRGINIA WILL CONSIDER BIDS THAT CONTAIN PROVISIONS FOR PRICE ADJUSTMENTS PRIOR TO THE ORIGINAL EXPIRATION OF THE CONTRACT, PROVIDED THAT SUCH PRICE ADJUSTMENT COVERS BOTH UPWARD AND DOWNWARD MOVEMENT OF THE COMMODITY PRICE, AND THAT ADJUSTMENT IS BASED ON THE "PASS THROUGH" INCREASE OR DECREASE OF RAW MATERIALS AND/OR LABOR, WHICH MAKE UP ALL OR A SUBSTANTIAL PART OF A PRODUCT. ADJUSTMENTS ARE TO BE</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE 	TELEPHONE 317-575-7672	DATE May 10, 2011
TITLE Principal & Consulting Actuary	FEIN 04-3738148	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER
INS11013

PAGE
4

ADDRESS CORRESPONDENCE TO ATTENTION OF
SHELLY MURRAY 304-558-8801

VENDOR

\*126110829      317-575-7672  
 UNITED HEALTH ACTUARIAL SVCS I  
 11611 N MERIDIAN ST STE 330  
  
 CARMEL IN 46032

SHIP TO

INSURANCE COMMISSION  
  
 1124 SMITH STREET  
 CHARLESTON, WV  
 25305-0540      304-558-3707

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
04/04/2011				

BID OPENING DATE: **05/11/2011**      BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>BASED UPON AN ACTUAL DOLLAR FIGURE, NOT A PERCENTAGE. ALL PRICE ADJUSTMENT REQUESTS MUST BE SUBSTANTIATED IN A MANNER ACCEPTABLE TO THE DIRECTOR PURCHASING, E.G. GOVERNMENTAL BENCH MARKS, GENERAL MARKET INCREASE, PUBLISHED PRICE LISTS. SUCH REQUESTS FOR AND INCREASE SHOULD BE RECEIVED IN WRITING BY THE DIRECTOR OF PURCHASING AT LEAST 30 DAYS IN ADVANCE OF THE EFFECTIVE DATE OF THE INCREASE. ANY TIME THE VENDOR REQUESTS A PRICE ADJUSTMENT, THE PURCHASING DIVISION MAY EITHER ACCEPT THE PRICE ADJUSTMENT AND AMEND THE CONTRACT ACCORDINGLY OR REJECT THE ADJUSTMENT IN ITS ENTIRETY AND CANCEL THE CONTRACT.</p> <p>PREFERRED TERMS:            IT IS PREFERRED THAT THE PRICES ON THIS CONTRACT ARE FIRM FOR LIFE OF THE CONTRACT, AS INDICATED IN THE LIFE OF CONTRACT CLAUSE CONTAINED HEREIN, NOT TO EXCEED ONE (1) YEAR.</p> <p>PASS THROUGH PRICE INCREASES WILL BE CONSIDERED AT TIME OF CONTRACT RENEWAL ONLY.</p> <p>PURCHASING CARD ACCEPTANCE: THE STATE OF WEST VIRGINIA CURRENTLY UTILIZES A VISA PURCHASING CARD PROGRAM WHICH IS ISSUED THROUGH A BANK. THE SUCCESSFUL VENDOR MUST ACCEPT THE STATE OF WEST VIRGINIA VISA PURCHASING CARD FOR PAYMENT OF ALL ORDERS PLACED BY ANY STATE AGENCY AS A CONDITION OF AWARD.</p> <p style="text-align: center;">NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:             DEPARTMENT OF ADMINISTRATION            PURCHASING DIVISION            BUILDING 15</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS		
SIGNATURE 	TELEPHONE 317-575-7672	DATE May 10, 2011
TITLE Principal & Consulting Actuary	FEIN 04-3738148	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER  
**INS11013**

PAGE  
**5**

ADDRESS CORRESPONDENCE TO ATTENTION OF  
**SHELLY MURRAY  
 304-558-8801**

VENDOR

\*126110829 317-575-7672  
 UNITED HEALTH ACTUARIAL SVCS I  
 11611 N MERIDIAN ST STE 330  
 CARMEL IN 46032

SHIP TO

INSURANCE COMMISSION  
 1124 SMITH STREET  
 CHARLESTON, WV  
 25305-0540 304-558-3707

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
04/04/2011				

BID OPENING DATE: **05/11/2011** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
				2019 WASHINGTON STREET, EAST CHARLESTON, WV 25305-0130		
<p>THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED:</p> <p>SEALED BID</p> <p>BUYER: SHELLY MURRAY</p> <p>RFQ. NO.: INS11013</p> <p>BID OPENING DATE: 05/11/2011</p> <p>BID OPENING TIME: 1:30 PM</p> <p>PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID:            -----317-575-7678-----</p> <p>CONTACT PERSON (PLEASE PRINT CLEARLY):            -----Karl Volkmar-----</p>						
SEE REVERSE SIDE FOR TERMS AND CONDITIONS						
SIGNATURE				TELEPHONE 317-575-7672	DATE May 10, 2011	

TITLE Principal & Consulting Actuary	FEIN 04-3738148	ADDRESS CHANGES TO BE NOTED ABOVE
---	--------------------	-----------------------------------

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER
INS11013

PAGE
6

ADDRESS CORRESPONDENCE TO ATTENTION OF
SHELLY MURRAY 304-558-8801

PROPERTY

\*126110829      317-575-7672  
 UNITED HEALTH ACTUARIAL SVCS I  
 11611 N MERIDIAN ST STE 330  
  
 CARMEL IN 46032

SHIP TO

INSURANCE COMMISSION  
  
 1124 SMITH STREET  
 CHARLESTON, WV  
 25305-0540      304-558-3707

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
04/04/2011				

BID OPENING DATE: **05/11/2011**      BID OPENING TIME **01:30PM**

LINE	QUANTITY	UCP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
***** THIS IS THE END OF RFQ      INS11013 ***** TOTAL:						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE 317-575-7672	DATE May 10, 2011
-----------	---------------------------	----------------------

TITLE Principal & Consulting Actuary	FEIN 04-3738148	ADDRESS CHANGES TO BE NOTED ABOVE
---	--------------------	-----------------------------------

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

## **REQUEST FOR QUOTATIONS INS11013**

### **ACTUARIAL REVIEW AND CONSULTING SERVICES FOR LIFE AND HEALTH INSURANCE PRODUCT RATE FILINGS**

The West Virginia Offices of the Insurance Commissioner (OIC), an agency of the West Virginia Department of Revenue, is seeking quotations from qualified actuarial firms for actuarial rate review of life and health related product filings and consulting services. Life and health product filings include, but are not limited to, accident and sickness, long term care, disability, annuity, health, major medical, credit and Medicare supplement products for individual and group plans. The firm may provide other management consulting services for the OIC. These additional services may include appearances by the firm's personnel before legislative and executive bodies, or others to respond to questions or give reports. The firm may be required to provide testimony at rate hearings. These services may also include the preparation of related written reports. All work under the proposed contract will be under the direction of the Insurance Commissioner or her designee. Written reports and findings must be submitted initially in draft form in order that any necessary changes may be discussed and agreed upon before final acceptance. The actuarial firm may provide other management consulting services and perform special reviews and/or analysis of life and health products for the OIC.

#### **"Qualified Actuarial Firm" defined**

Any actuarial firm submitting a quotation under this procurement shall meet or exceed the minimum qualification set for in this RFQ. Those quotations not meeting the mandatory specifications will be eliminated. Any actuarial firm submitting a quotation under this procurement shall meet or exceed the minimum qualifications as follows:

One or more members assigned to this contract must be a Fellow of the Society of Actuaries (FSA) and/or a Member of the American Academy of Actuaries (MAAA)

Members assigned this contract must have at least five (5) years of experience with life and health products

Members assigned this contract must have at least five (5) years of experience specifically with long term care products

Members assigned this contract must be knowledgeable of Actuarial Standard Practice No. 8

One or more members to be assigned to this contract must be experienced in providing rate review services to state insurance regulators

The firm shall have no conflict of interest with regard to any carrier that is actively writing individual or group life and health products in the West Virginia market.

### **Scope of Services**

The firm awarded the contract as a result of this RFQ will assist the Insurance Commissioner and Director of Rates and Forms in reviewing life and health product filings for individual, group and association product offerings. The review shall include, but may not be limited to, analysis of trending, credibility, lapse ratios, development factors, durational factors, geographical factors, loss development, loss ratios, rating bands and all other components of a rate filing. It is expected that the review will document the justification for the rate adjustment, concerns with factors used or selected, support of the factors, identify areas of concern, documentation to support the indicated and requested rate levels, projected premium impact and projected premium impact to consumers. The initial review and related report shall be submitted to the OIC within 30 days of receiving the filing from the OIC. All follow-up questions and correspondence shall be between the OIC and the carrier.

The actuarial firm may provide other management consulting services and perform special reviews and/or analysis of life and health related products to the OIC. These additional services may include appearances by the actuary's personnel before judicial, legislative, and executive bodies, or others to respond to questions of an actuarial nature or to give reports. These services may also include the preparation of written reports concerning actuarial matters as deemed necessary by the OIC. All work under the proposed contract will be under the direction of the Insurance Commissioner or her designee. Written reports and actuarial findings must be submitted initially in draft form in order that any necessary changes may be discussed and agreed upon before final acceptance.

### **Bid Amount**

The amount of the bid submitted by each potential vendor shall be a fixed hourly rate for services rendered. This rate shall be the same regardless of which partner or member performs the services and shall be sufficient to cover any and all incidental expenses. Out of pocket travel expenses shall be billed in accordance with the State of West Virginia's Travel Rules as prescribed by the Travel Management Unit, Purchasing Division.

### **Issuing Office/Contact Point for this RFQ**

This RFQ is being issued by the Purchasing Division of the Department of Administration, on behalf of the West Virginia Offices of the Insurance Commissioner. Inquiries about this RFQ, or requests for additional information, must be directed to:



Shelly Murray, Buyer Supervisor  
Purchasing Division  
2019 Washington Street, East  
Charleston, West Virginia 25305-0130  
Telephone: (304) 558-8801  
Facsimile: (304) 558-4115

No contact with the West Virginia Offices of the Insurance Commissioner staff specifically concerning this RFQ is permitted following issuance of this RFQ. Any contact related to this RFQ may disqualify the Vendor who violates this requirement.

**Expenses Incurred**

The State of West Virginia and the West Virginia Offices of the Insurance Commissioner will not be liable for any expenses incurred by any Vendor in the preparation and submission of quotations for this RFQ.

**Assignment**

The relationship of the selected firm to the State of West Virginia and to the West Virginia Offices of the Insurance Commissioner will be that of an independent contractor, with no principal-agent or employer-employee relationships created by the parties to any resultant agreement. The firm shall not assign, convey, transfer, or delegate any of its responsibilities or obligation under the resultant agreement without prior written approval of the Offices of the Insurance Commissioner. Such approval may be granted by the sole discretion of the Offices of the Insurance Commissioner. No assignments, if any are granted, shall release the vendor from its liability for the prompt and effective performance of the obligations hereunder.

**Governing Law**

The contract resulting from this RFQ will be governed by the laws of West Virginia. The State of West Virginia asserts its Eleventh Amendment right not to be sued in any federal court.

**Taxes**

The State of West Virginia and the West Virginia Offices of the Insurance Commissioner are exempt from Federal Excise taxes and from State and local sales and use taxes on the services to be supplied as a result of any contracts resulting from this RFQ. Consequently, the State of West Virginia and the West Virginia Offices of the Insurance Commissioner will have no responsibilities for the payment of any taxes that become payable by the successful firm.

**Acceptance Period for Quotations**

The quotations submitted in response to the RFQ shall remain fixed and valid for a period of six (6) months commencing on the date the quotations are due.

**Firm Information**

Responding firms should include the following information with their bid proposal submittal. The West Offices of the Insurance Commissioner reserves the right to request this and any additional information at any time during the bid evaluation process prior to their recommendation of award notification to the West Virginia Purchasing Division.

- (a) Name and address of the firm submitting the quotation along with the federal employer identification number of the vendor.
- (b) Date of registration to do business in the State of West Virginia.

**VENDOR COST:****\$ 189.50 PER HOUR**

STATE OF WEST VIRGINIA  
Purchasing Division

**PURCHASING AFFIDAVIT**

**West Virginia Code §5A-3-10a states:** No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate.

**DEFINITIONS:**

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Debtor" means any individual, corporation, partnership, association, limited liability company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by a county or municipality; any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

**EXCEPTION:** The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

Under penalty of law for false swearing (*West Virginia Code §61-5-3*), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

**WITNESS THE FOLLOWING SIGNATURE**

Vendor's Name: United Health Federal Services, Inc.

Authorized Signature: [Signature] Date: 5/11/11

State of Indiana

County of Hamilton, to-wit:

Taken, subscribed, and sworn to before me this 9<sup>th</sup> day of May, 2011.

My Commission expires 2/13, 2019.

AFFIX SEAL HERE

NOTARY PUBLIC Betsy Leigh Godby  
Betsy Leigh Godby

**BETSY LEIGH GODBY**  
Notary Public, State of Indiana  
SEAL

My Commission Expires 2/13/2019 Purchasing Affidavit (Revised 12/15/09)

VENDOR PREFERENCE CERTIFICATE

Certification and application\* is hereby made for Preference in accordance with West Virginia Code, §5A-3-37. (Does not apply to construction contracts). West Virginia Code, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the West Virginia Code. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Resident Vendor Preference, if applicable.

- 1. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; or, Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or, Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; or,
2. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
3. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
4. Application is made for 5% resident vendor preference for the reason checked: Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; or,
5. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked: Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; or,
6. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked: Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Bidder: United Health Actuarial Services, Inc.

Signed: [Signature]

Date: May 10, 2011

Title: Principal & Consulting Actuary

\*Check any combination of preference consideration(s) indicated above, which you are entitled to receive.

## GENERAL TERMS & CONDITIONS REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
4. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods this Purchase Order/Contract becomes void and of no effect after June 30.
5. Payment may only be made after the delivery and acceptance of goods or services.
6. Interest may be paid for late payment in accordance with the *West Virginia Code*.
7. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
8. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
9. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
10. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern the purchasing process.
11. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
12. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, the State may deem this contract null and void, and terminate such contract without further order.
13. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at [www.state.wv.us/admin/purchase/vrc/hipaa.htm](http://www.state.wv.us/admin/purchase/vrc/hipaa.htm) and is hereby made part of the agreement. Provided that the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
14. **CONFIDENTIALITY:** The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/noticeConfidentiality.pdf>.
15. **LICENSING:** Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, and the West Virginia Insurance Commission. The vendor must provide all necessary releases to obtain information to enable the director or spending unit to verify that the vendor is licensed and in good standing with the above entities.
16. **ANTITRUST:** In submitting a bid to any agency for the State of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will convey, sell, assign or transfer to the State of West Virginia all rights, title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to the bidder.

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, or person or entity submitting a bid for the same material, supplies, equipment or services and is in all respects fair and without collusion or fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.

### INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Purchasing Division. Complete all sections of the quotation form.
2. Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Unit prices shall prevail in case of discrepancy. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
4. All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130
5. Communication during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited (W.Va. C.S.R. §148-1-6.6).