

# State Employees' Insurance Board

**Request for Proposals  
for  
Affordable Care Act Compliance Reporting Services  
RFP: SEIB-2020-02**

**Responses to this Request for Proposals must be received on or before the date and time specified below. All Respondents must complete the following:**

Company Name:	_____
Address:	_____
City St Zip:	_____
Phone No.:	_____
E-mail address:	_____
Federal Tax ID #:	_____

**Return by:** 5:00 PM, CDT, September 25, 2020

General Instructions: Respondents must submit a response to this Request for Proposals on or before the return date and time. Pricing must remain good for 180 days. All charges related to the services must be provided in the response. **NOTE: (1) Late responses will not be considered, and (2) award(s) will be made in the best interest of the State.**

**NOTE: FAILURE TO RETURN ALL PAGES OF THIS RFP  
DOCUMENT MAY DISQUALIFY YOUR RESPONSE.  
YOU MAY ATTACH ADDITIONAL PAGES IF NECESSARY.**

The Respondent's authorized agent must sign below. By signing this response, Respondent acknowledges that all information contained in the document is true and correct. Respondent acknowledges and represents that Respondent has read, acknowledges and accepts all requirements of this RFP. Failure to sign below will disqualify this response.

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

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## Information Index

1.	<b>Type of Solicitation:</b>	Request for Proposals (RFP)	
2.	<b>Issuing Office:</b>	State Employees' Insurance Board PO Box 304900 201 South Union Street, Suite 200 Montgomery, AL 36130-4900	
3.	<b>Responses Requested From:</b>	Qualified Respondents	
4.	<b>Type:</b>	Affordable Care Act Compliance Reporting Services	
5.	<b>Responses to RFP:</b>	Sealed Competitive Offers	
6.	<b>Contract, if any, resulting from RFP:</b>	Contract will incorporate RFP and Respondent's Response, subject to the limitations described in this RFP and approval by the SEIB.	
7.	<b>Procurement Timetable:</b>	RFP Issued	August 27, 2020
		Questions Due	September 10, 2020
		Proposal Deadline	September 25, 2020 5:00 pm CDT
8.	<b>Term:</b>	October 15 2020 through October 14, 2022 with three one-year renewal options.	
9.	<b>SEIB Contact Personnel for this RFP:</b>	Jeffrey J. Bradwell Phone: (334) 263-8413 E-mail: <a href="mailto:jeff.bradwell@alseib.org">jeff.bradwell@alseib.org</a>	
10.	<b>Letters of Intent to Submit a Response:</b>	Not Applicable	
11.	<b>Evaluation of Responses:</b>		
	<b><u>Criteria</u></b>	<b><u>Weight</u></b>	
	Experience and References:	30 points	
	Technical Proposal/Scope of Work	30 points	
	Price/Cost:	40 points	
	<b><u>Total:</u></b>	<b><u>100 points</u></b>	

## RFP Checklist

1. \_\_\_\_\_ **Read the entire document.** Note critical items such as: mandatory requirements; supplies/services required; submittal dates; number of copies required for submittal; licensing requirements; contract requirements (i.e., performance and/or reporting requirements).
2. \_\_\_\_\_ **Note the contact person's name, address, phone numbers and e-mail address.** This is the only person you are allowed to communicate with regarding the RFP.
3. \_\_\_\_\_ **Take advantage of the "question and answer" period.** Submit your questions to the SEIB by the due date(s) listed in the Schedule of Events and view the answers as posted on the SEIB's website at [www.alseib.org](http://www.alseib.org). All addenda issued for an RFP are posted on the SEIB's website and will include all questions asked and answered concerning the RFP.
4. \_\_\_\_\_ **Use the forms provided** (i.e., cover page, Appendix A-C)
5. \_\_\_\_\_ **Check the SEIB's website for RFP addenda.** It is the Vendor's responsibility to check the SEIB's website at [www.alseib.org](http://www.alseib.org) for any addenda issued for this RFP, no further notification will be provided. Vendors must submit a signed cover sheet for each addendum issued along with your RFP response.
6. \_\_\_\_\_ **Review and read the RFP document again** to make sure that you have addressed all requirements. Your original response and the requested copies must be identical and complete. The copies will be used to score your response.
7. \_\_\_\_\_ **Submit your response on time.** Note all the dates and times listed in the Procurement Timetable and within the document, and be sure to submit all required items on time. Late proposal responses are **not** accepted.
8. \_\_\_\_\_ **Prepare to sign and return the Contract, Business Associate Agreement and other documents** to expedite the contract approval process. Failure to submit the signed contract upon request can delay the project start date, but will not affect the deliverable date.

**This checklist is provided for assistance only and should not be submitted with Vendor's Response.**

# **State Employees’ Insurance Board Request for Proposals**

## **Affordable Care Act Compliance Reporting Services**

### **Table of Contents**

Information Index.....	ii
RFP Checklist.....	iii
Section 1 General Information .....	5
Section 2 Vendor Information .....	8
Section 3 Scope of Work .....	9
Section 4 Contract Terms and Conditions .....	10
Section 5 Instructions to Vendors .....	21
Appendix A. Price Proposal .....	25
Appendix B. Proposal Certification .....	26
Appendix C. Contract and Attachments.....	27

## **Section 1 General Information**

### **1.01 Introduction**

The State Employees' Insurance Board (SEIB) requests proposals for services to assist with Affordable Care Act employer tracking and reporting (e.g., Forms 1094-B and 1094-C for Minimum Essential Coverage (MEC) (6055) & Forms 1095-B and 1095-C for Employer Shared Responsibility (ESR) (6056)) for calendar year 2020 and future years subject to the terms of this RFP. SEIB also requests proposals to provide fulfillment of the employee mailings and electronic filings to the IRS. In addition, the SEIB also requests information about the Vendor's capabilities and fees to conduct full-time (30+hour) tracking and eligibility determinations.

The SEIB is empowered by Title 36, Chapter 29 of the Code of Alabama (as amended) to provide health and dental benefits to employees and retirees of state agencies through the State Employees' Health Insurance Plan (SEHIP). The program is overseen by an 11-member Board of Directors.

The active employee plan is self-insured with administrative services currently being provided by Blue Cross and Blue Shield of Alabama (BCBS) and Pharmacy Benefit services currently provided by Optum Rx. The SEIB also offers a Medicare Advantage plan that is currently fully insured through United Healthcare.

BCBS also currently administers the SEIB dental plan, supplemental coverage, and inmate hospital services. In addition, Southland Benefit Solutions administers an optional plan that includes dental, cancer, hospital indemnity, and vision.

For additional information go to the SEIB website: [www.alseib.org](http://www.alseib.org).

### **1.02 Purpose**

The State Employees' Insurance Board (SEIB) requests proposals for services to assist with Affordable Care Act employer tracking and reporting (e.g., Forms 1094-B and 1094-C for Minimum Essential Coverage (MEC) (6055) & Forms 1095-B and 1095-C for Employer Shared Responsibility (ESR) (6056)). SEIB also requests proposals to provide fulfillment of the employee mailings and electronic filings to the IRS. In addition, the SEIB also requests information about the Vendor's capabilities and fees to conduct full-time (30+hour) tracking and eligibility determinations.

The Scope of Work is described in Section 3 of the RFP.

### **1.03 Terminology**

Throughout this RFP, the terms "State", "SEIB" and "Board" shall refer to the State Employees' Insurance Board.

Throughout this RFP, the terms Respondent, Vendor, or Contractor may be used interchangeably.

Throughout this RFP, the terms “SEHIP” and “Plan” shall refer to the State Employees’ Health Insurance Plan.

Other Contract Terms and Conditions are described in Section 4 of the RFP.

#### **1.04 Procurement Timetable**

The following timetable is anticipated:

RFP Issued	August 27, 2020
Last Date to Submit Written Questions	September 10, 2020
Proposal Deadline	September 25, 2020

**Note:** The Board reserves the right to adjust this schedule as it deems necessary.

#### **1.05 Proposal Submission**

The Vendors interested in submitting a proposal should follow the “Instructions to Vendors” in Section 5 of the RFP.

#### **1.06 Proposal Evaluation**

##### **A. Initial Classification of Proposals as Responsive or Non-responsive**

All proposals will initially be classified as either “responsive” or “non-responsive.” Proposals may be found non-responsive at any time during the evaluation process or contract negotiation if any of the required information is not provided; or the proposal is not within the plans and specifications described and required in the RFP. If a proposal is found to be non-responsive, it will not be considered further.

Failure to provide the required information with the RFP response may disqualify the response from consideration for award in connection with this transaction. The SEIB reserves the right to waive minor irregularities in an otherwise valid proposal. Minor irregularities are those that do not have a significant adverse effect on the overall project cost or performance.

##### **B. Opportunity for Additional Information**

The SEIB reserves the right to contact any Vendor submitting a proposal for the purpose of clarifying issues in the Vendor’s proposal. Vendors

should clearly designate in their proposal a point-of-contact for questions or issues that arise in the SEIB's review of a Vendor's proposal.

### **C. Scoring**

Scoring shall be accomplished as follows:

Scoring Weights: The score will be based on a 100-point scale and will measure the degree to which each proposal meets the following criteria.

Section I. Experience and References (30 points) - Includes organizational and personnel qualifications, required credentials, operational site(s), experience with similar projects and service populations, references, etc.

Section II. Technical Proposal/Scope of Work (30 points) - Includes understanding of the duties, challenges, and methods and policies for conducting the tasks that are outlined in this RFP and capacity for meeting the objectives.

Section III. Cost Proposal – (40 points)

### **D. Determination of Successful Proposal**

The SEIB will review and evaluate the proposals as described in this RFP and may select one or more qualified Vendors. The SEIB will award a contract, if any, to serve the best interests of the SEIB and the State of Alabama.

### **1.07 Single Point of Contact**

From the date this RFP is released until a Vendor(s) is selected and announced by the SEIB, all communication must be directed to:

Jeffrey J. Bradwell  
General Counsel  
State Employees' Insurance Board  
P.O. Box 3049000  
201 South Union Street, Suite 200  
Montgomery, AL 36130-4900  
(334) 263-8413  
jeff.bradwell@alseib.org

All documents and updates to the RFP including, but not limited to, the actual RFP, questions and answers, addenda, etc., will be posted to the SEIB website at [www.alseib.org](http://www.alseib.org).

## **Section 2 Vendor Information**

### **2.01 Vendor Questionnaire**

The SEIB is soliciting responses from qualified respondents to provide the services described in this RFP.

- A. Provide a description of the Vendor's organization, including:
1. Full name or corporate name, address of the headquarters office and the office to serve the SEIB.
  2. Date established.
  3. Ownership (public company, partnership, subsidiary, etc.). Include an organizational chart depicting the Vendor's organization in relation to any parent, subsidiary or related organization.
  4. Number of employees and resources.
  5. The percentages and types of services the Vendor provides.
  6. A list of similar projects the Vendor has completed within the last five years.
  7. A list of all state government agencies for which the Vendor currently performs similar work or has performed similar work in the past.
  8. Describe the Vendor's resources available to provide information on best practices, trends or subject matter expertise.
  9. Names and resumes of Project Directors and Partners in regard to this contract.
  10. A detailed breakdown of proposed staffing for possible projects, including names, educational background, and professional experience of similar projects for all employees that may be assigned to various projects.

11. Evidence that the Vendor is financially stable and that it has the necessary infrastructure to complete this contract as described in the Vendor's proposal. The Vendor must provide audited financial statements for the last three years, or similar evidence of financial stability for the last three years.
  12. Details of any pertinent judgment, criminal conviction, investigation or litigation pending against the Vendor or any of its officers, directors, employees, agents or subcontractors of which the Vendor has knowledge, or a statement that there are none. The SEIB reserves the right to reject a proposal solely on the basis of this information.
  13. Provide a statement of any conflicts or potential conflicts of interest of the Vendor or the Vendor's employees, who will or may provide services under the contract resulting from this RFP.
- B. The Vendor must have all necessary business licenses, registrations and professional certifications at the time of the contracting to be able to do business in Alabama. Alabama law provides that a foreign corporation (an out-of-state company/firm) may not transact business in the state of Alabama until it obtains a Certificate of Authority from the Secretary of State, Section 10-2B-15.01, et seq., Code of Alabama 1975. To obtain forms for a Certificate of Authority, contact the Secretary of State, Corporations Division, (334) 242-5324, [www.sos.state.al.us](http://www.sos.state.al.us). The Certificate of Authority or a letter/form showing application has been made for a Certificate of Authority must be submitted with the bid.
- C. Furnish three references for projects of similar size and scope, including contact name, title, telephone number, and address. Performance references should also include contract type, size, and duration of services rendered.

The SEIB reserves the right to use any information or additional references deemed necessary to establish the ability of the Vendor to perform the conditions of the contract.

### **Section 3 Scope of Work**

Vendors must describe, in detail, previous experience and planned approach for each requirement in Section 3. The ability and experience to perform these services must be carefully documented, even if the Vendor has previously provided services to the SEIB. Proposals will be evaluated based on the written information that is presented in the response.

### **3.01 General Requirements**

The Vendor's proposal must present a plan to assist the SEIB with collecting, managing and organizing the active and non-active (i.e. retiree, COBRA) state employee data for IRS reporting purposes for calendar year 2020 and future years subject to the terms of this RFP. This includes completion of Form 1094-C for Minimum Essential Coverage (MEC) (6055) & Form 1095-C for Employer Shared Responsibility (ESR) (6056). The proposal must also provide a plan to fulfill the mailings to the employees and electronic filings to the IRS. In addition, the proposal must also provide information about the Vendor's capabilities and fees to conduct full-time (30+hour) tracking and eligibility determinations.

**Please confirm this proposal meets the General Requirements and describe your planned approach and experience in detail:**

### **3.02 Questionnaire**

1. Provide an overview of the process for collecting, managing and organizing the SEIB employee data for IRS reporting purposes, and separately for tracking employee hours for eligibility purposes.

**Response:**

2. Can your firm provide 6055/6056 reporting assistance on a stand-alone basis? Or, is your offering packaged with full-time (30+-hour) tracking and eligibility determinations?

**Response:**

3. Provide your standard file format to receive and process the data elements for 6055/6056 reporting.

**Response:**

4. Will you accept data in SEIB's format?

**Response:**

5. How many file feeds are included in the pricing you have set forth and how much for each additional feed?

**Response:**

6. SEIB will require monthly feeds. How often do you request and process SEIB's data? Please provide timing throughout the year.

**Response:**

7. Please describe your process for checking data integrity upon receipt of the data. How do you report this information to SEIB, and what is SEIB's involvement in any data issue resolution?

**Response:**

8. Please describe the format and the options you offer for generating and delivering the IRS Forms 1094-C and 1095-C to SEIB, as well as options to transmit to the IRS. Do fees vary if you transmit the forms?

**Response:**

9. If requested, would SEIB have on-line access to the data and is the data "exportable" to SEIB?

**Response:**

10. Please describe the options and process for providing fulfillment services of the individual statements and mailings for both 6055 and 6056.

**Response:**

11. Will you secure employee consent to deliver the employee statements electronically?

**Response:**

12. Will you prepare the required forms for those who are not active employees (i.e. COBRA, retirees)?

**Response:**

13. Will you solicit the taxpayer identification numbers as the rules require? Or will the SEIB be responsible for doing that?

**Response:**

14. Please confirm your services to assist SEIB in the event that it has to appeal any Code Section 4890H shared responsibility penalty that may be assessed against SEIB based upon coverage during the Jan. 1, 2020 plan year.

a. Will you respond to appeals on SEIB's behalf? Please describe the process and SEIB's involvement needed.

b. If not, please confirm you will provide such assistance so as to permit SEIB to meet all applicable deadlines and other requirements of the appeals process as they may be set forth by regulators.

**Response:**

15. Confirm that you will comply with any additional guidance (whether regulatory or subregulatory) concerning the reporting obligations under Code Sections 6055 and 6056.

**Response:**

16. Please confirm that your data security requirements shall, at a minimum, consist of fully operational internal controls. All processing of and access to the SEIB data must be through a system of security features that protect against invasion of privacy and unauthorized access.

**Response:**

17. Please describe your organizations privacy and information security policies and procedures covering the following:

- a. Code of Conduct
- b. Account Management
- c. Passwords
- d. Data Classification
- e. Third Party Information Security
- f. Mobile Computing
- g. Use of Cryptography (for data in motion and at rest)
- h. Operational Management (e.g. including but not limited to change management and software development, incident and breach response, vulnerability and patch management, network security including firewalls and intrusion detection)
- i. Disaster Recovery
- j. Data Secure Disposal
- k. Email and Internet Appropriate Use
- l. Privacy Policy

**Response:**

18. Vendor must defend, indemnify, and hold harmless the SEIB, and, at Vendor's expense, notify the members and mitigate any harmful effects, in the event Vendor or one of the Vendor's business associates uses or

discloses PHI in violation of HIPAA, the HITECH Act, or any applicable regulations.

**Response:**

19. Please provide an implementation plan with detailed timing and steps for initial data collection for calendar year 2020 and the filing process for 2020. Outline all key SEIB responsibilities and timing.

**Response:**

20. Provide an ongoing service schedule and timing for future years.

**Response:**

21. Provide samples of the reports, files, etc. that your organization would send to SEIB.

**Response:**

22. Confirm a dedicated account manager will be assigned to SEIB and provide an overview of the entire account team that will be assigned to SEIB.

**Response:**

23. Please provide your proposed Service Level Agreements (SLAs) for SEIB, including a description and measurement criteria and fees at risk.

**Response:**

24. Please confirm that you will track data using any permissible measurement/administrative/stability periods permitted by Treas. Reg. 54-4980H-3(d) that SEIB selects.

- a. If there is a minimum administrative period that you need, please identify that period.
- b. Confirm that you will track data by employee group if SEIB chooses to vary the duration and start dates of measurement and stability periods by employee group.

**Response:**

25. Do you provide lookback and stability period calculations?

**Response:**

26. Can you support more than one hourly data tracking method (i.e. lookback for hourly and monthly for salaried)?

**Response:**

27. How do you handle new hires?
- a. Will you apply the initial measurement period if the person is seasonal/variable hour/part-time?
  - b. Who will make the classification decision?
  - c. What do you need from the employer to support this classification?
  - d. Will you keep records to support this classification decision?

**Response:**

28. What is included in your compliance reporting package?
- a. FT eligible population counts by month?
  - b. Hourly trending by employee?
  - c. Annual employee eligibility and affordability by applicable large employer (ALE) member for each month?
  - d. Monthly updates for percentage of full-time employees offered MEC.
  - e. Others?

**Response:**

29. How long do you store the employer data in your system?

**Response:**

30. Do you flag individuals that pose a risk for ESR assessments?

**Response:**

## **Section 4 Contract Terms and Conditions**

The successful Vendor(s) who is awarded the contract must agree to the following contract terms and conditions.

### **4.01 General**

This RFP and the Vendor's response thereto shall be incorporated into a contract by the execution of a formal agreement (Attachment A). The contract and amendments, if any, are subject to approval by the Governor of the State of Alabama.

The contract shall include the following:

1. Executed contract;
2. RFP, attachments, and any amendments thereto; and
3. Contractor's response to the RFP.

#### **4.02 Compliance with State and Federal Regulations**

The Contractor shall perform all services under the contract in accordance with applicable federal and state statutes and regulations. The SEIB retains full operational and administrative authority and responsibility over the SEHIP, as the same may be amended from time to time.

#### **4.03 Term of Contract**

The initial contract term shall be for two years effective October 15, 2020, through October 14, 2022. The SEIB shall have three, one-year options to extend the contract. The Vendor's response will provide the basis for pricing for each year of the contract, including any extensions. The parties will agree to a not to exceed amount in the contract.

The Vendor acknowledges and understands that this contract is not effective until it has received all requisite state government approvals and the Vendor shall not begin performing work under this contract until notified to do so by the SEIB. The Vendor is entitled to no compensation for work performed prior to the effective date of the contract. In addition, the Vendor shall not begin work on any particular project, and is not entitled to compensation for any work performed, prior to the parties entering into a Statement of Work (SOW) outlining the tasks necessary for each individual project.

#### **4.04 Contract Amendments**

No alteration or variation of the terms of the contract shall be valid unless made in writing and duly signed by the parties thereto. The contract may be amended by written agreement duly executed by the parties. Every such amendment shall specify the date its provisions shall be effective as agreed to by the parties.

The contract shall be deemed to include all applicable provisions of the SEHIP and all state and federal laws and regulations applicable to the SEHIP, as they may be amended. In the event of any substantial change in such Plan, laws, or regulations, that materially affect the operation of the SEIB or the costs of administering the SEHIP, either party, after written notice and before performance of any related work, may apply in writing to the other for an equitable adjustment in compensation caused by such substantial change.

#### **4.05 Confidentiality**

The Contractor shall treat all information, and in particular information relating to individuals that is obtained by or through its performance under the contract, as confidential information to the extent confidential treatment is provided under state and federal laws. The Contractor shall not use any information so obtained in any manner except as necessary for the proper discharge of its obligations and rights under this contract.

The Contractor shall ensure safeguards that restrict the use or disclosure of information concerning individuals to purposes directly connected with the administration of the Plan.

Pursuant to requirements of the Health Insurance Portability and Accountability Act (HIPAA) of 1996, the successful Contractor shall sign and comply with the terms of a Business Associate Agreement with the SEIB (Attachment B).

#### **4.06 Security and Release of Information**

The Contractor shall take all reasonable precautions to ensure the safety and security of all information, data, procedures, methods, and funds involved in the performance under the contract, and shall require the same from all employees so involved. The Contractor shall not release any data or other information relating to the SEHIP without prior written consent of the SEIB. This provision covers both general summary data as well as detailed, specific data. The Contractor shall not be entitled to the use of SEIB data in its other business dealings without prior written consent of the SEIB.

#### **4.07 Contract a Public Record**

Upon the signing of the contract by all parties, the terms of the contract become available to the public pursuant to Alabama law. The Contractor agrees to allow public access to all documents, papers, letters, or other materials subject to the current Alabama law on disclosure. It is expressly understood that substantial evidence of the Contractor's refusal to comply with this provision shall constitute a material breach of contract.

#### **4.08 Termination for Bankruptcy**

The filing of a petition for voluntary or involuntary bankruptcy of a company or corporate reorganization pursuant to the Bankruptcy Act shall, at the option of the SEIB, constitute default by the Contractor effective the date of such filing. The Contractor shall inform the SEIB in writing of any such action(s) immediately upon occurrence by the most expeditious means possible. The SEIB may, at its option, declare default and notify the Contractor in writing that performance under the contract is terminated and proceed to seek appropriate relief from the Contractor.

#### **4.09 Termination for Default**

The SEIB may, by written notice, terminate performance under the contract, in whole or in part, for failure of the Contractor to perform any of the contract provisions. In the event the Contractor defaults in the performance of any of the Contractor's material duties and obligations, written notice shall be given to the Contractor specifying default. The Contractor shall have 10 calendar days, or such additional time as agreed to in writing by the SEIB, after the mailing of such notice to cure any default. In the event the Contractor does not cure a default within 10 calendar days, or such additional time allowed by the SEIB, the SEIB may, at its option, notify the Contractor in writing that performance under the contract is terminated and proceed to seek appropriate relief from the Contractor.

#### **4.10 Termination for Unavailability of Funds**

Performance by the SEIB of any of its obligations under the contract is subject to and contingent upon the availability of monies lawfully applicable for such purposes. If the SEIB, in its sole discretion, deems at any time during the term of the contract that monies lawfully applicable to this agreement shall not be available for the remainder of the term, the SEIB shall promptly notify the Contractor to that effect, whereupon the obligations of the parties hereto shall end as of the date of the receipt of such notice and the contract shall at such time be cancelled without penalty to the SEIB or the State of Alabama.

#### **4.11 Termination for Convenience**

The SEIB may terminate performance of work under the Contract in whole or in part whenever, for any reason, the SEIB, in its sole discretion determines that such termination is in the best interest of the State. In the event that the SEIB elects to terminate the contract pursuant to this provision, it shall so notify the Contractor by certified or registered mail, return receipt requested. The termination shall be effective as of the date specified in the notice. In such event, the Contractor will be entitled only to payment for all work satisfactorily completed and for reasonable, documented costs incurred in good faith for work in progress. The Contractor will not be entitled to payment for uncompleted work, or for anticipated profit, unabsorbed overhead, or any other costs.

#### **4.12 Force Majeure**

The parties shall be excused from performance hereunder for any period in which the parties are prevented from performing any services pursuant hereto in whole or in part as a result of an act of God, war, civil disturbance, epidemic, or court order; such nonperformance shall not be a ground for termination for default.

#### **4.13 Nondiscriminatory Compliance**

Contractor represents and warrants that it will comply with the requirements of the Americans with Disabilities Act (ADA) and with all applicable federal and state laws, rules and regulations implementing the foregoing statutes with respect to nondiscrimination in employment.

#### **4.14 Proration of Funds**

In the event of proration of the funds from which payment under this contract is to be made, this contract will be subject to termination.

#### **4.15 Employment of State Staff**

The Contractor shall not knowingly engage on a full-time, part-time, or other basis during the period of the contract any professional or technical personnel, who are or have been in the employment of the SEIB during the previous 24 months without the written consent of the SEIB. Certain SEIB employees may be subject to more stringent employment restrictions under the Alabama Code of Ethics, §36-25-1 et seq., Code of Alabama 1975.

#### **4.16 Immigration Compliance**

Contractor represents and warrants that it is in compliance with the provisions of the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (Ala. Code § 31-13-1, et seq., (1975)) and must execute and submit a Certificate of Compliance, attached hereto as Attachment E. Pursuant to Ala. Code §31-13-9(k), by signing any resulting contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.

#### **4.17 Novation**

In the event of a change in the corporate or company ownership of the Contractor, the SEIB shall retain the right to continue the contract with the new owner or terminate the contract. The new corporate or company entity must agree to the terms of the original contract and any amendments thereto. During the interim between legal recognition of the new entity and SEIB execution of the novation agreement, a valid contract shall continue to exist between the SEIB and the original Contractor. When, to the SEIB's satisfaction, sufficient evidence has been presented of the new owner's ability to perform under the terms of the contract, the SEIB may approve the new owner and a novation agreement shall be executed.

#### **4.18 Employment Basis**

It is expressly understood and agreed that the SEIB enters into this agreement with the Contractor and any subcontractor as authorized under the provisions of this contract as an independent contractor on a purchase of service basis and not on an employer-employee basis and not subject to the Alabama State Merit System law.

#### **4.19 Alternative Dispute Resolution**

For any and all disputes arising under the terms of this contract, the parties hereto agree, in compliance with the recommendations of the Governor and Attorney General, when considering settlement of such disputes, to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation.

#### **4.20 Choice of Law**

The construction, interpretation, and enforcement of this contract shall be governed by the substantive contract law of the State of Alabama without regard to its conflict of law provisions. In the event any provision of this contract is unenforceable as a matter of law, the remaining provisions will remain in full force and effect.

#### **4.21 Records Retention and Storage**

The Contractor shall maintain financial records, supporting documents, statistical records, and all other records pertinent to the SEIB Program for a period of three years from the date of the final payment made by the SEIB to the Contractor under the contract. However, if audit, litigation, or other legal action by or on behalf of the SEIB has begun but is not completed at the end of the three-year period, or if audit findings, litigation, or other legal action have not been resolved at the end of the three-year period, the records shall be retained until resolution.

#### **4.22 Inspection of Records**

The Contractor agrees that representatives of the SEIB and their authorized representatives shall have the right during business hours to inspect and copy the Contractor's books and records pertaining to contract performance and costs thereof. The Contractor shall cooperate fully with any such requests and shall furnish free of charge copies of all requested records. The Contractor may require that a receipt be given for any original record removed from the Contractor's premises.

#### **4.23 Payment**

For all services that have been accepted by the SEIB, Contractor will submit two copies of an invoice to the SEIB, Attn: John Parks. If by hand delivery or courier, deliver to: 201 South Union Street, Suite 200, Montgomery, AL 36104. If by U.S.

Mail, deliver to P.O. Box 304900, Montgomery, AL 36130-4900. Invoices that are received by the SEIB which are otherwise received in non-conformance with all of the requirements of this RFP or the contract will be returned unpaid or will be held by the SEIB until proper documentation is submitted. The statement should include all of the following: A description of the services rendered, by date and amount, time summary indicating the appropriate hourly rate involved, detailed listing of expenses, and a remittance copy of the invoice. Payments are dependent upon successful completion and acceptance of described work and delivery of required documentation. All travel and out of pocket expenses must be pre-approved and related to work performed under the contract. Under no circumstances will the Contractor be compensated for off-duty hours while travelling. No payments to third parties will be made directly to any entity other than the approved firm.

#### **4.24 Notices to Parties**

Any notice to the SEIB under the contract shall be sufficient when mailed to the Chief Executive Officer. Any notice to the Contractor shall be sufficient when mailed to the Contractor at the address given on the return receipt from this RFP or on the contract after signing. Notice shall be given by certified mail, return receipt requested.

#### **4.25 Disclosure Statement**

The successful Vendor(s) shall be required to complete a financial disclosure statement (Attachment D) with the executed contract.

#### **4.26 Not to Constitute a Debt of the State**

Under no circumstances shall any commitments by the SEIB constitute a debt of the State of Alabama as prohibited by Article XI, Section 213, Constitution of Alabama of 1901, as amended by Amendment 26. It is further agreed that if any provision of this contract shall contravene any statute or Constitutional provision or amendment, whether now in effect or which may, during the course of this Contract, be enacted, then that conflicting provision in the contract shall be deemed null and void. The Contractor's sole remedy for the settlement of any and all disputes arising under the terms of this agreement shall be limited to the filing of a claim against SEIB with the Board of Adjustment for the State of Alabama.

#### **4.27 Open Trade**

In accordance with Act 2016-312, Contractor represents and warrants that it is not currently engaged in and will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with which this state can enjoy open trade.

**4.28 Waivers**

No covenant, condition, duty, obligation, or undertaking contained in or made a part of the contract shall be waived except by written agreement of the parties.

**4.28 Workers Compensation**

Contractor shall take out and maintain, during the life of this contract, Worker's Compensation Insurance for all of its employees under the contract or any subcontract thereof, if required by state law.

**Section 5 Instructions to Vendors****5.01 RFP Documentation**

All documents and updates to the RFP including, but not limited to, the actual RFP, questions and answers, addenda, etc., will be posted to the SEIB website at [www.alseib.org](http://www.alseib.org).

**5.02 Restrictions on Communication with Staff**

From the issue date of this RFP until the selection is announced, the Vendors are not allowed to communicate concerning this RFP with any SEIB member or employee except the Single Point of Contact identified in this RFP or as provided by existing work agreements. For violation of this provision, the SEIB reserves the right to reject the proposal of the violator.

**5.03 Acceptance of Standard Terms and Conditions**

Vendor must submit a statement stating that the Vendor has an understanding of and will comply with the terms and conditions as set out in this RFP. Additions or exceptions to the standard terms and conditions are not allowed.

**5.04 RFP Amendments**

The State reserves the right to amend the RFP prior to the date the proposals are due to be submitted. Amendments will be posted on the SEIB website.

**5.05 Submitting Questions**

Vendors with questions regarding clarification or interpretation of any section within this RFP must submit them to the SEIB Point of Contact via email by the deadline in the Procurement Timetable in this RFP. All questions and answers will be posted on the SEIB website.

**5.06 Proposal Submission**

Proposals must be sealed and labeled on the outside of the package to clearly indicate that they are in response to “RFP – SEIB- 2020-02”.

All proposals must be submitted by September 25, 2020 at 5:00 P.M. Central Time. Proposals received after the 5:00 P.M. deadline will be rejected. Please note that individual exceptions to the deadline will not be made; if the Vendor relies on “overnight” delivery, this should be taken into consideration.

**5.07 Vendor’s Signature**

The proposal must be accompanied by the RFP Cover Sheet signed in ink by an individual authorized to legally bind the Vendor. The Vendor’s signature on a proposal in response to this RFP guarantees that the offer has been established without collusion and without effort to preclude the State from obtaining the best possible supply or service. Proof of authority of the person signing the RFP response must be furnished upon request.

**5.08 Copies Required**

The Vendor must submit copies of the proposal as follows:

- two hard copies of the Vendor’s response to this RFP including a Price Proposal; and
- two electronic (PDF format) copies of the proposal:
  - one complete version of the Vendor’s response; and
  - one version that redacts any information asserted as confidential or proprietary.

**5.09 Late Proposals**

Regardless of cause, late proposals will not be accepted and will automatically be disqualified from further consideration. It shall be the Vendor’s sole responsibility to assure delivery to the SEIB by the designated deadline.

**5.10 Proposal Offer and Withdrawal**

A proposal may not be modified, withdrawn or canceled by the Vendor for a 180-day period following the deadline for proposal submission as defined in the Procurement Timetable and the Vendor so agrees in submitting the proposal.

Prior to the proposal due date, a submitted proposal may be withdrawn by submitting to the SEIB a written request for withdrawal which is signed by the Vendor.

### **5.11 Cost of Preparing Proposal**

Cost for developing the proposal is solely the responsibility of the Vendor. The SEIB will not provide reimbursement for such cost.

### **5.12 Right of Negotiation**

Discussions, negotiations and requests for additional information regarding price and other matters may be conducted with a Vendor who submits a proposal determined to be reasonably susceptible of being selected for award, but a proposal may be accepted without such discussions.

The Board reserves the right to further clarify and/or negotiate on any matter submitted.

### **5.13 Order of Precedence**

In the event of inconsistencies or contradictions between language contained in the RFP and a Vendor's response, the language contained in the RFP will prevail. Should the SEIB issue addenda to the original RFP, then said addenda, being more recently issued, would prevail against both the original RFP and the Vendor's proposal in the event of an inconsistency, ambiguity, or conflict.

### **5.14 State's Rights Reserved**

While the SEIB has every intention to award a contract as a result of this RFP, issuance of the RFP in no way constitutes a commitment by the SEIB to award and execute a contract. Upon a determination such actions would be in its best interest, the SEIB, in its sole discretion, reserves the right to:

- Cancel or terminate this RFP;
- Reject any or all of the proposals submitted in response to this RFP;
- Change its decision with respect to the selection and to select another proposal;
- Waive any minor irregularity in an otherwise valid proposal which would not jeopardize the overall program and to award a contract on the basis of such a waiver (minor irregularities are those which will not have a significant adverse effect on overall project cost or performance);
- Negotiate with any Vendor whose proposal is within the competitive range with respect to technical plan and cost;
- Adopt to its use all, or any part, of a Vendor's proposal and to use any idea or all ideas presented in a proposal;
- Amend the RFP (amendments to the RFP will be made by written addendum issued by the State and will be posted on the SEIB website);
- Select multiple Vendors;
- Release a new RFP for the same or revised services;

- Not award any contract.

### **5.15 Disclosure of Proposal Contents**

Proposals and supporting documents are kept confidential until the evaluation process is complete and a contract has been awarded. Proposers should be aware that any information in a proposal may be subject to disclosure and/or reproduction under Alabama law. Designation as proprietary or confidential may not protect materials included within the proposal from disclosure, if required by law.

The Proposer should mark or otherwise designate any material that it feels is proprietary or otherwise confidential and state any legal authority as to why that material should not be subject to public disclosure under Alabama open records law. Information contained in the Financial Proposal may not be marked confidential. The SEIB assumes no liability for the disclosure of information not identified by the Proposer as confidential. If the Proposer identifies its entire proposal as confidential, the SEIB may deem the proposal as non-compliant and may reject it.

Vendor agrees to intervene in and defend any lawsuit brought against the SEIB for its refusal to provide Vendor's alleged confidential and/or proprietary information to a requesting party. The SEIB shall provide Vendor written notice of any such lawsuit within ten (10) days of receipt of service by the SEIB. Vendor shall intervene within thirty (30) days of notice or will be deemed to have waived any and all claim that information contained in the proposal is confidential and/or proprietary and any and all claims against the SEIB for disclosure of Vendor's alleged confidential and/or proprietary information.

## Appendix A. Price Proposal

Please provide your firm quote for an annual fee for the services described within this RFP. Please clearly outline your assumptions and the services as they tie to your proposed fees.

Services	2021	2022	Optional Years	2023	2024	2025	Total
Tracking Services							
1094 Services							
1095 Services							
Bundled Amount							

### Additional Services

List any additional services that you can provide. Please include the following:

- Base annual fee for 2021 through 2025 – including basis, fee guarantee, assumptions for number of employees and/or covered members, number of data feeds; assume that your firm provides the reporting information to SEIB to transmit to IRS and send employee statements.
- Additional fee to transmit reporting to the IRS on SEIB’s behalf
- Additional fee to provide mailings to employee homes
- Additional fee, if any, for additional file feeds
- Any additional one time or add-on fees; please describe in detail.
- Any additional services you can offer to SEIB (priced separately); for example, responding to IRS inquiries if not included in your core services
- In addition, please provide information about your services and fees to perform hours tracking and eligibility determination

## Appendix B. Proposal Certification

State of Alabama  
State Employees' Insurance Board

PLEASE ENSURE THAT ALL REQUIRED SIGNATURE BLOCKS ARE COMPLETE. FAILURE TO SIGN THIS FORM WILL RENDER YOUR PROPOSAL INVALID.

### Proposal

We propose to furnish and deliver the deliverables and services named in the attached RFP proposal. It is understood and agreed that this proposal shall be valid and held open for a period of 180 days from proposal due date.

It is understood and agreed that this proposal constitutes an offer, which when accepted in writing by the State Employees' Insurance Board, and subject to the terms and conditions of such acceptance, will constitute a valid and binding contract between the undersigned and the State Employees' Insurance Board.

It is understood and agreed that we have read the RFP and that this proposal is made in accordance with the provisions of such specifications. By our written signature on this proposal, we guarantee and certify that all items included in this proposal meet or exceed any and all such State specifications. We further agree, if awarded a contract, to deliver services accordance with the terms and conditions of the RFP.

#### PROPOSAL SIGNATURE AND CERTIFICATION (Vendor must sign and return with proposal)

I certify that this proposal is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting a proposal for the same services and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of state and federal law and can result in fines, prison sentences, and civil damage award. I agree to abide by all conditions of the proposal and certify that I am authorized to sign this proposal for the Vendor.

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

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## **Appendix C. Contract and Attachments**

The following documents must be signed AFTER contract award.

Attachment A	Sample Contract
Attachment B	Business Associate Agreement
Attachment C	Immigration Status
Attachment D	Disclosure Statement
Attachment E	Beason-Hammon Certificate of Compliance
Attachment F	Memorandum Regarding Reporting Requirements to Ethics Commission

CONTRACT  
BETWEEN  
THE STATE EMPLOYEES' INSURANCE BOARD  
AND  
Contractor's name here

KNOW ALL MEN BY THESE PRESENTS, that the State Employees' Insurance Board, an Agency of the State of Alabama, and \_\_\_\_\_, Contractor, agree as follows:

Contractor shall perform all of the work required under the Request for Proposal (RFP) Number \_\_\_\_\_, dated \_\_\_\_\_, strictly in accordance with the requirements thereof and Contractor's response thereto.

Contractor shall be compensated for performance under this contract in accordance with the provisions of the RFP and the price provided on the RFP Pricing Form response, in an amount not to exceed \_\_\_\_\_.

Contractor and the State Employees' Insurance Board agree that the initial term of the contract is \_\_\_\_to \_\_\_\_\_.

This contract specifically incorporates by reference the RFP, any attachments and amendments thereto, and Contractor's response.

Pursuant to Ala. Code §31-13-9(k), by signing this contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the state of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.

In accordance with Act 2016-312, Contractor represents and warrants that it is not currently engaged in and will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with which this state can enjoy open trade.

CONTRACTOR

STATE EMPLOYEES' INSURANCE BOARD

This contract has been reviewed for and is approved as to content.

\_\_\_\_\_  
Contractor's name here

\_\_\_\_\_  
William Ashmore  
Chief Executive Officer

\_\_\_\_\_  
Date signed

\_\_\_\_\_  
Date signed

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

This contract has been reviewed for legal form and complies with all applicable laws, rules, and regulations of the State of Alabama governing these matters.

Tax ID: \_\_\_\_\_

APPROVED:

\_\_\_\_\_  
Legal Counsel

\_\_\_\_\_  
Governor, State of Alabama

**ATTACHMENT A**

**BUSINESS ASSOCIATE AGREEMENT  
BETWEEN  
THE STATE EMPLOYEES' INSURANCE BOARD  
AND**

---

This Agreement as made and entered into this \_\_\_<sup>TH</sup> day of \_\_\_\_\_, 20\_\_\_, by and between the State Employees' Insurance Board (201 South Union Street, Suite 200, Montgomery, Alabama 36104), on behalf of the State Employees' Insurance Plan, hereinafter collectively designated as "Covered Entities", and \_\_\_\_\_ hereinafter designated as "Business Associate".

WHEREAS, Covered Entities and Business Associate desire and are committed to complying with all relevant federal and state law with respect to the confidentiality and security of Protected Health Information (PHI), including, but not limited to, the federal Health Insurance Portability and Accountability Act of 1996, and accompanying regulations, as amended from time to time (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH), and any regulations promulgated thereunder.

NOW, THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, and intending to establish a business associate relationship under 45 CFR §164, the parties hereby agree as follows:

**I. Definitions**

- a. "Business Associate" shall have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean \_\_\_\_\_.
- b. "Breach" shall have the same meaning as the term "breach" set out in 45 CFR 164.402.
- c. "CFR" means the Code of Federal Regulations. A reference to a CFR section means that section as amended from time to time; provided that if future amendments change the designation of a section referred to herein, or transfer a substantive regulatory provision referred to herein to a different section, the section references herein shall be deemed to be amended accordingly.
- d. "Compliance Date(s)" shall mean the date(s) established by the Secretary or the United States Congress as the effective date(s) of applicability and enforceability of the Privacy Rule, Security Rule and HITECH Standards.

- e. “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 CFR §164.501 and shall include a group of records that is: (i) the enrollment, payment, claims adjudication and case or medical management record systems maintained by or for Covered Entities or (2) used, in whole or in part, by or for Covered Entities to make decisions about Individuals.
- f. “Electronic Protected Health Information” (EPHI) shall have the same meaning as the term “electronic protected health information” in 45 CFR §160.103, limited to the information received from, or created on behalf of, Covered Entities by Business Associate.
- g. “HITECH Standards” shall mean the privacy, security and security breach notification provisions applicable to a Business Associate under Subtitle D of the Health Information Technology for Education and Clinical Health Act, which is Title XIII of the American Recovery and Reinvestment Act of 2009, and any regulations promulgated thereunder.
- h. “Individual” shall have the same meaning as the term “individual” in 45 CFR §160.103, and shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g).
- i. “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR parts 160 and 164, subparts A and E.
- j. “Protected Health Information” (PHI) shall have the same meaning as the term “protected health information” in 45 CFR §160.103, limited to the information received from, or created on behalf of, Covered Entities by Business Associate.
- k. “Required by Law” shall have the same meaning as the term “required by law” in 45 CFR §164.103.
- l. “Security Incident” shall have the same meanings as the term “security incident” in 45 CFR §164.304.
- m. “Security Rule” shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR parts 160 and 164, subparts A and C.

Terms used, but not otherwise defined, shall have the same meaning as those terms in the Privacy Rule, Security Rule and HITECH Standards.

## II. Obligations of Business Associate

- a. Business Associate agrees not to use or disclose PHI other than as permitted or required by this Agreement or as Required by Law. Business Associate will take reasonable efforts to limit requests for, use and disclosure of PHI to the minimum necessary to accomplish the intended request, use or disclosure and comply with 45 CFR 164.502(b) and 514(d).
- b. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for by this Agreement. Business Associate shall implement administrative, physical, and technical safeguards (including written policies and procedures) that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI that it creates, receives, maintains, or transmits on behalf of the Covered Entities as required by the Security Rule.
- c. Business Associate agrees to report to Covered Entities any use or disclosure of PHI, other than as provided for by this Agreement, promptly after Business Associate has actual knowledge of such use or disclosure, and to report promptly to the Covered Entities all Security Incidents of which it becomes aware as determined by Business Associate except that, for purposes of this Security Incident reporting requirement, the term "Security Incident" shall not include unsuccessful unauthorized access, use, disclosure, modification or destruction of information or interference with system operations in an information system of which it becomes aware as determined by Business Associate. Following the discovery of a breach of unsecured PHI, Business Associate shall notify Covered Entities of such breach without unreasonable delay, and in no event later than thirty (30) calendar days after such discovery. The notification will include the identification of each individual whose unsecured PHI has been, or is reasonably believed to have been, accessed, acquired or disclosed during the breach. A breach shall be treated as discovered as of the first day on which such breach is known or reasonably should have been known to Business Associate. Any notices required to be delivered by Covered Entities hereunder shall be at the expense of the Business Associate.
- d. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of this agreement or applicable regulations.

- e. Business Associate agrees to ensure access to ePHI is limited to workforce members who require such access because of their role or function.
- f. Business Associate agrees to implement safeguards to prevent its workforce members who are not authorized to have access to such ePHI from obtaining access and to otherwise ensure compliance by its workforce with the Security Rule.
- g. Within fifteen (15) business days of receiving a request from Covered Entities, Business Associate agrees to implement restrictions on use or disclosure of PHI agreed to by the Covered Entities on behalf of an Individual in accordance with 45 CFR 164.522(a).
- h. Within fifteen (15) business days of receiving a request from Covered Entities, Business Associate agrees to honor requests for alternative communications agreed to by Covered Entities on behalf of an individual in accordance with 45 CFR 164.522(b).
- i. In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, Business Associate agrees to ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information, including agreeing in writing to implement the same reasonable and appropriate safeguards that apply to Business Associate to protect the Covered Entities' ePHI.
- j. If Business Associate maintains PHI in a Designated Record Set, Business Associate agrees to make available to Covered Entities, within a reasonable time, such information as Covered Entities may require to fulfill Covered Entities' obligations to respond to a request for access to PHI as provided under 45 CFR §164.524 or to respond to a request to amend PHI as required under 45 CFR §164.526. Business Associate shall refer to Covered Entities all such requests that Business Associate may receive from Individuals. If Covered Entities request Business Associate to amend PHI in Business Associate's possession in order to comply with 45 CFR §164.526, Business Associate shall effectuate such amendments no later than the date they are required to be made by 45 CFR §164.526; provided that if Business Associate receives such a request from Covered Entities less than ten (10) business days prior to such date, Business Associate will effectuate such amendments as soon as is reasonably practicable.

- k. If applicable, Business Associate agrees to provide to Covered Entities, within a reasonable time, such information necessary to permit Covered Entities to respond to a request by an Individual for an accounting of disclosures as provided under 45 CFR §164.528. Business Associate shall refer to Covered Entities all such requests which Business Associate may receive from individuals.
- l. Upon reasonable notice, Business Associate agrees to make its internal practices, books, and records relating to the use and disclosure of PHI available to the U.S. Secretary of Health and Human Services, or an officer or employee of that Department to whom relevant authority has been delegated, at Covered Entities' expense in a reasonable time and manner, for purposes of the Secretary determining Covered Entities' compliance with the Privacy Rule.
- m. Notwithstanding any other provision in this agreement, Business Associate hereby acknowledges and agrees that to the extent it is functioning as a Business Associate of Covered Entities, Business Associate will comply with the HITECH Business Associate provisions and with the obligations of a Business Associate as prescribed by HIPAA and the HITECH Act. Business Associate and the Covered Entities further agree that the provisions of HIPAA and the HITECH Act that apply to Business Associates, and that are required to be incorporated by reference in a Business Associate Agreement, are incorporated into this agreement between Business Associate and Covered Entities as if set forth in this agreement in their entirety.

### **III. Permitted uses and disclosures by Business Associate**

Except as otherwise limited in this Agreement, Business Associate may:

- a. Use or disclose PHI on behalf of the Covered Entities, if such use or disclosure of PHI would not violate the Privacy Rule, including the minimum necessary standard, if done by the Covered Entities.
- b. Use or disclose PHI to perform the services outlined in any and all services agreements, or other contracts, entered into between Covered Entities and Business Associate.
- c. Use PHI for the proper management and administration of Business Associate or to fulfill any present or future legal responsibilities of Business Associate.
- d. Disclose PHI for the proper management and administration of Business Associate, or to fulfill any present or future legal responsibilities of Business Associate, provided

that such disclosure is either required by law or Business Associate obtains reasonable assurances from any person to whom PHI is disclosed that such person will: (i) keep such information confidential, (ii) use or further disclose such information only for the purpose for which it was disclosed to such person or as required by law, and (iii) notify Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

- e. Use PHI to provide data aggregation services relating to the health care operations of the Covered Entities, as provided in 45 CFR §164.501.
- f. To create de-identified data, provided that the Business Associate de-identifies the information in accordance with the Privacy Rule. De-identified information does not constitute PHI and is not subject to the terms and conditions of this Agreement.
- g. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR 164.502(j)(1).

#### **IV. Obligations of Covered Entities**

- a. Covered Entities shall notify Business Associate of any facts or circumstances that affect Business Associate's use or disclosure of PHI. Such facts and circumstances include, but are not limited to: (i) any limitation or change in Covered Entities' notice of privacy practices, (ii) any changes in, or withdrawal of, an authorization provided to Covered Entities by an Individual pursuant to 45 CFR §164.508; and (iii) any restriction to the use or disclosure of PHI that Covered Entities has agreed to in accordance with 45 CFR §164.522.
- b. Covered Entities warrant that they will not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule or is not otherwise authorized or permitted under this Agreement.
- c. Covered Entities acknowledge and agree that the Privacy Rules allow the Covered Entities to permit Business Associate to disclose or provide access to PHI, other than Summary Health Information, to the Plan Sponsor only after the Plan documents have been amended to provide for the permitted and required uses and disclosures of PHI and to require the Plan Sponsor to provide a certification to the Plan that certain required provisions have been incorporated into the Plan documents before the Plan may disclose, either directly or through a Business Associate, any PHI to the Plan Sponsor.

- d. Covered Entities agree that they will have entered into Business Associate Agreements with any third parties to whom Covered Entities direct and authorize Business Associate to disclose PHI.

## **V. Effective date: termination**

- a. The effective date of this agreement shall be the date this agreement is signed by the parties.
- b. This agreement shall terminate on the date Business Associate ceases to be obligated to perform the functions, activities, and services described in Article III Sections A and B.
- c. Upon Covered Entities' knowledge of a material breach by Business Associate of this Agreement, Covered Entities shall notify Business Associate of such breach and Business Associate shall have thirty (30) days to cure such breach. In the event Business Associate does not cure the breach, or cure is infeasible, Covered Entities shall have the right to immediately terminate this Agreement and any underlying services agreement. If cure of the material breach is infeasible, Covered Entities shall report the violation to the Secretary.
- d. Upon termination of this agreement, Business Associate will return to Covered Entities, or if return is not feasible, destroy, any and all PHI that it created or received on behalf of Covered Entities and retain no copies thereof. If the return or destruction of the PHI is determined by Business Associate not to be feasible, or if Business Associate is required by law to retain such information or copies thereof, Business Associate will maintain the PHI for the period of time required under applicable law, or in accordance with Business Associate's internal record retention schedule as in effect from time to time, whichever is longer, after which time Business Associate shall return or destroy the PHI.
- e. Business Associate's obligations under Sections II and III above shall survive the termination of this agreement with respect to any PHI so long as it remains in the possession of Business Associate.

## **VI. Other provisions**

- a. The parties acknowledge that the foregoing provisions are designed to comply with the mandates of the Privacy and Security Rules and the HITECH Standards. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for compliance with the requirements of the HIPAA Rules and

any other applicable law. If the parties are unable to reach agreement regarding an amendment within thirty (30 days) of the date that Business Associate receives any written objection from Covered Entities, either party may terminate this Agreement upon ninety (90) days written notice to the other party. Any other amendment to the Agreement unrelated to compliance with applicable law and regulations shall be effective only upon execution of a written agreement between the parties.

- b. Except as it relates to the use, security and disclosure of PHI and electronic transactions, this agreement is not intended to change the terms and conditions, or the rights and obligations, of the parties under any other services agreement between them.
- c. Business Associate agrees to defend, indemnify and hold harmless Covered Entities, their affiliates and directors, officers, employees, agents or assigns from and against any and all actions, causes of action, claims, suits and demands whatsoever, and from all damages, liabilities, costs, charges, debts, fines, government investigations, proceedings, and expenses whatsoever (including reasonable attorneys' fees and expenses related to any litigation or other defense of any claims), which may be asserted, or for which it may now or hereafter become subject, arising in connection with (i) any misrepresentation, breach of warranty or non-fulfillment of any undertaking on its part under this agreement; and (ii) any claims, demands, awards, judgments, actions, and proceedings made by any person or organization arising out of, or in any way connected with, Business Associate's performance under this agreement.
- d. Nothing express or implied in this agreement is intended to confer, nor shall anything herein confer, upon any person other than Covered Entities, Business Associate, and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- e. Any ambiguity in this agreement shall be resolved in favor of a meaning that permits the Covered Entities to comply with the Privacy and Security Rules and the HITECH Standards.
- f. If any provision of this Agreement is held illegal, invalid, prohibited or unenforceable by a court of competent jurisdiction, that provision shall be limited or eliminated in that jurisdiction to the minimum extent necessary so that this agreement shall otherwise remain in full force and effect and enforceable.

g. This Agreement shall be governed by and construed in accordance with the laws of the state of Alabama to the extent not preempted by the privacy or security or other applicable federal law.

h. This Agreement replaces and supersedes in its (their) entirety any prior Business Associate Agreement(s) between the parties.

In witness whereof, this agreement has been signed and delivered as of the date first set forth above.

**State Employees' Insurance Board** \_\_\_\_\_

\_\_\_\_\_  
**By: William L. Ashmore**

**As its: Chief Executive Officer**

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

**As its:** \_\_\_\_\_

**IMMIGRATION STATUS**

I hereby attest that all workers on this project are either citizens of the United States or are in a proper and legal immigration status that authorizes them to be employed for pay within the United States.

\_\_\_\_\_  
Signature of Contractor

\_\_\_\_\_  
Witness



# State of Alabama Disclosure Statement

(Required by Act 2001-955)

ENTITY COMPLETING FORM \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY, STATE, ZIP \_\_\_\_\_ TELEPHONE NUMBER ( ) \_\_\_\_\_

STATE AGENCY/DEPARTMENT THAT WILL RECEIVE GOODS, SERVICES, OR IS RESPONSIBLE FOR GRANT AWARD \_\_\_\_\_

State Employees' Insurance Board

ADDRESS \_\_\_\_\_

201 S. Union Street Suite 200

CITY, STATE, ZIP \_\_\_\_\_ TELEPHONE NUMBER (334) 283-8341

This form is provided with:  
 Contract     Proposal     Request for Proposal     Invitation to Bid     Grant Proposal

Have you or any of your partners, divisions, or any related business units previously performed work or provided goods to any State Agency/Department in the current or last fiscal year?

Yes     No

If yes, identify below the State Agency/Department that received the goods or services, the type(s) of goods or services previously provided, and the amount received for the provision of such goods or services.

STATE AGENCY/DEPARTMENT	TYPE OF GOODS/SERVICES	AMOUNT RECEIVED

Have you or any of your partners, divisions, or any related business units previously applied and received any grants from any State Agency/Department in the current or last fiscal year?

Yes     No

If yes, identify the State Agency/Department that awarded the grant, the date such grant was awarded, and the amount of the grant.

STATE AGENCY/DEPARTMENT	DATE GRANT AWARDED	AMOUNT OF GRANT

1. List below the name(s) and address(es) of all public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF PUBLIC OFFICIAL/EMPLOYEE	ADDRESS	STATE DEPARTMENT/AGENCY

2. List below the name(s) and address(es) of all family members of public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the public officials/public employees and State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF FAMILY MEMBER	ADDRESS	NAME OF PUBLIC OFFICIAL/ PUBLIC EMPLOYEE	STATE DEPARTMENT/ AGENCY WHERE EMPLOYED
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If you identified individuals in items one and/or two above, describe in detail below the direct financial benefit to be gained by the public officials, public employees, and/or their family members as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

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Describe in detail below any indirect financial benefits to be gained by any public official, public employee, and/or family members of the public official or public employee as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

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List below the name(s) and address(es) of all paid consultants and/or lobbyists utilized to obtain the contract, proposal, request for proposal, invitation to bid, or grant proposal:

NAME OF PAID CONSULTANT/LOBBYIST	ADDRESS
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*By signing below, I certify under oath and penalty of perjury that all statements on or attached to this form are true and correct to the best of my knowledge. I further understand that a civil penalty of ten percent (10%) of the amount of the transaction, not to exceed \$10,000.00, is applied for knowingly providing incorrect or misleading information.*

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Notary's Signature Date Date Notary Expires

*Act 2001-955 requires the disclosure statement to be completed and filed with all proposals, bids, contracts, or grant proposals to the State of Alabama in excess of \$5,000.*

State of \_\_\_\_\_ )

County of \_\_\_\_\_ )

**CERTIFICATE OF COMPLIANCE WITH THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535, as amended by Act 2012-491)**

DATE: \_\_\_\_\_

RE Contract/Grant/Incentive (describe by number or subject): \_\_\_\_\_ by and between \_\_\_\_\_ (Contractor/Grantee) and the State Employees' Insurance Board (State Agency or Department or other Public Entity)

The undersigned hereby certifies to the State of Alabama as follows:

1. The undersigned holds the position of \_\_\_\_\_ with the Contractor/Grantee named above, and is authorized to provide representations set out in this Certificate as the official and binding act of that entity, and has knowledge of the provisions of THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535 of the Alabama Legislature, as amended by Act 2012-491) which is described herein as "the Act".
2. Using the following definitions from Section 3 of the Act, select and initial either (a) or (b), below, to describe the Contractor/Grantee's business structure.

**BUSINESS ENTITY.** Any person or group of persons employing one or more persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood, whether for profit or not for profit. "Business entity" shall include, but not be limited to the following:

- a. Self-employed individuals, business entities filing articles of incorporation, partnerships, limited partnerships, limited liability companies, foreign corporations, foreign limited partnerships, foreign limited liability companies authorized to transact business in this state, business trusts, and any business entity that registers with the Secretary of State.
- b. Any business entity that possesses a business license, permit, certificate, approval, registration, charter, or similar form of authorization issued by the state, any business entity that is exempt by law from obtaining such a business license, and any business entity that is operating unlawfully without a business license.

**EMPLOYER.** Any person, firm, corporation, partnership, joint stock association, agent, manager, representative, foreman, or other person having control or custody of any employment, place of employment, or of any employee, including any person or entity employing any person for hire within the State of Alabama, including a public employer. This term shall not include the occupant of a household contracting with another person to perform casual domestic labor within the household.

\_\_\_\_\_(a) The Contractor/Grantee is a business entity or employer as those terms are defined in Section 3 of the Act.

\_\_\_\_\_(b) The Contractor/Grantee is not a business entity or employer as those terms are defined in Section 3 of the Act.

3. As of the date of this Certificate, Contractor/Grantee does not knowingly employ an unauthorized alien within the State of Alabama and hereafter it will not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama;
4. Contractor/Grantee is enrolled in E-Verify unless it is not eligible to enroll because of the rules of that program or other factors beyond its control.

Certified this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_.

\_\_\_\_\_  
Name of Contractor/Grantee/Recipient

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

Its \_\_\_\_\_

The above Certification was signed in my presence by the person whose name appears above, on

this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_.

WITNESS: \_\_\_\_\_

\_\_\_\_\_  
Print Name of Witness



## STATE EMPLOYEES' INSURANCE BOARD

PO Box 304900 • Montgomery, AL 36130-4900  
201 South Union Street, Suite 200 • Montgomery, AL 36104  
Phone: 334-263-8341 or 1-866-836-9737 • Fax: 334-263-8541  
www.alseib.org

Joe N. Dickson  
Chairman

William L. Ashmore  
CEO

### MEMORANDUM

**SUBJECT:** Reporting to Ethics Commission by Persons Related to SEIB Employees

Section 36-25-16(b) of the Code of Alabama (1975) provides that anyone who enters into a contract with a state agency for the sale of goods or services exceeding \$7,500 shall report to the State Ethics Commission the names of any adult child, parent, spouse, brother or sister employed by the agency.

Please review your situation for applicability of this statute. The address of the Alabama Ethics Commission is:

100 North Union Street  
RSA Union Building  
Montgomery, Alabama 36104

A copy of the statute is reproduced below for your information.

**Section 36-25-16. Reports by persons who are related to public officials or public employees and who represent persons before regulatory body or contract with state.**

(a) When any citizen of the state or business with which he or she is associated represents for a fee any person before a regulatory body of the Executive Branch, he or she shall report to the commission the name of any adult child, parent, spouse, brother, or sister who is a public official or a public employee of that regulatory body of the Executive Branch.

(b) When any citizen of the state or business with which the person is associated enters into a contract for the sale of goods or services to the State of Alabama or any of its agencies or any county or municipality and any of their respective agencies in amounts exceeding seven thousand five hundred dollars (\$7,500), he or she shall report to the commission the names of any adult child, parent, spouse, brother, or sister who is a public official or public employee of the agency or department with whom the contract is made.

(c) This section shall not apply to any contract for the sale of goods or services awarded through a process of public notice and competitive bidding.

(d) Each regulatory body of the Executive Branch, or any agency of the State of Alabama shall be responsible for notifying citizens affected by this chapter of the requirements of this section.

*(Acts 1973, No. 1056, p. 1699, §15; Acts 1975, No. 130, p. 603, §1; Acts 1995, No. 95-194, p. 269, §1.)*