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Responded By User ID: governmentsales1	Total of Header Attachments: 1
First Name: Josh	Total of All Attachments: 1
Last Name: Schultz	
Email: governmentsales@softheon.	
Phone: (800) 236-7941	



Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	Contract Services Deliverable #1 (Implementation) 4 Mo				0.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:** There is no implementation fee for AVS as we're already implemented in West Virginia.

**Extended Description:**

Contract Services Deliverable #1 (Implementation-4 Months) (Section 4.1) - AVS Services Integrated with the current West Virginia eligibility enrollment system by 06/04/2024. (4.1 Implementation of Integration).  
Service Period: 02/04/2024-06/03/2024

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
2	Base Year 1 Fixed Operating Cost (8 Months)				1400000.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:**

**Extended Description:**

Base Year 1 Fixed Operating Cost (8 Months) (4.1 Operations of AVS Services)  
Service Period: 06/04/2024-02/03/2025

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
3	Base Year 2 Fixed Operating Cost				2100000.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:**

**Extended Description:**

Base Year 2 Fixed Operating Cost (4.1 Operations of AVS Services)  
Service Period: 02/04/2025-02/03/2026

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
4	Base Year 3 Fixed Operating Cost				2100000.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:**

**Extended Description:**

Base Year 3 Fixed Operating Cost (4.1 Operations of AVS Services)  
Service Period: 02/04/2026-02/03/2027

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
5	Optional Renewal Year 1 Fixed Operating Cost				2163000.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:**

**Extended Description:**

Optional Renewal Year 1 Fixed Operating Cost (4.1 Operations of AVS Services)  
 Service Period: 02/04/2027-02/03/2028

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
6	Optional Renewal Year 2 Fixed Operating Cost				2227890.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:**

**Extended Description:**

Optional Renewal Year 2 Fixed Operating Cost (4.1 Operations of AVS Services)  
 Service Period: 02/04/2028-02/03/2029

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
7	Optional Renewal Year 3 Fixed Operating Cost				2294726.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:**

**Extended Description:**

Optional Renewal Year 3 Fixed Operating Cost (4.1 Operations of AVS Services)  
 Service Period: 02/04/2029-02/03/2030

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
8	Additional Per Trans Cost for 350,001 or more Annual Tr.				6.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:** Please note that this additional per transaction cost only applies to AVS queries (Section 4.1 Services). Overage costs for Section 4.2 services are specified in lines 16-21 items below.

**Extended Description:**

Additional Per Transaction Cost for 350,001 or more Annual Transactions (4.1 Operations of AVS Services and 4.2 Optional Services)  
 Service Period: 06/04/2024-02/03/2030

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
9	Base Year 1 Enhancement Rate (8 Months)				0.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:**

**Extended Description:**

Base Year 1 Enhancement Rate (8 Months) (4.1 and 4.2)

Service Period: 06/04/2024-02/03/2025

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
10	Base Year 2 Enhancement Rate				0.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:****Extended Description:**

Base Year 2 Enhancement Rate (4.1 and 4.2)

Service Period: 02/04/2025-02/03/2026

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
11	Base Year 3 Enhancement Rate				0.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:****Extended Description:**

Base Year 3 Enhancement Rate (4.1 and 4.2)

Service Period: 02/04/2026-02/03/2027

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
12	Optional Renewal Year 1 Enhancement Rate				0.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:****Extended Description:**

Optional Renewal Year 1 Enhancement Rate (4.1 and 4.2)

Service Period: 02/04/2027-02/03/2028

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
13	Optional Renewal Year 2 Enhancement Rate				0.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:****Extended Description:**

Optional Renewal Year 2 Enhancement Rate (4.1 and 4.2)

Service Period: 02/04/2028-02/03/2029

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
14	Optional Renewal Year 3 Enhancement Rate				0.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:**

**Extended Description:**

Optional Renewal Year 3 Enhancement Rate (4.1 and 4.2)  
 Service Period: 02/04/2029-02/03/2030

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
15	Total Optional Services Fixed Implementation Cost				0.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:** Neither Softheon, nor our downstream data vendor partners, are charging any implementation fees.

**Extended Description:**

Total Optional Services Fixed Implementation Cost (4.2) (4 Months)  
 Service Period: 02/04/2024-06/03/2024

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
16	Optional Services Base Year 1 Fixed Operating Cost (8 Mo)				4260000.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:** Note: transactions over 200,000 priced at \$24.83 per transaction.

**Extended Description:**

Optional Services Base Year 1 Fixed Operating Cost (8 Months) (4.2)  
 Service Period: 06/04/2024-02/03/2025

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
17	Optional Services Base Year 2 Fixed Operating Cost				5200000.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:** Note: transactions over 200,000 are priced at \$28.30 per transaction

**Extended Description:**

Optional Services Base Year 2 Fixed Operating Cost (4.2)  
 Service Period: 02/04/2025-02/03/2026

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
18	Optional Services Base Year 3 Fixed Operating Cost				5540000.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:** Note: transactions over 200,000 are priced at \$32.27 per transaction.

**Extended Description:**

Optional Services Base Year 3 Fixed Operating Cost (4.2)  
 Service Period: 02/04/2026-02/03/2027

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
19	Optional Services Optional Ren Year 1 Fixed Operating Cost				6310000.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:** Note: transactions over 200,000 priced at \$36.78 per transaction.

**Extended Description:**

Optional Services Optional Renewal Year 1 Fixed Operating Cost (4.2)  
 Service Period: 02/04/2027-02/03/2028

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
20	Optional Services Optional Ren Year 2 Fixed Operating Cost				7180000.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:** Note: transactions over 200,000 priced at \$41.93 per transaction.

**Extended Description:**

Optional Services Optional Renewal Year 2 Fixed Operating Cost (4.2)  
 Service Period: 02/04/2028-02/03/2029

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
21	Optional Services Optional Ren Year 3 Fixed Operating Cost				8185000.00

Comm Code	Manufacturer	Specification	Model #
93151507			

**Commodity Line Comments:** Note: transactions over 200,000 priced at \$47.81 per transaction.

**Extended Description:**

Optional Services Optional Renewal Year 3 Fixed Operating Cost (4.2)  
 Service Period: 02/04/2029-02/03/2030



# West Virginia AIVS RFQ: CFRQ-0511-BMS2400000002-2

Asset and Optional Income Verification System  
January 17, 2024

*Submitted to:*

**Crystal Hustead**

Department of Administration  
Purchasing Division  
2019 Washington St. E  
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*Submitted by:*

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# Cover Letter

Crystal Husted  
Department of Administration  
Purchasing Division  
2019 Washington St. E  
Charleston, WV 25305

**RE: RFQ CFRQ-0511-BMS240000002, Asset and Optional Income Verification Services**

Dear Ms. Husted,

I am writing on behalf of Softheon Inc. to submit our proposal in response to the West Virginia Request for Quotation (RFQ) for Asset and Optional Income Verification Services (AIVS). Formed in 2000 and with almost 16 years of experience in delivering solutions for state-based government programs, and the current incumbent for this project, Softheon strongly desires to continue to support the efforts of the State of West Virginia.

Softheon's commitment to improving healthcare access has made us an industry leader in Medicaid asset verification execution and verification response management technology. With the great support of our state and carrier partners, Softheon is also responsible for supporting over 5 million ACA enrollments next open enrollment and for the collection and management of over \$4 billion in payments.

At Softheon, we are fully capable and immediately able to provide solutions to meet the needs of West Virginia in this RFQ, regarding both Asset Verification Services (AVS) and Optional Income Verification Services (I&E). Our response includes a Company Overview where we share our impressive and extensive experience, followed by a description of our solution. Softheon will execute all services in the United States, organic to our current systems and without the support of subcontractors or consultants. Softheon is always cost-effective, thoughtful, and efficient. We look forward to demonstrating our solution and partnering with your State for the benefit of all West Virginians.

We are excited about the opportunity to continue bringing our extensive experience and dedicated service to the West Virginia Department of Health and Human Resources (DHHR). We welcome any questions and are prepared to provide additional information to support our proposal.

Sincerely,



**Victor Sanchez**  
Vice President of Government Solutions  
Softheon Inc  
Email: vsanchez@softheon.com  
Mobile: 410-340-5775

# 1. Company Overview

Since its inception 24 years ago, Softheon Inc. has been a pillar in the healthcare technology sector, specializing in serving state government agencies with Affordable Care Act (ACA)-compliant state-based exchanges (SBEs) and other exchange support solutions. Our journey began in 2008, significantly contributing to the Commonwealth of Massachusetts' Health Connector – the nation's first SBE. This pioneering effort set a precedent for excellence and innovation, leading the design and implementation of crucial technology components in the healthcare sector – including asset and income verification.



## Superior Verification Technology

Softheon has revolutionized state verification data for public assistance programs, with four new state contracts in the past 6 years. Our modular, MITA-aligned Softheon Verify Platform is designed for ease of integration and use, and supports cross-agency data sharing, meeting current and future data requirements.

## Experienced in MMIS and Eligibility System Integrations

Softheon's integration experience spans various eligibility systems and data migration projects. We excel in delivering tailored solutions, understanding the unique needs of each state, and ensuring efficient and precise system integrations and support.

## Industry-Leading Data Partnerships

Our extensive partnerships with data agencies and technology firms enable us to match state-specific needs. For AVS services, we partner with TransUnion, Early Warning, and LexisNexis (Accuity) to obtain financial and real property asset information to assist DHHR with the eligibility determination process. A key feature of Softheon is that we have different data vendor partners for other solutions not requested in this RFQ, and can integrate with state, local, federal, and county data sources to further enhance many aspects of the eligibility determination process.

For the solutions proposed in response to this RFQ, Softheon partners with the following data vendor partners:

1. **TransUnion:** TransUnion stands as a global leader in credit and information management services. Renowned for its extensive and high-quality data resources, TransUnion excels in providing real property, income, employment, and identity data. Their expansive database and sophisticated analytics capabilities deliver

comprehensive and reliable information, making them an invaluable partner for accurate and efficient data verification.

2. **LexisNexis (Accuity):** LexisNexis, through its Accuity brand, is a powerhouse in the world of financial institution data services. Renowned for its precision and depth, Accuity offers unparalleled access to a vast array of global financial data. Their robust database and advanced data management technologies make them a critical resource for businesses seeking detailed and accurate financial institution information.
3. **Equifax:** Equifax, a global data, analytics, and technology company, specializes in income and employment verification. Their extensive network and sophisticated data collection methods provide accurate and up-to-date information, crucial for verifying financial details. As a leader in the credit reporting industry, Equifax's data integrity and reliability are unmatched, making them a top-tier partner for employment and income verification services.
4. **Early Warning:** A pivotal aspect of our service is our reliance on Early Warning for AVS data, a premier data vendor partner known for its extensive reach, covering 30-40% of the banks where an individual might hold monetary deposits. Early Warning's significance is further underscored by its role as the parent company of Zelle, a widely used payment platform that connects with a variety of financial institutions (FIs).

### **Robust Data Analytics Dashboard**

Our Foundry Data Analytics platform offers near real-time data, reports, and dashboard capabilities. It enables West Virginia agencies to manage operations effectively, providing insights into trends and key performance indicators, and facilitating efficient reporting and analysis.

### **A Partner in Innovation**

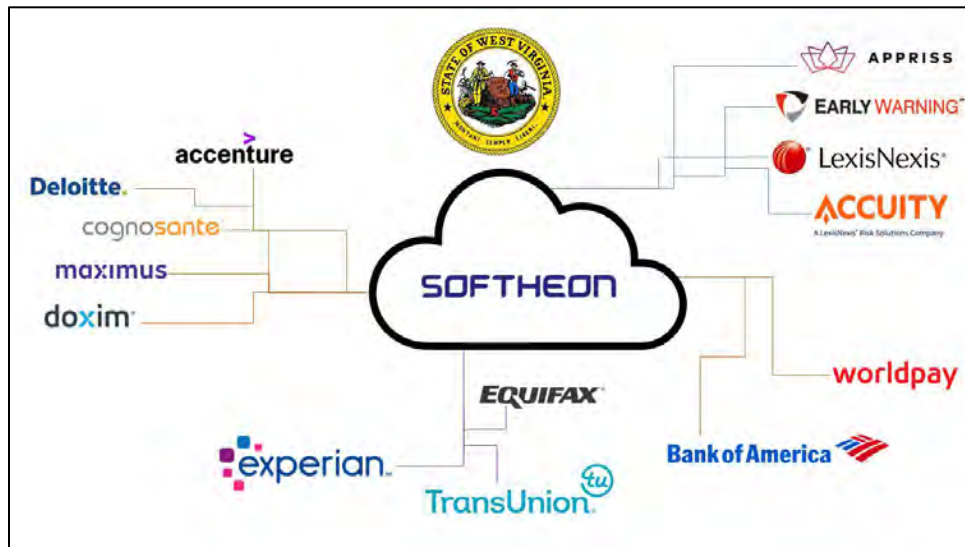
Softheon's journey reflects our unwavering commitment to innovation and excellence in healthcare technology. We have consistently demonstrated our ability to adapt and evolve, offering state-of-the-art solutions that not only meet but exceed the expectations of our clients. Our partnerships, technological prowess, and dedication to client success solidify our position as a leader in healthcare technology solutions.

## 2. Softheon's Experience and West Virginia Partnership

Softheon's remarkable journey in the realm of AVS positions us as a national leader, uniquely equipped to continue our successful engagement with the State of West Virginia. Since our inception in 2000, we have consistently demonstrated our capability to perform initial eligibility determinations, *ex-parte* and ongoing redeterminations, securing nine state contracts and maintaining a close collaboration with the Centers for Medicare and Medicaid Services (CMS). Our commitment to compliance with important legislation, including Section 1940 of the Social Security Act, has empowered us to effectively help states manage a range of assistance programs, from low-income cash assistance to medical assistance, as a crucial partner to West Virginia.

### Softheon Verify Solution

Our Verify solution, a hosted Software-as-a-Service (SaaS) verification technology platform, is a testament to Softheon's innovative approach to asset verification. This solution distinguishes itself in the AVS sector by providing access to an array of over 18 different data sources, exceeding the offerings of competitors. Softheon's connected Financial Institutions (FIs) alone account for 98.12% of all FIs in the United States with additional backend data sources to provide added intelligence and results on each applicant or recipient searched. By leveraging advanced technologies such as Artificial Intelligence (AI) and automated scoring, Softheon's Verify solution ensures a comprehensive and efficient verification process, perfectly aligned with the specific needs of West Virginia DHHR.



West Virginia's continued partnership with Softheon is emblematic of our solution's adaptability and effectiveness. Since 2018, our Verify solution has adeptly managed West Virginia's requirements for electronic verifications, encompassing financial assets, motor vehicle ownership, watercraft, and more. Our solution's capability to conduct both detection and verification searches – including any specific financial institutions disclosed by the applicant – has been instrumental in ensuring accurate eligibility determinations for the state's beneficiaries. This level of detailed and tailored service highlights Softheon's commitment to supporting West Virginia's unique AVS needs.

## **Diverse State Experiences**

Softheon's AVS experience with other states, such as New Mexico, Mississippi, and Indiana, further underscores our proficiency in handling diverse and specific data requirements in the AVS space. From integration with New Mexico's ASPEN system to supporting Indiana's unique asset verification needs, Softheon has demonstrated an unparalleled ability to customize solutions to meet the varied demands of different states, a quality that has benefitted our partnership with West Virginia.

In continuing our relationship with West Virginia, Softheon reaffirms its dedication to delivering innovative, compliant, and highly adaptable AVS solutions. We are committed to evolving alongside West Virginia's needs, ensuring that the state remains at the forefront of efficient and accurate public assistance program administration.

## **Leveraging Artificial Intelligence (AI)**

At Softheon, we recognize the transformative potential of AI and hope to partner with West Virginia to incorporate its use into our solutions for the State in the near future. While AI is not currently a part of our AVS or income and employment verification system, our skilled team of AI engineers is actively working on integrating this technology to enhance the platform's capabilities. The future integration of AI will revolutionize the way we process and analyze data from our top-tier partners like Early Warning, Accuity, TransUnion, and Equifax. Our AI-driven approach will aim to optimize search results, providing more accurate and rapid verification processes. This will involve sophisticated algorithms capable of parsing through extensive data sets, identifying key patterns and insights that would be challenging to discern manually.

Moreover, the incorporation of AI will significantly aid in the interpretation and understanding of complex data, making the verification process not only faster but also more insightful. As these AI technologies are integrated, our system will evolve to offer predictive analytics and deeper analytical capabilities, enhancing decision-making processes for West Virginia's public assistance programs. This forward-looking approach underscores Softheon's commitment to innovation and continuous improvement, ensuring that West Virginia will benefit from a cutting-edge, future-proof solution.

## **Enhanced Data Analytics with Foundry Platform**

Softheon Verify, bolstered by our advanced Data Analytics platform Foundry, offers a robust and comprehensive solution tailored to meet the unique needs of the asset and income verification services components West Virginia seeks. This innovative platform is designed to equip West Virginia's agencies, operations managers, state leaders, and stakeholders with a powerful suite of data insights, significantly enhancing decision-making processes across both AVS and I&E domains. With Foundry's dynamic, near real-time data visualization, extensive reporting capabilities, and user-friendly dashboard, West Virginia can continue to experience optimal management and analysis of verification data. The platform's adaptability ensures that individuals at all levels of technical expertise can fully harness its potential, supported by our commitment to providing continuous, in-depth training.

## **Operational Efficiency and Insightful Analytics**

Foundry's real strength lies in its ability to transform complex data sets into clear, actionable insights. West Virginia can leverage this platform to conduct detailed analyses, categorizing data by various critical factors such as individual counties or specific caseworker inputs. This granular approach enables precise monitoring and management of verification processes, allowing for the generation of timely reports and the identification of important trends and performance indicators. Whether it's for daily operational oversight or strategic planning, Foundry equips West Virginia with the tools to efficiently manage large volumes of verification data, ensuring that both state resources and personnel are directed effectively. The ability to generate monthly, quarterly, and annual reports effortlessly, coupled with insights into operational trends, positions West Virginia to proactively address challenges and capitalize on opportunities within its public assistance programs.

## Verification Expertise

As a proven and reliable partner in Asset Verification Services (AVS) for West Virginia, we are committed to steadfastly supporting the State as it navigates the complexities of Medicaid redeterminations and embarks on other pivotal initiatives. Our Verify Platform stands ready to not only continue delivering exceptional AVS services but also to seamlessly integrate Income and Employment (I&E) verification services, should West Virginia choose to expand our partnership within the scope of this RFQ process. We are dedicated to adapting our services to meet the evolving needs of West Virginia, ensuring that our collaboration remains a cornerstone of the State's strategic initiatives.

We are pleased to see that this RFQ entertains the choice to add Optional Income Verification Services (I&E). We have been working with industry leaders and are pleased to offer West Virginia various optional I&E verification service choices, ***all that work within the existing Verify Platform currently operating in West Virginia***. This solution for I&E verification utilizes two of the leaders in income and employment data – Equifax and TransUnion.



### 3. Proposal to Continue Asset Verification Services Engagement

Softheon is excited to continue and enrich our partnership with West Virginia through our AVS offering, a service that has been instrumental in automating and refining the asset verification processes essential for the state's public assistance programs. Our AVS solution, developed in collaboration with esteemed data partners like LexisNexis, TransUnion, and Early Warning, is a testament to our commitment to technical superiority and operational excellence. By leveraging an extensive and diverse data repository, our solution offers an unparalleled comprehensive view of applicants' assets, ensuring inclusivity and accuracy in the verification process.

#### **Technical Superiority of Softheon's AVS Solution**

Softheon's AVS solution stands at the forefront of technological innovation in asset verification. Our system is designed to automate both pre- and post-enrollment asset verification, streamlining the eligibility determination process and significantly enhancing the state's capacity to manage its benefit programs efficiently. The solution employs sophisticated algorithms and high-performance computing technology from LexisNexis, capable of processing data from over 10,000 sources and adding more than 2.5 million new records every day. This technical prowess enables us to deliver a single, consolidated view of each unique identity with a 99.9% confidence level, a benchmark unmet by any other vendor in the market.

Softheon is fully committed to enhancing our Verify AVS solution in partnership with West Virginia DHHR, ensuring it effectively meets and exceeds the specific requirements outlined in "Specifications" section 4.1.8.5. We understand the critical importance of conducting thorough nationwide AVS searches, encompassing all asset sources including life insurance policies with details such as cash surrender value, face value, and policy ownership, as well as burial assets. Recognizing the pivotal role this data plays in accurately and timely determining eligibility for Medicaid applicants and recipients, we are prepared to delve deep into the complexities of this challenge.

Our team has conducted extensive research into potential data sources for the aforementioned asset types, engaging with potential a for-profit data vendor partner to explore the breadth and depth of available data. However, we acknowledge that some data sources present significant limitations. In response to this, Softheon is ready to engage in a hands-on, collaborative effort with West Virginia DHHR. Our objective is to design and implement a technologically advanced solution that not only addresses the current requirements but also sets a foundation for future scalability and adaptability.

We would also note that the pricing section of the RFQ does not readily allow for incorporation of the costs associated with downstream data partner relationships to obtain burial, life insurance, and related data. We look forward to working with the State to agree on reasonable pricing for access to these resources once that is obtained.

## Expanding Capabilities and Ensuring Compliance

Our proposal includes the expansion of Verify to provide comprehensive AVS searches across the U.S., in line with the detailed specifications provided by West Virginia. By integrating a robust network of local, community, regional, and national financial institutions, Softheon's AVS offers an economic and productive approach to asset verification. The system's capability to accommodate a vast database ensures that even the most economically disadvantaged populations, often under-banked or credit invisible, are included in the verification process, thereby upholding the state's commitment to service delivery.

Furthermore, our solution is not just about data aggregation; it's about intelligent data interpretation. Softheon's AVS employs advanced analytics to provide insightful reports, showcasing the number of requests, responses, and the timeliness of financial institution responsiveness. This level of detail equips West Virginia with the necessary tools to make informed decisions and to take proactive steps in fraud detection and prevention.

## Seamless Integration and Cost-Effective Deployment

Maintaining Softheon as West Virginia's AVS provider ensures a seamless continuation of services, significantly reducing operational risks and eliminating the substantial costs typically associated with implementing new vendor solutions. Our system's integration and interface capabilities are designed to fit effortlessly into the State's existing eligibility and screening systems, creating efficient workflows and maximizing agency productivity. As the state navigates the complexities of the Medicaid unwinding process, Softheon's stable and reliable AVS solution stands as a beacon of consistency and reliability.

As the incumbent provider of AVS for West Virginia, Softheon takes pride in our seamless integration and zero-cost, zero-burden implementation strategy. Our existing partnership with the state means that our sophisticated AVS system is already a part of West Virginia's operational fabric, enabling efficient and accurate asset verification processes without additional financial or operational strain for the State.

Our position as the incumbent vendor is not just a testament to our proven technology and service but also to our commitment to continual improvement and alignment with the state's evolving needs. We understand the importance of maintaining a system that is both effective and up-to-date. Therefore, in collaboration with West Virginia, we are dedicated to evaluating the current system, ensuring that every component is functioning optimally and exploring opportunities for enhancements. In fact, our team recently implemented a new system architecture that supports West Virginia's unwinding *ex-parte* renewal needs. This architecture would inherently also provide for support income and employment verification.

This approach underscores our commitment to a partnership model that goes beyond mere service delivery. It's about working hand in hand with the state, ensuring that all solutions deployed not only meet the current standards but also adapts to future requirements, all the while maintaining a zero-cost and zero-burden philosophy for implementation and upgrades. With Softheon, West Virginia has a partner that is deeply invested in the state's success and efficiency in public assistance program administration. **We demonstrated our position as a strong partner by performing this work for West Virginia at no additional cost.**

## Conclusion

As West Virginia moves forward with Softheon's AVS solution, the state is assured of a service that is not only technically superior but also strategically designed to meet the evolving needs of its benefit programs. Our commitment to expanding our services, coupled with our relentless focus on technical innovation and cost-efficiency, ensures that West Virginia remains at the forefront of providing accurate, timely, and equitable benefit determinations. Through this partnership, West Virginia is set to redefine the standards of public assistance program administration, leveraging Softheon's advanced technology and unparalleled expertise.

## 4. Proposal for Optional Income Verification Services

Softheon is proud to propose the expansion of our Verify Platform, currently operational in West Virginia for AVS, to include Income and Employment Verification (I&E) services (i.e., Optional Income Verification Services). This strategic enhancement is tailored to meet West Virginia's specific needs and is underpinned by our current partnerships with leading data vendors, TransUnion, and Equifax. This collaboration is central to our commitment to provide West Virginia with a robust, comprehensive, and cost-effective I&E verification solution.

### **Incorporating Top-Tier Data Partners for Optimal Results**

Our choice of TransUnion and Equifax as data sources for the I&E solution is a reflection of our dedication to offering the highest standard of verification services. These partnerships ensure access to extensive, reliable, and up-to-date data, essential for accurate and comprehensive income and employment verifications.

### **Powerful Data Query Process**

At Softheon, we firmly believe that the essence of providing exceptional verification services lies in working with the right data partners to secure the most pertinent data sources for our clients, and at a cost that aligns with their budgetary constraints. This philosophy is deeply embedded in the design and functionality of the Softheon Verify Platform. By forming strategic partnerships with premier data vendors, we ensure that with just a few key data inputs around a client's application, our system is capable of generating thousands of valuable data points on an individual. This capability is not just about amassing vast amounts of data; it's about harnessing the right data that can lead to informed and accurate decision-making.

However, the abundance of data alone does not equate to actionable intelligence. This is where Softheon sets itself apart. We recognize that caseworkers and state officials are inundated with information, and their time and attention are precious resources. To address this, our platform incorporates advanced risk scoring technology and focuses on curating the most applicable and relevant data. This approach ensures that the vast sea of data points is distilled into clear, concise, and actionable insights. Caseworkers are provided with targeted information that matters most to their specific objectives and tasks, allowing them to make decisions based on accurate, relevant, and timely data. This selective and focused delivery of information is not just a feature of our platform; it reflects the core values of Softheon – where technology meets empathy, understanding that behind every data point, there's a human story and a decision that can significantly impact lives.

### **Cost-Effective and Efficient Verification**

Through our data partner, Equifax, we are providing a fixed rate for up to 200,000 I&E transactions. Equifax remains the top leader in income and employment data. Coupled with Softheon's AI risk scoring and data analysis tools, we are confident in providing the best service for West Virginia DHHR's needs.

Alternatively, Softheon would like to offer the option of utilizing TransUnion's I&E solution. While Equifax has a superior employee database, TransUnion still provides access to data for 8-10% of the U.S. employer market at a significantly reduced rate of \$9.60 per transaction (no minimums required). TransUnion is aggressively continuing to expand their data assets and if not a consideration in Year 1, Softheon stands ready to adopt their solution on behalf of West Virginia in future years.

The Verify Platform can accommodate any of the above scenarios at a cost of zero implementation fees from Softheon. We have also secured a commitment to zero implementation fees from our partners LexisNexis, TransUnion, and Equifax. We recommend a dialogue between our firm and the State to further enhance requirements and identify the most optimal solution to meet West Virginia DHHR's current and future needs.

## Conclusion

Softheon's Verify Platform's I&E solution, leveraging the capabilities of TransUnion and Equifax, represents a significant step forward in income and employment verification services. Our proposed solution is not just about integrating advanced technology and data sources; it's about providing West Virginia with a tool that is effective, efficient, and mindful of state expenditures.

This approach ensures that West Virginia can confidently rely on the Verify Platform for precise and comprehensive verifications, contributing to the integrity and efficiency of its public assistance programs. By prioritizing the use of top-tier data partners and adopting a cost-conscious strategy, we are committed to delivering a solution that is both operationally efficient and financially prudent. Our proposal represents a thoughtful balance between leveraging cutting-edge data capabilities and maintaining fiscal responsibility.

We believe that this arrangement will set a new benchmark in the realm of public assistance program administration. By utilizing the strengths of TransUnion and Equifax in a strategically tiered approach, West Virginia will benefit from a verification system that is not only thorough and reliable but also tailored to minimize state expenditures without compromising on quality or coverage. This innovative model, combining optimal data sourcing with cost-effectiveness, positions West Virginia at the forefront of effective and responsible public service delivery. Through this partnership, Softheon is committed to ensuring that West Virginia continues to lead in providing equitable, accurate, and efficient public assistance services to its citizens.

## 5. Exceptions and Clarifications

Softheon Inc. agrees with the terms and conditions set forth in the State of West Virginia AIVS Solicitation, including the standard terms and conditions, addendums, exhibits, and disclosures, with the following exceptions:

Section/ Subsection #:	EXCEPTIONS AND CLARIFICATIONS:
Specifications/ Section 7	<p>Replace <b>Specifications, Section 7</b>, with the following, reflecting transaction-based pricing for monthly operating costs:</p> <p><b>Payment:</b> <i>Agency shall pay a firm, fixed price for implementation, transaction-based pricing for monthly operating costs, and a blended hourly rate for software enhancement costs, as shown on the Pricing Pages, for all Contract Services performed and accepted under this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.</i></p>
Specifications/ Section 4.1.10, 4.1.10.1	<p>Replace <b>Specifications, Section 4.1.10, 4.1.10.1</b>, with the following, reflecting that there shall be no transfer of Vendor’s intellectual property underlying the Contract Services or Optional Services by execution and performance of the Award Document and Contract.</p> <p><b>4.1.10 State Ownership</b></p> <p><b>4.1.10.1:</b> <i>The Vendor must agree that the Agency retains, throughout and beyond the life of the Contract, ownership of all data, procedures, applications, licenses, and materials developed, as well as the licensing for installed commercial off-the-shelf (COTS) software in alignment with 45 CFR § 95.615 and 45 CFR § 95.617. Notwithstanding the foregoing and in the interest of clarity, the parties agree that the Contract Services, and, if applicable, the Optional Services, are or will be provided via Vendor’s pre-existing AVS Software-as-a-Service solution. Accordingly, no rights in the intellectual property constituting the Contract Services and Optional Services shall be transferred to the Agency or any other person as a result of the execution and performance of Award Document or the Contract, and the services performed in furtherance of the Award Document and the Contract are not “work made for hire” as defined in 17 U.S.C. § 101. Manufacturers’ support and maintenance for the COTS software licensing after the initial install must be provided only for the life of the Contract. The Agency will not issue change orders related to software cost increases. Additional information regarding these regulations can be found at the following links:</i></p> <ul style="list-style-type: none"> <li>• <a href="https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-95/subpart-F/subject-group-ECFR8ea7e78ba47a262/section-95.615">https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-95/subpart-F/subject-group-ECFR8ea7e78ba47a262/section-95.615</a></li> <li>• <a href="https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-95/subpart-F/subject-group-ECFR8ea7e78ba47a262/section-95.617">https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-95/subpart-F/subject-group-ECFR8ea7e78ba47a262/section-95.617</a></li> </ul>



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

State of West Virginia  
 Centralized Request for Quote  
 Info Technology

<b>Proc Folder:</b> 1253827			<b>Reason for Modification:</b>
<b>Doc Description:</b> ASSET AND OPTIONAL INCOME VERIFICATION SYSTEM (AIVS)			
<b>Proc Type:</b> Central Master Agreement			
<b>Date Issued</b>	<b>Solicitation Closes</b>	<b>Solicitation No</b>	<b>Version</b>
2023-12-28	2024-01-18 13:30	CRFQ 0511 BMS2400000002	1

**BID RECEIVING LOCATION**

BID CLERK  
 DEPARTMENT OF ADMINISTRATION  
 PURCHASING DIVISION  
 2019 WASHINGTON ST E  
 CHARLESTON WV 25305  
 US

**VENDOR**

**Vendor Customer Code:** VS0000014288

**Vendor Name :** Softheon Inc.

**Address :** 1500 Stony Brook Rd.

**Street :** Stony Brook Rd.

**City :** Stony Brook

**State :** New York **Country :** United States **Zip :** 11794

**Principal Contact :** Robert Miller

**Vendor Contact Phone:** 631-885-3939 **Extension:** N/A

**FOR INFORMATION CONTACT THE BUYER**  
 Crystal G Husted  
 (304) 558-2402  
 crystal.g.husted@wv.gov

**Vendor Signature X**  **FEIN#** 11-3580784 **DATE** January 17, 2024

All offers subject to all terms and conditions contained in this solicitation

**ADDITIONAL INFORMATION**

THE STATE OF WEST VIRGINIA PURCHASING DIVISION FOR THE AGENCY, WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES, IS SOLICITING BIDS TO ESTABLISH AN OPEN-END CONTRACT TO PROVIDE ASSET AND OPTIONAL INCOME VERIFICATION SYSTEM (AIVS) SERVICES PER THE ATTACHED.

\*\*\*QUESTIONS REGARDING THE SOLICITATION MUST BE SUBMITTED IN WRITING TO CRYSTAL.G.HUSTEAD@WV.GOV PRIOR TO THE QUESTION PERIOD DEADLINE CONTAINED IN THE INSTRUCTIONS TO VENDORS SUBMITTING BIDS\*\*\*

INVOICE TO		SHIP TO	
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON US	WV	HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON US	WV

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Contract Services Deliverable #1 (Implementation) 4 Mo				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Contract Services Deliverable #1 (Implementation-4 Months) (Section 4.1) - AVS Services Integrated with the current West Virginia eligibility enrollment system by 06/04/2024. (4.1 Implementation of Integration).

Service Period: 02/04/2024-06/03/2024

INVOICE TO		SHIP TO	
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON US	WV	HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON US	WV

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
2	Base Year 1 Fixed Operating Cost (8 Months)				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Base Year 1 Fixed Operating Cost (8 Months) (4.1 Operations of AVS Services)

Service Period: 06/04/2024-02/03/2025

INVOICE TO		SHIP TO	
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US		HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
3	Base Year 2 Fixed Operating Cost				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**  
 Base Year 2 Fixed Operating Cost (4.1 Operations of AVS Services)  
 Service Period: 02/04/2025-02/03/2026

INVOICE TO		SHIP TO	
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US		HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
4	Base Year 3 Fixed Operating Cost				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**  
 Base Year 3 Fixed Operating Cost (4.1 Operations of AVS Services)  
 Service Period: 02/04/2026-02/03/2027



INVOICE TO		SHIP TO	
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US		HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
5	Optional Renewal Year 1 Fixed Operating Cost				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Optional Renewal Year 1 Fixed Operating Cost (4.1 Operations of AVS Services)  
Service Period: 02/04/2027-02/03/2028

INVOICE TO		SHIP TO	
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US		HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
6	Optional Renewal Year 2 Fixed Operating Cost				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Optional Renewal Year 2 Fixed Operating Cost (4.1 Operations of AVS Services)  
Service Period: 02/04/2028-02/03/2029

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US			HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US		

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
7	Optional Renewal Year 3 Fixed Operating Cost				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Optional Renewal Year 3 Fixed Operating Cost (4.1 Operations of AVS Services)  
Service Period: 02/04/2029-02/03/2030

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US			HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US		

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
8	Additional Per Trans Cost for 350,001 or more Annual Tr.				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Additional Per Transaction Cost for 350,001 or more Annual Transactions (4.1 Operations of AVS Services and 4.2 Optional Services)  
Service Period: 06/04/2024-02/03/2030

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES			HEALTH AND HUMAN RESOURCES		
BUREAU FOR MEDICAL SERVICES			BUREAU FOR MEDICAL SERVICES		
350 CAPITOL ST, RM 251			350 CAPITOL ST, RM 251		
CHARLESTON	WV		CHARLESTON	WV	
US			US		

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
9	Base Year 1 Enhancement Rate (8 Months)				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**  
 Base Year 1 Enhancement Rate (8 Months) (4.1 and 4.2)  
 Service Period: 06/04/2024-02/03/2025

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES			HEALTH AND HUMAN RESOURCES		
BUREAU FOR MEDICAL SERVICES			BUREAU FOR MEDICAL SERVICES		
350 CAPITOL ST, RM 251			350 CAPITOL ST, RM 251		
CHARLESTON	WV		CHARLESTON	WV	
US			US		

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
10	Base Year 2 Enhancement Rate				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**  
 Base Year 2 Enhancement Rate (4.1 and 4.2)  
 Service Period: 02/04/2025-02/03/2026

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES			HEALTH AND HUMAN RESOURCES		
BUREAU FOR MEDICAL SERVICES			BUREAU FOR MEDICAL SERVICES		
350 CAPITOL ST, RM 251			350 CAPITOL ST, RM 251		
CHARLESTON WV			CHARLESTON WV		
US			US		

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
11	Base Year 3 Enhancement Rate				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Base Year 3 Enhancement Rate (4.1 and 4.2)  
Service Period: 02/04/2026-02/03/2027

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES			HEALTH AND HUMAN RESOURCES		
BUREAU FOR MEDICAL SERVICES			BUREAU FOR MEDICAL SERVICES		
350 CAPITOL ST, RM 251			350 CAPITOL ST, RM 251		
CHARLESTON WV			CHARLESTON WV		
US			US		

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
12	Optional Renewal Year 1 Enhancement Rate				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Optional Renewal Year 1 Enhancement Rate (4.1 and 4.2)  
Service Period: 02/04/2027-02/03/2028

INVOICE TO		SHIP TO	
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US		HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
13	Optional Renewal Year 2 Enhancement Rate				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**  
Optional Renewal Year 2 Enhancement Rate (4.1 and 4.2)  
Service Period: 02/04/2028-02/03/2029

INVOICE TO		SHIP TO	
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US		HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
14	Optional Renewal Year 3 Enhancement Rate				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**  
Optional Renewal Year 3 Enhancement Rate (4.1 and 4.2)  
Service Period: 02/04/2029-02/03/2030

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON US	WV		HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON US	WV	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
15	Total Optional Services Fixed Implementation Cost				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Total Optional Services Fixed Implementation Cost (4.2) (4 Months)  
Service Period: 02/04/2024-06/03/2024

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON US	WV		HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON US	WV	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
16	Optional Services Base Year 1 Fixed Operating Cost (8 Mo)				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Optional Services Base Year 1 Fixed Operating Cost (8 Months) (4.2)  
Service Period: 06/04/2024-02/03/2025

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US			HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US		

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
17	Optional Services Base Year 2 Fixed Operating Cost				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**  
Optional Services Base Year 2 Fixed Operating Cost (4.2)  
Service Period: 02/04/2025-02/03/2026

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US			HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US		

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
18	Optional Services Base Year 3 Fixed Operating Cost				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**  
Optional Services Base Year 3 Fixed Operating Cost (4.2)  
Service Period: 02/04/2026-02/03/2027

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES			HEALTH AND HUMAN RESOURCES		
BUREAU FOR MEDICAL SERVICES			BUREAU FOR MEDICAL SERVICES		
350 CAPITOL ST, RM 251			350 CAPITOL ST, RM 251		
CHARLESTON	WV		CHARLESTON	WV	
US			US		

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
19	Optional Services Optional Ren Year 1 Fixed Operating Cost				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Optional Services Optional Renewal Year 1 Fixed Operating Cost (4.2)  
Service Period: 02/04/2027-02/03/2028

INVOICE TO			SHIP TO		
HEALTH AND HUMAN RESOURCES			HEALTH AND HUMAN RESOURCES		
BUREAU FOR MEDICAL SERVICES			BUREAU FOR MEDICAL SERVICES		
350 CAPITOL ST, RM 251			350 CAPITOL ST, RM 251		
CHARLESTON	WV		CHARLESTON	WV	
US			US		

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
20	Optional Services Optional Ren Year 2 Fixed Operating Cost				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Optional Services Optional Renewal Year 2 Fixed Operating Cost (4.2)  
Service Period: 02/04/2028-02/03/2029



INVOICE TO		SHIP TO	
HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US		HEALTH AND HUMAN RESOURCES BUREAU FOR MEDICAL SERVICES 350 CAPITOL ST, RM 251 CHARLESTON WV US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
21	Optional Services Optional Ren Year 3 Fixed Operating Cost				

Comm Code	Manufacturer	Specification	Model #
93151507			

**Extended Description:**

Optional Services Optional Renewal Year 3 Fixed Operating Cost (4.2)  
Service Period: 02/04/2029-02/03/2030

**SCHEDULE OF EVENTS**

<u>Line</u>	<u>Event</u>	<u>Event Date</u>
1	VENDOR QUESTION DEADLINE	2024-01-04

## INSTRUCTIONS TO VENDORS SUBMITTING BIDS

**1. REVIEW DOCUMENTS THOROUGHLY:** The attached documents contain a solicitation for bids. Please read these instructions and all documents attached in their entirety. These instructions provide critical information about requirements that if overlooked could lead to disqualification of a Vendor's bid. All bids must be submitted in accordance with the provisions contained in these instructions and the Solicitation. Failure to do so may result in disqualification of Vendor's bid.

**2. MANDATORY TERMS:** The Solicitation may contain mandatory provisions identified by the use of the words "must," "will," and "shall." Failure to comply with a mandatory term in the Solicitation will result in bid disqualification.

**3. PREBID MEETING:** The item identified below shall apply to this Solicitation.

A pre-bid meeting will not be held prior to bid opening

A **MANDATORY PRE-BID** meeting will be held at the following place and time:

All Vendors submitting a bid must attend the mandatory pre-bid meeting. Failure to attend the mandatory pre-bid meeting shall result in disqualification of the Vendor's bid. No one individual is permitted to represent more than one vendor at the pre-bid meeting. Any individual that does attempt to represent two or more vendors will be required to select one vendor to which the individual's attendance will be attributed. The vendors not selected will be deemed to have not attended the pre-bid meeting unless another individual attended on their behalf.

An attendance sheet provided at the pre-bid meeting shall serve as the official document verifying attendance. Any person attending the pre-bid meeting on behalf of a Vendor must list on the attendance sheet his or her name and the name of the Vendor he or she is representing.

Additionally, the person attending the pre-bid meeting should include the Vendor's E-Mail address, phone number, and Fax number on the attendance sheet. It is the Vendor's responsibility to locate the attendance sheet and provide the required information. Failure to complete the attendance sheet as required may result in disqualification of Vendor's bid.

All Vendors should arrive prior to the starting time for the pre-bid. Vendors who arrive after the starting time but prior to the end of the pre-bid will be permitted to sign in but are charged with knowing all matters discussed at the pre-bid.

Questions submitted at least five business days prior to a scheduled pre-bid will be discussed at the pre-bid meeting if possible. Any discussions or answers to questions at the pre-bid meeting are preliminary in nature and are non-binding. Official and binding answers to questions will be published in a written addendum to the Solicitation prior to bid opening.

**4. VENDOR QUESTION DEADLINE:** Vendors may submit questions relating to this Solicitation to the Purchasing Division. Questions must be submitted in writing. All questions must be submitted on or before the date listed below and to the address listed below to be considered. A written response will be published in a Solicitation addendum if a response is possible and appropriate. Non-written discussions, conversations, or questions and answers regarding this Solicitation are preliminary in nature and are nonbinding.

Submitted emails should have the solicitation number in the subject line.

Question Submission Deadline: January 4, 2024 at 10:00 AM ET

Submit Questions to: Crystal Hustead  
2019 Washington Street, East  
Charleston, WV 25305  
Fax: (304) 558-3970  
Email: [crystal.g.hustead@wv.gov](mailto:crystal.g.hustead@wv.gov)

**5. VERBAL COMMUNICATION:** Any verbal communication between the Vendor and any State personnel is not binding, including verbal communication at the mandatory pre-bid conference. Only information issued in writing and added to the Solicitation by an official written addendum by the Purchasing Division is binding.

**6. BID SUBMISSION:** All bids must be submitted on or before the date and time of the bid opening listed in section 7 below. Vendors can submit bids electronically through *wvOASIS*, in paper form delivered to the Purchasing Division at the address listed below either in person or by courier, or in facsimile form by faxing to the Purchasing Division at the number listed below. Notwithstanding the foregoing, the Purchasing Division may prohibit the submission of bids electronically through *wvOASIS* at its sole discretion. Such a prohibition will be contained and communicated in the *wvOASIS* system resulting in the Vendor's inability to submit bids through *wvOASIS*. The Purchasing Division will not accept bids, modification of bids, or addendum acknowledgment forms via email. Bids submitted in paper or facsimile form must contain a signature. Bids submitted in *wvOASIS* are deemed to be electronically signed.

Any bid received by the Purchasing Division staff is considered to be in the possession of the Purchasing Division and will not be returned for any reason.

**For Request for Proposal ("RFP") Responses Only:** Submission of a response to a Request for Proposal is not permitted in *wvOASIS*. In the event that Vendor is responding to a request for proposal, the Vendor shall submit one original technical and one original cost proposal prior to the bid opening date and time identified in Section 7 below, plus \_\_\_\_\_ convenience copies of each to the Purchasing Division at the address shown below. Additionally, the Vendor should clearly identify and segregate the cost proposal from the technical proposal in a separately sealed envelope.

**Bid Delivery Address and Fax Number:**

Department of Administration, Purchasing Division  
2019 Washington Street East  
Charleston, WV 25305-0130  
Fax: 304-558-3970

A bid submitted in paper or facsimile form should contain the information listed below on the face of the submission envelope or fax cover sheet. Otherwise, the bid may be rejected by the Purchasing Division.

**VENDOR NAME:**

**BUYER:** Crystal Husted  
**SOLICITATION NO.:** CRFQ BMS2400000002  
**BID OPENING DATE:** January 18, 2024  
**BID OPENING TIME:** 1:30 PM ET  
**FAX NUMBER:** 304-558-3970

**7. BID OPENING:** Bids submitted in response to this Solicitation will be opened at the location identified below on the date and time listed below. Delivery of a bid after the bid opening date and time will result in bid disqualification. For purposes of this Solicitation, a bid is considered delivered when confirmation of delivery is provided by wvOASIS (in the case of electronic submission) or when the bid is time stamped by the official Purchasing Division time clock (in the case of hand delivery).

Bid Opening Date and Time: January 18, 2024 at 1:30 PM ET

Bid Opening Location: Department of Administration, Purchasing Division  
2019 Washington Street East  
Charleston, WV 25305-0130

**8. ADDENDUM ACKNOWLEDGEMENT:** Changes or revisions to this Solicitation will be made by an official written addendum issued by the Purchasing Division. Vendor should acknowledge receipt of all addenda issued with this Solicitation by completing an Addendum Acknowledgment Form, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.

**9. BID FORMATTING:** Vendor should type or electronically enter the information onto its bid to prevent errors in the evaluation. Failure to type or electronically enter the information may result in bid disqualification.

**10. ALTERNATE MODEL OR BRAND:** Unless the box below is checked, any model, brand, or specification listed in this Solicitation establishes the acceptable level of quality only and is not intended to reflect a preference for, or in any way favor, a particular brand or vendor. Vendors may bid alternates to a listed model or brand provided that the alternate is at least equal to the model or brand and complies with the required specifications. The equality of any alternate being bid shall be determined by the State at its sole discretion. Any Vendor bidding an alternate model or brand should clearly identify the alternate items in its bid and should include manufacturer's specifications, industry literature, and/or any other relevant documentation demonstrating the equality of the alternate items. Failure to provide information for alternate items may be grounds for rejection of a Vendor's bid.

This Solicitation is based upon a standardized commodity established under W. Va. Code § 5A-3-61. Vendors are expected to bid the standardized commodity identified. Failure to bid the standardized commodity will result in your firm's bid being rejected.

**11. EXCEPTIONS AND CLARIFICATIONS:** The Solicitation contains the specifications that shall form the basis of a contractual agreement. Vendor shall clearly mark any exceptions, clarifications, or other proposed modifications in its bid. Exceptions to, clarifications of, or modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.

**12. COMMUNICATION LIMITATIONS:** In accordance with West Virginia Code of State Rules §148-1-6.6, communication with the State of West Virginia or any of its employees regarding this Solicitation during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited without prior Purchasing Division approval. Purchasing Division approval for such communication is implied for all agency delegated and exempt purchases.

**13. REGISTRATION:** Prior to Contract award, the apparent successful Vendor must be properly registered with the West Virginia Purchasing Division and must have paid the \$125 fee, if applicable.

**14. UNIT PRICE:** Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.

**15. PREFERENCE:** Vendor Preference may be requested in purchases of motor vehicles or construction and maintenance equipment and machinery used in highway and other infrastructure projects. Any request for preference must be submitted in writing with the bid, must specifically identify the preference requested with reference to the applicable subsection of West Virginia Code § 5A-3-37, and must include with the bid any information necessary to evaluate and confirm the applicability of the requested preference. A request form to help facilitate the request can be found at: [www.state.wv.us/admin/purchase/vrc/Venpref.pdf](http://www.state.wv.us/admin/purchase/vrc/Venpref.pdf).

**15A. RECIPROCAL PREFERENCE:** The State of West Virginia applies a reciprocal preference to all solicitations for commodities and printing in accordance with W. Va. Code § 5A-3-37(b). In effect, non-resident vendors receiving a preference in their home states, will see that same preference granted to West Virginia resident vendors bidding against them in West Virginia. Any request for reciprocal preference must include with the bid any information necessary to evaluate and confirm the applicability of the preference. A request form to help facilitate the request can be found at: [www.state.wv.us/admin/purchase/vrc/Venpref.pdf](http://www.state.wv.us/admin/purchase/vrc/Venpref.pdf).

**16. SMALL, WOMEN-OWNED, OR MINORITY-OWNED BUSINESSES:** For any solicitations publicly advertised for bid, in accordance with West Virginia Code §5A-3-37 and W. Va. CSR § 148-22-9, any non-resident vendor certified as a small, women-owned, or minority-owned business under W. Va. CSR § 148-22-9 shall be provided the same preference made available to any resident vendor. Any non-resident small, women-owned, or minority-owned business must identify itself as such in writing, must submit that writing to the Purchasing Division with its bid, and must be properly certified under W. Va. CSR § 148-22-9 prior to contract award to receive the preferences made available to resident vendors. Preference for a non-resident small, women-owned, or minority owned business shall be applied in accordance with W. Va. CSR § 148-22-9.

**17. WAIVER OF MINOR IRREGULARITIES:** The Director reserves the right to waive minor irregularities in bids or specifications in accordance with West Virginia Code of State Rules § 148-1-4.6.

**18. ELECTRONIC FILE ACCESS RESTRICTIONS:** Vendor must ensure that its submission in wvOASIS can be accessed and viewed by the Purchasing Division staff immediately upon bid opening. The Purchasing Division will consider any file that cannot be immediately accessed and viewed at the time of the bid opening (such as, encrypted files, password protected files, or incompatible files) to be blank or incomplete as context requires and are therefore unacceptable. A vendor will not be permitted to unencrypt files, remove password protections, or resubmit documents after bid opening to make a file viewable if those documents are required with the bid. A Vendor may be required to provide document passwords or remove access restrictions to allow the Purchasing Division to print or electronically save documents provided that those documents are viewable by the Purchasing Division prior to obtaining the password or removing the access restriction.

**19. NON-RESPONSIBLE:** The Purchasing Division Director reserves the right to reject the bid of any vendor as Non-Responsible in accordance with W. Va. Code of State Rules § 148-1-5.3, when the Director determines that the vendor submitting the bid does not have the capability to fully perform or lacks the integrity and reliability to assure good-faith performance.”

**20. ACCEPTANCE/REJECTION:** The State may accept or reject any bid in whole, or in part in accordance with W. Va. Code of State Rules § 148-1-4.5. and § 148-1-6.4.b.”

**21. YOUR SUBMISSION IS A PUBLIC DOCUMENT:** Vendor's entire response to the Solicitation and the resulting Contract are public documents. As public documents, they will be disclosed to the public following the bid/proposal opening or award of the contract, as required by the competitive bidding laws of West Virginia Code §§ 5A-3-1 et seq., 5-22-1 et seq., and 5G-1-1 et seq. and the Freedom of Information Act West Virginia Code §§ 29B-1-1 et seq.

**DO NOT SUBMIT MATERIAL YOU CONSIDER TO BE CONFIDENTIAL, A TRADE SECRET, OR OTHERWISE NOT SUBJECT TO PUBLIC DISCLOSURE.**

Submission of any bid, proposal, or other document to the Purchasing Division constitutes your explicit consent to the subsequent public disclosure of the bid, proposal, or document. The Purchasing Division will disclose any document labeled "confidential," "proprietary," "trade secret," "private," or labeled with any other claim against public disclosure of the documents, to include any "trade secrets" as defined by West Virginia Code § 47-22-1 et seq. All submissions are subject to public disclosure without notice.

**22. WITH THE BID REQUIREMENTS:** In instances where these specifications require documentation or other information with the bid, and a vendor fails to provide it with the bid, the Director of the Purchasing Division reserves the right to request those items after bid opening and prior to contract award pursuant to the authority to waive minor irregularities in bids or specifications under W. Va. CSR § 148-1-4.6. This authority does not apply to instances where state law mandates receipt with the bid.

**23. EMAIL NOTIFICATION OF AWARD:** The Purchasing Division will attempt to provide bidders with e-mail notification of contract award when a solicitation that the bidder participated in has been awarded. For notification purposes, bidders must provide the Purchasing Division with a valid email address in the bid response. Bidders may also monitor wvOASIS or the Purchasing Division's website to determine when a contract has been awarded.

**24. ISRAEL BOYCOTT CERTIFICATION:** Vendor's act of submitting a bid in response to this solicitation shall be deemed a certification from bidder to the State that bidder is not currently engaged in, and will not for the duration of the contract, engage in a boycott of Israel. This certification is required by W. Va. Code § 5A-3-63.

## GENERAL TERMS AND CONDITIONS:

**1. CONTRACTUAL AGREEMENT:** Issuance of an Award Document signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's office constitutes acceptance by the State of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid, or on the Contract if the Contract is not the result of a bid solicitation, signifies Vendor's agreement to be bound by and accept the terms and conditions contained in this Contract.

**2. DEFINITIONS:** As used in this Solicitation/Contract, the following terms shall have the meanings attributed to them below. Additional definitions may be found in the specifications included with this Solicitation/Contract.

**2.1. "Agency" or "Agencies"** means the agency, board, commission, or other entity of the State of West Virginia that is identified on the first page of the Solicitation or any other public entity seeking to procure goods or services under this Contract.

**2.2. "Bid" or "Proposal"** means the vendors submitted response to this solicitation.

**2.3. "Contract"** means the binding agreement that is entered into between the State and the Vendor to provide the goods or services requested in the Solicitation.

**2.4. "Director"** means the Director of the West Virginia Department of Administration, Purchasing Division.

**2.5. "Purchasing Division"** means the West Virginia Department of Administration, Purchasing Division.

**2.6. "Award Document"** means the document signed by the Agency and the Purchasing Division, and approved as to form by the Attorney General, that identifies the Vendor as the contract holder.

**2.7. "Solicitation"** means the official notice of an opportunity to supply the State with goods or services that is published by the Purchasing Division.

**2.8. "State"** means the State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.

**2.9. "Vendor" or "Vendors"** means any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.



**3. CONTRACT TERM; RENEWAL; EXTENSION:** The term of this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below:

**Term Contract**

**Initial Contract Term:** The Initial Contract Term will be for a period of three (3) years. The Initial Contract Term becomes effective on the effective start date listed on the first page of this Contract, identified as the State of West Virginia contract cover page containing the signatures of the Purchasing Division, Attorney General, and Encumbrance clerk (or another page identified as \_\_\_\_\_), and the Initial Contract Term ends on the effective end date also shown on the first page of this Contract.

**Renewal Term:** This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any request for renewal should be delivered to the Agency and then submitted to the Purchasing Division thirty (30) days prior to the expiration date of the initial contract term or appropriate renewal term. A Contract renewal shall be in accordance with the terms and conditions of the original contract. Unless otherwise specified below, renewal of this Contract is limited to three (3) successive one (1) year periods or multiple renewal periods of less than one year, provided that the multiple renewal periods do not exceed the total number of months available in all renewal years combined. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, Purchasing Division and Attorney General's office (Attorney General approval is as to form only)

**Alternate Renewal Term** – This contract may be renewed for \_\_\_\_\_ successive \_\_\_\_\_ year periods or shorter periods provided that they do not exceed the total number of months contained in all available renewals. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, Purchasing Division and Attorney General's office (Attorney General approval is as to form only)

**Delivery Order Limitations:** In the event that this contract permits delivery orders, a delivery order may only be issued during the time this Contract is in effect. Any delivery order issued within one year of the expiration of this Contract shall be effective for one year from the date the delivery order is issued. No delivery order may be extended beyond one year after this Contract has expired.

**Fixed Period Contract:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and must be completed within \_\_\_\_\_ days.

**Fixed Period Contract with Renewals:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and part of the Contract more fully described in the attached specifications must be completed within \_\_\_\_\_ days. Upon completion of the work covered by the preceding sentence, the vendor agrees that:

the contract will continue for \_\_\_\_\_ years;

the contract may be renewed for \_\_\_\_\_ successive \_\_\_\_\_ year periods or shorter periods provided that they do not exceed the total number of months contained in all available renewals. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, Purchasing Division and Attorney General's Office (Attorney General approval is as to form only).

**One-Time Purchase:** The term of this Contract shall run from the issuance of the Award Document until all of the goods contracted for have been delivered, but in no event will this Contract extend for more than one fiscal year.

**Construction/Project Oversight:** This Contract becomes effective on the effective start date listed on the first page of this Contract, identified as the State of West Virginia contract cover page containing the signatures of the Purchasing Division, Attorney General, and Encumbrance clerk (or another page identified as \_\_\_\_\_), and continues until the project for which the vendor is providing oversight is complete.

**Other:** Contract Term specified in \_\_\_\_\_

**4. AUTHORITY TO PROCEED:** Vendor is authorized to begin performance of this contract on the date of encumbrance listed on the front page of the Award Document unless either the box for "Fixed Period Contract" or "Fixed Period Contract with Renewals" has been checked in Section 3 above. If either "Fixed Period Contract" or "Fixed Period Contract with Renewals" has been checked, Vendor must not begin work until it receives a separate notice to proceed from the State. The notice to proceed will then be incorporated into the Contract via change order to memorialize the official date that work commenced.

**5. QUANTITIES:** The quantities required under this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below.

**Open End Contract:** Quantities listed in this Solicitation/Award Document are approximations only, based on estimates supplied by the Agency. 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.

**Service:** The scope of the service to be provided will be more clearly defined in the specifications included herewith.

**Combined Service and Goods:** The scope of the service and deliverable goods to be provided will be more clearly defined in the specifications included herewith.

**One-Time Purchase:** This Contract is for the purchase of a set quantity of goods that are identified in the specifications included herewith. Once those items have been delivered, no additional goods may be procured under this Contract without an appropriate change order approved by the Vendor, Agency, Purchasing Division, and Attorney General's office.

**Construction:** This Contract is for construction activity more fully defined in the specifications.

**6. EMERGENCY PURCHASES:** The Purchasing Division Director may authorize the Agency to purchase goods or services in the open market that Vendor would otherwise provide under this Contract if those goods or services are for immediate or expedited delivery in an emergency. Emergencies shall include, but are not limited to, delays in transportation or an unanticipated increase in the volume of work. An emergency purchase in the open market, approved by the Purchasing Division Director, shall not constitute a breach of this Contract and shall not entitle the Vendor to any form of compensation or damages. This provision does not excuse the State from fulfilling its obligations under a One-Time Purchase contract.

**7. REQUIRED DOCUMENTS:** All of the items checked in this section must be provided to the Purchasing Division by the Vendor as specified:

**LICENSE(S) / CERTIFICATIONS / PERMITS:** In addition to anything required under the Section of the General Terms and Conditions entitled Licensing, the apparent successful Vendor shall furnish proof of the following licenses, certifications, and/or permits upon request and in a form acceptable to the State. The request may be prior to or after contract award at the State's sole discretion.

The apparent successful Vendor shall also furnish proof of any additional licenses or certifications contained in the specifications regardless of whether or not that requirement is listed above.

**8. INSURANCE:** The apparent successful Vendor shall furnish proof of the insurance identified by a checkmark below prior to Contract award. The insurance coverages identified below must be maintained throughout the life of this contract. Thirty (30) days prior to the expiration of the insurance policies, Vendor shall provide the Agency with proof that the insurance mandated herein has been continued. Vendor must also provide Agency with immediate notice of any changes in its insurance policies, including but not limited to, policy cancelation, policy reduction, or change in insurers. The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether that insurance requirement is listed in this section.

Vendor must maintain:

**Commercial General Liability Insurance** in at least an amount of: \$1,000,000.00 per occurrence.

**Automobile Liability Insurance** in at least an amount of: \$1,000,000.00 per occurrence.

**Professional/Malpractice/Errors and Omission Insurance** in at least an amount of: \$3,000,000.00 per occurrence. Notwithstanding the forgoing, Vendor's are not required to list the State as an additional insured for this type of policy.

**Commercial Crime and Third Party Fidelity Insurance** in an amount of: \_\_\_\_\_ per occurrence.

**Cyber Liability Insurance** in an amount of: \$1,000,000.00 per occurrence.

**Builders Risk Insurance** in an amount equal to 100% of the amount of the Contract.

**Pollution Insurance** in an amount of: \_\_\_\_\_ per occurrence.

**Aircraft Liability** in an amount of: \_\_\_\_\_ per occurrence.

**9. WORKERS' COMPENSATION INSURANCE:** Vendor shall comply with laws relating to workers compensation, shall maintain workers' compensation insurance when required, and shall furnish proof of workers' compensation insurance upon request.

**10. VENUE:** All legal actions for damages brought by Vendor against the State shall be brought in the West Virginia Claims Commission. Other causes of action must be brought in the West Virginia court authorized by statute to exercise jurisdiction over it.

**11. LIQUIDATED DAMAGES:** This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other available remedy. Vendor shall pay liquidated damages in the amount specified below or as described in the specifications:

\_\_\_\_\_ for \_\_\_\_\_.

Liquidated Damages Contained in the Specifications.

Liquidated Damages Are Not Included in this Contract.

**12. ACCEPTANCE:** Vendor's signature on its bid, or on the certification and signature page, constitutes an offer to the State that cannot be unilaterally withdrawn, signifies that the product or service proposed by vendor meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise indicated, and signifies acceptance of the terms and conditions contained in the Solicitation unless otherwise indicated.

**13. PRICING:** The pricing set forth herein is firm for the life of the Contract, unless specified elsewhere within this Solicitation/Contract by the State. A Vendor's inclusion of price adjustment provisions in its bid, without an express authorization from the State in the Solicitation to do so, may result in bid disqualification. Notwithstanding the foregoing, Vendor must extend any publicly advertised sale price to the State and invoice at the lower of the contract price or the publicly advertised sale price.

**14. PAYMENT IN ARREARS:** Payments for goods/services will be made in arrears only upon receipt of a proper invoice, detailing the goods/services provided or receipt of the goods/services, whichever is later. Notwithstanding the foregoing, payments for software maintenance, licenses, or subscriptions may be paid annually in advance.

**15. PAYMENT METHODS:** Vendor must accept payment by electronic funds transfer and P-Card. (The State of West Virginia's Purchasing Card program, administered under contract by a banking institution, processes payment for goods and services through state designated credit cards.)

**16. TAXES:** The Vendor shall pay any applicable sales, use, personal property or any other taxes arising out of this Contract and the transactions contemplated thereby. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.

**17. ADDITIONAL FEES:** Vendor is not permitted to charge additional fees or assess additional charges that were not either expressly provided for in the solicitation published by the State of West Virginia, included in the Contract, or included in the unit price or lump sum bid amount that Vendor is required by the solicitation to provide. Including such fees or charges as notes to the solicitation may result in rejection of vendor's bid. Requesting such fees or charges be paid after the contract has been awarded may result in cancellation of the contract.

**18. FUNDING:** This Contract shall continue for the term stated herein, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available, this Contract becomes void and of no effect beginning on July 1 of the fiscal year for which funding has not been appropriated or otherwise made available. If that occurs, the State may notify the Vendor that an alternative source of funding has been obtained and thereby avoid the automatic termination. Non-appropriation or non-funding shall not be considered an event of default.

**19. CANCELLATION:** The Purchasing Division Director reserves the right to cancel this Contract immediately upon written notice to the vendor if the materials or workmanship supplied do not conform to the specifications contained in the Contract. The Purchasing Division Director may also cancel any purchase or Contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules § 148-1-5.2.b.

**20. TIME:** Time is of the essence regarding all matters of time and performance in this Contract.

**21. APPLICABLE LAW:** This Contract is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in specification manuals, or any other source, verbal or written, which contradicts or violates the West Virginia Constitution, West Virginia Code, or West Virginia Code of State Rules is void and of no effect.

**22. COMPLIANCE WITH LAWS:** Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendor acknowledges that it has reviewed, understands, and will comply with all applicable laws, regulations, and ordinances.

**SUBCONTRACTOR COMPLIANCE:** Vendor shall notify all subcontractors providing commodities or services related to this Contract that as subcontractors, they too are required to comply with all applicable laws, regulations, and ordinances. Notification under this provision must occur prior to the performance of any work under the contract by the subcontractor.

**23. ARBITRATION:** Any references made to arbitration contained in this Contract, Vendor's bid, or in any American Institute of Architects documents pertaining to this Contract are hereby deleted, void, and of no effect.

**24. MODIFICATIONS:** This writing is the parties' final expression of intent. Notwithstanding anything contained in this Contract to the contrary no modification of this Contract shall be binding without mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any change to existing contracts that adds work or changes contract cost, and were not included in the original contract, must be approved by the Purchasing Division and the Attorney General's Office (as to form) prior to the implementation of the change or commencement of work affected by the change.

**25. WAIVER:** The failure of either party to insist upon a strict performance of any of the terms or provision of this Contract, or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or a relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue in full force and effect. Any waiver must be expressly stated in writing and signed by the waiving party.

**26. SUBSEQUENT FORMS:** The terms and conditions contained in this Contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by Vendor to the Agency or Purchasing Division such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes internet websites or other electronic documents. Acceptance or use of Vendor's forms does not constitute acceptance of the terms and conditions contained thereon.

**27. ASSIGNMENT:** Neither this Contract nor any monies due, or to become due hereunder, may be assigned by the Vendor without the express written consent of the Agency, the Purchasing Division, the Attorney General's office (as to form only), and any other government agency or office that may be required to approve such assignments.

**28. WARRANTY:** The Vendor expressly warrants that the goods and/or services covered by this Contract will: (a) conform to the specifications, drawings, samples, or other description furnished or specified by the Agency; (b) be merchantable and fit for the purpose intended; and (c) be free from defect in material and workmanship.

**29. STATE EMPLOYEES:** State employees are not permitted to utilize this Contract for personal use and the Vendor is prohibited from permitting or facilitating the same.

**30. PRIVACY, SECURITY, AND CONFIDENTIALITY:** The Vendor agrees that it 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 [www.state.wv.us/admin/purchase/privacy](http://www.state.wv.us/admin/purchase/privacy).

**31. YOUR SUBMISSION IS A PUBLIC DOCUMENT:** Vendor's entire response to the Solicitation and the resulting Contract are public documents. As public documents, they will be disclosed to the public following the bid/proposal opening or award of the contract, as required by the competitive bidding laws of West Virginia Code §§ 5A-3-1 et seq., 5-22-1 et seq., and 5G-1-1 et seq. and the Freedom of Information Act West Virginia Code §§ 29B-1-1 et seq.

**DO NOT SUBMIT MATERIAL YOU CONSIDER TO BE CONFIDENTIAL, A TRADE SECRET, OR OTHERWISE NOT SUBJECT TO PUBLIC DISCLOSURE.**

Submission of any bid, proposal, or other document to the Purchasing Division constitutes your explicit consent to the subsequent public disclosure of the bid, proposal, or document. The Purchasing Division will disclose any document labeled "confidential," "proprietary," "trade secret," "private," or labeled with any other claim against public disclosure of the documents, to include any "trade secrets" as defined by West Virginia Code § 47-22-1 et seq. All submissions are subject to public disclosure without notice.

**32. LICENSING:** In accordance with West Virginia Code of State Rules § 148-1-6.1.e, Vendor 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, West Virginia Insurance Commission, or any other state agency or political subdivision. Obligations related to political subdivisions may include, but are not limited to, business licensing, business and occupation taxes, inspection compliance, permitting, etc. Upon request, the Vendor must provide all necessary releases to obtain information to enable the Purchasing Division Director or the Agency to verify that the Vendor is licensed and in good standing with the above entities.

**SUBCONTRACTOR COMPLIANCE:** Vendor shall notify all subcontractors providing commodities or services related to this Contract that as subcontractors, they too are required to be licensed, in good standing, and up-to-date on all state and local obligations as described in this section. Obligations related to political subdivisions may include, but are not limited to, business licensing, business and occupation taxes, inspection compliance, permitting, etc. Notification under this provision must occur prior to the performance of any work under the contract by the subcontractor.

**33. ANTITRUST:** In submitting a bid to, signing a contract with, or accepting a Award Document from any agency of the State of West Virginia, the Vendor agrees to 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 Vendor.

**34. VENDOR NON-CONFLICT:** Neither Vendor nor its representatives are permitted to have any interest, nor shall they acquire any interest, direct or indirect, which would compromise the performance of its services hereunder. Any such interests shall be promptly presented in detail to the Agency.



**35. VENDOR RELATIONSHIP:** The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by this Contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents. Vendor shall be responsible for selecting, supervising, and compensating any and all individuals employed pursuant to the terms of this Solicitation and resulting contract. Neither the Vendor, nor any employees or subcontractors of the Vendor, shall be deemed to be employees of the State for any purpose whatsoever. Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension, or other deferred compensation plans, including but not limited to, Workers' Compensation and Social Security obligations, licensing fees, etc. and the filing of all necessary documents, forms, and returns pertinent to all of the foregoing.

Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including, but not limited to, the foregoing payments, withholdings, contributions, taxes, Social Security taxes, and employer income tax returns.

**36. INDEMNIFICATION:** The Vendor agrees to indemnify, defend, and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the Contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the Contract in a manner not authorized by the Contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.

**37. NO DEBT CERTIFICATION:** In accordance with West Virginia Code §§ 5A-3-10a and 5-22-1(i), the State is prohibited from awarding a contract to any bidder that owes a debt to the State or a political subdivision of the State. By submitting a bid, or entering into a contract with the State, Vendor is affirming that (1) for construction contracts, the Vendor is not in default on any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, neither the Vendor nor any related party owe a debt as defined above, and neither the Vendor nor any related party are in employer default as defined in the statute cited above unless the debt or employer default is permitted under the statute.

**38. CONFLICT OF INTEREST:** Vendor, its officers or members or employees, shall not presently have or acquire an interest, direct or indirect, which would conflict with or compromise the performance of its obligations hereunder. Vendor shall periodically inquire of its officers, members and employees to ensure that a conflict of interest does not arise. Any conflict of interest discovered shall be promptly presented in detail to the Agency.

**39. REPORTS:** Vendor shall provide the Agency and/or the Purchasing Division with the following reports identified by a checked box below:

Such reports as the Agency and/or the Purchasing Division may request. Requested reports may include, but are not limited to, quantities purchased, agencies utilizing the contract, total contract expenditures by agency, etc.

Quarterly reports detailing the total quantity of purchases in units and dollars, along with a listing of purchases by agency. Quarterly reports should be delivered to the Purchasing Division via email at [purchasing.division@wv.gov](mailto:purchasing.division@wv.gov).

**40. BACKGROUND CHECK:** In accordance with W. Va. Code § 15-2D-3, the State reserves the right to prohibit a service provider's employees from accessing sensitive or critical information or to be present at the Capitol complex based upon results addressed from a criminal background check. Service providers should contact the West Virginia Division of Protective Services by phone at (304) 558-9911 for more information.

**41. PREFERENCE FOR USE OF DOMESTIC STEEL PRODUCTS:** Except when authorized by the Director of the Purchasing Division pursuant to W. Va. Code § 5A-3-56, no contractor may use or supply steel products for a State Contract Project other than those steel products made in the United States. A contractor who uses steel products in violation of this section may be subject to civil penalties pursuant to W. Va. Code § 5A-3-56. As used in this section:

- a. "State Contract Project" means any erection or construction of, or any addition to, alteration of or other improvement to any building or structure, including, but not limited to, roads or highways, or the installation of any heating or cooling or ventilating plants or other equipment, or the supply of and materials for such projects, pursuant to a contract with the State of West Virginia for which bids were solicited on or after June 6, 2001.
- b. "Steel Products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated or otherwise similarly processed, or processed by a combination of two or more or such operations, from steel made by the open heath, basic oxygen, electric furnace, Bessemer or other steel making process.
- c. The Purchasing Division Director may, in writing, authorize the use of foreign steel products if:
  1. The cost for each contract item used does not exceed one tenth of one percent (.1%) of the total contract cost or two thousand five hundred dollars (\$2,500.00), whichever is greater. For the purposes of this section, the cost is the value of the steel product as delivered to the project; or
  2. The Director of the Purchasing Division determines that specified steel materials are not produced in the United States in sufficient quantity or otherwise are not reasonably available to meet contract requirements.

**42. PREFERENCE FOR USE OF DOMESTIC ALUMINUM, GLASS, AND STEEL:** In Accordance with W. Va. Code § 5-19-1 et seq., and W. Va. CSR § 148-10-1 et seq., for every contract or subcontract, subject to the limitations contained herein, for the construction, reconstruction, alteration, repair, improvement or maintenance of public works or for the purchase of any item of machinery or equipment to be used at sites of public works, only domestic aluminum, glass or steel products shall be supplied unless the spending officer determines, in writing, after the receipt of offers or bids, (1) that the cost of domestic aluminum, glass or steel products is unreasonable or inconsistent with the public interest of the State of West Virginia, (2) that domestic aluminum, glass or steel products are not produced in sufficient quantities to meet the contract requirements, or (3) the available domestic aluminum, glass, or steel do not meet the contract specifications. This provision only applies to public works contracts awarded in an amount more than fifty thousand dollars (\$50,000) or public works contracts that require more than ten thousand pounds of steel products.

The cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than twenty percent (20%) of the bid or offered price for foreign made aluminum, glass, or steel products. If the domestic aluminum, glass or steel products to be supplied or produced in a "substantial labor surplus area", as defined by the United States Department of Labor, the cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than thirty percent (30%) of the bid or offered price for foreign made aluminum, glass, or steel products. This preference shall be applied to an item of machinery or equipment, as indicated above, when the item is a single unit of equipment or machinery manufactured primarily of aluminum, glass or steel, is part of a public works contract and has the sole purpose or of being a permanent part of a single public works project. This provision does not apply to equipment or machinery purchased by a spending unit for use by that spending unit and not as part of a single public works project.

All bids and offers including domestic aluminum, glass or steel products that exceed bid or offer prices including foreign aluminum, glass or steel products after application of the preferences provided in this provision may be reduced to a price equal to or lower than the lowest bid or offer price for foreign aluminum, glass or steel products plus the applicable preference. If the reduced bid or offer prices are made in writing and supersede the prior bid or offer prices, all bids or offers, including the reduced bid or offer prices, will be reevaluated in accordance with this rule.

**43. INTERESTED PARTY SUPPLEMENTAL DISCLOSURE:** W. Va. Code § 6D-1-2 requires that for contracts with an actual or estimated value of at least \$1 million, the Vendor must submit to the Agency a disclosure of interested parties prior to beginning work under this Contract. Additionally, the Vendor must submit a supplemental disclosure of interested parties reflecting any new or differing interested parties to the contract, which were not included in the original pre-work interested party disclosure, within 30 days following the completion or termination of the contract. A copy of that form is included with this solicitation or can be obtained from the WV Ethics Commission. This requirement does not apply to publicly traded companies listed on a national or international stock exchange. A more detailed definition of interested parties can be obtained from the form referenced above.

**44. PROHIBITION AGAINST USED OR REFURBISHED:** Unless expressly permitted in the solicitation published by the State, Vendor must provide new, unused commodities, and is prohibited from supplying used or refurbished commodities, in fulfilling its responsibilities under this Contract.

**45. VOID CONTRACT CLAUSES:** This Contract is subject to the provisions of West Virginia Code § 5A-3-62, which automatically voids certain contract clauses that violate State law.

**46. ISRAEL BOYCOTT:** Bidder understands and agrees that, pursuant to W. Va. Code § 5A-3-63, it is prohibited from engaging in a boycott of Israel during the term of this contract.

**DESIGNATED CONTACT:** Vendor appoints the individual identified in this Section as the Contract Administrator and the initial point of contact for matters relating to this Contract.

(Printed Name and Title) Robert Miller, Senior Vice President and General Manager

(Address) 1500 Stony Brook Rd, Stony Brook, NY 11794

(Phone Number) / (Fax Number) 631-885-3939

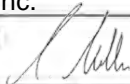
(email address) rmiller@softheon.com

**CERTIFICATION AND SIGNATURE:** By signing below, or submitting documentation through WV OASIS, I certify that: I have reviewed this Solicitation/Contract in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation/Contract for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated herein; that I am submitting this bid, offer or proposal for review and consideration; that this bid or offer was made without prior understanding, agreement, or connection with any entity submitting a bid or offer for the same material, supplies, equipment or services; that this bid or offer is in all respects fair and without collusion or fraud; that this Contract is accepted or entered into without any prior understanding, agreement, or connection to any other entity that could be considered a violation of law; that I am authorized by the Vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on Vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

By signing below, I further certify that I understand this Contract is subject to the provisions of West Virginia Code § 5A-3-62, which automatically voids certain contract clauses that violate State law; and that pursuant to W. Va. Code 5A-3-63, the entity entering into this contract is prohibited from engaging in a boycott against Israel.

Softheon, Inc.

(Company)



(Signature of Authorized Representative)

Robert Miller, Senior Vice President and General Manager

(Printed Name and Title of Authorized Representative) (Date)

631-885-3939

(Phone Number) (Fax Number)

rmiller@softheon.com

(Email Address)

**ADDENDUM ACKNOWLEDGEMENT FORM**  
**SOLICITATION NO.: CRFQ BMS2400000002**

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:

*(Check the box next to each addendum received)*

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input checked="" type="checkbox"/> Addendum No. 6  |
| <input checked="" type="checkbox"/> Addendum No. 2 | <input checked="" type="checkbox"/> Addendum No. 7  |
| <input checked="" type="checkbox"/> Addendum No. 3 | <input checked="" type="checkbox"/> Addendum No. 8  |
| <input checked="" type="checkbox"/> Addendum No. 4 | <input checked="" type="checkbox"/> Addendum No. 9  |
| <input checked="" type="checkbox"/> Addendum No. 5 | <input checked="" type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Softheon, Inc.

\_\_\_\_\_  
Company



\_\_\_\_\_  
Authorized Signature

January 17, 2024

\_\_\_\_\_  
Date

NOTE: This addendum acknowledgment should be submitted with the bid to expedite document processing.

**REQUEST FOR QUOTATION**  
**CRFQ BMS240000002**  
**Asset Verification System**

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**SPECIFICATIONS**

- 1. PURPOSE AND SCOPE:** The West Virginia Purchasing Division is soliciting bids on behalf of West Virginia Department of Health and Human Services (DHHR), herein referred to as Agency”, to establish a Contract for Asset Verification System (AVS) with optional income verification services. The Vendor will be required to integrate the full scope of AVS services into the Agency’s current eligibility enrollment system by 06/04/2024.

Delivery Orders issued from contract awarded as a result of the solicitations may be covered in part or in whole by federal funds, and thus this solicitation and its resulting awarded contract are subject to the requirements of *Attachment 1: Federal Funds Addendum*.

**NOTE:** The WVDHHR has developed an Equal Employment Opportunity Plan (EEO) Utilization Report and it is available at:

<http://www.wvdhhr.org/pdfs/H1.5%20Utilization%20Report%20and%20EEO%20policy.pdf>

- 2. DEFINITIONS:** The terms listed below have the meanings assigned to them. Additional definitions can be found in *Appendix I: Acronyms, Terms, and Definitions*.

**2.1 “Contract Services”** means the AVS services provided to allow the Agency to complete required verifications as more fully described in these specifications. The Agency must verify:

**2.1.1** Assets for new applicants (including spouses as applicable, as well as parents of applicants/recipients under the age of 18) for aged, blind, and/or disabled Medicaid services.

**2.1.2** Assets for redeterminations (including spouses as applicable, as well as parents of applicants/recipients under the age of 18) for current aged, blind, and/or disabled Medicaid members.

**2.2 “Pricing Page”** means the pages contained in wvOASIS upon which the Vendor shall list its proposed prices for Contract Services.

**2.3 “Solicitation”** means the official notice of an opportunity to supply the Agency with goods or services published by the Purchasing Division.

**2.4 “Optional Services”** refers to an opportunity to conduct income and employment verification for applicants and members to receive real-time income and employment verification and to support other health and human service programs offered by the department.

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**2.4.1** Income and employment to determine client's eligibility for benefits and to complete Quality Control reviews as required by Food and Nutrition Service (FNS) or Centers for Medicare & Medicaid Services (CMS) to establish claims due to an overpayment of benefits and to help prevent fraud and abuse of departmental programs.

**2.5 "Agency"** means a Bureau of the West Virginia Department of Health and Human Resources.

**3. QUALIFICATIONS:** Vendor, or Vendor's staff if requirements are inherently limited to individuals rather than corporate entities, shall have the following minimum qualifications:

**3.1.** The Vendor must have a minimum of three (3) years' experience with performing Asset Verification for state or federal Health and Human Services (HHS) programs.

**4. MANDATORY REQUIREMENTS:**

**4.1. Mandatory Contract Services Requirements and Deliverables:** Contract Services must meet or exceed the mandatory requirements listed below.

**4.1.1 Functionality**

**4.1.1.1** The Asset Verification System (AVS) must integrate with the current West Virginia eligibility enrollment system as defined by the Agency.

**4.1.1.2** The Vendor must provide users the functionality through a secure application program interface (API) to support the export of Asset Verification System (AVS) information from the current eligibility enrollment system to Word, Excel, text file, comma-separated values (CSVs), Portable Document Format (PDF), the Google Productivity Suite, or equal.

**4.1.1.3** The Vendor must provide nationwide Asset Verification System (AVS) asset searches.

**4.1.1.4** The Vendor must complete all interface testing of the Asset Verification System (AVS) with the current eligibility enrollment system for Agency approval sixty (60) calendar days prior to operational go-live.



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**4.1.1.5** The Vendor must assist the department with system testing and validation documentation of the integrated Asset Verification System (AVS) for Agency approval sixty (60) calendar days prior to operational go-live.

**4.1.2 Support for Multiple Programs**

**4.1.2.1** In addition to the requirements listed in this Request for Quotation (RFQ), the Vendor must have the ability to provide future Asset Verification System (AVS) for additional programs requested by the Agency. The Vendor will produce a capacity analysis report that will describe the Vendor's ability to support additional programs.

**4.1.2.2** The Vendor must support the Agency in meeting the Centers for Medicare & Medicaid (CMS) requirement to promote sharing, leverage, and reuse of Medicaid technologies and systems.

**4.1.3 Electronic Submission**

**4.1.3.1** Asset Verification System (AVS) must integrate with the current eligibility enrollment system as defined by the Agency and provide electronic response and request. The Vendor response and request cannot be paper based in any way. Additional information can be found at the following link: [https://www.ssa.gov/OP\\_Home/ssact/title19/1940.htm](https://www.ssa.gov/OP_Home/ssact/title19/1940.htm)

**4.1.3.2** Verification inquiries must be received and sent through a secure application program interface (API) or secured file transfer protocol (SFTP).

**4.1.3.3** The Vendor must manage all requests and responses for resource verification through the Asset Verification System (AVS), which will be routed through the current eligibility enrollment system. The Vendor must support the integration of the AVS with those entities, as determined by the Agency.

**4.1.3.4** The Asset Verification System (AVS) will support asset verification of a member, applicant, spouse, and/or parents of applicants/members under the age of 18, as applicable, across a period (look-back period) specified by the Agency. Additional information can be found at the following link: <https://dhhr.wv.gov/bfa/policyplans/Pages/Income-Maintenance-Manual.aspx>

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**4.1.4 West Virginia-to-Vendor Asset Verification Request**

- 4.1.4.1** The Vendor must implement the capability of receiving electronic asset verification requests from the current eligibility enrollment system as defined during the design development and implementation (DDI) process. The Vendor must accommodate such requests across data exchange formats as prescribed by the Agency (i.e., XML, CSV, Excel, PDF, TXT, JPEG, HTML, or equal).
- 4.1.4.2** The Vendor must manage requests that contain multiple requests for verification for distinct individuals (i.e., bundling or batching).
- 4.1.4.3** Transactions within the Asset Verification System (AVS) between the Agency and the Vendor will be conducted using secure encryption technology to help ensure protection of sensitive data. Upon receipt of a request, the AVS must return a response code or message indicating successful or non-successful receipt of the request.

**4.1.5 Vendor-to-Financial Institution Communication Request**

- 4.1.5.1** The technologies and processes selected for communication between the Vendor and financial institutions must be selected and implemented with the following requirements:
- 4.1.5.1.1** Compliance with current and future federal, state, and local regulations related to the financial industry and consumer information. Additional information can be found at the following links:
- eCFR: 12 CFR Part 332 – Privacy of Consumer Financial Information:  
<https://www.ecfr.gov/current/title-12/chapter-III/subchapter-B/part-332>
  - Federal Deposit Insurance Act:  
<https://www.fdic.gov/regulations/laws/rules/index.html>
- 4.1.5.1.2** Implementation of secure technologies and processes to protect the sensitive financial information being exchanged;

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**4.1.5.1.3** Implementation of technologies encouraging participation of financial institutions in the Vendor network.

**4.1.5.2** Transactions within the Asset Verification System (AVS) between the Vendor and the financial institution will be conducted using secure encryption technology to help ensure protection of sensitive data.

**4.1.6 Vendor-to-West Virginia Asset Verification Response**

**4.1.6.1** Upon aggregation of the asset information from the various financial institutions, the Vendor must send a response file to the Agency containing the requested information and the format and method of delivery information. The format and method of delivery of the response file will be prescribed by the Agency (i.e., XML, CSV, Excel, PDF, TXT, JPEG, HTML, or equal).

**4.1.6.2** Response transactions within the Asset Verification System (AVS) between the Vendor and the Agency must be conducted using secure encryption technology to help ensure protection of sensitive data.

**4.1.7 Financial Institution Networks**

**4.1.7.1** The Vendor must establish and maintain a current network list and database which includes all financial institutions that participate in the State's Asset Verification System (AVS) and must provide an updated list on a quarterly basis within two (2) business days of Agency request. The list must be made accessible via web access and downloadable report.

**4.1.7.2** The Vendor must add new financial institutions as needed.

**4.1.7.3** The financial institution network must maintain financial institutions located within the United States and territories.

**4.1.7.4** Within thirty (30) calendar days of Contract award and within five (5) business days of Agency request, the Vendor must provide a letter of commitment from each participating financial institution. Each letter of commitment must indicate the level of access and communication agreed to by the financial institution. The Vendor shall establish and maintain a working relationship with financial institutions and

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professional associations with which it is required to be in contact in the performance of the Contract.

- 4.1.7.5** The Vendor must develop and maintain a Recruitment Plan to be submitted and approved by the Agency within thirty (30) calendar days of Contract award. The Recruitment Plan shall contain the Vendor's method for recruiting all types of financial institutions within West Virginia, other states, and other U.S. territories and possessions and provide its methodology and plan for quarterly (or another time period as agreed upon by the Agency and the Vendor) recruitment of financial institutions. The Recruitment Plan must include the methods for recruitment and inclusion of rural financial institutions to its network.

**4.1.8 Liquid Asset Verification**

- 4.1.8.1** The liquid asset verification requests must include a request for information on both open and closed accounts associated with the member or applicant, the spouse of the member or applicant, and/or the parent(s) of applicants/members under the age of 18 and, if applicable, with an account or accounts at the financial institutions, during the applicable look-back period provided in the verification request. Additional information regarding the look-back periods can be found at the following link:  
<https://dhhr.wv.gov/bfa/policyplans/Pages/Income-Maintenance-Manual.aspx>
- 4.1.8.2** The Vendor must have the capability to send electronic requests to multiple financial institutions depending on the information received during the application or redetermination process.
- 4.1.8.3** The Vendor must accommodate multiple financial institution locations other than those identified by the applicant.
- 4.1.8.4** The Vendor must accommodate multiple variables within the same request when searching for an individual's assets, which must include at a minimum:
- Date range of account ownership and monthly statement balances;

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- Disclosed financial institutions and types of accounts;
- Medicaid category of the applicant or member;

**4.1.8.5** Requests must include, but not be limited to, verification of assets contained in any of the following types of asset accounts:

- Checking;
- Savings;
- Investment accounts;
- Individual retirement accounts (IRAs);
- Annuities;
- Life insurance policies to include cash surrender value, face value, and policy owner;
- Burial assets;
- Other assets that may be held by the financial institution.

**4.1.8.6** Asset verification requests will produce a report. A template of this report is provided in ***Attachment 2: Asset Verification Report Template*** and includes, at minimum, the following specific information regarding each such account:

**4.1.8.6.1** The name of the financial institution holding the account, along with the branch address and telephone number where the account is serviced;

**4.1.8.6.2** The type of account (e.g., checking, savings, annuity, retirement) and the full account number;

**4.1.8.6.3** The full legal name of each individual or entity with any ownership interest in the account;

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- 4.1.8.6.4** The date the account was opened and the date the account was closed, if applicable;
- 4.1.8.6.5** The account balance in the account at 12:01 a.m. on the first date of each month in which the account was open during the specified date range.
- 4.1.8.7** The Asset Verification System (AVS) must receive electronic verifications from various financial institutions regarding accounts/assets on which the name (member, applicant, and or parent of applicants/members under the age of 18) appeared as either a single or joint owner during the look-back period provided in the verification request, which provides one of the following:

  - 4.1.8.7.1** The assets held or managed by the financial institution;
  - 4.1.8.7.2** Documentation that the search was conducted but no assets are held or managed by the financial institution;
  - 4.1.8.7.3** Additional information regarding the look-back periods can be found at the following link:  
<https://dhhr.wv.gov/bfa/policyplans/Pages/Income-Maintenance-Manual.aspx>
- 4.1.8.8** Electronic verification requests must be sent to financial institutions other than those identified by applicants and members, based on logic, such as geographic proximity to the applicant's home address (or other factors determined by the Agency). The Vendor's solution shall perform a full search for each verification request to help determine eligibility.

**4.1.9 Real Property Asset Verification**

- 4.1.9.1** Real property asset verification requests must include a real property asset verification report for an applicant, a member, spouse, or parent of applicants/recipients under the age of 18, if applicable, that will identify real property owned in whole or in part by the applicant, the member, spouse, or parent of applicants/recipients under the age of 18 at any point within the specified date range. Real property asset

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verification report must include, but not be limited to, the following specific information for each such piece of real property identified:

- 4.1.9.1.1** Sufficient information to identify the property, including, but not limited to, its address location, any parcel or tax identification number assigned to the property, the governing jurisdiction where the title is registered, etc.;
  - 4.1.9.1.2** The assessed value of the property by the relevant taxing authority;
  - 4.1.9.1.3** The names of any co-owners of the property, if applicable;
  - 4.1.9.1.4** The transaction history of the property, if available, including the dates, prices, and parties involved in the most recent sale or transfer of the property involving the applicant, member, spouse, or parent of applicants/recipients under the age of 18, if applicable, and the type of transaction.
- 4.1.9.2** Within thirty (30) calendar days of contract award, the Vendor must provide its methodology and/or plan(s) (and the name(s) of such deliverables) for searching real property assets owned in whole or in part by an applicant, a member, spouse, or parent of applicants/recipients under the age of 18, if applicable within West Virginia, other states, and U.S. territories.

**4.1.10 State Ownership**

- 4.1.10.1** The Vendor must agree that the Agency retains, throughout and beyond the life of the Contract, ownership of all data, procedures, applications, licenses, and materials developed, as well as the licensing for installed commercial off-the-shelf (COTS) software in alignment with 45 CFR §95.615 and 45 CFR §95.617. Manufacturers' support and maintenance for the COTS software licensing after the initial install must be provided only for the life of the Contract. The Agency will not issue change orders related to software cost increases. Additional information regarding these regulations can be found at the following links:

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- <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-95/subpart-F/subject-group-ECFR8ea7e78ba47a262/section-95.615>
- <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-95/subpart-F/subject-group-ECFR8ea7e78ba47a262/section-95.617>

#### **4.1.11 State Security Requirements**

**4.1.11.1** The Vendor must adhere to and support all security, risks, standards, policies, and procedures of the Agency, State of West Virginia, and the West Virginia Office of Technology (WVOT). Additional information can be found at the following link:

<http://www.wvdhhr.org/mis/policies.asp>

**4.1.11.2** The Vendor must provide project status information to the Agency and the Asset Verification System (AVS) Project Management Office (PMO) within the required time frames and in the agreed upon format, as defined in the approved Project Management Plan.

#### **4.1.12 Required Deliverable Documents**

##### **4.1.12.1 Work Breakdown Structure**

**4.1.12.1.1** The Work Breakdown Structure (WBS) shall illustrate a deliverable-oriented breakdown of the Asset Verification System (AVS) into smaller components. A WBS is a key project deliverable that organizes the team's work into manageable sections.

##### **4.1.12.2 Project Schedule**

**4.1.12.2.1** The Vendor shall provide a detailed task-by-task schedule of the activities to be completed during the Design, Development, and Implementation (DDI) phase of the project, tying back to the WBS. The project schedule provides start and end dates, durations, work estimates, resources, and predecessors for each task, deliverable, and milestone. The Vendor shall deliver the schedule in



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Microsoft Project format or equal and baseline the schedule upon initial approval by the Agency.

**4.1.12.3 Staffing Management Plan**

**4.1.12.3.1** The Vendor shall provide the planned approach to staff the project and maintain compliance with all staffing requirements.

**4.1.12.4 Documentation Management Plan**

**4.1.12.4.1** The Vendor shall provide plans for managing project documentation, including, but not limited to:

- Documentation types like deliverables, meeting materials, and artifacts;
- Use, access, and management of document repositories;
- Approach to version control on all project documentation.

**4.1.12.5 Training Management Plan**

**4.1.12.5.1** The Vendor shall provide the planned approach for training system users to use the Asset Verification System (AVS). The Training Management Plan shall contain the Vendor's approach to providing training, as described in the Request for Quotation (RFQ). The Training Management Plan shall include subordinate plans including, but not limited to:

- Training Schedule: Provides the schedule for all training to be conducted during the training phase;
- Training Materials: Includes all materials the Vendor will use to support training, including slide decks, lesson

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plans/curriculums, agendas, and any other materials the Vendor will present to trainees;

**4.1.12.5.2** Training Report: Provides the outcomes of the training phase of the project;

**4.1.12.5.3** User Documentation: Includes supporting documentation the Vendor makes available to system users to support specific business processes and includes, but is not limited to desk-level procedures, user guides, and other job aides.

**4.1.12.6** Testing Management Plan

**4.1.12.6.1** The Vendor shall provide the planned approach for conducting and supporting each phase of Asset Verification System (AVS) testing.

**4.1.12.7** Scope Management Plan

**4.1.12.7.1** The Vendor shall provide the planned approach to define, control, and verify scope during the project and shall include, but not be limited to, the following elements:

- Approach for developing project scope statement;
- Approach to creating the Work Breakdown Structure (WBS) based on the scope statement;
- Approach to maintenance of the WBS;
- WBS that decomposes project tasks down to the work package level.

**4.1.12.8** Schedule Management Plan

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**4.1.12.8.1** The Vendor shall provide the planned approach to manage the Project Schedule which shall include, but not be limited to:

- Scheduling tool;
- Standing schedule review meetings;
- Project schedule delivery intervals;
- Assumptions used to develop draft project schedule;
- Constraints that impact draft Project Schedule;
- Project Schedule reporting;
- Approach to baselining schedule.

**4.1.12.9 Change Management Plan**

**4.1.12.9.1** The Vendor shall provide the planned approach to conduct change management on the project and shall include, but not be limited to:

- Change management tools;
- Establishment of a change control board (CCB);
- Regularly scheduled change control meetings;
- Process used to document change requests on the project .

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**4.1.12.10 Cost Management Plan**

**4.1.12.10.1** The Vendor shall provide the planned approach to manage the project budget to work to ensure the project stays within budget.

**4.1.12.11 Quality Management Plan**

**4.1.12.11.1** The Vendor shall provide the planned approach to manage the quality of the work that is provided on the project. The Quality Management Plan shall establish the deliverable review process and quality assurance approach for the project.

**4.1.12.12 Human Resources Management Plan**

**4.1.12.12.1** The Vendor shall provide the planned approach to manage the human resources that support the project.

**4.1.12.13 Communication Management Plan**

**4.1.12.13.1** The Vendor shall provide the planned approach to manage communications during the project and shall include, but not be limited to, the following elements:

- Audience;
- Tools;
- Standing Project Meetings (purpose, audience, and frequency);
- Reporting;
- Maintenance of contact list;
- Time frame and frequency of communications;
- Required project communications.

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**4.1.12.14 Risk Management Plan**

**4.1.12.14.1** The Vendor shall provide the planned approach to manage risk on the project and shall include, but not be limited to, the following elements:

- Risk management tools;
- Data sources that support risk management;
- Roles and responsibilities;
- Criticality and probability measures;
- Escalation measures
- Mitigation techniques;
- Escrow management approach.

**4.1.12.15 Issue Management Plan**

**4.1.12.15.1** The Vendor shall provide the planned approach to manage project issues and shall include, but not be limited to, the following elements:

- Issue management tools;
- Data sources that support issue management;
- Roles and responsibilities;
- Criticality measures;
- Escalation measures;
- Corrective action plan methodology.

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**4.1.12.16 Data Retention Management Plan**

**4.1.12.16.1** The Vendor shall provide the approach to conduct system backups and help ensure all records are retained on a schedule that aligns with state and federal regulations. The plan should include the following elements:

- Detailed schedules, to ensure that data maintained within the Asset Verification System (AVS), other systems, or manual files are properly and routinely purged, archived, and protected from loss, unauthorized access, or destruction, in accordance with all relevant state policies and procedures;
- Retention methodology for all data and records associated with each of the project phases described herein.

**4.1.12.17 Project Team Management Plan**

**4.1.12.17.1** The Vendor shall provide the planned approach to manage interested parties' engagement during the project.

**4.1.12.18 Security Management Plan**

**4.1.12.18.1** The Vendor shall provide the planned approach to manage security, privacy, and confidentiality during the project. This plan shall establish the approach for complying with all federal and state security mandates.

**4.1.12.19 Workflow Management Plan**

**4.1.12.19.1** The Vendor shall provide an illustration of the orchestrated and repeatable pattern of business activity enabled by the systematic organization of resources and system functions needed to support the Vendor's Asset Verification System (AVS).

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**4.1.12.20 Turnover Management Plan**

**4.1.12.20.1** The Vendor shall provide the planned approach to transition the operations and maintenance of the system to the new Vendor or Agency when the Contract ends.

**4.1.12.21 Deliverable Dictionary**

**4.1.12.21.1** The Vendor shall provide a list of all project deliverables and shall include the following elements for each deliverable:

- Deliverable number;
- Deliverable title;
- Purpose;
- Description;
- Initial acceptance criteria.

**4.2 Optional Services – Option to include real-time income and employment verification.**

**4.2.1 Income Verification**

**4.2.1.1** The Vendor's solution must provide income and employment verification. The Vendor's solution must fully integrate into the Agency's current eligibility enrollment system.

**4.2.1.2** The Vendor must assume software and hardware licensing costs beginning upon execution of this Contract through completion of the Contract, if applicable. The Vendor's solution must support a minimum of 900 Agency employees to use the employment verification. The Agency intends to transfer allowable licenses; however, the Vendor shall provide licenses necessary to provide any additional employees access at no additional cost to the Agency. The number of users able to access the system both independently and

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concurrently shall have no finite number at no additional cost to the Agency.

- 4.2.1.3** The Vendor's solution must allow assigned Agency administrators access to add, remove, and modify users.
- 4.2.1.4** The Vendor's solution must allow selectable search criteria with options of, at minimum, zero (0) – sixty (60) calendar days, zero (0) – three (3) months, zero (0) – six (6) months, zero (0) – one (1) year, zero (0) – three (3) years, and the ability to select specific date ranges.
- 4.2.1.5** The Vendor's solution must provide functionality of employment verification for applicants, recipients, and other individuals included in the verification request which includes their present and past employers' names, their current employment status, and current income verification, including payroll deductions.
- 4.2.1.6** The Vendor's solution must provide employer's name, employer's address, dates of employment, individual's availability of medical and/or dental insurance, present and past pay rate, bonus payments including commissions or other compensations/reimbursements, and at least three (3) years of year-to-date income and pay period details, including payroll deductions.
- 4.2.1.7** The Vendor's solution must update the employment database with current information at least once daily without interruption to the operating environment.
- 4.2.1.8** The Vendor's employment verification services must provide real-time verification on the screen for requests made.
- 4.2.1.9** The Vendor's solution must provide verification that can be printed and can be saved in formats that include, but are not limited to, Word, Excel, text, comma-separated values (CSVs), Portable Document Format (PDF), the Google Productivity Suite, or equal.
- 4.2.1.10** The Vendor's solution must be able to provide usage reports where data can be sorted by the user.



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- 4.2.1.11 The Vendor's solution must return requests for information in real-time to the Agency's current eligibility enrollment system.
- 4.2.1.12 The Vendor's solution must allow users to identify original sources of income verification, including, but not limited to, contact information for follow-up questions.
- 4.2.1.13 The Vendor's solution must employ online, real-time, and batch updates of data between the current eligibility enrollment system and other systems, depending on the interface requirements.

**5. CONTRACT AWARD:**

**5.1 Contract Award:** The Contract is intended to provide Agency with a purchase price for the Contract Services. The Contract shall be awarded to the Vendor that provides the Contract Services meeting the required specifications for the lowest overall total cost as shown on the Pricing Pages.

**5.2 Pricing Page:** Vendor should complete the Pricing Page by following *Attachment 3: Pricing Page Instructions*. Vendor should complete the Pricing Page in full as failure to complete the Pricing Page in its entirety may result in Vendor's bid being disqualified. Vendor shall type or electronically enter the information into the Pricing Page through wvOASIS, if available, or as an electronic document.

**6. PERFORMANCE:** Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by Agency. If this Contract is designated as an open-end Contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.

**7. PAYMENT:** Agency shall pay a firm, fixed price for implementation and monthly operating costs and a blended hourly rate for software enhancement costs, as shown on the Pricing Pages, for all Contract Services performed and accepted under this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.

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- 8. TRAVEL:** Vendor shall be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. Any anticipated mileage or travel costs may be included in the flat fee or hourly rate listed on Vendor's bid, but the Agency will not separately pay for such costs.
- 9. FACILITIES ACCESS:** Performance of Contract Services may require access cards and/or keys to gain entrance to Agency's facilities. In the event that access cards and/or keys are required:
- 9.1.** Vendor must identify principal service personnel which will be issued access cards and/or keys to perform service.
  - 9.2.** Vendor will be responsible for controlling cards and keys and will pay replacement fee, if the cards or keys become lost or stolen.
  - 9.3.** Vendor shall notify Agency immediately of any lost, stolen, or missing card or key.
  - 9.4.** Anyone performing under this Contract will be subject to Agency's security protocol and procedures.
  - 9.5.** Vendor shall inform all staff of Agency's security protocol and procedures.

**10. VENDOR DEFAULT:**

- 10.1.** The following shall be considered a vendor default under this Contract.
- 10.1.1.** Failure to perform Contract Services in accordance with the requirements contained herein.
  - 10.1.2.** Failure to comply with other specifications and requirements contained herein.
  - 10.1.3.** Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.
  - 10.1.4.** Failure to remedy deficient performance upon request.

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**10.2.** The following remedies shall be available to Agency upon default

**10.2.1.** Immediate cancellation of the Contract.

**10.2.2.** Immediate cancellation of one or more release orders issued under this Contract.

**10.2.3.** Any other remedies available in law or equity.

**11. MISCELLANEOUS:**

**11.1. Contract Manager:** During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

**Contract Manager:** Robert Miller  
**Telephone Number:** 631-885-3939  
**Fax Number:** N/A  
**Email Address:** rmiller@softheon.com

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**Appendix I: Acronyms, Terms, and Definitions**

<b>Acronym/Term</b>	<b>Definition</b>
<b>AVS</b>	Asset Verification System
<b>CAP</b>	Corrective Action Plan
<b>CCB</b>	Change Control Board
<b>COTS</b>	Commercial off-the-shelf
<b>DDI</b>	Design, Development, and Implementation
<b>DHHR</b>	Department of Health and Human Resources
<b>EEOP</b>	Equal Employment Opportunity Plan
<b>FAQ</b>	Frequently asked questions
<b>FNS</b>	Food and Nutrition Service
<b>FTI</b>	Federal tax information
<b>HHS</b>	Health and Human Services
<b>IRS</b>	Internal Revenue Service
<b>ISRA</b>	Information Security Risk Assessment
<b>KPI</b>	Key Performance Indicators
<b>MITA</b>	Medicaid Information Technology Architecture
<b>PDF</b>	Portable Document Format
<b>PMO</b>	Project Management Office
<b>PWP</b>	Project Work Plan
<b>RFQ</b>	Request for Quote
<b>SFPT</b>	Secured file transfer protocol
<b>SNAP</b>	Supplemental Nutrition Assistance Program
<b>SOW</b>	Scope of Work
<b>UAT</b>	User acceptance testing
<b>WV</b>	West Virginia
<b>WVOT</b>	West Virginia Office of Technology

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**Appendix II: Service-Level Agreements**

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The Agency will monitor the Vendor's performance using a performance reporting system to be implemented by the Vendor. Each SLA presented in this Appendix establishes the performance level expected by the Agency in a particular area. KPIs are identified within each SLA and are to be measured and reported each month by the Vendor.

DHHR reserves the right to assess payment reductions upon the Vendor's failure to provide and fulfill services required pursuant to this Contract. Payment reductions for failure to meet specific performance requirements as set forth in the Scope of Work may be assessed. These requirements must include, at a minimum: support services deliverables; AVS Services response time; reporting requirements; and financial institution network deliverables. The Vendor shall be given fifteen (15) business days' notice to respond before DHHR makes the assessment. The assessments will be offset against the subsequent monthly payments to the Vendor.

**SLAs and Performance Monitoring**

DHHR will monitor the Vendor's performance during the Operations Phase using a performance reporting system to be implemented by the Vendor. Each SLA presented in this Request for Quotation (RFQ) establishes the performance level expected by DHHR in a particular area. Key Performance Indicators (KPIs) are identified within each SLA and must be measured by the Vendor. For specific details, see the SLAs found in this Appendix.

DHHR has identified the KPIs to be key indicators of the Vendor's operational performance. Failure to achieve a KPI may, at the discretion of DHHR, result in payment reduction; failure to meet any other performance standard is not directly tied to fiscal hold-back. DHHR reserves the right to promote any Performance Metric to the status of the KPI.

**Monthly Reporting**

The Vendor shall monitor performance against the DHHR-specified KPIs in this document and shall develop operations reports to demonstrate compliance with applicable KPIs. The Vendor shall submit monthly performance report cards regarding the prior month's performance no later than the 10<sup>th</sup> of each month. In the event the 10<sup>th</sup> does not fall on a state business day, the performance report card shall be submitted no later than the last business day before the 10<sup>th</sup> of the month; the Vendor may include additional information regarding SLA compliance in its report. The Vendor shall make

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all reports or data used in the determination of SLA compliance and calculation of KPI metrics available to DHHR upon request. Roberbert Miller

**Corrective Action**

When a KPI reflected in an SLA is not met, the Vendor will provide DHHR with a written Corrective Action Plan (CAP) submitted for approval by the Agency no later than ten (10) business days from the date DHHR requests the CAP. DHHR will consider extensions to the 10-day timeline on a case-by-case basis. The CAP will include, at a minimum:

1. The missed KPI
2. Full description of the issue
3. Cause of the problem
4. Risks related to the issue
5. The resolution, including any failed solutions implemented prior to resolution
6. Proposed corrective action going forward to avoid missing the KPI in the future

The Vendor will implement the proposed corrective action CAP only upon DHHR approval of the CAP.

**Periodic Reviews**

Prior to submission for acceptance of the AVS Services, DHHR and the Vendor are to review all KPIs and Performance Measures to determine if revisions are needed. Thereafter, similar reviews are to be held annually upon the implementation of a change that impacts existing KPIs and/or at the request of DHHR.

**Right to Payment Reduction**

DHHR and the Vendor agree that failure by the Vendor to perform in accordance with established KPIs results in a loss to DHHR. If the Vendor fails to meet the KPIs identified in the Service-Level Agreements located in this Appendix, DHHR shall reduce the Vendor's monthly payment from the total monthly invoice as identified in each SLA below.

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ID	Description
<b>SLA001</b>	<p>The Deliverable Service Level will measure the percentage of tasks, activities, deliverables, and events assigned specific completion dates in the applicable Project Management Plan achieved on time and approved by the Agency. The Agency and the Vendor will agree to a Project Work Plan (PWP) at the commencement of the Scope of Work (SOW), and the Vendor will maintain the Project Management Plan as agreed to throughout the life of the SOW. The parties may agree to re-baseline the Project Management Plan throughout the life of the SOW. Due to the overlapping nature of the deliverables, a payment milestone will serve as the basis for measurement. The Vendor shall provide deliverables to the Agency in keeping with agreed levels of completeness, content quality, and content topic coverage, and otherwise achieve the agreed purpose of the deliverable between the Agency and the Vendor in accordance with the Contract and the applicable SOW. The Vendor shall complete all deliverables during the payment milestones within their corresponding delivery dates identified in the applicable SOW and/or SOW Project Plan. This service level will begin upon SOW initiation and will prevail until SOW completion.</p> <p>KPI Compliance and Calculation:</p> <p>The Agency will leverage a Performance and Fee at Risk Service-Level Agreement (SLA) model for SLA-1. The Vendor agrees that each payment milestone will be considered as a Fee at Risk for SLA deficiencies. The Fee at Risk will be calculated as follows:</p> <ol style="list-style-type: none"><li>1. \$2,000.00 per business day for each day after the agreed upon due date for each deliverable.</li><li>2. Payments will not be released until all deliverables are complete and approved within the payment milestone(s).</li></ol>

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ID	Description
<b>SLA002</b>	<p>The Vendor shall implement the Asset Verification System (AVS) services by Contract date.</p> <p>There shall be a payment reduction of up to \$4,000 per business day to the monthly invoice in each month that the actual go-live date has exceeded the mutually agreed upon go-live date.</p> <p>Payment reductions will be leveraged as follows:</p> <ol style="list-style-type: none"><li>1. First ten (10) business days past the go-live date: \$1,000 per business day.</li><li>2. Business days eleven (11) – fifteen (15) past the go-live date: \$2,000 per business day.</li><li>3. Business days sixteen (16) – twenty (20) past the go-live date: \$3,000 per business day.</li><li>4. Business day twenty-one (21) and each business day past the go-live date thereafter: \$4,000 per business day.</li></ol>
<b>SLA003</b>	<p>The Vendor shall work to ensure that a backup of all system database tables, data, and files occurs at a minimum, on a weekly basis to preserve the integrity of both historical and current data.</p> <p>Failure to meet the Disaster Recovery backup standards will equal a \$1,000 payment reduction per calendar day for each system database table, data, or file not successfully backed up.</p>
<b>SLA004</b>	<p>The Vendor shall maintain a scheduled system availability uptime level of 99.1%, Monday – Saturday 7:00 a.m. – 7:00 p.m. System performance degradation to the point that state workers cannot efficiently perform their work will be considered downtime. Scheduled uptime shall mean the time the user interface, database, and connectivity are available for transactions and excludes scheduled downtime for routine maintenance. The proposed solution consists of all system functions over which the Vendor has direct control, either directly or through a subcontractor relationship. Performance standards will be measured weekly for each percentage below the requirement will equal a \$1,000 payment reduction of the monthly invoice.</p>



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ID	Description
<b>SLA005</b>	<p>The Vendor shall resolve Severity Level 1 problems as defined below by the Agency.</p> <p>Definition: Severity Level 1 is an urgent situation occurring when the proposed solution is partially or fully inaccessible to end users which causes severe financial or productivity impacts.</p> <p>The Vendor's technical support staff shall accept the Agency's call for assistance whenever the system is down; however, if Vendor staff is not immediately available, the Vendor shall return the Agency's call within one (1) hour.</p> <p>The Vendor shall resolve Severity Level 1 problems as quickly as possible, which, on average (KPI to be calculated per month), shall not exceed one (1) hour from time of notification unless otherwise authorized in writing by the Agency.</p> <p>Failure to meet standards will equal a \$2,000 payment reduction per occurrence.</p>
<b>SLA006</b>	<p>The Vendor shall resolve Severity Level 2 problems as defined by the Agency.</p> <p>Definition: Severity Level 2 is when critical software system component(s) have a significant outage or a failure precluding their successful operation. The system component(s) may be operating but are severely restricted (e.g., severe performance degradation occurs, a frequently used functionality gives an incorrect response). There is not an Agency-approved work-around.</p> <p>The Vendor's technical support staff shall accept the Agency's call for assistance whenever the operation is severely restricted; however, if Vendor staff is not immediately available, the Vendor shall return the Agency's call within one (1) hour.</p> <p>The Vendor shall resolve Severity Level 2 problems as quickly as possible, which, on average (KPI to be calculated per month), shall not exceed four (4) hours from time of notification unless otherwise authorized in writing by the Agency.</p> <p>Failure to meet standards will equal a \$1,500 payment reduction per occurrence.</p>

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ID	Description
<b>SLA007</b>	<p>The Vendor shall resolve Severity Level 3 problems as defined by the Agency.</p> <p>Definition: Severity Level 3 is when non-critical software system component(s) have a significant outage or a failure precluding their successful operation. The system component(s) may be operating but are severely restricted (e.g., the functionality gives an incorrect response). There is an Agency-approved work-around.</p> <p>The Vendor's technical support staff shall accept the Agency's call for assistance whenever the issue exists; however, if Vendor staff is not immediately available, the Vendor shall return the Agency's call within two (2) hours.</p> <p>The Vendor shall resolve Severity Level 3 problems as quickly as possible, which, on average (KPI to be calculated per month), shall not exceed three (3) calendar days, unless otherwise authorized in writing by the Agency.</p> <p>Failure to meet standards will equal a \$1,000 payment reduction per occurrence.</p>
<b>SLA008</b>	<p>The Vendor shall resolve Severity Level 4 problems as defined by the Agency.</p> <p>Definition: Severity Level 4 is defined as a minor problem or question that does not affect the system's function (e.g., the text of a notification is worded poorly or misspelled).</p> <p>The Vendor's technical support staff shall accept the Agency's call for assistance whenever the problem exists; however, if Vendor staff is not immediately available, the Vendor shall return the Agency's call within eight (8) hours.</p> <p>The Vendor shall resolve Severity Level 4 problems as quickly as possible, which, on average (KPI to be calculated per month), shall not exceed ten (10) calendar days unless otherwise authorized in writing by the Agency.</p> <p>Failure to meet standards will equal a \$500 payment reduction per occurrence.</p>
<b>SLA009</b>	<p>The Vendor's solution is expected to generate a variety of reports. The Vendor's solution must produce accurate Asset Verification System (AVS) reporting. The Agency will notify the Vendor if any error in a report is detected. The Vendor must correct the report within ten (10) business days (KPI to be calculated per month).</p> <p>Payment reduction of \$1,000 per month if not corrected within ten (10) business days of notification.</p>

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ID	Description
<b>SLA010</b>	<p>Copies of each deliverable, as defined in the approved work plan, must be delivered to the Agency in final form on the date specified in the work plan. The Agency requires an electronic copy of all deliverables. The electronic copy must be in Microsoft Word format or equal as requested by the Agency. All deliverables must be in a format approved by the Agency and meet content requirements specified or as subsequently defined by the Agency.</p> <p>Failure to meet standards will equal a \$200 payment reduction per business day of the monthly invoice.</p>
<b>SLA011</b>	<p>Business Continuity Service Level is defined as the planning and preparation of the Vendor to make sure it overcomes serious incidents or disasters and resumes its normal operations within a reasonably short period. The Vendor is to provide a Disaster Recovery and Business Continuity Plan that establishes continuity measures and recovery times from system failures. Recovery times should not only address data loss and the time required to restore the database, but should also consider data collection, data staging, and “catch-up” processing times.</p> <p>Performance Standards</p> <ol style="list-style-type: none"><li>1. In the event of a production environment failure, the Vendor shall switch operations from the production environment to the failover environment within twenty-four (24) hours.</li><li>2. In the event of a solution/system failure, all systems shall be restored and operational within twelve (12) hours.</li><li>3. In the event of a power outage, the Vendor should switch to a backup power source that is operational for a minimum of twenty-four (24) hours.</li><li>4. The Vendor shall restore any data set or transaction log from the backup medium within twelve (12) hours of the notification that a restoration is needed.</li></ol> <p>Failure to meet these performance standards will result in up to \$5,000 of the monthly operations fee, as follows:</p> <ol style="list-style-type: none"><li>1. Any two (2) of four (4) not met: \$3,000</li><li>2. Any three (3) of four (4) not met: \$4,000</li><li>3. Any four (4) of four (4) not met: \$5,000</li></ol>

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**Appendix III: Business Associates Addendum**

See attached PDF titled, "*Appendix III – Business Associates Addendum.*"

## WV STATE GOVERNMENT

### HIPAA BUSINESS ASSOCIATE ADDENDUM

This Health Insurance Portability and Accountability Act of 1996 (hereafter, HIPAA) Business Associate Addendum ("Addendum") is made a part of the Agreement ("Agreement") by and between the State of West Virginia ("Agency"), and Business Associate ("Associate"), and is effective as of the date of execution of the Addendum.

The Associate performs certain services on behalf of or for the Agency pursuant to the underlying Agreement that requires the exchange of information including protected health information protected by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5) (the "HITECH Act"), any associated regulations and the federal regulations published at 45 CFR parts 160 and 164 (sometimes collectively referred to as "HIPAA"). The Agency is a "Covered Entity" as that term is defined in HIPAA, and the parties to the underlying Agreement are entering into this Addendum to establish the responsibilities of both parties regarding HIPAA-covered information and to bring the underlying Agreement into compliance with HIPAA.

Whereas it is desirable, in order to further the continued efficient operations of Agency to disclose to its Associate certain information which may contain confidential individually identifiable health information (hereafter, Protected Health Information or PHI); and

Whereas, it is the desire of both parties that the confidentiality of the PHI disclosed hereunder be maintained and treated in accordance with all applicable laws relating to confidentiality, including the Privacy and Security Rules, the HITECH Act and its associated regulations, and the parties do agree to at all times treat the PHI and interpret this Addendum consistent with that desire.

NOW THEREFORE: the parties agree that in consideration of the mutual promises herein, in the Agreement, and of the exchange of PHI hereunder that:

1. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
  - a. **Agency Procurement Officer** shall mean the appropriate Agency individual listed at: <http://www.state.wv.us/admin/purchase/vrc/agency/li.html>.
  - b. **Agent** shall mean those person(s) who are agent(s) of the Business Associate, in accordance with the Federal common law of agency, as referenced in 45 CFR § 160.402(c).
  - c. **Breach** shall mean the acquisition, access, use or disclosure of protected health information which compromises the security or privacy of such information, except as excluded in the definition of Breach in 45 CFR § 164.402.
  - d. **Business Associate** shall have the meaning given to such term in 45 CFR § 160.103.
  - e. **HITECH Act** shall mean the Health Information Technology for Economic and Clinical Health Act. Public Law No. 111-05. 111<sup>th</sup> Congress (2009).

- f. **Privacy Rule** means the Standards for Privacy of Individually Identifiable Health Information found at 45 CFR Parts 160 and 164.
- g. **Protected Health Information or PHI** shall have the meaning given to such term in 45 CFR § 160.103, limited to the information created or received by Associate from or on behalf of Agency.
- h. **Security Incident** means any known successful or unsuccessful attempt by an authorized or unauthorized individual to inappropriately use, disclose, modify, access, or destroy any information or interference with system operations in an information system.
- i. **Security Rule** means the Security Standards for the Protection of Electronic Protected Health Information found at 45 CFR Parts 160 and 164.
- j. **Subcontractor** means a person to whom a business associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of such business associate.

## 2. Permitted Uses and Disclosures.

- a. **PHI Described.** This means PHI created, received, maintained or transmitted on behalf of the Agency by the Associate. This PHI is governed by this Addendum and is limited to the minimum necessary, to complete the tasks or to provide the services associated with the terms of the original Agreement, and is described in Appendix A.
- b. **Purposes.** Except as otherwise limited in this Addendum, Associate may use or disclose the PHI on behalf of, or to provide services to, Agency for the purposes necessary to complete the tasks, or provide the services, associated with, and required by the terms of the original Agreement, or as required by law, if such use or disclosure of the PHI would not violate the Privacy or Security Rules or applicable state law if done by Agency or Associate, or violate the minimum necessary and related Privacy and Security policies and procedures of the Agency. The Associate is directly liable under HIPAA for impermissible uses and disclosures of the PHI it handles on behalf of Agency.
- c. **Further Uses and Disclosures.** Except as otherwise limited in this Addendum, the Associate may disclose PHI to third parties for the purpose of its own proper management and administration, or as required by law, provided that (i) the disclosure is required by law, or (ii) the Associate has obtained from the third party reasonable assurances that the PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party by the Associate; and, (iii) an agreement to notify the Associate and Agency of any instances of which it (the third party) is aware in which the confidentiality of the information has been breached. To the extent practical, the information should be in a limited data set or the minimum necessary information pursuant to 45 CFR § 164.502, or take other measures as necessary to satisfy the Agency's obligations under 45 CFR § 164.502.

### 3. Obligations of Associate.

- a. **Stated Purposes Only.** The PHI may not be used by the Associate for any purpose other than as stated in this Addendum or as required or permitted by law.
- b. **Limited Disclosure.** The PHI is confidential and will not be disclosed by the Associate other than as stated in this Addendum or as required or permitted by law. Associate is prohibited from directly or indirectly receiving any remuneration in exchange for an individual's PHI unless Agency gives written approval and the individual provides a valid authorization. Associate will refrain from marketing activities that would violate HIPAA, including specifically Section 13406 of the HITECH Act. Associate will report to Agency any use or disclosure of the PHI, including any Security Incident not provided for by this Agreement of which it becomes aware.
- c. **Safeguards.** The Associate will use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of the PHI, except as provided for in this Addendum. This shall include, but not be limited to:
  - i. Limitation of the groups of its workforce and agents, to whom the PHI is disclosed to those reasonably required to accomplish the purposes stated in this Addendum, and the use and disclosure of the minimum PHI necessary or a Limited Data Set;
  - ii. Appropriate notification and training of its workforce and agents in order to protect the PHI from unauthorized use and disclosure;
  - iii. Maintenance of a comprehensive, reasonable and appropriate written PHI privacy and security program that includes administrative, technical and physical safeguards appropriate to the size, nature, scope and complexity of the Associate's operations, in compliance with the Security Rule;
  - iv. In accordance with 45 CFR §§ 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the business associate agree to the same restrictions, conditions, and requirements that apply to the business associate with respect to such information.
- d. **Compliance With Law.** The Associate will not use or disclose the PHI in a manner in violation of existing law and specifically not in violation of laws relating to confidentiality of PHI, including but not limited to, the Privacy and Security Rules.
- e. **Mitigation.** Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Associate of a use or disclosure of the PHI by Associate in violation of the requirements of this Addendum, and report its mitigation activity back to the Agency.

**f. Support of Individual Rights.**

- i. Access to PHI.** Associate shall make the PHI maintained by Associate or its agents or subcontractors in Designated Record Sets available to Agency for inspection and copying, and in electronic format, if requested, within ten (10) days of a request by Agency to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.524 and consistent with Section 13405 of the HITECH Act.
- ii. Amendment of PHI.** Within ten (10) days of receipt of a request from Agency for an amendment of the PHI or a record about an individual contained in a Designated Record Set, Associate or its agents or subcontractors shall make such PHI available to Agency for amendment and incorporate any such amendment to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.526.
- iii. Accounting Rights.** Within ten (10) days of notice of a request for an accounting of disclosures of the PHI, Associate and its agents or subcontractors shall make available to Agency the documentation required to provide an accounting of disclosures to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR §164.528 and consistent with Section 13405 of the HITECH Act. Associate agrees to document disclosures of the PHI and information related to such disclosures as would be required for Agency to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528. This should include a process that allows for an accounting to be collected and maintained by Associate and its agents or subcontractors for at least six (6) years from the date of disclosure, or longer if required by state law. At a minimum, such documentation shall include:

  - the date of disclosure;
  - the name of the entity or person who received the PHI, and if known, the address of the entity or person;
  - a brief description of the PHI disclosed; and
  - a brief statement of purposes of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure.
- iv. Request for Restriction.** Under the direction of the Agency, abide by any individual's request to restrict the disclosure of PHI, consistent with the requirements of Section 13405 of the HITECH Act and 45 CFR § 164.522, when the Agency determines to do so (except as required by law) and if the disclosure is to a health plan for payment or health care operations and it pertains to a health care item or service for which the health care provider was paid in full "out-of-pocket."
- v. Immediate Discontinuance of Use or Disclosure.** The Associate will immediately discontinue use or disclosure of Agency PHI pertaining to any individual when so requested by Agency. This includes, but is not limited to, cases in which an individual has withdrawn or modified an authorization to use or disclose PHI.



- g. **Retention of PHI.** Notwithstanding section 4.a. of this Addendum, Associate and its subcontractors or agents shall retain all PHI pursuant to state and federal law and shall continue to maintain the PHI required under Section 3.f. of this Addendum for a period of six (6) years after termination of the Agreement, or longer if required under state law.
- h. **Agent's, Subcontractor's Compliance.** The Associate shall notify the Agency of all subcontracts and agreements relating to the Agreement, where the subcontractor or agent receives PHI as described in section 2.a. of this Addendum. Such notification shall occur within 30 (thirty) calendar days of the execution of the subcontract and shall be delivered to the Agency Procurement Officer. The Associate will ensure that any of its subcontractors, to whom it provides any of the PHI it receives hereunder, or to whom it provides any PHI which the Associate creates or receives on behalf of the Agency, agree to the restrictions and conditions which apply to the Associate hereunder. The Agency may request copies of downstream subcontracts and agreements to determine whether all restrictions, terms and conditions have been flowed down. Failure to ensure that downstream contracts, subcontracts and agreements contain the required restrictions, terms and conditions may result in termination of the Agreement.
- j. **Federal and Agency Access.** The Associate shall make its internal practices, books, and records relating to the use and disclosure of PHI, as well as the PHI, received from, or created or received by the Associate on behalf of the Agency available to the U.S. Secretary of Health and Human Services consistent with 45 CFR § 164.504. The Associate shall also make these records available to Agency, or Agency's contractor, for periodic audit of Associate's compliance with the Privacy and Security Rules. Upon Agency's request, the Associate shall provide proof of compliance with HIPAA and HITECH data privacy/protection guidelines, certification of a secure network and other assurance relative to compliance with the Privacy and Security Rules. This section shall also apply to Associate's subcontractors, if any.
- k. **Security.** The Associate shall take all steps necessary to ensure the continuous security of all PHI and data systems containing PHI. In addition, compliance with 74 FR 19006 Guidance Specifying the Technologies and Methodologies That Render PHI Unusable, Unreadable, or Indecipherable to Unauthorized Individuals for Purposes of the Breach Notification Requirements under Section 13402 of Title XIII is required, to the extent practicable. If Associate chooses not to adopt such methodologies as defined in 74 FR 19006 to secure the PHI governed by this Addendum, it must submit such written rationale, including its Security Risk Analysis, to the Agency Procurement Officer for review prior to the execution of the Addendum. This review may take up to ten (10) days.
- l. **Notification of Breach.** During the term of this Addendum, the Associate shall notify the Agency and, unless otherwise directed by the Agency in writing, the WV Office of Technology immediately by e-mail or web form upon the discovery of any Breach of unsecured PHI; or within 24 hours by e-mail or web form of any suspected Security Incident, intrusion or unauthorized use or disclosure of PHI in violation of this Agreement and this Addendum, or potential loss of confidential data affecting this Agreement. Notification shall be provided to the Agency Procurement Officer at [www.state.wv.us/admin/purchase/vrc/agencyli.htm](http://www.state.wv.us/admin/purchase/vrc/agencyli.htm) and,

unless otherwise directed by the Agency in writing, the Office of Technology at [incident@wv.gov](mailto:incident@wv.gov) or <https://apps.wv.gov/ot/ir/Default.aspx>.

The Associate shall immediately investigate such Security Incident, Breach, or unauthorized use or disclosure of PHI or confidential data. Within 72 hours of the discovery, the Associate shall notify the Agency Procurement Officer, and, unless otherwise directed by the Agency in writing, the Office of Technology of: (a) Date of discovery; (b) What data elements were involved and the extent of the data involved in the Breach; (c) A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PHI or confidential data; (d) A description of where the PHI or confidential data is believed to have been improperly transmitted, sent, or utilized; (e) A description of the probable causes of the improper use or disclosure; and (f) Whether any federal or state laws requiring individual notifications of Breaches are triggered.

Agency will coordinate with Associate to determine additional specific actions that will be required of the Associate for mitigation of the Breach, which may include notification to the individual or other authorities.

All associated costs shall be borne by the Associate. This may include, but not be limited to costs associated with notifying affected individuals.

If the Associate enters into a subcontract relating to the Agreement where the subcontractor or agent receives PHI as described in section 2.a. of this Addendum, all such subcontracts or downstream agreements shall contain the same incident notification requirements as contained herein, with reporting directly to the Agency Procurement Officer. Failure to include such requirement in any subcontract or agreement may result in the Agency's termination of the Agreement.

- m. **Assistance in Litigation or Administrative Proceedings.** The Associate shall make itself and any subcontractors, workforce or agents assisting Associate in the performance of its obligations under this Agreement, available to the Agency at no cost to the Agency to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against the Agency, its officers or employees based upon claimed violations of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves inaction or actions by the Associate, except where Associate or its subcontractor, workforce or agent is a named as an adverse party.

#### 4. Addendum Administration.

- a. **Term.** This Addendum shall terminate on termination of the underlying Agreement or on the date the Agency terminates for cause as authorized in paragraph (c) of this Section, whichever is sooner.
- b. **Duties at Termination.** Upon any termination of the underlying Agreement, the Associate shall return or destroy, at the Agency's option, all PHI received from, or created or received by the Associate on behalf of the Agency that the Associate still maintains in any form and retain no copies of such PHI or, if such return or destruction is not feasible, the Associate shall extend the protections of this Addendum to the PHI and limit further uses and disclosures to the purposes that make the return or destruction of the PHI infeasible. This shall also apply to all agents and subcontractors of Associate. The duty of the Associate and its agents

and subcontractors to assist the Agency with any HIPAA required accounting of disclosures survives the termination of the underlying Agreement.

- c. **Termination for Cause.** Associate authorizes termination of this Agreement by Agency, if Agency determines Associate has violated a material term of the Agreement. Agency may, at its sole discretion, allow Associate a reasonable period of time to cure the material breach before termination.
- d. **Judicial or Administrative Proceedings.** The Agency may terminate this Agreement if the Associate is found guilty of a criminal violation of HIPAA. The Agency may terminate this Agreement if a finding or stipulation that the Associate has violated any standard or requirement of HIPAA/HITECH, or other security or privacy laws is made in any administrative or civil proceeding in which the Associate is a party or has been joined. Associate shall be subject to prosecution by the Department of Justice for violations of HIPAA/HITECH and shall be responsible for any and all costs associated with prosecution.
- e. **Survival.** The respective rights and obligations of Associate under this Addendum shall survive the termination of the underlying Agreement.

#### 5. General Provisions/Ownership of PHI.

- a. **Retention of Ownership.** Ownership of the PHI resides with the Agency and is to be returned on demand or destroyed at the Agency's option, at any time, and subject to the restrictions found within section 4.b. above.
- b. **Secondary PHI.** Any data or PHI generated from the PHI disclosed hereunder which would permit identification of an individual must be held confidential and is also the property of Agency.
- c. **Electronic Transmission.** Except as permitted by law or this Addendum, the PHI or any data generated from the PHI which would permit identification of an individual must not be transmitted to another party by electronic or other means for additional uses or disclosures not authorized by this Addendum or to another contractor, or allied agency, or affiliate without prior written approval of Agency.
- d. **No Sales.** Reports or data containing the PHI may not be sold without Agency's or the affected individual's written consent.
- e. **No Third-Party Beneficiaries.** Nothing express or implied in this Addendum is intended to confer, nor shall anything herein confer, upon any person other than Agency, Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.
- f. **Interpretation.** The provisions of this Addendum shall prevail over any provisions in the Agreement that may conflict or appear inconsistent with any provisions in this Addendum. The interpretation of this Addendum shall be made under the laws of the state of West Virginia.
- g. **Amendment.** The parties agree that to the extent necessary to comply with applicable law they will agree to further amend this Addendum.
- h. **Additional Terms and Conditions.** Additional discretionary terms may be included in the release order or change order process.

AGREED:

Name of Agency: \_\_\_\_\_

Name of Associate: Robert Miller

Signature: \_\_\_\_\_

Signature: 

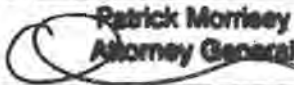
Title: \_\_\_\_\_

Title: Senior Vice President and General Manager

Date: \_\_\_\_\_

Date: January 17, 2024

Form - WVBAA-012004  
Amended 06.26.2013

APPROVED AS TO FORM THIS 26th  
DAY OF Jan 20 17  
  
Patrick Morrissey  
Attorney General  
BY \_\_\_\_\_

Appendix A

(To be completed by the Agency's Procurement Officer prior to the execution of the Addendum, and shall be made a part of the Addendum. PHI not identified prior to execution of the Addendum may only be added by amending Appendix A and the Addendum, via Change Order.)

Name of Associate: \_\_\_\_\_

Name of Agency: DHHR/ BMS \_\_\_\_\_

Describe the PHI (do not include any actual PHI). If not applicable, please indicate the same.

Member and provider demographics and claims.

**REQUEST FOR QUOTATION  
CRFQ BMS2400000002  
Asset Verification System**

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**Attachment 1: Federal Funds Addendum**

See attached PDF titled, "*Attachment 1 – Federal Funds Addendum.*"

**FEDERAL FUNDS ADDENDUM**  
2 C.F.R. §§ 200.317 – 200.327

**Purpose:** This addendum is intended to modify the solicitation in an attempt to make the contract compliant with the requirements of 2 C.F.R. §§ 200.317 through 200.327 relating to the expenditure of certain federal funds. This solicitation will allow the State to obtain one or more contracts that satisfy standard state procurement, state federal funds procurement, and county/local federal funds procurement requirements.

**Instructions:** Vendors who are willing to extend their contract to procurements with federal funds and the requirements that go along with doing so, should sign the attached document identified as: “REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.317)”

Should the awarded vendor be unwilling to extend the contract to federal funds procurement, the State reserves the right to award additional contracts to vendors that can and are willing to meet federal funds procurement requirements.

**Changes to Specifications:** Vendors should consider this solicitation as containing two separate solicitations, one for state level procurement and one for county/local procurement.

**State Level:** In the first solicitation, bid responses will be evaluated with applicable preferences identified in sections 15, 15A, and 16 of the “Instructions to Vendors Submitting Bids” to establish a contract for both standard state procurements and state federal funds procurements.

**County Level:** In the second solicitation, bid responses will be evaluated with applicable preferences identified in Sections 15, 15A, and 16 of the “Instructions to Vendors Submitting Bids” omitted to establish a contract for County/Local federal funds procurement.

**Award:** If the two evaluations result in the same vendor being identified as the winning bidder, the two solicitations will be combined into a single contract award. If the evaluations result in a different bidder being identified as the winning bidder, multiple contracts may be awarded. The State reserves the right to award to multiple different entities should it be required to satisfy standard state procurement, state federal funds procurement, and county/local federal funds procurement requirements.

**State Government Use Caution:** State agencies planning to utilize this contract for procurements subject to the above identified federal regulations should first consult with the federal agency providing the applicable funding to ensure the contract is compliant.

**County/Local Government Use Caution:** County and Local government entities planning to utilize this contract for procurements subject to the above identified federal regulation should first consult with the federal agency providing the applicable funding to ensure the contract is compliant. For purposes of County/Local government use, the solicitation resulting in this contract was conducted in accordance with the procurement laws, rules, and procedures governing the West Virginia Department of Administration, Purchasing Division, except that vendor preference has been omitted for County/Local use purposes and the contract terms contained in the document entitled “REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.317)” have been added.

## FEDERAL FUNDS ADDENDUM

### **REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.317):**

The State of West Virginia Department of Administration, Purchasing Division, and the Vendor awarded this Contract intend that this Contract be compliant with the requirements of the Procurement Standards contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements found in 2 C.F.R. § 200.317, et seq. for procurements conducted by a Non-Federal Entity. Accordingly, the Parties agree that the following provisions are included in the Contract.

**1. MINORITY BUSINESSES, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS:  
(2 C.F.R. § 200.321)**

- a. The State confirms that it has taken all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Those affirmative steps include:

- (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) above.

- b. Vendor confirms that if it utilizes subcontractors, it will take the same affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

**2. DOMESTIC PREFERENCES:  
(2 C.F.R. § 200.322)**

- a. The State confirms that as appropriate and to the extent consistent with law, it has, to the greatest extent practicable under a Federal award, provided a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United



States (including but not limited to iron, aluminum, steel, cement, and other manufactured products).

b. Vendor confirms that will include the requirements of this Section 2. Domestic Preference in all subawards including all contracts and purchase orders for work or products under this award.

c. Definitions: For purposes of this section:

(1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

**3. BREACH OF CONTRACT REMEDIES AND PENALTIES:**

(2 C.F.R. § 200.327 and Appendix II)

(a) The provisions of West Virginia Code of State Rules § 148-1-5 provide for breach of contract remedies, and penalties. A copy of that rule is attached hereto as Exhibit A and expressly incorporated herein by reference.

**4. TERMINATION FOR CAUSE AND CONVENIENCE:**

(2 C.F.R. § 200.327 and Appendix II)

(a) The provisions of West Virginia Code of State Rules § 148-1-5 govern Contract termination. A copy of that rule is attached hereto as Exhibit A and expressly incorporated herein by reference.

**5. EQUAL EMPLOYMENT OPPORTUNITY:**

(2 C.F.R. § 200.327 and Appendix II)

Except as otherwise provided under 41 CFR Part 60, and if this contract meets the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3, this contract includes the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

**6. DAVIS-BACON WAGE RATES:**

(2 C.F.R. § 200.327 and Appendix II)

Vendor agrees that if this Contract includes construction, all construction work in excess of \$2,000 will be completed and paid for in compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must:

- (a) pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- (b) pay wages not less than once a week.

A copy of the current prevailing wage determination issued by the Department of Labor is attached hereto as Exhibit B. The decision to award a contract or subcontract is conditioned upon the acceptance of the wage determination. The State will report all suspected or reported violations to the Federal awarding agency.

**7. ANTI-KICKBACK ACT;**  
(2 C.F.R. § 200.327 and Appendix II)

Vendor agrees that it will comply with the Copeland Anti-KickBack Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). Accordingly, Vendor, Subcontractors, and anyone performing under this contract are prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The State must report all suspected or reported violations to the Federal awarding agency.

**8. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT**  
(2 C.F.R. § 200.327 and Appendix II)

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

**9. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT.**  
(2 C.F.R. § 200.327 and Appendix II)

If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

**10. CLEAN AIR ACT**  
(2 C.F.R. § 200.327 and Appendix II)

Vendor agrees that if this contract exceeds \$150,000, Vendor is to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

**11. DEBARMENT AND SUSPENSION**  
(2 C.F.R. § 200.327 and Appendix II)

The State will not award to any vendor that is listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

**12. BYRD ANTI-LOBBYING AMENDMENT**  
(2 C.F.R. § 200.327 and Appendix II)

Vendors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

**13. PROCUREMENT OF RECOVERED MATERIALS**  
(2 C.F.R. § 200.327 and Appendix II; 2 C.F.R. § 200.323)

Vendor agrees that it and the State must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the

Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

**14. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.**  
(2 C.F.R. § 200.327 and Appendix II; 2 CFR § 200.216)

Vendor and State agree that both are prohibited from obligating or expending funds under this Contract to:

- (1) Procure or obtain;
- (2) Extend or renew a contract to procure or obtain; or
- (3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115–232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
  - (i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
  - (ii) Telecommunications or video surveillance services provided by such entities or using such equipment.
  - (iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

In implementing the prohibition under Public Law 115–232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

State of West Virginia

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Vendor Name: Softheon Inc.

By:  \_\_\_\_\_

Printed Name: Robert Miller \_\_\_\_\_

Title: Senior Vice President and General Manager

Date: January 17, 2024 \_\_\_\_\_

EXHIBIT A To:  
REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY  
CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.317):

W. Va. CSR § 148-1-5

W. Va. Code St. R. § 148-1-5  
§ 148-1-5. Remedies.

Currentness

5.1. The Director may require that the spending unit attempt to resolve any issues that it may have with the vendor prior to pursuing a remedy contained herein. The spending unit must document any resolution efforts and provide copies of those documents to the Purchasing Division.

5.2. Contract Cancellation.

5.2.1. Cancellation. The Director may cancel a purchase or contract immediately under any one of the following conditions including, but not limited to:

5.2.1.a. The vendor agrees to the cancellation;

5.2.1.b. The vendor has obtained the contract by fraud, collusion, conspiracy, or is in conflict with any statutory or constitutional provision of the State of West Virginia;

5.2.1.c. Failure to honor any contractual term or condition or to honor standard commercial practices;

5.2.1.d. The existence of an organizational conflict of interest is identified;

5.2.1.e. Funds are not appropriated or an appropriation is discontinued by the legislature for the acquisition;

5.2.1.f. Violation of any federal, state, or local law, regulation, or ordinance, and

5.2.1.g. The contract was awarded in error.

5.2.2. The Director may cancel a purchase or contract for any reason or no reason, upon providing the vendor with 30 days' notice of the cancellation.

5.2.3. Opportunity to Cure. In the event that a vendor fails to honor any contractual term or condition, or violates any provision of federal, state, or local law, regulation, or ordinance, the Director may request that the vendor remedy the contract breach or legal violation within a time frame the Director determines to be appropriate. If the vendor fails to remedy the contract breach or legal violation or the Director determines, at his or her sole discretion, that such a request is unlikely to yield a satisfactory result, then he or she may cancel immediately without providing the vendor an opportunity to perform a remedy.

5.2.4. Re-Award. The Director may award the cancelled contract to the next lowest responsible bidder (or next highest scoring bidder if best value procurement) without a subsequent solicitation if the following conditions are met:

5.2.4.a. The next lowest responsible bidder (or next highest scoring bidder if best value procurement) is able to perform at the price contained in its original bid submission, and

5.2.4.b. The contract is an open-end contract, a one-time purchase contract, or a contract for work which has not yet commenced.

Award to the next lowest responsible bidder (or next highest scoring bidder if best value procurement) will not be an option if the vendor's failure has in any way increased or significantly changed the scope of the original contract. The vendor failing to honor contractual and legal obligations is responsible for any increase in cost the state incurs as a result of the re-award.

5.3. Non-Responsible. If the Director believes that a vendor may be non-responsible, the Director may request that a vendor or spending unit provide evidence that the vendor either does or does not have the capability to fully perform the contract requirements, and the integrity and reliability necessary to assure good faith performance. If the Director determines that the vendor is non-responsible, the Director shall reject that vendor's bid and shall not award the contract to that vendor. A determination of non-responsibility must be evaluated on a case-by-case basis and can only be made after the vendor in question has submitted a bid. A determination of non-responsibility will only extend to the contract for which the vendor has submitted a bid and does not operate as a bar against submitting future bids.

5.4. Suspension.



5.4.1. The Director may suspend, for a period not to exceed 1 year, the right of a vendor to bid on procurements issued by the Purchasing Division or any state spending unit under its authority if:

5.4.1.a. The vendor has submitted a bid and then requested that its bid be withdrawn after bids have been publicly opened.

5.4.1.b. The vendor has exhibited poor performance in fulfilling his or her contractual obligations to the State. Poor performance includes, but is not limited to any of the following: violations of law, regulation, or ordinance; failure to deliver timely; failure to deliver quantities ordered; poor performance reports; or failure to deliver commodities, services, or printing at the quality level required by the contract.

5.4.1.c. The vendor has breached a contract issued by the Purchasing Division or any state spending unit under its authority and refuses to remedy that breach.

5.4.1.d. The vendor's actions have given rise to one or more of the grounds for debarment listed in W. Va. Code § 5A-3-33d.

5.4.2. Vendor suspension for the reasons listed in section 5.4 above shall occur as follows:

5.4.2.a. Upon a determination by the Director that a suspension is warranted, the Director will serve a notice of suspension to the vendor.

5.4.2.b. A notice of suspension must inform the vendor:

5.4.2.b.1. Of the grounds for the suspension;

5.4.2.b.2. Of the duration of the suspension;

5.4.2.b.3. Of the right to request a hearing contesting the suspension;

5.4.2.b.4. That a request for a hearing must be served on the Director no later than 5 working days of the vendor's receipt of the notice of suspension;

5.4.2.b.5. That the vendor's failure to request a hearing no later than 5 working days of the receipt of the notice of suspension will be deemed a waiver of the right to a hearing and result in the automatic enforcement of the suspension without further notice or an opportunity to respond; and

5.4.2.b.6. That a request for a hearing must include an explanation of why the vendor believes the Director's asserted grounds for suspension do not apply and why the vendor should not be suspended.

5.4.2.c. A vendor's failure to serve a request for hearing on the Director no later than 5 working days of the vendor's receipt of the notice of suspension will be deemed a waiver of the right to a hearing and may result in the automatic enforcement of the suspension without further notice or an opportunity to respond.

5.4.2.d. A vendor who files a timely request for hearing but nevertheless fails to provide an explanation of why the asserted grounds for suspension are inapplicable or should not result in a suspension, may result in a denial of the vendor's hearing request.

5.4.2.e. Within 5 working days of receiving the vendor's request for a hearing, the Director will serve on the vendor a notice of hearing that includes the date, time and place of the hearing.

5.4.2.f. The hearing will be recorded and an official record prepared. Within 10 working days of the conclusion of the hearing, the Director will issue and serve on the vendor, a written decision either confirming or reversing the suspension.

5.4.3. A vendor may appeal a decision of the Director to the Secretary of the Department of Administration. The appeal must be in writing and served on the Secretary no later than 5 working days of receipt of the Director's decision.

5.4.4. The Secretary, or his or her designee, will schedule an appeal hearing and serve on the vendor, a notice of hearing that includes the date, time and place of the hearing. The appeal hearing will be recorded and an official record prepared. Within 10 working days of the conclusion of the appeal hearing, the Secretary will issue and serve on the vendor a written decision either confirming or reversing the suspension.

5.4.5. Any notice or service related to suspension actions or proceedings must be provided by certified mail, return receipt requested.

5.5. Vendor Debarment. The Director may debar a vendor on the basis of one or more of the grounds for debarment contained in W. Va. Code § 5A-3-33d or if the vendor has been declared ineligible to participate in procurement related activities under federal laws and regulation.

5.5.1. Debarment proceedings shall be conducted in accordance with W. Va. Code § 5A-3-33e and these rules. A vendor that has received notice of the proposed debarment by certified mail, return receipt requested, must respond to the proposed debarment within 30 working days after receipt of notice or the debarment will be instituted without further notice. A vendor is deemed to have received notice, notwithstanding the vendor's failure to accept the certified mail, if the letter is addressed to the vendor at its last known address. After considering the matter and reaching a decision, the Director shall notify the vendor of his or her decision by certified mail, return receipt requested.

5.5.2. Any vendor, other than a vendor prohibited from participating in federal procurement, undergoing debarment proceedings is permitted to continue participating in the state's procurement process until a final debarment decision has been reached. Any contract that a debarred vendor obtains prior to a final debarment decision shall remain in effect for the current term, but may not be extended or renewed. Notwithstanding the foregoing, the Director may cancel a contract held by a debarred vendor if the Director determines, in his or her sole discretion, that doing so is in the best interest of the State. A vendor prohibited from participating in federal procurement will not be permitted to participate in the state's procurement process during debarment proceedings.

5.5.3. If the Director's final debarment decision is that debarment is warranted and notice of the final debarment decision is mailed, the Purchasing Division shall reject any bid submitted by the debarred vendor, including any bid submitted prior to the final debarment decision if that bid has not yet been accepted and a contract consummated.

5.5.4. Pursuant to W.Va. Code § 5A-3-33e(e), the length of the debarment period will be specified in the debarment decision and will be for a period of time that the Director finds necessary and proper to protect the public from an irresponsible vendor.

5.5.5. List of Debarred Vendors. The Director shall maintain and publicly post a list of debarred vendors on the Purchasing Division's website.

5.5.6. Related Party Debarment. The Director may pursue debarment of a related party at the

same time that debarment of the original vendor is proceeding or at any time thereafter that the Director determines a related party debarment is warranted. Any entity that fails to provide the Director with full, complete, and accurate information requested by the Director to determine related party status will be presumed to be a related party subject to debarment.

#### 5.6. Damages.

5.6.1. A vendor who fails to perform as required under a contract shall be liable for actual damages and costs incurred by the state.

5.6.2. If any commodities delivered under a contract have been used or consumed by a spending unit and on testing the commodities are found not to comply with specifications, no payment may be approved by the Spending Unit for the merchandise until the amount of actual damages incurred has been determined.

5.6.3. The Spending Unit shall seek to collect damages by following the procedures established by the Office of the Attorney General for the collection of delinquent obligations.

#### **Credits**

History: Filed 4-1-19, eff. 4-1-19; Filed 4-16-21, eff. 5-1-21.

Current through register dated May 7, 2021. Some sections may be more current. See credits for details.

W. Va. C.S.R. § 148-1-5, WV ADC § 148-1-5

**End of Document**

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EXHIBIT B To:  
REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY  
CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.317):

Prevailing Wage Determination

- Not Applicable Because Contract Not for Construction
- Federal Prevailing Wage Determination on Next Page

# REQUEST FOR QUOTATION CRFQ BMS2400000002 Asset Verification System

## Attachment 2: Asset Verification Report Template

RID Number

**Applicant Information**

<b>First Name</b>	<b>Middle Name</b>	<b>Last Name</b>	<b>Phone Number</b>
<b>Birth Date</b>	<b>Gender</b>	<b>Race</b>	<b>Ethnicity</b>
<b>Program</b>	<b>Medical ID</b>	<b>Social Security Number</b>	

**Address Information**

<b>Street</b>	<b>Apt. #</b>	<b>City</b>	<b>State</b>	<b>Current Address?</b>
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**Reported Assets**

**Liquid Assets**

RID Number	Type	Burial	Jointly Owned	Amount	Account Number	Institution Name	Address	City	State	Zip Code	Joint Owner First Name	Joint Owner Last Name
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**Vehicle Assets**

RID Number	Type	Jointly Owned	Year	Make	Model	Vehicle ID	License Plate	Amount Owed	Trade-In Value	Retail Value	Joint Owner First Name	Joint Owner Last Name
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**Real Property Assets**

RID Number	Type	Residence	Jointly Owned	Market Value	Amount Owed	Life Estate Value	Address	City	State	Zip Code	Joint Owner First Name	Joint Owner Last Name
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**Personal Property Assets**

RID Number	Type	Jointly Owned	Amount	Joint Owner First Name	Joint Owner Last Name
------------	------	---------------	--------	------------------------	-----------------------

**Life Insurance Assets**

RID Number	Type	Jointly Owned	Face Value	Cash Surrender Value	Policy Number	Company Name	Address	City	State	Zip Code	Joint Owner First Name	Joint Owner Last Name
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**Burial Assets**

RID Number	Type	Jointly Owned	Amount	Account Number	Institution Name	Address	City	State	Zip Code	Joint Owner First Name	Joint Owner Last Name
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**Lump Sum Assets**

RID Number	Type	Jointly Owned	Date Received	Recurring	Gross Amount	Joint Owner First Name	Joint Owner Last Name
------------	------	---------------	---------------	-----------	--------------	------------------------	-----------------------

**Real Property Asset Verification**

Type	Address 1	Address 2	City	State	Zip Code	County	Deed Contract Date	Deed Recording Date	Sale Price	Sale Price Description	Sale Date	Market Value	Document Type	Name on Deed	Property Description
------	-----------	-----------	------	-------	----------	--------	--------------------	---------------------	------------	------------------------	-----------	--------------	---------------	--------------	----------------------

**Vehicle Asset Verification**

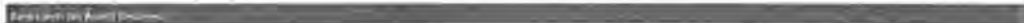
VIN	State Origin	Is Current?	Model Year	Make Description	Vehicle Type	Series Description	Model Description	Body Style	Primary Color	Secondary Color	License Plate Number	State Registered	Registration Expiration Date
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**Liquid Asset Verification**

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<u>Account Number</u>	<u>Account Type</u>	<u>Last Balance Date</u>	<u>Last Balance Amount</u>
<u>Joint Account?</u>	<u>Account Holder</u>	<u>Date Opened</u>	<u>Date Closed</u>
<u>Description</u>		<u>Date</u>	
<u>Balance</u>			



6.00 (AVS)

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**Attachment 3: Pricing Page Instructions**

The Agency expects a contract and Contract Services Deliverable delivered on an open-end and continuing basis.

The Vendor shall electronically enter the information into the Pricing Pages through wvOASIS based on the explanation of the services described in this RFQ. The Agency intends for the Vendor to submit a Total Fixed Implementation Cost for **Contract Services Deliverable #1 – AVS Services Integrated with the current West Virginia eligibility enrollment system by 06/04/2024**. The Vendor shall also include Fixed Operating Costs, the Additional Per Transaction Cost, and Software Enhancement Costs for each contract year.

The Vendor shall submit total costs in wvOASIS based on the information provided in **Table 1: Total Costs by Contract Services Deliverable**.

Commodity line 2-Enter all-inclusive price for Implementation Cost (4 Months).

Commodity Line 3- Base Year 1 Fixed Operating Cost (8 Months) (4.1 Operations of AVS Services).

Commodity Line 4- Enter Base Year 2 Fixed Operating Cost (4.1 Operations of AVS Services).

Commodity Line 5- Enter Base Year 3 Fixed Operating Cost (4.1 Operations of AVS Services).

Commodity Line 6- Enter Optional Renewal Year 1 Fixed Operating Cost (4.1 Operations of AVS Services).

Commodity Line 7- Enter Optional Renewal Year 2 Fixed Operating Cost (4.1 Operations of AVS Services).

Commodity Line 8- Optional Renewal Year 3 Fixed Operating Cost (4.1 Operations of AVS Services).

Commodity Line 9- Enter Additional Per Transaction Cost for 350,001 or more Annual Transactions X One (1) Unit. (4.1 Operations of AVS Services and 4.2 Optional Services)

Commodity Line 10- Enter Base Year One Enhancement Rate (eight (8)-month period) x 1,000 Hours X 8 Months.

Commodity Line 11- Enter Base Year Two Enhancement Rate X 1,000 Hours X 12 Months.

Commodity Line 12- Enter Base Year Three Enhancement Rate X 1,000 Hours X 12 Months.



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Commodity Line 13- Enter Optional Renewal Year One Enhancement Rate X 1,000 Hours X 12 Months.

Commodity Line 14- Enter Optional Renewal Year Two Enhancement Rate X 1,000 Hours X 12 Months.

Commodity Line 15-Enter Optional Renewal Year Three Enhancement Rate X 1,000 Hours X 12 Months.

Commodity Line 16-Enter Total Optional Services Fixed Implementation Cost (4 Months).

Commodity Line 17-Enter Optional Services Base Year 1 Fixed Operating Cost (8 Months) (4.2).

Commodity Line 18-Enter Optional Services Base Year 2 Fixed Operating Cost (4.2).

Commodity Line 19- Enter Optional Services Base Year 3 Fixed Operating Cost (4.2).

Commodity Line 20- Enter Optional Services Optional Renewal Year 1 Fixed Operating Cost (4.2).

Commodity Line 21-Enter Optional Services Optional Renewal Year 2 Fixed Operating Cost (4.2).

Commodity Line 22-Enter Optional Services Optional Renewal Year 3 Fixed Operating Cost (4.2).

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**Table 1: Total Costs by Contract Services Deliverable**

<b>Total Costs by Contract Services Deliverable</b>	
<b>Deliverable</b>	<b>Total Fixed Implementation Cost</b>
<b>Contract Services Deliverable #1 – AVS Services</b> Integrated with the current West Virginia eligibility enrollment system by 06/04/2024. (Four [4] months of implementation)	\$0.00
<b>Fixed Operating Costs* (Section 4.1)</b>	
<b>Contract Year</b>	<b>Operating Cost</b>
Base Year 1 Fixed Operating Cost <sup>^</sup> (Eight [8] months of operations)	\$1,400,000.00
Base Year 2 Fixed Operating Cost	\$2,100,000.00
Base Year 3 Fixed Operating Cost	\$2,100,000.00
Optional Renewal Year 1 Fixed Operating Cost	\$2,163,000.00
Optional Renewal Year 2 Fixed Operating Cost	\$2,227,890.00
Optional Renewal Year 3 Fixed Operating Cost	\$2,294,726.00
<b>Total Fixed Operating Cost</b>	<b>\$12,285,616.00</b>
<b>Additional Per Transaction Cost** (Section 4.1 and Section 4.2)</b>	
Additional Per Transaction Cost for 350,001 or more Annual Transactions (Life of contract)	\$ 6.00 (AVS only) X 1 (one) = \$ \$1.00; costs differ for Optional Income Verification
<b>Software Enhancements Costs**, *** (Section 4.1 and Section 4.2)</b>	
<b>Contract Year</b>	<b>Blended Hourly Rate***</b>
Base Year 1 Enhancement Rate (Eight [8] month time span)	\$ 0.00 X 1,000 hours X eight (8) months = \$ 0.00
Base Year 2 Enhancement Rate	\$ 0.00 X 1,000 hours X twelve (12) months =

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	\$ 0.00
Base Year 3 Enhancement Rate	\$ 0.00 X 1,000 hours X twelve (12) months = \$ 0.00
Optional Renewal Year 1 Enhancement Rate	\$ 0.00 X 1,000 hours X twelve (12) months = \$ 0.00
Optional Renewal Year 2 Enhancement Rate	\$ 0.00 X 1,000 hours X twelve (12) months = \$ 0.00
Optional Renewal Year 3 Enhancement Rate	\$ 0.00 X 1,000 hours X twelve (12) months = \$ 0.00
Total Software Enhancement Costs	\$ 0.00
<b>Optional Services Costs (Section 4.2)</b>	
<b>Total Optional Services Fixed Implementation Cost</b>	\$ 0.00
Optional Services Base Year 1 Fixed Operating Cost <sup>^</sup> (Eight [8] months of operations)	\$ 4,260,000.00 (Note: transactions over 200,000 priced at 24.83 per transaction)
Optional Services Base Year 2 Fixed Operating Cost	\$ 5,200,000.00 (Note: transactions over 200,000 are priced at 28.30 per transaction)
Optional Services Base Year 3 Fixed Operating Cost	\$ 5,540,000.00 (Note: transactions over 200,000 are priced at 32.27 per transaction)
Optional Services Optional Renewal Year 1 Fixed Operating Cost	\$ 6,310,000.00 (Note: transactions over 200,000 priced at 36.78 per transaction.)
Optional Services Optional Renewal Year 2 Fixed Operating Cost	\$ 7,180,000.00 (Note: transactions over 200,000 priced at 41.93 per transaction.)
Optional Services Optional Renewal Year 3 Fixed Operating Cost	\$ 8,185,000.00 (Note: transactions over 200,000 priced at 47.81 per transaction.)
<b>Total Optional Services Fixed Operating Cost</b>	\$ 36,675,000.00
<b>Grand Total Costs (Section 4.1 and Section 4.2)</b>	

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<b>Grand Total</b> [Total Fixed Implementation Costs Contract Services Deliverable #1, Total Fixed Operating Costs (Section 4.1), Additional Transaction Costs, and Total Software Enhancement Costs (Section 4.1 and Section 4.2) and Optional Services (Section 4.2)]	\$ 48,960,616
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^ Base year 1 fixed operating costs shall include four (4) months of Design, Development, and Implementation (DDI) and eight (8) months of AVS services integrated within the current West Virginia eligibility enrollment system.

\* Annual Operating Costs are all-inclusive of operations and maintenance of the solution. This cost shall include up to 350,000 verification transactions annually. This also includes, but is not limited to, facility costs, training, help desk, corrective actions, updating deliverables, licensing, hosting, system maintenance, staffing, reporting, and all other costs of doing business.

\*\* All hours or estimated quantities included in the pricing calculation are for bid purposes only and are not considered to be an annual project cap. Actual utilization under this contract may be more or less than projected in this RFQ.

\*\*\* Any enhancements made to the system after the operational go-live date will be accomplished utilizing the Software Enhancements Blended Hourly Rate. For estimation purposes only, the Agency anticipates approximately 1,000 (one thousand) hours per month in potential enhancement hours will be needed. The Vendor should enter a total cost into wvOASIS utilizing the formula provided in this attachment.

0.00

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**Attachment 4: Third Party Software Addendum**

**Third Party Terms Indemnification Agreement**

Pursuant to this Third Party Terms Indemnification Agreement, (Vendor Name) and the State of West Virginia (“State”) agree that the contract resulting from the solicitation identified as: (Award Document Number) for software, shall be modified as follows to include an indemnification obligation on the part of (Vendor) for third party terms and conditions.

**Third Party Terms and Conditions Indemnification:** The Parties agree that all third party terms and conditions are modified by the terms of the WV-96 Agreement Addendum for Software and services, both signed by (Vendor) (the “WV-96 Addendum”). The intent of the parties is that the WV-96 Addendum will prevail in the event of any conflicts. (Vendor) shall indemnify the State for claims brought by a vendor asserting third party terms and conditions prevail over the WV-96 Addendum.

**(Vendor)**

**State Agency: (Agency Name)**

**By:**  \_\_\_\_\_

**By:** \_\_\_\_\_

**Name:** Robert Miller \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** Senior VP and General Manager \_\_\_\_\_

**Title:** \_\_\_\_\_

**West Virginia Purchasing Division Attorney General Approved As To Form**

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

EXHIBIT A – WV-96

**REQUEST FOR QUOTATION**  
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**Attachment 5: Software as a Service Addendum**

See attached PDF titled, "*Attachment 5 – WVCloud-SaaSProcurementAddendum.*"

## Software as a Service Addendum

### 1. Definitions:

Acceptable alternative data center location means a country that is identified as providing equivalent or stronger data protection than the United States, in terms of both regulation and enforcement. DLA Piper's Privacy Heatmap shall be utilized for this analysis and may be found at <https://www.dlapiperdataprotection.com/index.html?t=world-map&c=US&c2=IN>.

Authorized Persons means the service provider's employees, contractors, subcontractors or other agents who have responsibility in protecting or have access to the public jurisdiction's personal data and non-public data to enable the service provider to perform the services required.

Data Breach means the unauthorized access and acquisition of unencrypted and unredacted personal data that compromises the security or confidentiality of a public jurisdiction's personal information and that causes the service provider or public jurisdiction to reasonably believe that the data breach has caused or will cause identity theft or other fraud.

Individually Identifiable Health Information means information that is a subset of health information, including demographic information collected from an individual, and (1) is created or received by a health care provider, health plan, employer or health care clearinghouse; and (2) relates to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

Non-Public Data means data, other than personal data, that is not subject to distribution to the public as public information. It is deemed to be sensitive and confidential by the public jurisdiction because it contains information that is exempt by statute, ordinance or administrative rule from access by the general public as public information.

Personal Data means data that includes information relating to a person that identifies the person by first name or first initial, and last name, and has any of the following personally identifiable information (PII): government-issued identification numbers (e.g., Social Security, driver's license, state identification card); financial account information, including account number, credit or debit card numbers; or protected health information (PHI).

Protected Health Information (PHI) means individually identifiable health information transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium. PHI excludes education records covered by the Family Educational Rights and Privacy Act (FERPA), as amended, 20 U.S.C. 1232g, records described at 20 U.S.C. 1232g(a)(4)(B)(iv) and employment records held by a covered entity in its role as employer.

Public Jurisdiction means any government or government agency that uses these terms and conditions. The term is a placeholder for the government or government agency.

Public Jurisdiction Data means all data created or in any way originating with the public jurisdiction, and all data that is the output of computer processing or other electronic manipulation of any data that was created by or in any way originated with the public jurisdiction, whether such data or output is stored on the public jurisdiction's hardware, the service provider's hardware or exists in any system owned, maintained or otherwise controlled by the public jurisdiction or by the service provider.

Public Jurisdiction Identified Contact means the person or persons designated in writing by the public jurisdiction to receive security incident or breach notification.

Restricted data means personal data and non-public data.

Security Incident means the actual unauthorized access to personal data or non-public data the service provider believes could reasonably result in the use, disclosure or theft of a public jurisdiction's unencrypted personal data or non-public data within the possession or control of the service provider. A security incident may or may not turn into a data breach.

Service Provider means the contractor and its employees, subcontractors, agents and affiliates who are providing the services agreed to under the contract.

Software-as-a-Service (SaaS) means the capability provided to the consumer to use the provider's applications running on a cloud infrastructure. The applications are accessible from various client devices through a thin-client interface such as a Web browser (e.g., Web-based email) or a program interface. The consumer does not manage or control the underlying cloud infrastructure including network, servers, operating systems, storage or even individual application capabilities, with the possible exception of limited user-specific application configuration settings.

**2. Data Ownership:** The public jurisdiction will own all right, title and interest in its data that is related to the services provided by this contract. The service provider shall not access public jurisdiction user accounts or public jurisdiction data, except (1) in the course of data center operations, (2) in response to service or technical issues, (3) as required by the express terms of this contract or (4) at the public jurisdiction's written request.

**3. Data Protection and Privacy:** Protection of personal privacy and data shall be an integral part of the business activities of the service provider to ensure there is no inappropriate or unauthorized use of public jurisdiction information at any time. To this end, the service provider shall safeguard the confidentiality, integrity and availability of public jurisdiction information and comply with the following conditions:

- a) The service provider shall implement and maintain appropriate administrative, technical and physical security measures to safeguard against unauthorized access, disclosure or theft of personal data and non-public data. In Appendix A,



the public jurisdiction shall indicate whether restricted information will be processed by the service provider. Such security measures shall be in accordance with recognized industry practice and not less stringent than the measures the service provider applies to its own personal data and non-public data of similar kind. The service provider shall ensure that all such measures, including the manner in which personal data and non-public data are collected, accessed, used, stored, processed, disposed of and disclosed, comply with applicable data protection and privacy laws, as well as the terms and conditions of this Addendum and shall survive termination of the underlying contract.

- b) The service provider represents and warrants that its collection, access, use, storage, disposal and disclosure of personal data and non-public data do and will comply with all applicable federal and state privacy and data protection laws, as well as all other applicable regulations, policies and directives.
- c) The service provider shall support third-party multi-factor authentication integration with the public jurisdiction third-party identity provider to safeguard personal data and non-public data.
- d) If, in the course of its engagement by the public jurisdiction, the service provider has access to or will collect, access, use, store, process, dispose of or disclose credit, debit or other payment cardholder information, the service provider shall at all times remain in compliance with the Payment Card Industry Data Security Standard ("PCI DSS") requirements, including remaining aware at all times of changes to the PCI DSS and promptly implementing all procedures and practices as may be necessary to remain in compliance with the PCI DSS, in each case, at the service provider's sole cost and expense. All data obtained by the service provider in the performance of this contract shall become and remain the property of the public jurisdiction.
- e) All personal data shall be encrypted at rest and in transit with controlled access. Unless otherwise stipulated, the service provider is responsible for encryption of the personal data.
- f) Unless otherwise stipulated, the service provider shall encrypt all non-public data at rest and in transit, in accordance with recognized industry practice. The public jurisdiction shall identify data it deems as non-public data to the service provider.
- g) At no time shall any data or process – that either belong to or are intended for the use of a public jurisdiction or its officers, agents or employees — be copied, disclosed or retained by the service provider or any party related to the service provider for subsequent use in any transaction that does not include the public jurisdiction.
- h) The service provider shall not use or disclose any information collected in connection with the service issued from this proposal for any purpose other than fulfilling the service.
- i) Data Location. For non-public data and personal data, the service provider shall provide its data center services to the public jurisdiction and its end users solely from data centers in the U.S. Storage of public jurisdiction data at rest shall be located solely in data centers in the U.S. The service provider shall not allow its personnel or contractors to store public jurisdiction data on portable devices, including personal computers, except for devices that are used and kept only at its

U.S. data centers. With agreement from the public jurisdiction, this term may be met by the service provider providing its services from an acceptable alternative data center location, which agreement shall be stated in Appendix A. The Service Provider may also request permission to utilize an acceptable alternative data center location during a procurement's question and answer period by submitting a question to that effect. The service provider shall permit its personnel and contractors to access public jurisdiction data remotely only as required to provide technical support.

**4. Security Incident or Data Breach Notification:** The service provider shall inform the public jurisdiction of any confirmed security incident or data breach.

- a) **Incident Response:** The service provider may need to communicate with outside parties regarding a security incident, which may include contacting law enforcement, fielding media inquiries and seeking external expertise as defined by law or contained in the contract. Discussing security incidents with the public jurisdiction shall be handled on an urgent as-needed basis, as part of service provider communication and mitigation processes defined by law or contained in the contract.
- b) **Security Incident Reporting Requirements:** The service provider shall report a confirmed Security Incident as soon as practicable, but no later than twenty-four (24) hours after the service provider becomes aware of it, to: (1) the department privacy officer, by email, with a read receipt, identified in Appendix A; and, (2) unless otherwise directed by the public jurisdiction in the underlying contract, the WVOT Online Computer Security and Privacy Incident Reporting System at <https://apps.wv.gov/ot/ir/Default.aspx>, and (3) the public jurisdiction point of contact for general contract oversight/administration. The following information shall be shared with the public jurisdiction: (1) incident phase (detection and analysis; containment, eradication and recovery; or post-incident activity), (2) projected business impact, and, (3) attack source information.
- c) **Breach Reporting Requirements:** Upon the discovery of a data breach or unauthorized access to non-public data, the service provider shall immediately report to: (1) the department privacy officer, by email, with a read receipt, identified in Appendix A; and, (2) unless otherwise directed by the public jurisdiction in the underlying contract, the WVOT Online Computer Security and Privacy Incident Reporting System at <https://apps.wv.gov/ot/ir/Default.aspx>, and the public jurisdiction point of contact for general contract oversight/administration.

**5. Breach Responsibilities:** This section only applies when a data breach occurs with respect to personal data within the possession or control of the service provider.

- a) Immediately after being awarded a contract, the service provider shall provide the public jurisdiction with the name and contact information for an employee of service provider who shall serve as the public jurisdiction's primary security contact and shall be available to assist the public jurisdiction twenty-four (24) hours per day, seven (7) days per week as a contact in resolving obligations associated with a data breach. The service provider may provide this information in Appendix A.

- b) Immediately following the service provider's notification to the public jurisdiction of a data breach, the parties shall coordinate cooperate with each other to investigate the data breach. The service provider agrees to fully cooperate with the public jurisdiction in the public jurisdiction's handling of the matter, including, without limitation, at the public jurisdiction's request, making available all relevant records, logs, files, data reporting and other materials required to comply with applicable law and regulation.
- c) Within 72 hours of the discovery, the service provider shall notify the parties listed in 4(c) above, to the extent known: (1) date of discovery; (2) list of data elements and the number of individual records; (3) description of the unauthorized persons known or reasonably believed to have improperly used or disclosed the personal data; (4) description of where the personal data is believed to have been improperly transmitted, sent, or utilized; and, (5) description of the probable causes of the improper use or disclosure.
- d) The service provider shall (1) cooperate with the public jurisdiction as reasonably requested by the public jurisdiction to investigate and resolve the data breach, (2) promptly implement necessary remedial measures, if necessary, and prevent any further data breach at the service provider's expense in accordance with applicable privacy rights, laws and regulations and (3) document responsive actions taken related to the data breach, including any post-incident review of events and actions taken to make changes in business practices in providing the services, if necessary.
- e) If a data breach is a direct result of the service provider's breach of its contract obligation to encrypt personal data or otherwise prevent its release, the service provider shall bear the costs associated with (1) the investigation and resolution of the data breach; (2) notifications to individuals, regulators or others required by state or federal law; (3) a credit monitoring service (4) a website or a toll-free number and call center for affected individuals required by state law — all not to exceed the average per record per person cost calculated for data breaches in the United States in the most recent Cost of Data Breach Study: Global Analysis published by the Ponemon Institute at the time of the data breach (or other similar publication if the named publication has not issued an updated average per record per cost in the last 5 years at the time of the data breach); and (5) complete all corrective actions as reasonably determined by service provider based on root cause. The service provider agrees that it shall not inform any third party of any data breach without first obtaining the public jurisdiction's prior written consent, other than to inform a complainant that the matter has been forwarded to the public jurisdiction's legal counsel and/or engage a third party with appropriate expertise and confidentiality protections for any reason connected to the data breach. Except with respect to where the service provider has an independent legal obligation to report a data breach, the service provider agrees that the public jurisdiction shall have the sole right to determine: (1) whether notice of the data breach is to be provided to any individuals, regulators, law enforcement agencies, consumer reporting agencies or others, as required by law or regulation, or otherwise in the public jurisdiction's discretion; and (2) the contents of such notice, whether any

type of remediation may be offered to affected persons, and the nature and extent of any such remediation. The service provider retains the right to report activity to law enforcement.

**6. Notification of Legal Requests:** The service provider shall contact the public jurisdiction upon receipt of any electronic discovery, litigation holds, discovery searches and expert testimonies related to the public jurisdiction's data under this contract, or which in any way might reasonably require access to the data of the public jurisdiction. The service provider shall not respond to subpoenas, service of process and other legal requests related to the public jurisdiction without first notifying the public jurisdiction, unless prohibited by law from providing such notice.

**7. Termination and Suspension of Service:**

- a) In the event of a termination of the contract, the service provider shall implement an orderly return of public jurisdiction data within the time period and format specified in the contract (or in the absence of a specified time and format, a mutually agreeable time and format) and after the data has been successfully returned, securely and permanently dispose of public jurisdiction data.
- b) During any period of service suspension, the service provider shall not take any action to intentionally erase any public jurisdiction data.
- c) In the event the contract does not specify a time or format for return of the public jurisdiction's data and an agreement has not been reached, in the event of termination of any services or agreement in entirety, the service provider shall not take any action to intentionally erase any public jurisdiction data for a period of:
  - 10 days after the effective date of termination, if the termination is in accordance with the contract period
  - 30 days after the effective date of termination, if the termination is for convenience
  - 60 days after the effective date of termination, if the termination is for cause

After such period, the service provider shall have no obligation to maintain or provide any public jurisdiction data and shall thereafter, unless legally prohibited, delete all public jurisdiction data in its systems or otherwise in its possession or under its control.

- d) The public jurisdiction shall be entitled to any post-termination assistance generally made available with respect to the services, unless a unique data retrieval arrangement has been established as part of the Contract.
- e) The service provider shall securely dispose of all requested data in all of its forms, such as disk, CD/ DVD, backup tape and paper, when requested by the public jurisdiction. Data shall be permanently deleted and shall not be recoverable, according to National Institute of Standards and Technology (NIST)-approved methods. Certificates of destruction shall be provided to the public jurisdiction.

**8. Background Checks:** The service provider shall conduct criminal background checks in compliance with W.Va. Code §15-2D-3 and not utilize any staff to fulfill the obligations

of the contract, including subcontractors, who have been convicted of any crime of dishonesty, including but not limited to criminal fraud, or otherwise convicted of any felony or misdemeanor offense for which incarceration for up to 1 year is an authorized penalty. The service provider shall promote and maintain an awareness of the importance of securing the public jurisdiction's information among the service provider's employees and agents.

**9. Oversight of Authorized Persons:** During the term of each authorized person's employment or engagement by service provider, service provider shall at all times cause such persons to abide strictly by service provider's obligations under this Agreement and service provider's standard policies and procedures. The service provider further agrees that it shall maintain a disciplinary process to address any unauthorized access, use or disclosure of personal data by any of service provider's officers, partners, principals, employees, agents or contractors.

**10. Access to Security Logs and Reports:** The service provider shall provide reports to the public jurisdiction in CSV format agreed to by both the service provider and the public jurisdiction. Reports shall include user access (successful and failed attempts), user access IP address, user access history and security logs for all public jurisdiction files and accounts related to this contract.

**11. Data Protection Self-Assessment:** The service provider shall perform a Cloud Security Alliance STAR Self-Assessment by completing and submitting the "Consensus Assessments Initiative Questionnaire" to the Public Jurisdiction Identified Contact. The service provider shall submit its self-assessment to the public jurisdiction prior to contract award and, upon request, annually thereafter, on the anniversary of the date of contract execution. Any deficiencies identified in the assessment will entitle the public jurisdiction to disqualify the bid or terminate the contract for cause.

**12. Data Center Audit:** The service provider shall perform an audit of its data center(s) at least annually at its expense and provide a redacted version of the audit report upon request. The service provider may remove its proprietary information from the redacted version. A Service Organization Control (SOC) 2 audit report or approved equivalent sets the minimum level of a third-party audit. Any deficiencies identified in the report or approved equivalent will entitle the public jurisdiction to disqualify the bid or terminate the contract for cause.

**13. Change Control and Advance Notice:** The service provider shall give 30 days, advance notice (to the public jurisdiction) of any upgrades (e.g., major upgrades, minor upgrades, system changes) that may impact service availability and performance. A major upgrade is a replacement of hardware, software or firmware with a newer or better version in order to bring the system up to date or to improve its characteristics.

**14. Security:**

- a) At a minimum, the service provider's safeguards for the protection of data shall include: (1) securing business facilities, data centers, paper files, servers, back-up

systems and computing equipment, including, but not limited to, all mobile devices and other equipment with information storage capability; (2) implementing network, device application, database and platform security; 3) securing information transmission, storage and disposal; (4) implementing authentication and access controls within media, applications, operating systems and equipment; (5) implementing appropriate personnel security and integrity procedures and practices, including, but not limited to, conducting background checks consistent with applicable law; and (6) providing appropriate privacy and information security training to service provider's employees.

- b) The service provider shall execute well-defined recurring action steps that identify and monitor vulnerabilities and provide remediation or corrective measures. Where the service provider's technology or the public jurisdiction's required dependence on a third-party application to interface with the technology creates a critical or high risk, the service provider shall remediate the vulnerability as soon as possible. The service provider must ensure that applications used to interface with the service provider's technology remain operationally compatible with software updates.
- c) Upon the public jurisdiction's written request, the service provider shall provide a high-level network diagram with respect to connectivity to the public jurisdiction's network that illustrates the service provider's information technology network infrastructure.

**15. Non-disclosure and Separation of Duties:** The service provider shall enforce separation of job duties, require commercially reasonable non-disclosure agreements, and limit staff knowledge of public jurisdiction data to that which is absolutely necessary to perform job duties.

**16. Import and Export of Data:** The public jurisdiction shall have the ability to securely import, export or dispose of data in standard format in piecemeal or in entirety at its discretion without interference from the service provider. This includes the ability for the public jurisdiction to import or export data to/from other service providers identified in the contract (or in the absence of an identified format, a mutually agreeable format).

**17. Responsibilities:** The service provider shall be responsible for the acquisition and operation of all hardware, software and network support related to the cloud services being provided. The technical and professional activities required for establishing, managing and maintaining the environments are the responsibilities of the service provider.

**18. Subcontractor Compliance:** The service provider shall ensure that any of its subcontractors to whom it provides any of the personal data or non-public data it receives hereunder, or to whom it provides any personal data or non-public data which the service provider creates or receives on behalf of the public jurisdiction, agree to the restrictions, terms and conditions which apply to the service provider hereunder.

**19. Right to Remove Individuals:** The public jurisdiction shall have the right at any time to require that the service provider remove from interaction with public jurisdiction any

service provider representative who the public jurisdiction believes is detrimental to its working relationship with the service provider. The public jurisdiction shall provide the service provider with notice of its determination, and the reasons it requests the removal. If the public jurisdiction signifies that a potential security violation exists with respect to the request, the service provider shall immediately remove such individual. The service provider shall not assign the person to any aspect of the contract without the public jurisdiction's consent.

**20. Business Continuity and Disaster Recovery:** The service provider shall provide a business continuity and disaster recovery plan executive summary upon request. Lack of a plan will entitle the public jurisdiction to terminate this contract for cause.

**21. Compliance with Accessibility Standards:** The service provider shall comply with and adhere to Accessibility Standards of Section 508 Amendment to the Rehabilitation Act of 1973.

**22. Web Services:** The service provider shall use web services exclusively to interface with the public jurisdiction's data in near real time when possible.

**23. Encryption of Data at Rest:** The service provider shall ensure hard drive encryption consistent with validated cryptography standards as referenced in FIPS 140-2, Security Requirements for Cryptographic Modules for all personal data.

**24. Subscription Terms:** Service provider grants to a public jurisdiction a license to:

- a. Access and use the service for its business purposes;
- b. For SaaS, use underlying software as embodied or used in the service; and
- c. View, copy, upload, download (where applicable), and use service provider's documentation.

**25. Equitable Relief:** Service provider acknowledges that any breach of its covenants or obligations set forth in Addendum may cause the public jurisdiction irreparable harm for which monetary damages would not be adequate compensation and agrees that, in the event of such breach or threatened breach, the public jurisdiction is entitled to seek equitable relief, including a restraining order, injunctive relief, specific performance and any other relief that may be available from any court, in addition to any other remedy to which the public jurisdiction may be entitled at law or in equity. Such remedies shall not be deemed to be exclusive but shall be in addition to all other remedies available at law or in equity, subject to any express exclusions or limitations in this Addendum to the contrary.

AGREED:

Name of Agency: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Name of Vendor: Softheon Inc. \_\_\_\_\_

Signature:  \_\_\_\_\_

Title: Senior Vice President and General Manager

Date: January 17, 2024 \_\_\_\_\_



## Appendix A

(To be completed by the Agency's Procurement Officer prior to the execution of the Addendum, and shall be made a part of the Addendum. Required information not identified prior to execution of the Addendum may only be added by amending Appendix A and the Addendum, via Change Order.)

Name of Service Provider/Vendor: \_\_\_\_\_

Name of Agency: \_\_\_\_\_

### Agency/public jurisdiction's required information:

1. Will restricted information be processed by the service provider?

Yes   
No

2. If yes to #1, does the restricted information include personal data?

Yes   
No

3. If yes to #1, does the restricted information include non-public data?

Yes   
No

4. If yes to #1, may the service provider store public jurisdiction data in a data center in an acceptable alternative data center location, which is a country that is not the U.S.?

Yes   
No

5. Provide name and email address for the Department privacy officer:

Name: \_\_\_\_\_

Email address: \_\_\_\_\_

### Vendor/Service Provider's required information:

6. Provide name and contact information for vendor's employee who shall serve as the public jurisdiction's primary security contact:

Name: \_\_\_\_\_

Email address: \_\_\_\_\_

Phone Number: \_\_\_\_\_