



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

Solicitation

NUMBER
PEI013002

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF
KRISTA FERRELL 804-558-2596

RFQ COPY
 TYPE NAME/ADDRESS HERE

VENDOR

SHIP TO

PUBLIC EMPLOYEES INSURANCE
 AGENCY
 BUILDING 5
 1900 KANAWHA BOULEVARD, EAST
 CHARLESTON, WV
 25305-0710 558-7850

DATE PRINTED
05/16/2013

BID OPENING DATE: 06/26/2013 BID OPENING TIME 1:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	LS		961-20		
SECURITY RISK AND VULNERABILITY ASSESSMENT REQUEST FOR PROPOSAL (RFP) THE WEST VIRGINIA STATE PURCHASING DIVISION FOR THE AGENCY, THE WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY, IS SOLICITING PROPOSALS FROM QUALIFIED VENDORS TO PROVIDE SECURITY RISK AND VULNERABILITY ASSESSMENT FOR THE PUBLIC EMPLOYEES INSURANCE AGENCY PER THE ATTACHED SPECIFICATIONS. ***** THIS IS THE END OF RFQ PEI013002 ***** TOTAL:						

SIGNATURE		TELEPHONE	DATE
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE	

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



State of West Virginia

Public Employees Insurance Agency

HIPAA/HITECH Security Risk Assessment

Request for Proposal

PEI013002

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SECTION ONE: GENERAL INFORMATION

1. Purpose: The West Virginia Department of Administration, Purchasing Division, hereinafter referred to as the "Purchasing Division", is soliciting proposals pursuant to **West Virginia Code** §5A-3-10b for the Public Employees Insurance Agency (WV PEIA) and the West Virginia Children's Health Insurance Program (WV CHIP), West Virginia Department of Health and Human Resources (WVDHHR), the West Virginia Office of Technology (WVOT), and/or other State entities, hereinafter referred to as the "Agencies", to provide HIPAA/HITECH Security Risk Assessment services. These Security Risk Assessment services will include all aspects of information security including, but not necessarily limited to: physical security, IT related systems, policies and procedures, staff training, and third party interaction(s).
2. By signing and submitting its proposal, the successful Vendor agrees to be bound by all the terms contained in this Request for Proposal ("RFP").

An RFP is generally used for the procurement of services in situations where price is not the sole determining factor and the award will be based on a combination of cost and technical factors (Best Value). Through its proposal, the bidder offers a solution to the objectives, problem, or need specified in the RFP, and defines how it intends to meet (or exceed) the RFP requirements.

3. Schedule of Events:

Mandatory Pre-bid Conference	05/31/2013 at 9:30 AM
Vendor's Written Questions Submission Deadline	06/06/2013 at 5:00 PM EST
Addendum Issued	Estimated Week of 06/10/2013
Bid Opening Date	06/26/2013 at 1:30 PM EST
Oral Interviews	To Be Determined

SECTION TWO: INSTRUCTIONS TO VENDORS SUBMITTING BIDS

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

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

May 31, 2013 at 9:30 am in the Coopers Rock Meeting Room of the Department of Environmental Protection Building located at 601 57th Street, S.E. in Charleston, West Virginia.

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 person attending the pre-bid meeting may represent more than one Vendor.

An attendance sheet provided at the pre-bid meeting shall serve as the official document verifying attendance. The State will not accept any other form of proof or documentation to verify 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 in order 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 non-binding.

Question Submission Deadline: 06/06/2013 at 5:00 PM EST

Submit Questions to:

Krista S. Ferrell, Buyer Supervisor
 2019 Washington Street, East
 P.O. Box 50130
 Charleston, WV 25305
 Fax: 304-558-4115
 Email: krista.s.ferrell@wv.gov

- 5. **VERBAL COMMUNICATION:** Any verbal communication between the Vendor and any State personnel is not binding, including that made 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 signed and delivered by the Vendor to the Purchasing Division at the address listed below on or before the date and time of the bid opening. 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. The bid delivery address is:

Department of Administration, Purchasing Division
 2019 Washington Street East
 P.O. Box 50130,
 Charleston, WV 25305-0130

The bid should contain the information listed below on the face of the envelope or the bid may not be considered:

SEALED BID

BUYER: _____
SOLICITATION NO.: _____
BID OPENING DATE: _____
BID OPENING TIME: _____
FAX NUMBER: _____

In the event that Vendor is responding to a request for proposal, the Vendor shall submit one original technical and one original cost proposal plus 5&3 CD convenience copies of each to the Purchasing Division at the address shown above. Additionally, the Vendor should identify the bid type as either a technical or cost proposal on the face of each bid envelope submitted in response to a request for proposal as follows:

BID TYPE: [] Technical
 [] Cost

- 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 time stamped by the official Purchasing Division time clock.

Bid Opening Date and Time:

June 26, 2013 at 1:30 PM EST

Bid Opening Location:

Department of Administration, Purchasing Division
2019 Washington Street East
P.O. Box 50130,
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.

SECTION THREE: GENERAL TERMS AND CONDITIONS

GENERAL TERMS AND CONDITIONS:

1. **CONTRACTUAL AGREEMENT:** Issuance of a Purchase Order signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's office constitutes acceptance of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid 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 **"Contract"** means the binding agreement that is entered into between the State and the Vendor to provide the goods and services requested in the Solicitation.

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

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

 - 2.5 **"Purchase Order"** 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 successful bidder and Contract holder.

 - 2.6 **"Solicitation"** means the official solicitation published by the Purchasing Division and identified by number on the first page thereof.

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

 - 2.8 **"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: This Contract becomes effective on

and extends for a period of year(s).

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 must be submitted to the Purchasing Division Director 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. Renewal of this Contract is limited to successive one (1) year periods. Automatic renewal of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases. Attorney General approval may be required for vendor terms and conditions.

Reasonable Time Extension: At the sole discretion of the Purchasing Division Director, and with approval from the Attorney General's office (Attorney General approval is as to form only), this Contract may be extended for a reasonable time after the initial Contract term or after any renewal term as may be necessary to obtain a new contract or renew this Contract. Any reasonable time extension shall not exceed twelve (12) months. Vendor may avoid a reasonable time extension by providing the Purchasing Division Director with written notice of Vendor's desire to terminate this Contract 30 days prior to the expiration of the then current term. During any reasonable time extension period, the Vendor may terminate this Contract for any reason upon giving the Purchasing Division Director 30 days written notice. Automatic extension of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases, but Attorney General approval may be required.

- Fixed Period Contract:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and must be completed within 365 calendar days.
- One Time Purchase:** The term of this Contract shall run from the issuance of the Purchase Order until all of the goods contracted for have been delivered, but in no event shall this Contract extend for more than one fiscal year.
- Other:** See attached.

4. **NOTICE TO PROCEED:** Vendor shall begin performance of this Contract immediately upon receiving notice to proceed unless otherwise instructed by the Agency. Unless otherwise specified, the fully executed Purchase Order will be considered notice to proceed
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 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.
6. **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.
7. **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.
8. **REQUIRED DOCUMENTS:** All of the items checked below must be provided to the Purchasing Division by the Vendor as specified below.
- BID BOND:** All Vendors shall furnish a bid bond in the amount of five percent (5%) of the total amount of the bid protecting the State of West Virginia. The bid bond must be submitted with the bid.

[] **PERFORMANCE BOND:** The apparent successful Vendor shall provide a performance bond in the amount of []. The performance bond must be issued and received by the Purchasing Division prior to Contract award. On construction contracts, the performance bond must be 100% of the Contract value.

[] **LABOR/MATERIAL PAYMENT BOND:** The apparent successful Vendor shall provide a labor/material payment bond in the amount of 100% of the Contract value. The labor/material payment bond must be issued and delivered to the Purchasing Division prior to Contract award.

In lieu of the Bid Bond, Performance Bond, and Labor/Material Payment Bond, the Vendor may provide certified checks, cashier's checks, or irrevocable letters of credit. Any certified check, cashier's check, or irrevocable letter of credit provided in lieu of a bond must be of the same amount and delivered on the same schedule as the bond it replaces. A letter of credit submitted in lieu of a performance and labor/material payment bond will only be allowed for projects under \$100,000. Personal or business checks are not acceptable.

[] **MAINTENANCE BOND:** The apparent successful Vendor shall provide a two (2) year maintenance bond covering the roofing system. The maintenance bond must be issued and delivered to the Purchasing Division prior to Contract award.

[] **WORKERS' COMPENSATION INSURANCE:** The apparent successful Vendor shall have appropriate workers' compensation insurance and shall provide proof thereof upon request.

[] **INSURANCE:** The apparent successful Vendor shall furnish proof of the following insurance prior to Contract award:

[] **Commercial General Liability Insurance:**
[] or more.

[] **Builders Risk Insurance:** builders risk – all risk insurance in an amount equal to 100% of the amount of the Contract.

[] []

[] []

[] []

[] []

[] []

The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether or not that insurance requirement is listed above.

LICENSE(S) / CERTIFICATIONS / PERMITS: In addition to anything required under the Section entitled Licensing, of the General Terms and Conditions, the apparent successful Vendor shall furnish proof of the following licenses, certifications, and/or permits prior to Contract award, in a form acceptable to the Purchasing Division.

<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	

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

9. LITIGATION BOND: The Director reserves the right to require any Vendor that files a protest of an award to submit a litigation bond in the amount equal to one percent of the lowest bid submitted or \$5,000, whichever is greater. The entire amount of the bond shall be forfeited if the hearing officer determines that the protest was filed for frivolous or improper purpose, including but not limited to, the purpose of harassing, causing unnecessary delay, or needless expense for the Agency. All litigation bonds shall be made payable to the Purchasing Division. In lieu of a bond, the protester may submit a cashier's check or certified check payable to the Purchasing Division. Cashier's or certified checks will be deposited with and held by the State Treasurer's office. If it is determined that the protest has not been filed for frivolous or improper purpose, the bond or deposit shall be returned in its entirety.

10. ALTERNATES: Any model, brand, or specification listed herein 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.

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. LIQUIDATED DAMAGES: Vendor shall pay liquidated damages in the amount

See Attachment E for Liquidated Damages

for

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.

- 13. ACCEPTANCE/REJECTION:** The State may accept or reject any bid in whole, or in part. Vendor's signature on its bid signifies acceptance of the terms and conditions contained in the Solicitation and Vendor agrees to be bound by the terms of the Contract, as reflected in the Purchase Order, upon receipt.
- 14. 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.
- 15. 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.
- 16. 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.
- 17. PAYMENT:** Payment in advance is prohibited under this Contract. Payment may only be made after the delivery and acceptance of goods or services. The Vendor shall submit invoices, in arrears, to the Agency at the address on the face of the purchase order labeled "Invoice To."
- 18. UNIT PRICE:** Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.
- 19. DELIVERY:** All quotations are considered freight on board destination ("F.O.B. destination") unless alternate shipping terms are clearly identified in the bid. Vendor's listing of shipping terms that contradict the shipping terms expressly required by this Solicitation may result in bid disqualification.
- 20. INTEREST:** Interest attributable to late payment will only be permitted if authorized by the West Virginia Code. Presently, there is no provision in the law for interest on late payments.
- 21. PREFERENCE:** Vendor Preference may only be granted upon written request and only in accordance with the West Virginia Code § 5A-3-37 and the West Virginia Code of State Rules. A Resident Vendor Certification form has been attached hereto to allow Vendor to apply for the preference. Vendor's

failure to submit the Resident Vendor Certification form with its bid will result in denial of Vendor Preference. Vendor Preference does not apply to construction projects.

- 22. SMALL, WOMEN-OWNED, OR MINORITY-OWNED BUSINESSES:** For any solicitations publicly advertised for bid on or after July 1, 2012, in accordance with West Virginia Code §5A-3-37(a)(7) 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 submission of its bid 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.
- 23. 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.
- 24. 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 cancel any purchase or Contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules § 148-1-7.16.2.
- 25. 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.
- 26. TIME:** Time is of the essence with regard to all matters of time and performance in this Contract.
- 27. 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.
- 28. COMPLIANCE:** Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendors acknowledge that they have reviewed, understand, and will comply with all applicable law.
- 29. PREVAILING WAGE:** On any contract for the construction of a public improvement, Vendor and any subcontractors utilized by Vendor shall pay a rate or rates of wages which shall not be less than the fair minimum rate or rates of wages (prevailing wage), as established by the West Virginia Division of Labor under West Virginia Code §§ 21-5A-1 et seq. and available at <http://www.sos.wv.gov/administrative-law/wagerates/Pages/default.aspx>. Vendor shall be responsible for ensuring compliance with prevailing wage requirements and determining when prevailing wage

requirements are applicable. The required contract provisions contained in West Virginia Code of State Rules § 42-7-3 are specifically incorporated herein by reference.

- 30. 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.
- 31. 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). **No Change shall be implemented by the Vendor until such time as the Vendor receives an approved written change order from the Purchasing Division.**
- 32. 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.
- 33. 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.
- 34. 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. Notwithstanding the foregoing, Purchasing Division approval may or may not be required on certain agency delegated or exempt purchases.
- 35. 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.
- 36. 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.
- 37. BANKRUPTCY:** In the event the Vendor files for bankruptcy protection, the State of West Virginia may deem this Contract null and void, and terminate this Contract without notice.

- 38. HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at <http://www.state.wv.us/admin/purchase/vrc/hipaa.html> and is hereby made part of the agreement provided that the Agency meets the definition of a Covered entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the Vendor. Additionally, the HIPAA Privacy, Security, Enforcement & Breach Notification Final Omnibus Rule was published on January 25, 2013. It may be viewed online at <http://www.gpo.gov/fdsys/pkg/FR-2013-01-25/pdf/2013-01073.pdf>. Any organization, that qualifies as the Agency's Business Associate, is expected to be in compliance with this Final Rule. For those Business Associates entering into contracts with a HIPAA Covered State Agency between January 25, 2013 and the release of the 2013 WV State Agency Business Associate Agreement, or September 23, 2013 (whichever is earlier), be advised that you will be required to comply with the 2013 WV State Agency Business Associate Agreement. For those Business Associates with contracts with a HIPAA Covered State Agency executed prior to January 25, 2013, be advised that upon renewal or modification, you will be required to comply with the 2013 WV State Agency Business Associate Agreement no later than September 22, 2014.
- 39. 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 <http://www.state.wv.us/admin/purchase/privacy/default.html>.
- 40. DISCLOSURE:** Vendor's response to the Solicitation and the resulting Contract are considered public documents and will be disclosed to the public in accordance with the laws, rules, and policies governing the West Virginia Purchasing Division. Those laws include, but are not limited to, the Freedom of Information Act found in West Virginia Code § 29B-1-1 et seq.

If a Vendor considers any part of its bid to be exempt from public disclosure, Vendor must so indicate by specifically identifying the exempt information, identifying the exemption that applies, providing a detailed justification for the exemption, segregating the exempt information from the general bid information, and submitting the exempt information as part of its bid but in a segregated and clearly identifiable format. Failure to comply with the foregoing requirements will result in public disclosure of the Vendor's bid without further notice. A Vendor's act of marking all or nearly all of its bid as exempt is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor's act of marking a bid or any part thereof as "confidential" or "proprietary" is not sufficient to avoid disclosure and WILL NOT BE HONORED. In addition, a legend or other statement indicating that all or substantially all of the bid is exempt from disclosure is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor will be required to defend any claimed exemption for nondisclosure in the event of an administrative or judicial challenge to the State's nondisclosure. Vendor must indemnify the State for any costs incurred related to any exemptions claimed by Vendor. Any questions regarding the applicability of the various public records laws should be addressed to your own legal counsel prior to bid submission.

- 41. LICENSING:** In accordance with West Virginia Code of State Rules §148-1-6.1.7, 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. 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.
- 42. ANTITRUST:** In submitting a bid to, signing a contract with, or accepting a Purchase Order 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.
- 43. VENDOR CERTIFICATIONS:** By signing its bid or entering into this Contract, Vendor certifies (1) that its bid was made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, person or entity submitting a bid for the same material, supplies, equipment or services; (2) that its bid is in all respects fair and without collusion or fraud; (3) 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; and (4) that it has reviewed this RFQ in its entirety; understands the requirements, terms and conditions, and other information contained herein. Vendor's signature on its bid also affirms that neither it nor its representatives have any interest, nor shall 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.

The individual signing this bid on behalf of Vendor certifies that he or she is authorized by the Vendor to execute this bid or any documents related thereto on Vendor's behalf; that he or she is authorized to bind the Vendor in a contractual relationship; and that, to the best of his or her knowledge, the Vendor has properly registered with any State agency that may require registration.

- 44. PURCHASING CARD ACCEPTANCE:** The State of West Virginia currently utilizes a Purchasing Card program, administered under contract by a banking institution, to process payment for goods and services. The Vendor must accept the State of West Virginia's Purchasing Card for payment of all orders under this Contract unless the box below is checked.

Vendor is not required to accept the State of West Virginia's Purchasing Card as payment for all goods and services.

- 45. 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.

- 46. 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.
- 47. PURCHASING AFFIDAVIT:** In accordance with West Virginia Code § 5A-3-10a, all Vendors are required to sign, notarize, and submit the Purchasing Affidavit stating that neither the Vendor nor a related party owe a debt to the State in excess of \$1,000. The affidavit must be submitted prior to award, but should be submitted with the Vendor's bid. A copy of the Purchasing Affidavit is included herewith.
- 48. ADDITIONAL AGENCY AND LOCAL GOVERNMENT USE:** This Contract may be utilized by and extends to other agencies, spending units, and political subdivisions of the State of West Virginia; county, municipal, and other local government bodies; and school districts ("Other Government Entities"). This Contract shall be extended to the aforementioned Other Government Entities on the same prices, terms, and conditions as those offered and agreed to in this Contract. If the Vendor does not wish to extend the prices, terms, and conditions of its bid and subsequent contract to the Other Government Entities, the Vendor must clearly indicate such refusal in its bid. A refusal to extend this Contract to the Other Government Entities shall not impact or influence the award of this Contract in any manner.
- 49. CONFLICT OF INTEREST:** Vendor, its officers or members or employees, shall not presently have or acquire any 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.

50. 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.requisitions@wv.gov.

51. BACKGROUND CHECK: In accordance with W. Va. Code § 15-2D-3, the Director of the Division of Protective Services shall require any service provider whose employees are regularly employed on the grounds or in the buildings of the Capitol complex or who have access to sensitive or critical information to submit to a fingerprint-based state and federal background inquiry through the state repository. The service provider is responsible for any costs associated with the fingerprint-based state and federal background inquiry.

After the contract for such services has been approved, but before any such employees are permitted to be on the grounds or in the buildings of the Capitol complex or have access to sensitive or critical information, the service provider shall submit a list of all persons who will be physically present and working at the Capitol complex to the Director of the Division of Protective Services for purposes of verifying compliance with this provision.

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.

52. 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.

The Purchasing Division Director may, in writing, authorize the use of foreign steel products if:

- a. 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
- b. 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.

53. 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.

SECTION FOUR: PROJECT SPECIFICATIONS

1. **Location:** The headquarters for Agencies are located in Charleston, West Virginia. The primary scope of the Request for Proposal encompasses the agency business offices, headquarters, and satellite locations. Limited office space for the successful vendor will be provided onsite during the course of completion of the scope of work for WV PEIA and WV CHIP under this solicitation. Arrangements for work space will be made with the vendor by the other agencies seeking services under this solicitation.

2. **Background and Current Operating Environment:**

2.1 WV PEIA is an employer based health plan offered to employees of the State of West Virginia and its political subdivisions. The plan relies on multiple third party contractors to support its operations therefore there are many information technology interfaces.

WV CHIP is a public plan offered to children who lack access to health insurance in families based on income. It is separate and distinct from the state Medicaid program, and uses the PEIA as its "benchmark" plan, as well as many of the same contractors for program operations. Eligibility for the program is determined by the WV Department of Health and Human Resources.

Both WV PEIA and WV CHIP rely heavily on the West Virginia Office of Technology for information technology support including, but not limited to: system upkeep and upgrades, telecommunications support, e-mail and information exchange, help desk support, and hardware issues.

Both WV PEIA and WV CHIP take their responsibilities for providing and maintaining the confidentiality, privacy, security, and integrity of the personally identifiable information (PII) and protected health information (PHI) they use and maintain very seriously and view those responsibilities as key organizational priorities. Both organizations have implemented policies and procedures, along with staff training processes to work toward that end.

WV PEIA and WV CHIP both utilize a Cisco-based LAN with Cisco networking type firewalls. The network(s) have VPN/Remote capabilities and there is a WAN. Employees have access to the Internet with some restrictions in place. There is a wireless capability at the PEIA office(s). Network traffic is monitored from the WV Office of Technology Security Operations Center. There is some outside network monitoring utilizing Enterasys Dragon. Both WV PEIA and WV CHIP have multiple websites including, but not limited to public websites and an FTP site. Large files are shared with Business Associates through an FTP platform. WV PEIA and WV CHIP use Windows 2003 and 2008 Servers. Workstations operate on Windows XP and Windows 7 Oss. The agencies have staff that utilize laptops and/or other mobile computing devices. The staff of both agencies have been trained in HIPAA/HITECH as well as having had to take additional privacy and security training via the State of West Virginia's Learning Management System.

More specific information about the environment will be provided at the Mandatory pre-bid meeting. Prospective vendor attendees at the pre-bid meeting will be required to sign a Non-disclosure Agreement. They will have the opportunity to ask questions of State of West Virginia staff with regard to the environment.

2.2 WVOT provides information resource management for the state while providing technical assistance to state entities in the design and management of information systems. The West Virginia Office of Technology (WVOT) is responsible for providing leadership and direction of information technology (IT) for the state government and also responsible for the administration of technology infrastructure for agencies reporting to the Governor. <http://www.technology.wv.gov> High level goals include: enhancing the statewide technology infrastructure to attract commerce, using technology to make government services readily available, and advancing education with the latest technology to maximize opportunities. The WVOT provides highly reliable, secure, and cost effective technology services to 23,097 computers and 18,706 network users. Technology Services are delivered by approximately 200 full-time and temporary employees and are supplemented by specialized contract services and staff on an as-needed basis. These services are provided to all departments that are participating in the IT consolidation initiative.. Both WV PEIA and WV CHIP are consolidated agencies and rely heavily on the West Virginia Office of Technology (WVOT) for information technology support including, but not limited to:

- Application development and maintenance support
- Backups (per customer agreement) for identified servers with the actual backup media retained at WVOT
- Cisco VoIP phone system, maintenance, hardware and software
- Central mailroom with mainframe-based mailings – printing, bursting, folding, mailing, etc.
- Desktop Support Services
- Email account creation and maintenance on the WVOT-maintained MS Exchange server
- Information Security Program, including training and awareness services
- Information Technology Contract Management
- Information Technology Policies and Procedures
- Information Technology Procurement Services
- Information Technology Service Desk
- Information Technology Training
- Manage web based software licenses for connecting to the mainframe
- Maintain the backbone/firewalled secure connections
- Maintenance of mainframe databases
- Operation and maintenance of the State Learning Management System (LMS)
- Power Over Ethernet (POE)-managed switch and firewall maintenance
- Provision of Spam filters on all email
- Project Management and Project Management Oversight

- Secure FTP services
- West Virginia Financial Information Management System (FIMS) access and print functionality
- Virus software and update – server located at WVOT
Windows account creation and maintenance

3. Vendor Qualifications and Expectations

Vendors will provide in **Attachment A: Vendor Response Sheet** information regarding their firm, such as staff qualifications and experience in completing similar projects; references; copies of any staff certifications or degrees applicable to this project; proposed staffing plan; descriptions of past projects completed entailing the location of the project, project manager name and contact information, type of project, and what the project goals and objectives were and how they were met.

4. Project Goals and Objectives

The project goals and objectives are:

4.1 Goal 1: The Covered Entities of the State of West Virginia to be in compliance with the provisions of the Security Rule(s) of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), including the amendments and modifications included in the Health Information Technology for Economic and Clinical Health (HITECH) Act, included in the ARRA legislation of 2009.

4.1.1 Objective: The vendor is expected to review and identify any and all internal and external information security vulnerabilities (actual and potential) in the context of best practices, standards and regulations. The requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), National Institute of Standards and Technology (NIST), and International Organization for Standardization (ISO) should be addressed. If new requirements are identified as part of the HITECH Act as set forth in the American Recovery and Reinvestment Act (ARRA) of 2009, HIPAA related or other, prior to the completion of the Information Security Assessment, the new requirements should be reviewed and included as part of the final deliverable review and identify internal and external protected data.

4.2 Goal 2: The Covered Entities of the State of West Virginia need an accurate assessment of the real and/or potential risk(s) and/or vulnerability(ies) that exist that may pose threats to the security and subsequent privacy of the personally identifiable information (PII) and/or protected health information (PHI) collected, used, and stored by the State of West Virginia's Covered Entities.

4.2.1 Objective: The vendor is expected to provide to the Covered Entities a description of how it will identify and evaluate access points, e.g., web

sites, ftp site(s), interfaces, etc. for real and/or potential security vulnerabilities.

- 4.2.2 Objective: The vendor is expected to provide the Covered Entities with thorough documentation of their IT Environments including interfaces and an overall system map. Provide sanitized examples of documentation, such as, architectural / infrastructure design documents, entity relationship diagrams and other artifacts that the vendor would typically use to describe the environment.
- 4.2.3 The vendor is expected to prepare and deliver a formal presentation and written documentation describing the assessment approach, findings, risk, impact and recommendations to correct or mitigate weakness and vulnerabilities. The vendor should provide a sample executive summary including a detailed technical report.

4.3 Goal 3: Perform all the required elements of a risk analysis; provide a clearly defined scope of the analysis; collect necessary data; identify and document potential threats and vulnerabilities; assess current security measures; determine the likelihood of threat occurrence(s); determine the potential impact of threat occurrence(s); determine the level of risk; and finalize the documentation of the assessment.

4.3.1 Objective: The vendor is expected to provide the following to the Covered Entities as project deliverables:

- i. Copies of collected notes, raw data, and raw logs collected during the course of the assessment
- ii. Summary of discovery findings and business impact
- iii. Recommendations for addressing data flow and network usage security issues.
- iv. Summary of an organizations monitoring and response program and its effectiveness on outside sources
- v. A risk rating of existing vulnerabilities and exploits
- vi. Summary of security measures in place and their effectiveness in securing the network and minimizing intrusions and vulnerabilities.
- vii. Identification of network security best practices and identity needed technology, policies, etc. to provide a secure environment. Please include a detailed description of how the "real world" environment compares to adopted policies and/or procedures. Simply put, describe what is being done versus what is supposed to be occurring.

- viii. Details on all client systems connected to the networks that are discovered in the course of the engagement, including all information discovered about those systems (i.e. operating system, available services, interfaces, portals/links, version information, etc.).
- ix. Recommendations for enhancements in regards to overcome potential physical vulnerabilities.
- x. Recommendations for heightened awareness and additional training.
- xi. A detailing of all security findings and existing vulnerabilities to include a detailed analysis of the vulnerabilities, potential risk they present to the systems and the network, and regulatory compliance, documenting of the date, time, systems accessed, and the methodology utilized to do so.
- xii. A prioritized list of vulnerability mitigation recommendations rated from high to low.
- xiii. Identification of network strengths and areas of improvement and where appropriate correlated with affected regulations.
- xiv. Upon completion of the discovery and testing activities, develop cost analysis for mitigation steps to improve security. The cost analysis should be categorized into a risk versus benefit format that addresses likelihood of threat and/or vulnerability and potential consequences should that threat and/or vulnerability be exploited either accidentally or maliciously
- xv. A clearly defined scope of what system(s) are being assessed
- xvi. Policy and Procedure Review of all parties that have access to protected and/or critical information
- xvii. Active Social Engineering
- xviii. Third Party Oversight Review – contractors, Business Associates, vendors, etc.
- xix. System Inventory and Documentation Collection
- xx. Physical/Environmental Security Review including physical access/egress points, access permission(s) process(es), etc.
- xxi. Agency Personnel and IT Staff Training and Awareness Review
- xxii. Internal Vulnerability Assessment
- xxiii. Assessment of telephone system and recorded call security

- xxiv. Host/Server/Network Analysis
- xxv. Network and website penetration and intrusion testing
- xxvi. Access Control Review for employees contractors and business associates
- xxvii. Data Flow and Network Usage Analysis
- xxviii. Wireless Network Security Measures
- xxix. Deployed Security Measures
- xxx. Monitoring/Response Process Assessment

4.4 Goal 4: Provide a plan for periodic review and follow-up as appropriate.

4.4.1 Objective: The vendor should prepare and deliver a formal presentation and written documentation describing the assessment approach, findings, risk, impact and recommendations to correct or mitigate weakness and vulnerabilities.

4.4.2 Objective: The vendor should provide a realistic action plan supported by a cost analysis in the context of the agencies, environment(s) and available resources. Action plans need to include projected capital and operating expense required, as well as estimated level of effort by internal resource type and estimated duration of effort.

For more specific information related to project goals and objectives, please refer to the guidance provided by the United States Department of Health and Human Services found at:

<http://www.hhs.gov/ocr/privacy/hipaa/administrative/securityrule/rafinalguidancepdf.pdf>

For specific deliverables, please refer to Attachment A of this RFP.

5. **Mandatory Requirements**

5.1 Prospective vendors agree and understand that, by submitting a bid on this RFP, they agree to and will abide by all of the General Terms and Conditions as outlined in Section 3 of this RFP document.

5.2 The vendor must submit a plan of assessment of the physical site(s) security for strengths, weaknesses, vulnerabilities, and/or risk(s)

5.3 The vendor must provide a plan of assessment of the virtual environments of the Covered Entity(ies) for strengths, weaknesses, vulnerabilities, and/or risks

5.4 The vendor shall providing a plan for obtaining comprehensive documentation of the IT environment of the Covered Entity(ies) including, but not limited to: network(s), firewalls, interfaces, telephony, websites/portals, and related equipment.

5.5. The vendor must Identify and assess access and distribution points and interfaces for security risks and/or vulnerabilities

5.6 The vendor shall identify internal and external security vulnerabilities (both real and potential)

5.7 The vendor shall identify organizational strengths that help provide security

5.8 The vendor must conduct a comprehensive assessment of the physical and virtual environments of the covered entities

5.9 The vendor shall conduct a review of staff training, policies, procedures, practices, etc. as they relate to the human aspect of information security

5.10 The vendor must prepare and provide a presentation with supporting documentation to the management of the Covered Entity(ies) about findings of the assessment(s).

5.11 The vendor shall provide a plan for the development of an action plan, including a cost analysis, to prioritize identified security risks and/or vulnerabilities.

5.12 The vendor must draft a recommended schedule for audits, system testing, and/or re-assessment

5.13 Prospective vendors must be able to fulfill the full scope and intent of this project. The State of West Virginia, PEIA, and WV CHIP are looking to partner with one (1) vendor who can provide the comprehensive array of services necessary for a thorough HIPAA/HITECH Security Risk and Vulnerability Assessment. The use of subcontractors to provide work on this project is permitted but there must be only one (1) primary vendor.

5.14 Prospective vendors must have previous experience providing HIPAA/HITECH Security Risk and Vulnerability Assessments for at least three (3) entities of a similar size and scope as this proposed project.

5.15 Prospective vendors must sign the State of West Virginia Business Associate Agreement referenced in Section 3, #38 of this RFP. Further, vendors must ensure that the provisions of that Business Associate Agreement are clearly conveyed to any and/or all subcontractors who may work on any portion of this project.

6. **Oral Presentations (Agency Option):** Vendors meeting the Minimum Acceptable Score (MAS) on the Technical portion of their RFP submission will be called in to provide oral presentations to respond to questions for clarification from the Vendor selection Committee. Oral presentations would be listed in the Schedule of Events (Section 1.3) of this RFP. During oral presentations, Vendors may not alter or add to their submitted proposal, but only clarify information. A description of the materials and information to be presented will be provided in the Oral Presentation invitation.

6.1. **Materials and Information Required at Oral Presentation:**

Vendors who make an Oral Presentation, will need to provide sufficient copies of any and all materials – handouts, brochures, slides, etc. – that will be referenced and/or cited during the Oral Presentation to the members of the RFP Review Committee. Prospective vendors will be notified at least five (5) business days in advance as to the number of handouts they will need to prepare. Further, vendors will need to bring their own media device(s) for purposes of doing a PowerPoint or other electronic media presentation as part of their Oral Presentation. PEIA does have a LCD projector on site but cannot guarantee compatibility with the vendor's

portable computing device(s). Prospective vendors will not be allowed access to the State's network(s) and/or hardware other than the use of an LCD projector.

SECTION FIVE: VENDOR PROPOSAL

- 1 **Economy of Preparation:** Proposals should be prepared simply and economically providing a straightforward, concise description of the Vendor's abilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of the content.
- 2 **Incurring Cost:** Neither the State nor any of its employees or officers shall be held liable for any expenses incurred by any Vendor responding to this RFP, including but not limited to preparation, delivery, or travel.
- 3 **Proposal Format:** Vendors should provide responses in the format listed below:

Title Page: State the RFP subject, number, Vendor's name, business address, telephone number, fax number, name of contact person, e-mail address(es), and Vendor signature and date.

Table of Contents: Clearly identify the material by section and page number.

Attachment A: Within the attached response sheet (**Attachment A: Vendor Response Sheet**), provide the following: firm and staff qualifications and experience in completing similar projects; references; copies of any staff certifications or degrees applicable to this project; proposed staffing plan; descriptions of past projects completed entailing the location of the project, project manager name and contact information, type of project, and what the project goals and objectives were and how they were met.

Also, describe in detail the approach and methodology proposed for this project. This should include how each of the goals and objectives listed are to be met.

Attachment B: Complete **Attachment B: Mandatory Specifications Checklist**

Attachment C: Complete **Attachment C: Cost Sheet** included in this RFP and submit in a separate sealed envelope labeled "**Security Risk Assessment - COST PROPOSAL**". All cost(s) must be submitted in this form and not in an alternate form and/or format. Costs and/or cost proposals should not be included in the Technical proposal(s).

Attachment D: Complete the State of West Virginia Vendor Preference Certificate, if applicable

Oral Presentation: If established by the Agency in the Schedule of Events (Section 1.3), all Vendors participating in this RFP who meet the Minimum Acceptable Score (MAS) will be required to provide an oral presentation, based on the criteria set in Section 4. During oral presentations, vendors may not alter or add to their submitted proposal, but only clarify information submitted.

4. **Proposal Submission:** Proposals must be received in **two distinct parts (technical and cost)**:
- **Technical proposals** must not contain any cost information relating to the project.
 - **Cost proposal** shall be sealed in a separate envelope and will not be opened initially.

All proposals must be submitted to the Purchasing Division **prior** to the date and time stipulated in the RFP as the opening date. All bids will be dated and time stamped to verify official time and date of receipt. All submissions must be in accordance with the provisions listed below and in Section Two: Instructions to Bidders Submitting Bids above.

5. **Technical Bid Opening:** The Purchasing Division will open and announce only the technical proposals received prior to the date and time specified in the Request for Proposal. The technical proposals shall then be provided to the Agency evaluation committee.
6. **Cost Bid Opening:** The Purchasing Division shall schedule a date and time to publicly open and announce cost proposals when the Purchasing Division has approved the technical recommendation of the evaluation committee. All cost bids for qualifying proposals will be opened. Cost bids for non-qualifying proposals will also be opened but shall not be considered. A proposal may be deemed non-qualifying for a number of reasons including, but not limited to, the bidder's technical proposal failing to meet the minimum acceptable score and the bidder's technical proposal failing to meet a mandatory requirement of the contract. Certain information, such as technical scores and reasons for disqualification, will not be available until after the contract award, pursuant to **West Virginia Code** §5A-3-11(h) and **West Virginia Code of State Rules** §148-1-6.2.5..

SECTION SIX: EVALUATION AND AWARD

1. **Evaluation Process:** Proposals will be evaluated by a committee of three (3) or more individuals against the established criteria with points deducted for deficiencies. The Vendor who demonstrates that they meet all of the mandatory specifications required; and has appropriately presented within their written response and/or during the oral demonstration (if applicable) their understanding in meeting the goals and objectives of

the project; and attains the highest overall point score of all Vendors shall be awarded the contract. The selection of the successful Vendor will be made by a consensus of the evaluation committee.

2. **Evaluation Criteria:** All evaluation criteria is defined in the specifications section and based on a 100 point total score. Cost shall represent a maximum of 30 of the 100 total points.

The following are the evaluation factors and maximum points possible for technical point scores:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Qualifications and experience <ul style="list-style-type: none"> ○ Staff knowledge, training, experience ○ Similar projects completed <ul style="list-style-type: none"> ▪ Past work for CEs ▪ HIPAA/HITECH experience ○ Compliance with NIST Guidelines ○ Past involvement with OCR • Approach and methodology <ul style="list-style-type: none"> ○ Staff dedicated to project ○ Use of software ○ Modes of penetration testing ○ Internal versus external testing ○ Customization to meet State of West Virginia business need(s) ○ Ability to meet Project goals and objectives • (Oral interview, if applicable) • Cost | <p>(30) Points Possible</p> <p>(30) Points Possible</p> <p>(10) Points Possible</p> <p><u>30 Points Possible</u></p> |
| Total | 100 Points Possible |

Each cost proposal cost will be scored by use of the following formula for all Vendors who attained the minimum acceptable score:

Lowest price of all proposals

X 30 = Price Score

Price of Proposal being evaluated

- 2.1 Technical Evaluation: The Agency evaluation committee will review the technical proposals, deduct points where appropriate, and make a final written recommendation to the Purchasing Division.
- 2.2 Minimum Acceptable Score: Vendors must score a minimum of 70% (49 points) of the total technical points possible. All Vendors not attaining the minimum acceptable score (MAS) shall be considered as non-qualifying; therefore, the cost bids will not be opened. A proposal may be deemed non-qualifying for a number of reasons including, but not limited to, the bidder's technical proposal failing to meet the minimum acceptable score and the bidder's technical proposal failing to meet a mandatory requirement of the contract. Certain information, such as technical scores and reasons for disqualification, will not be available until after the contract award, pursuant to **West Virginia Code §5A-3-11(h)** and **West Virginia Code of State Rules §148-1-6.2.5**.

- 2.3 Cost Evaluation: The Agency evaluation committee will review the cost proposals, assign appropriate points, and make a final recommendation to the Purchasing Division.

Attachment A: Vendor Response Sheet

Vendor Identification and Qualifications

1. Please provide the full legal name of the vendor (person(s), entity, and/or company) that is submitting a bid on this project.

Vendor Response:

2. Please provide the primary address, telephone number, fax number, and primary contact's e-mail address for the vendor (person(s), entity, and/or company) that is submitting a bid on this project.

Vendor Response:

3. If the vendor (person(s), entity, and/or company) that is submitting a bid on this project has a website, please provide the URL.

Vendor Response:

4. Vendor should provide a brief description of its company and its products and services.

Vendor Response:

5. Vendor should confirm its ability to provide the specific products and services that it is including in their response.

Vendor Response:

6. **Additional Vendor Qualifications and Experience:** Vendors should provide information regarding their firm such as, date founded, staff qualifications and experience in completing similar projects; copies of any business or staff certifications or degrees applicable to this project; a proposed staffing plan; descriptions of past projects completed entailing the location of the project, project manager name and contact information, type of project, and what the project goals and objectives were and how they were met.

Vendor Response:

7. The vendor should provide at least three (3) references from organizations of similar size and scope to the State of West Virginia, the WV Office of Technology, WV PEIA and WV CHIP that they have provided service(s) to in the past three (3) years. Vendor should include the name and contact information for a person at those organizations that can be used as a professional reference and supply the name, title, address, email, telephone and fax numbers of the contact for your proposal. Please advise that person that they will be contacted by the State of West Virginia for reference verification.

Vendor Response:

8. Vendor should provide a list of the key staff who will be working on this contract including resumes and brief bios that describes their education and experience. Include the amount of time based on percentages that those staff will be assigned to work on this project. Please include the steps that your company takes to ensure the integrity and experience of its staff, e.g., background checks, drug testing, etc.

Vendor Response:

9. Vendor should provide summary information describing its current base operation and share any satisfaction measures and results that it collects and/or maintains.

Vendor Response:

10. Vendor should list and detail all relationships with any and all third party vendors and/or subcontractors who may be included in its proposed solution(s) or that may perform work on this project.

Vendor Response:

11. Please describe your approach to initial engagement with the customer and what expectations you have of the customer in order to begin work on the project. Include time and resource expectations, logistical considerations, etc.

Vendor Response:

Technical Capabilities: Approach & Methodology

12. Describe how the vendor will provide the Covered Entities with thorough documentation of their IT Environments including interfaces and an overall system map. Provide sanitized examples of documentation, such as, architectural / infrastructure design documents, entity relationship diagrams and other artifacts that the vendor would typically uses to describe the environment.

Vendor Response:

13. Describe how the vendor will review and identify any and all internal and external information security vulnerabilities (actual and potential) in the context of best practices, standards and regulations. The requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), National Institute of Standards and Technology (NIST), and International Organization for Standardization (ISO) should be addressed. If new requirements are identified as part of the HITECH Act as set forth in the American Recovery and Reinvestment Act (ARRA) of 2009, HIPAA related or other, prior to the completion of the Information Security Assessment, the new requirements should be reviewed and included as part of the final deliverable review and identify internal and external protected data.

Vendor Response:

14. Identify how the vendor will provide to the Covered Entities a description of how it will identify and evaluate access points, e.g., web sites, ftp site(s), interfaces, etc. for real and/or potential security vulnerabilities.

Vendor Response:

15. Describe how the vendor will prepare and deliver a formal presentation and written documentation describing the assessment approach, findings, risk, impact and recommendations to correct or mitigate weakness and vulnerabilities. The vendor should provide a sample executive summary including a detailed technical report.

Vendor Response:

16. Describe how the vendor will provide realistic action plan supported by a cost analysis in the context of the agencies, environment(s) and available resources. Action plans need to include projected capital and operating expense required, as well as estimated level of effort by internal resource type and estimated duration of effort.

Vendor Response:

17. Describe how the vendor will describe the benefits the State of West Virginia, WV PEIA and WV CHIP will achieve through partnering with its company. Where possible, quantify the expected benefits. This may include the results of other benefit analysis performed or client contact names that may be referenced.

Vendor Response:

18. Describe in detail how your product or service would meet and/or provide the following expected deliverables:

- i. Copies of collected notes, raw data, and raw logs collected during the course of the assessment
- ii. Summary of discovery findings and business impact
- iii. Recommendations for addressing data flow and network usage security issues.
- iv. Summary of an organizations monitoring and response program and its effectiveness on outside sources
- v. A risk rating of existing vulnerabilities and exploits
- vi. Summary of security measures in place and their effectiveness in securing the network and minimizing intrusions and vulnerabilities.
- vii. Identification of network security best practices and identity needed technology, policies, etc. to provide a secure environment. Please include a detailed description of how the "real world" environment compares to adopted policies and/or procedures. Simply put, describe what is being done versus what is supposed to be occurring.
- viii. Details on all client systems connected to the networks that are discovered in the course of the engagement, including all information discovered about those systems (i.e. operating system, available services, interfaces, portals/links, version information, etc.).
- ix. Recommendations for enhancements in regards to overcome potential physical vulnerabilities.
- x. Recommendations for heightened awareness and additional training.
- xi. A detailing of all security findings and existing vulnerabilities to include a detailed analysis of the vulnerabilities, potential risk they present to the systems and the network, and regulatory compliance, documenting of the date, time, systems accessed, and the methodology utilized to do so.

- xii. A prioritized list of vulnerability mitigation recommendations rated from high to low.
- xiii. Identification of network strengths and areas of improvement and where appropriate correlated with affected regulations.
- xiv. Upon completion of the discovery and testing activities, develop cost analysis for mitigation steps to improve security. The cost analysis should be categorized into a risk versus benefit format that addresses likelihood of threat and/or vulnerability and potential consequences should that threat and/or vulnerability be exploited either accidentally or maliciously
- xv. A clearly defined scope of what system(s) are being assessed
- xvi. Policy and Procedure Review of all parties that have access to protected and/or critical information
- xvii. Active Social Engineering
- xviii. Third Party Oversight Review – contractors, Business Associates, vendors, etc.
- xix. System Inventory and Documentation Collection
- xx. Physical/Environmental Security Review including physical access/egress points, access permission(s) process(es), etc.
- xxi. Agency Personnel and IT Staff Training and Awareness Review
- xxii. Internal Vulnerability Assessment
- xxiii. Assessment of telephone system and recorded call security
- xxiv. Host/Server/Network Analysis
- xxv. Network and website penetration and intrusion testing
- xxvi. Access Control Review for employees contractors and business associates
- xxvii. Data Flow and Network Usage Analysis
- xxviii. Wireless Network Security Measures
- xxix. Deployed Security Measures
- xxx. Monitoring/Response Process Assessment

Vendor Response:

19. Please provide a specific description of the Vendor's Products and Services. The response should address the following:

- i. detailed description of proposed solution/services
- ii. known vulnerabilities and solutions
- iii. tools that the vendor will be using
- iv. methodology of non-software based vulnerability assessments, e.g., site inspections, intrusion testing, social engineering, etc.
- v. minimum information that vendor will need to get started
- vi. description of your Quality Control process
- vii. project plan including timelines

Vendor Response:

20. Please describe and differentiate how your product(s) and/or services differ from those of your competitors. Please include any and/or all information about cost effectiveness of service(s); willingness to indemnify the State of West Virginia from subsequent compliance action(s); benefits brought to previous customers, etc. Be as specific as possible.

Vendor Response:

21. The vendor must demonstrate how their security analysis product(s) or service(s) will address all of the deliverables listed in item 18 of this Attachment. Please describe how you, as a vendor, will assess the aforementioned.

Vendor Response

22. The vendor must work with / coordinate work with The State of West Virginia Office of Technology (WVOT) and agency staff who will provide Oversight Review to include collaboration with Information Services leadership of the WVOT, and key representatives at participating agencies to assess the risk of each vulnerability, and prioritize, as appropriate. Please describe how you, as a vendor, will facilitate and accomplish this collaboration.

Vendor Response:

23. Please provide a detailed timeline for completion of this project from beginning to end.

Vendor Response:

24. Based on the vendor's knowledge, training, and experience, what can be foreseen as potential obstacles in preventing the successful completion of this project?

Vendor Response:

25. Based on the vendor's knowledge, training, and experience, are there any parts of a HIPAA/HITECH Security Risk and Vulnerability Assessment that have been overlooked and/or omitted from this solicitation that you would view as important in maintaining the privacy and security of the personally identifiable information and/or protected health information collected, used, stored, and/or maintained by the State of West Virginia and/or its respective Covered Entities?

Vendor Response:

REQUEST FOR PROPOSAL

WV Public Employees Insurance Agency PEI013002

Attachment B: Mandatory Specifications Checklist

Section 4, Subsection 5.1 Prospective vendors agree and understand that, by submitting a bid on this RFP, they agree to and will abide by all of the General Terms and Conditions as outlined in Section 3 of this RFP document.

Vendor Response:

Section 4, Subsection 5.2 The vendor must submit a plan of assessment of the physical site(s) security for strengths, weaknesses, vulnerabilities, and/or risk(s)

Vendor Response:

Section 4, Subsection 5.3 The vendor must provide a plan of assessment of the virtual environments of the Covered Entity(ies) for strengths, weaknesses, vulnerabilities, and/or risks

Vendor Response:

Section 4, Subsection 5.4 The vendor shall providing a plan for obtaining comprehensive documentation of the IT environment of the Covered Entity(ies) including, but not limited to: network(s), firewalls, interfaces, telephony, websites/portals, and related equipment.

Vendor Response:

Section 4, Subsection 5.5. The vendor must identify and assess access and distribution points and interfaces for security risks and/or vulnerabilities

Vendor Response:

Section 4, Subsection 5.6 The vendor shall identify internal and external security vulnerabilities (both real and potential)

Vendor Response:

Section 4, Subsection 5.7 The vendor shall identify organizational strengths that help provide security

Vendor Response:

Section 4, Subsection 5.8 The vendor must conduct a comprehensive assessment of the physical and virtual environments of the covered entities

Vendor Response:

Section 4, Subsection 5.9 The vendor shall conduct a review of staff training, policies, procedures, practices, etc. as they relate to the human aspect of information security

Vendor Response:

Section 4, Subsection 5.10 The vendor must prepare and provide a presentation with supporting documentation to the management of the Covered Entity(ies) about findings of the assessment(s).

Vendor Response:

Section 4, Subsection 5.11 The vendor shall provide a plan for the development of an action plan, including a cost analysis, to prioritize identified security risks and/or vulnerabilities.

Vendor Response:

Section 4, Subsection 5.12 The vendor must draft a recommended schedule for audits, system testing, and/or re-assessment

Vendor Response:

Section 4, Subsection 5.13 Prospective vendors must be able to fulfill the full scope and intent of this project. The State of West Virginia, PEIA, and WV CHIP are looking to partner with one (1) vendor who can provide the comprehensive array of services necessary for a thorough HIPAA/HITECH Security Risk and Vulnerability Assessment. The use of subcontractors to provide work on this project is permitted but there must be only one (1) primary vendor.

Vendor Response:

Section 4, Subsection 5.14 Prospective vendors must have previous experience providing HIPAA/HITECH Security Risk and Vulnerability Assessments for at least three (3) entities of a similar size and scope as this proposed project.

Vendor Response:

Section 4, Subsection 5.15 Prospective vendors must sign the State of West Virginia Business Associate Agreement referenced in Section 3, #38 of this RFP. Further, vendors must ensure that the provisions of that Business Associate Agreement are clearly conveyed to any and/or all subcontractors who may work on any portion of this project.

Vendor Response:

By signing below, I certify that I have reviewed this Request for Proposal in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that, to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

(Company)

(Authorized Signature)

(Representative Name, Title)

(Phone Number) (Fax Number)

(Date)

Attachment C: Cost Sheet

Cost information below as detailed in the Request for Proposal and submitted in a separate sealed envelope. All cost(s) should be clearly marked.

The State of West Virginia, WV PEIA, WV CHIP, and the WV Office of Technology will not be responsible for and/or billed for any other products, services, and/or fees not included in this Cost Sheet. Total cost(s) shall be inclusive for a lump sum, "turn-key" solution. No separate costs will be reimbursed. Vendors shall include all necessary components to complete the scope of work of the project.

Price quotes must include all required and optional software, hardware and services and must be held constant for 180 days or until contract is signed with the successful vendor.

PRODUCT AND/OR SERVICE	COST – In U.S. Dollars
Cost of the Security Risk and Vulnerability Assessment – including the three (3) identified locations: <ul style="list-style-type: none"> • WV PEIA Offices and systems • WV CHIP Offices and systems • WV Office of Technology Offices Please provide the total "lump sum" price for the project.	
TOTAL COST	

Attachment D

State of West Virginia
VENDOR PREFERENCE CERTIFICATE

(See form attached)

ATTACHMENT E: LIQUIDATED DAMAGES

Vendor shall pay liquidated damages in the amount specified below for failure to provide deliverables, meet milestones identified to keep the project on target, or failure to meet specified deadlines.

Standard	Liquidated Damages
Failure to provide deliverables as scheduled due to no fault of the State of West Virginia, PEIA, and/or WV CHIP	10% of the total contract amount for each thirty (30) days delinquent. 5% of the total contract amount for each fifteen (15) days delinquent.
Breach of confidentiality related to the RFP and/or contract by the vendor	Cancellation of the contract and the Vendor shall be responsible for any and/or all costs incurred to mitigate the breach, e.g. required notifications, OCR fines and/or assessments up to the maximum that can be assessed by the United States Department of Health and Human Services, Office of Civil Rights statutory provisions - currently \$1,500,000.00 (as of 01/31/2013)
Damage to hardware and/or software that is the property of the State of West Virginia, PEIA, and/or WV CHIP. This shall only apply if the damage is determined to have been preventable and/or avoidable.	Cost(s) of actual damage(s) to repair and/or replace damaged hardware and/or software.

This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other additional remedy.

APPENDIX A: LIMITED DATA USE AGREEMENT

A limited data set is a set of records containing personally identifiable information (PII) and/or protected health information (PHI), from which direct identifiers may have been removed, but in which certain potentially identifying information remains. The use or disclosure of a limited data set is limited to research, public health, and health care operations purposes only.

Name of data recipient: _____

Description of data: Agency data that may be disclosed in the course of conducting the security risk/vulnerability assessment.

Purpose of use: An agency may disclose a limited data set to a vendor contractor during the course of providing a security risk/vulnerability assessment as an administrative function under provisions of the Security Rule(s) of HIPAA and/or HITECH. Said vendor will also have signed a State of West Virginia Business Associate Agreement.

By signing this agreement the recipient agrees:

- Not to further use or disclose any of the information, outside the purpose listed above, without prior written permission from the agency or as otherwise required by law;
- That any further information requested by Recipient, or its Affiliates, regarding the data and/or any reports must be made in writing to the agency.
- Use appropriate safeguards to prevent use or disclosure of the information other than as provided for by the data use agreement;
- To notify the agency if any third party will be allowed access to the information provided as part of the performance of work under the scope of this RFP prior to that third party being granted access;
- Report to the agency use or disclosure of the information not provided for by its data use agreement, of which it becomes aware;
- Ensure that any agent, including any affiliates, to whom it provides the limited data set agrees to the same restrictions and conditions that apply to the limited data set recipient with respect to such information; and
- Not to identify the information or to contact the individuals to whom the information pertains, if applicable.
- Properly and completely dispose of any and/or all data provided by the State of West Virginia and/or its Agency(ies) upon RFP process completion.

An agency may terminate the agreement if it notifies the recipient of a pattern of activity or practice that constitutes a material breach or violation of the data use agreement, or law, unless the recipient cures the breach or ends the violation within a reasonable time, as determined by an agency will take reasonable steps to cure the breach or end the violation and if such steps are unsuccessful the agency will discontinue disclosure and report the violation to the appropriate authorities.

Signature of Vendor Representative

Date

Signature of PEIAWV CHIP Representative

Date

CERTIFICATION AND SIGNATURE PAGE

By signing below, I certify that I have reviewed this Solicitation in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this bid or proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

(Company)

(Authorized Signature)

(Representative Name, Title)

(Phone Number)

(Fax Number)

(Date)

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: PEI013002

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

Company

Authorized Signature

Date

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

RFQ No. _____

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

MANDATE: Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

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

DEFINITIONS:

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

"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceed five percent of the total contract amount.

AFFIRMATION: By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (*W. Va. Code §61-5-3*) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

WITNESS THE FOLLOWING SIGNATURE:

Vendor's Name: _____

Authorized Signature: _____ Date: _____

State of _____

County of _____, to-wit:

Taken, subscribed, and sworn to before me this ____ day of _____, 20__.

My Commission expires _____, 20__.

AFFIX SEAL HERE

NOTARY PUBLIC _____

State of West Virginia

VENDOR PREFERENCE CERTIFICATE

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

- 1. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; or, Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or, Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; or,
2. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
3. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
4. Application is made for 5% resident vendor preference for the reason checked: Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; or,
5. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked: Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; or,
6. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked: Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.
7. Application is made for preference as a non-resident small, women- and minority-owned business, in accordance with West Virginia Code §5A-3-59 and West Virginia Code of State Rules. Bidder has been or expects to be approved prior to contract award by the Purchasing Division as a certified small, women- and minority-owned business.

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

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

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

Bidder: _____ Signed: _____
Date: _____ Title: _____