

# SBE 04: Illinois State-Based Exchange UAT Support Request for Proposals

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## Request for Proposals

### 1. Overview

The Illinois Department of Insurance (DOI), referred to herein as the “Agency” or “State,” requests proposals from responsible Offerors to meet its needs. A brief description is set forth below for the Offeror’s convenience, with detailed requirements in subsequent sections of this solicitation. If interested and able to meet these requirements, the State appreciates and welcomes an Offer.

#### 1.1. Brief Description

The State is soliciting proposals to select an Offeror to provide User Acceptance Testing support services.

Illinois Public Act 101-0649 required the State to oversee a feasibility study that explored policy options to make health insurance more affordable and accessible for low- and middle-income residents. The development of an Illinois-specific State-Based Exchange (SBE) was one of the feasibility study’s recommendations.

In the Spring 2023 legislative session, the Illinois General Assembly passed legislation to fully implement an SBE ([Illinois General Assembly—Full Text of Public Act 103-0103 \[ilga.gov\]](#)). As a result of Public Act 103-0103, Illinois is transitioning from a Federally Facilitated Exchange (FFE) for Plan Year 2024 to an SBE-Federal Platform (SBE-FP) for Plan Year 2025, then to an SBE for Plan Year 2026. Plan Years run from January to January, and the annual Open Enrollment Period (OEP) begins in November and ends in January. This initiative is new to Illinois, and this procurement will solicit an Offeror with significant expertise and experience working in this space.

The mission of the Illinois SBE is to increase access, enrollment, affordability, and choice for individuals and families purchasing health insurance in Illinois. By providing easy to understand information about health plans, the SBE will prioritize centering the customer and providing an eligibility and enrollment system that helps guide customers to the appropriate program—whether that is an SBE plan, Medicaid, or another state program. This will also give Illinoisans more control, quality choices, and better protections when selecting health insurance coverage. The SBE will include a website, eligibility and enrollment platform, and CAC, as well as assisters, navigators, and brokers across the state to personally assist customers with selecting or purchasing health plans. The SBE will also provide upfront financial assistance (e.g., tax credits) to eligible residents to reduce the cost of premiums and support transitions between Medicaid and Qualified Health Plan (QHP) coverage to minimize gaps in coverage. The SBE will initially be functionally coordinated with the State’s Integrated Eligibility System (IES), the IT platform supporting eligibility for Medicaid, the Children’s Health Insurance Program (CHIP), and human services programs. The initial approach will largely mirror the current relationship and interactions with the FFE. At the State’s option, the SBE may, over time, transition to a fully integrated platform supporting QHP customers, as well as individuals and families enrolled in Medicaid and CHIP.

The resulting contract with the Selected Offeror shall have an initial term of two (2) years. In no event will the total term of the contract, including the initial term, any renewal terms, and any extensions, exceed nine (9) years ([30 Illinois Compiled Statutes \[ILCS\] 500/20-60](#)). Subject to the

maximum total term limitation, DOI has the option to renew for one-year terms after the initial two-year term for a total of eight (7) renewal years.

Please read the entire solicitation package and submit an Offer in accordance with the Response Instructions. Offerors must complete all forms and signature areas contained in the solicitation package in full and submit them along with the cost proposal which, as combined, will constitute the Offer. Do not submit the Response Instruction pages with Offers.

**Offeror/Vendor Disclosure Form (formerly named Forms A), Illinois Procurement Gateway (IPG) Active Registered Offeror/Vendor Disclosure Form (formerly named Forms B), and Business Enterprise Program (BEP) Utilization Plan:** These sections are a material part of this solicitation and must be returned when applicable with an Offeror’s Offer. These can be found in the Offeror Response Template issued along with this request for proposals (RFP). **Offers that do not adhere to the form and content of the RFP requirements may not be considered.**

## 1.2. Mandatory Qualifications to Submit an Offer

Offerors shall submit responses to the following requirements using the Offeror Response Template in the online procurement file, which includes this RFP, found at [State-Based Marketplace \(SBM\) Procurement Opportunities \(illinois.gov\)](https://www.sbmprocurement.com).

- 1.2.1. Must be in operation and providing services of similar scope for a minimum of the past 10 years.
- 1.2.2. Have had lead responsibility for at least one (1) SBM implementation’s User Acceptance Testing (UAT) of similar scope and timeline as described in Section 8 of this Request for Proposals (RFP) at least 60% of the proposed staff are employees of the Offeror.
- 1.2.3. All Key Staff must have significant experience and expertise in UAT of both SBE systems and Healthcare or Health Insurance related Customer Support Center technology. Significant experience and expertise with similar eligibility, enrollment, and customer support technology systems, such as Medicaid or the FFM, will be considered but may not be accepted as a substitute qualification.

## 1.3. Calendar of Events

The State will make every effort to adhere to the schedule in **Exhibit 1**.

**Exhibit 1. Calendar of Events**

| Step | Action                        | Responsible Party   | Due Dates                 |
|------|-------------------------------|---------------------|---------------------------|
| 1.   | Issue RFP                     | Procuring Agency    | 11/13/2024                |
| 2.   | Deadline to Submit Questions  | Potential Offerors  | 11/27/2024<br>5:00 PM CT  |
| 3.   | Response to Written Questions | Procurement Manager | 12/4/2024                 |
| 4.   | Submission of Proposals       | Offerors            | 12/20/2024<br>12:00 PM CT |

| Step | Action                                 | Responsible Party | Due Dates                    |
|------|--|-------------------|------------------------------|
| 5.   | Oral Presentations (at State's option) | Joint             | TBD                          |
| 6.   | Notice of Award                        | Procuring Agency  | TBD                          |
| 7.   | Protest Deadline                       | Offerors          | 14 days after contract award |

### 1.3.1. Explanation of Events

The following paragraphs describe the activities listed in the Calendar of Events shown in Section 1.3 above. All information relating to this procurement, including any updates to documents, schedules, issuance of new information, etc., will be posted to the [Procurement Website](#). Throughout the procurement, it will be the responsibility of the Offerors to monitor this website for any new or modified information.

### 1.4. Issuance of RFP: This RFP is being issued on November 13th, 2024.

- 1.4.1.1. **Deadline to Submit Questions:** Potential Offerors may submit questions as a standalone file attached to an email to the Procurement Manager at DOI.SBMProcurement@Illinois.gov regarding the intent or clarity of this RFP until 12:00 PM Central Time on the date indicated in Section 1.3, Calendar of Events. Offerors shall clearly label questions and cite the section(s) in the RFP or other document that forms the basis of each question.
- 1.4.1.2. **Response to Written Questions/RFP Amendments:** The State will provide responses to written questions via a posting to the Procurement Website.
- 1.4.1.3. **Submission of Proposal:** Offerors must submit proposals via email to the Procurement Manager at DOI.SBMProcurement@Illinois.gov with the subject line “[enter subject line].” Proposals submitted by facsimile or hard copy will not be accepted.
- 1.4.1.4. **ALL OFFEROR PROPOSALS MUST BE RECEIVED BY THE PROCUREMENT MANAGER OR DESIGNEE NO LATER THAN 12:00 PM CENTRAL TIME ON THE DATE INDICATED IN SECTION 1.3, CALENDAR OF EVENTS. LATE PROPOSALS CANNOT BE ACCEPTED.** Proposals submitted via email will be considered sealed in accordance with the statute.
- 1.4.1.5. The State will keep a log of the names of all Offeror organizations that submitted proposals. The contents of the proposals shall not be disclosed to other potential Offerors during the negotiation process. The negotiation process is deemed to be in effect until the contract is awarded under this RFP. “Awarded” in this context means that the final required agency signature on the contract(s) resulting from the procurement has been obtained.

- 1.4.1.6. Proposal Evaluation: An Evaluation Committee will assess proposals. This process will take place as indicated in Section 1.3, Calendar of Events, depending upon the number of proposals received. During this time, the Procurement Manager may initiate discussions with Offerors who submit responsive or potentially responsive proposals to clarify aspects of the proposals. However, the State may accept and evaluate proposals without such discussion. Offerors SHALL NOT initiate discussions during this time.
- 1.4.1.7. Oral Presentations (if requested by the State): Offerors, may be required to conduct an oral presentation at a location to be determined per the schedule in Section 1.3, Calendar of Events, or as soon as possible thereafter. If oral presentations are held, Offerors may be required to solely make their presentations through electronic means (e.g., Webex). The State will provide Offerors with an agenda and applicable details, including an invitation to the event. Whether oral presentations will be held is at the sole discretion of the Evaluation Committee.
- 1.4.1.8. Order of Oral Presentations (if requested by the State): The State will create a calendar of available dates and times for Offerors to provide oral presentations. Offerors will be given an opportunity to select their choice of date and time in a randomly selected order. Random order will be selected by using the random number generator in Microsoft® Excel®. The first choice will go to the highest random number generated. In the case of a tie, a second randomized number will be generated only to break the tie.
- 1.4.1.9. Oral Presentation Questions
  - a. All questions to Offerors will be the same.
  - b. Offerors will first provide a presentation of their choosing to the Evaluation Committee without interruption or questions from the Evaluation Committee.
  - c. After the presentations, there will be a question and answer (Q&A) phase.
  - d. The State will capture any questions and answers discussed during the Q&A portion of the presentation and relay them to all Offerors, similar to the Q&A portion of the proposal process.
- 1.4.2. Scoring: The Evaluation Committee will establish final scores after completing the (1) review of all written proposals, and (2) facilitation of all oral presentations (if applicable).
- 1.4.3. Best and Final Offers: Offerors may be asked to submit revisions to their proposals to obtain the Best and Final Offer (BAFO) as soon as possible. BAFOs may also be clarified and amended at the Offeror's oral presentation.

- 1.4.4. Finalize Contractual Agreement: After approval of the Evaluation Committee Report, the State will finalize any contractual agreement(s) resulting from this RFP with the most advantageous Offeror, taking into consideration the evaluation factors set forth in this RFP, per Section 1.3, Calendar of Events, or as soon as possible thereafter. In the event that mutually agreeable terms cannot be reached with the apparent most advantageous Offeror in the timeframe specified, the State reserves the right to finalize a contractual agreement with the next most advantageous Offeror without undertaking a new procurement process.
- 1.4.5. Contract Award: Upon receipt of the signed contractual agreement, the State will award the contract per Section 1.3, Calendar of Events, or as soon as possible thereafter. The contract award is subject to approval by the State.
- 1.4.6. Protest Deadline: The Offeror may submit a written protest to the Protest Review Office. For protests related to specifications, the Protest Review Office must electronically receive the protest no later than fourteen (14) days after the State posts the solicitation or related addendum to the State's website. For protests related to the disqualification of a proposal, the protest must be received within fourteen (14) days (5:00 PM Central Time) after notice of disqualification. For protests related to contract award, the protest must be received within fourteen (14) days (5:00 PM Central Time) after the notice of award is published on the Procurement Website. The Protest Review Office's information is as follows:

Attn: Protest Review Officer (Kathryn Williams)  
Assistant General Counsel  
122 S. Michigan Ave., 19th Floor  
Chicago, IL 60603

Email Address: [DOI.SBMProcurement@illinois.gov](mailto:DOI.SBMProcurement@illinois.gov)

**PROTESTS RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

## 2. Terminology and Acronyms

Refer to

**Appendix B: Acronyms and Definitions.**

## 3. General Information

### 3.1. Purpose

The Illinois Department of Insurance, herein referred to as “the State,” is issuing this RFP to provide those interested in submitting proposals (Offerors) sufficient information to enable them to prepare and submit proposals to provide User Acceptance Testing (UAT) and UAT Quality Assurance support for the State. This RFP contains instructions governing the requested proposals, including the requirements for the information and materials to be included, a description of the services to be provided, requirements that Offerors must meet to be eligible for consideration, general evaluation criteria, and other requirements specific to this RFP.

The State expects that the products and/or services provided by the Selected Offeror will help the State to achieve the following goals:

- Deploy an SBM that is maintainable, customer-centric, and fully compliant with the requirements of the SBE 02 – Information Technology and Call Center Services contract dated 24 October 2024 and as further amended. The SBE 02 RFP and related documents can be found on the Illinois Department of Insurance’s SBM Procurement Opportunities website.
- All products and services resulting from the SBE 02 contract are fully functional, contain minimal, if any, defects, and meet all measures and metrics required by the contract.

### 3.2. Issuing Office and Procurement Manager

The State has issued this RFP on behalf of the State of Illinois. The State has assigned a Procurement Manager who is responsible for the conduct of this procurement, whose name, address, and email address are listed below:

Name: Michael Underwood

Address: 320 West Washington St., 4<sup>th</sup> Floor, Springfield, IL 62767

Email Address: [DOI.SBMProcurement@illinois.gov](mailto:DOI.SBMProcurement@illinois.gov)

- 3.2.1. Offerors shall submit any inquiries or requests regarding this procurement in writing to the Procurement Manager. Offerors may contact ONLY the Procurement Manager in writing at [DOI.SBMProcurement@illinois.gov](mailto:DOI.SBMProcurement@illinois.gov) regarding this procurement. Neither other employees of the State nor Evaluation Committee members have the authority to respond on behalf of the State.

### 3.3. Project Description

Under Public [Act 103-0103](#), signed into law on June 27, 2023, Illinois, through the State, is implementing an SBE for Plan Year 2026, as contemplated by the Patient Protection and Affordable

Care Act (ACA). The SBE is a technology Solution and business operation marketplace in which individuals can shop for, compare, and enroll in health insurance coverage.

The State intends to award a single contract to one Selected Offeror pursuant to this RFP; however, Offerors may fulfill obligations under the contract by subcontracting with third parties. The Offeror's proposal shall identify the specific scope of services being offered and which, if any, would be fulfilled by a subcontracted third party. Any subcontracting will be managed by (and the sole responsibility of) the Selected Offeror, and no subcontractor will have a direct relationship with the State.

### 3.4. Objectives

#### 3.4.1. General

Pursuant to Public [Act 103-0103](#), Illinois is transitioning from relying on the FFE to an SBE-FP for Plan Year 2025, with a complete transition to an SBE for Plan Year 2026. As an SBE-FP, the FFE will provide eligibility and enrollment functions, while the State will carry out some administrative, customer assistance, and outreach functions. Once Illinois transitions to an SBE, the State will carry out all functions and discontinue use of the FFE; the services provided by the Selected Offeror will play a critical and integral role in that transition.

The State is seeking proposals to provide comprehensive UAT and QA services as described in detail in the Statement of Work section of this RFP.

For more information on the Exchange, please visit the [Illinois Legislature language for Public Act 103-0103](#). For additional information on the requirements for this proposal, refer to Section 7, Specifications/Qualifications/Statement of Work, of this RFP.

### 3.5. Background Information

Prospective Offerors are encouraged to review the RFP for the Illinois State-Based Marketplace to gain a full understanding of the scope, size, timeline, and deliverables of the system and services that the State is in the process of procuring and expects the Selected Offeror of this RFP to support. The RFP and other related documents can be found at: [Procurement Website](#).

### 3.6. Type of Contract

The State, in its sole discretion, may undertake negotiations with Offerors whose proposals show them to be qualified, responsible, and capable of performing the project. It is proposed that if the State enters a contract as a result of this RFP, it will be a firm-fixed price (FFP) contract containing the Standard Contract Terms and Conditions as found in Section 9 of this RFP.



## 4. Submission Instructions

### 4.1. Instructions for Submitting Offers

**Only electronic submissions of Offers through email will be accepted.**

Offerors must email all documents composing an Offer to [DOI.SBMProcurement@illinois.gov](mailto:DOI.SBMProcurement@illinois.gov) as a ZIP file attachment.

### 4.2. Submission of Offers

Refer to the Offeror Response Template found at the [Procurement Website](#).

The State publishes (and will continue to publish) procurement information, including solicitations, awards, and amendments, for the SBE on the [Procurement Website](#). Procurement information may not be available in any other form or location. Offerors are responsible for monitoring this website. The State will not be held responsible if an Offeror fails to receive the optional email notice of future amendments to the solicitation.

### 4.3. Information Contact

The individual listed in the “Information Contact” (i.e., the Procurement Manager) on the Bulletin posting shall be the single point of contact for this solicitation. Unless otherwise directed, Offerors should only communicate in writing with the Procurement Manager. The State shall not be held responsible for information provided by or to any other person. Offerors should immediately report suspected errors in writing to the Procurement Manager via email. Do not discuss, directly or indirectly, the solicitation or any Offer with any State officer or employee other than the Procurement Manager.

### 4.4. Offeror Questions and State Response

Offerors must submit all questions pertaining to this solicitation in writing **no later than 5:00 PM Central Time on November 27, 2024**. The State will post questions received and State responses as an amendment to the original solicitation on the [Procurement Website](#); only these posted answers to questions shall be binding on the State. Offerors are responsible for monitoring this website.

### 4.5. Submission Offer Due Date and Time

4.5.1. Each solicitation contains the Offer Due Date and Time, appearing as the “Offer Opening Date” on the posting. Offers will be opened and posted on the [Procurement Website](#) on the “Offer Opening Date.”

4.5.2. Offer Firm Time: The Offer must remain firm for 120 days from opening.

**4.5.3. Offer Due Date and Time: Friday, December 20, 2024, by 12:00 PM Central Time.**

### 4.6. Employment Tax Credit

Offerors who hire qualified veterans and certain ex-offenders may be eligible for tax credits as defined in 30 ILCS 500/45-67 and 45-70. Please contact the Illinois Department of Revenue (DOR) via phone at 217-524-4772 for information about tax credits.

#### 4.7. Governing Law and Forum

Illinois law and rules govern this solicitation and any resulting contract. Offerors must bring any action relating to this solicitation or any resulting contract to the appropriate court in Illinois. This document contains statutory references designated with "ILCS." Offerors may view the full text at the [Illinois General Assembly Website](#).

#### 4.8. Public Records and Requests for Confidential Treatment

Offers become the property of the State. All Offers will be open to the public under the Illinois Freedom of Information Act (FOIA) (5 ILCS 140) and other applicable laws and rules unless the Offeror requests in its Offer that the State treat certain information as confidential. A request for confidential treatment will not supersede the State's legal obligations under FOIA.

The State will not honor requests to keep entire Offers confidential. Offerors must show the specific grounds in FOIA or another law or rule that supports confidential treatment. Regardless, the State will disclose the successful Offeror's name, substance of the Offer, and cost.

If an Offeror requests confidential treatment, the Offeror must submit additional attachments of the Offer with proposed confidential information redacted. This redacted copy must tell the general nature of the material removed and shall retain as much of the Offer as possible. In a separate attachment, the Offeror shall supply a listing of the provisions identified by section number for which it seeks confidential treatment and identify the statutory basis or bases under Illinois law, including a detailed justification for exempting the information from public disclosure.

The Offeror will hold harmless and indemnify the State for all costs or damages associated with the State defending the Offeror's request for confidential treatment. The Offeror agrees that the State may copy the Offer to facilitate evaluation or respond to requests for public records. The Offeror warrants that such copying will not violate the rights of any third party.

#### 4.9. Reservations

Offeror must read and understand the solicitation and tailor the Offer and all activities to ensure compliance. The State reserves the right to amend the solicitation; reject any or all Offers; award by items/services, group of items/services, or grand total; and waive minor defects. The State may request a clarification, inspect the Offeror's premises, interview staff, request a presentation, or otherwise verify the contents of the Offer, including information about subcontractors and suppliers. The State may request BAFOs when appropriate. The State will make all decisions on compliance, evaluation, and terms and conditions, and shall make decisions in the best interests of the State and in accordance with Article 50 of the Illinois Procurement Code, and other applicable state and federal statutes and regulations. This competitive process may require the Offeror to provide additional information and otherwise cooperate with the State. If an Offeror does not comply with requests for information and cooperation, the State may reject the Offer as nonresponsive to the solicitation. Submitting an Offer does not entitle the Offeror to an award or contract. Posting an Offeror's name in a Bulletin notice does not entitle the Offeror to a contract. The State is not responsible for and will not pay any costs associated with the preparation

and submission of any Offer. The Selected Offeror shall not commence and will not be paid for any billable work undertaken prior to the date on which all parties execute the contract.

#### 4.10. Award

The State is not obligated to award a contract pursuant to this solicitation. If the State issues an award, the State will make the award to the responsive and responsible Offeror whose Offer best meets the specified criteria unless otherwise permitted by the Illinois Administrative Code. However, if the State does not consider the cost to be fair and reasonable and negotiations fail to meet an acceptable cost, the State reserves the right to cancel the award and take appropriate action to meet the needs of the State. The State will determine whether the cost is fair and reasonable by considering the Offer, including the Offeror's qualifications, the Offeror's reputation, all costs submitted, other known costs, the project budget, and other relevant factors. The State will post a notice to the Bulletin identifying the apparent most responsive and responsible Offeror.

#### 4.11. Protest Review Office

The Offeror may submit a written protest to the Protest Review Office. For protests related to specifications, the Protest Review Office must electronically receive the protest no later than fourteen (14) days after the State posts the solicitation or related addendum to the State's website. For protests related to disqualification of a proposal, the protest must be received within fourteen (14) days (5:00 PM Central Time) after notice of disqualification. For protests related to contract award, the protest must be received within fourteen (14) days (5:00 PM Central Time) after the notice of award is published on the [Procurement Website](#). The Protest Review Office's information is as follows:

Attn: Protest Review Officer (Kathryn Williams)  
Assistant General Counsel  
122 S. Michigan Ave., 19<sup>th</sup> Floor  
Chicago, IL 60603

Email Address: [DOI.SBMProcurement@illinois.gov](mailto:DOI.SBMProcurement@illinois.gov)

#### 4.12. Evaluation Process

The State determines how well Offers meet the responsiveness requirements. The State will rank offers, without consideration of cost, from best to least qualified using a point ranking system (unless otherwise specified) as an aid in conducting the evaluation. Offerors who fail to meet minimum requirements or receive fewer than the minimum required points, if any, will not be considered for cost evaluation and award.

The State evaluates three categories of information: responsiveness, responsibility, and cost. The State considers the information provided and the quality of that information when evaluating Offers. If the State finds a failure or deficiency, the State may reject the Offer or reflect the failure or deficiency in the evaluation.

#### 4.13. Responsiveness

A responsive Offeror is one who submits an Offer that conforms in all material respects to the RFP and includes all required forms.

4.13.1. Subcontractor Disclosure

If the Offer includes any subcontractors, then the Offeror shall include information regarding their subcontractors per the requirements detailed in Section 7.4 of this RFP.

4.13.2. If completing the IPG Active Registered Offeror/Vendor Disclosure Form (formerly named Forms B), then responsiveness may include but not be limited to:

1. Active IPG registration # with expiration date
2. Disclosure of lobbyists for Offeror and parent entity(ies)
3. Disclosure of pending and current contracts
4. Certifications timely to this solicitation

4.13.3. If completing the Offeror/Vendor Disclosure Form (formerly named Forms A), required forms may include but not be limited to:

1. Business and Directory Information: The Offeror should complete and return the Business and Directory Information form in Offeror Disclosure, Part 1.
2. Illinois Department of Human Rights (IDHR) Public Contracts Number: The Offeror shall complete and return the IDHR Public Contracts Number form in Offeror Disclosure, Part 2.
3. Authorized to Transact Business or Conduct Affairs in Illinois: A person (other than an individual acting as a sole proprietor) must be a duly constituted legal entity before submitting a bid and authorized to transact business or conduct affairs in Illinois prior to execution of the contract. For more information, see Authorized to Transact Business or Conduct Affairs in Illinois in Offeror Disclosure, Part 3.
4. Standard Illinois Certifications: The Offeror shall complete and return the Standard Illinois Certifications form in Offeror Disclosure, Part 4.
5. State Board of Elections Registration: The Offeror may be prohibited from making political contributions and required to register with the State Board of Elections. For more information, see State Board of Elections in Offeror Disclosure, Part 5.
6. Disclosure of Business Operations with Iran: The Offeror should complete and return the Disclosure of Business Operations with Iran form in Offeror Disclosure, Part 6.
7. Financial Disclosures and Conflicts of Interest: The Offeror shall complete and return the Financial Disclosures and Conflicts of Interest form in Offeror Disclosure, Part 7.
8. Taxpayer Identification Number: The Offeror should complete and return the Taxpayer Identification form in Offeror Disclosure, Part 8.

4.13.4. The State will determine whether the Offer meets the stated requirements. The state may accept or allow corrections for minor differences or deviations that have negligible

impact on the cost or suitability of the supply or service to meet the State's requirements. If no Offeror meets a particular requirement, the State may waive that requirement.

4.13.5. When the specification calls for "Brand Name or Equal," the brand name product is acceptable. Other products will be considered with proof that the other product meets the stated specifications and is equivalent to the brand product in terms of quality, performance, and desired characteristics.

4.13.6. The State will determine whether the Offeror complied with the instructions for submitting Offers. Except for late submissions and other requirements that must be part of the submission by law, the State may require that an Offeror correct any deficiency as a condition of further evaluation.

#### 4.14. Responsibility

A responsible Offeror is one who has the (1) capability in all respects to fully perform the contract requirements, and (2) integrity and reliability that will assure good faith in performance. The State determines whether the Offeror is a "responsible" Offeror; specifically, this is an Offeror with whom the State can or should do business. For example, the State may consider the following elements:

4.14.1. A "prohibited Offeror" includes any person assisting an employee of the State of Illinois by reviewing, drafting, directing, or preparing any invitation for Offers, RFP, or request for information, or providing similar assistance unless such assistance was part of a publicly issued opportunity to review drafts of all or part of these documents. For the purposes of this section, an employee of the State of Illinois means one who, by the nature of his or her duties, has the authority to participate personally and substantially in the decision to award a State contract. No person or business shall submit specifications to a State agency unless requested to do so by an employee of the State. No person or business that contracts with a State agency to write specifications for a particular procurement shall submit an Offer or proposal or receive a contract for that procurement need. Nothing herein is intended to prohibit an Offeror from offering to supply development of technology, goods, or services after providing the State with a demonstration of the development of such technology, goods, or services, provided that the subject of the demonstration to the state represents industry trends and innovation and is not specifically designed to meet the State's needs. Nothing herein is intended to prohibit a person or business from submitting an Offer or entering into a contract if the person or business:

4.14.1.1. Initiates a communication with an employee of the State to provide general information about products, services, or industry best practices and, if applicable, that communication is documented in accordance with Section 50-39 of the Illinois Procurement Code; or,

4.14.1.2. Responds to a communication initiated by an employee of the State to provide information to evaluate new products, trends, services, or technologies.

- 4.14.2. Other factors that the State may evaluate to determine responsibility include but are not limited to political contributions, certifications, conflicts of interest, financial disclosures, taxpayer identification number, past performance in business or industry, references (including those found outside the Offer), compliance with applicable laws, financial responsibility, insurability, effective equal opportunity compliance, payment of prevailing wages if required by law, capacity to supply products and services relevant to this RFP, and the ability to provide required maintenance services or other matters relating to the Offeror's ability to deliver in the quality and quantity within the time and cost as specified in this solicitation.
- 4.14.3. The Selected Offeror must always have sufficient financial resources, in the opinion of the State, to ensure the performance of the contract and must provide proof upon request. The State may require a performance bond if, in the opinion of the State, it ensures the performance of the contract. The State may terminate the contract, consistent with the termination for cause provision of the contract, if the Offeror lacks the financial resources to perform under the contract.
- 4.14.4. The State may require that an Offeror correct any deficiencies as a condition of further evaluation.
- 4.14.5. Prime Contractor Responsibilities

The Selected Offeror must directly perform services valued at least at fifty percent (50%) of the total contract value. Nevertheless, the contract will require the Selected Offeror to assume responsibility for all services offered in its proposal, whether it produces them itself or by subcontract. Further, the State will consider the Selected Offeror to be the sole point of contact regarding all contractual matters.

#### 4.15. Business Enterprise for Minorities, Women, and Persons with Disabilities Act Participation and Utilization Plan

The Bulletin posting indicates whether this solicitation contains a goal to include businesses owned and controlled by minorities, women, and persons with disabilities. If this solicitation is for non-construction supplies or services and contains a goal, then failure to submit a BEP Utilization Plan by a non-certified BEP vendor shall render the Offer non-responsive per 30 ILCS 575/4(f). Offerors must direct all questions regarding the subcontracting goal to the State BEP Liaison before submission of proposals.

BEP Liaison: Michael Underwood

BEP GOAL: Three percent (3%)

National Institute of Governmental Purchasing (NIGP) Codes: 920-76; 920-65

Email Address: [DOI.SBMProcurement@illinois.gov](mailto:DOI.SBMProcurement@illinois.gov)

Businesses included in BEP Utilization Plans as meeting BEP requirements as prime vendors or subcontractors must be certified as BEP vendors prior to the Offer Opening Date. Offerors can go to <https://cei.illinois.gov/> for complete requirements for BEP certification, and <https://ceibep.diversitysoftware.com/> to search for certified BEP vendors.

## **5. Cost Proposal**

### **5.1. Pricing Guidelines**

The information requested in the Cost Response Template of this RFP shall constitute the cost proposal. The Offeror shall deliver the cost proposal electronically as a separate file and must not include it in any part of the technical proposal. The Offeror should break down the total proposed cost into the components set forth in the Cost Response Template. The Offeror should not include any assumptions in its cost proposal. If the Offeror includes assumptions in its cost proposal, the Issuing Office may reject the proposal. The Offeror should direct any questions about whether a cost or other component is included or applies in writing to the Procurement Manager pursuant to Section 4.3 of this RFP. All Offerors will then have the benefit of the Issuing Office's written answer so that all Offerors submit costs on the same basis. The State will consider costs associated with the base contract term and renewal terms for cost scoring purposes.

The State will reimburse the Selected Offeror for work satisfactorily performed after execution of a written contract and the start of the contract term in accordance with contract requirements and only after the State has issued a notice to proceed.

The costs in the Cost Response Template are the only costs that will be utilized in the scoring of the costs for this RFP. In addition, the Offeror understands and acknowledges that by submitting these costs, payments for services will be made as follows.

**-END OF INSTRUCTIONS-**

## 6. Offeror Selection

### 6.1. Evaluation Criteria

There are two components to this proposal: technical and cost. The State will evaluate and rank each part of the proposal independently of the other parts. **Exhibit 2** below provides the scoring approach.

#### Exhibit 2. Scoring Approach

| Evaluation Factor  | Points Available |
|--|------------------|
| <b>Required Forms</b>  | Pass/Fail        |
| <b>Technical Proposal</b>  | 800              |
| Past Experience  | 190              |
| Quality, Quantity, and Experience of Proposed Staff                                | 190              |
| Understanding of, and commitment to, meet or exceed requirements of RFP            | 190              |
| Approach to achieving requirements   | 190              |
| Terms and Conditions Adherence, Subcontracting, Where Services are to be Performed | 40               |
| <b>Cost Proposal</b>   | 200              |
| <b>Total Points Available</b>  | 1,000            |

#### 6.1.1. Technical Proposal Evaluation Criteria

As indicated above, the State has established the weight for the technical criterion for this RFP as 800 of the total 1,000 points. Evaluation will be based upon the following criteria:

- 6.1.1.1. Offeror's Past Experience: Has the Offeror provided similar, or more comprehensive and detailed services as required by this RFP for one or more SBEs and done so successfully?
- 6.1.1.2. Quality, Quantity, and Experience of Proposed Staff – Are the staff proposed experienced in, and demonstrated success in, comprehensive UAT and QA services for an SBE. Did those staff members spend a significant amount of time on one or more SBE QA and UAT efforts?
- 6.1.1.3. Understanding of and Commitment to meet or exceed requirements of RFP - Did the Offeror demonstrate a clear understanding of the requirements and a clear commitment to achieving the requirements in a comprehensive and thorough manner?
- 6.1.1.4. Approach to achieving requirements of RFP – Does the Offeror have an approach to the planning, preparation, and execution of UAT(s) that demonstrates their



experience and expertise in the entire solution of SBM systems that is efficient in terms of time a UAT should take and the amount of human effort to perform and thorough?

- 6.1.1.5. Terms and Conditions Adherence, Subcontracting, and Where Services are to be Performed – Did the Offeror identify any exceptions to the State’s requirements for Terms and Conditions, Subcontracting, or Where Services are to be Performed?

#### 6.1.2. Cost Proposal Evaluation Criteria

- 6.1.2.1. The State has established the weight for the cost criterion of this RFP as 200 of the total 1,000 points. The cost criterion is rated by giving the lowest total combined cost proposal with the maximum number of pricing points available. The State will prorate remaining proposals by the percent higher than the lowest total cost.

The evaluated cost will be computed as the sum of:

- + The Firm Fixed Price for the initial UAT(s) passes prior to and up until November 1, 2025. Note that this may entail multiple releases leading up to the final release to support the plan year 2026 open enrollment.
- + 6 \* Firm Fixed Price for a single additional release-based UAT pass. NOTE: The “6” multiplier has no timeline, functional, or contractual relevance. The “6” is simply a random multiplier for procurement scoring purposes.
- + A fixed pool of 700 testing support hours per year for each year. Where 1,400 is for the first two contract years and then an additional 700 per each of the seven (7) optional years.

## 6.2. Evaluation Process

The State has selected an Evaluation Committee of qualified personnel to review and evaluate timely submitted proposals. This process will take place as indicated in Section 1.3, Calendar of Events, depending upon the number of proposals received. During this time, the Procurement Manager may initiate discussions with Offerors who submit responsive or potentially responsive proposals to clarify aspects of the proposals. However, the State may accept and evaluate proposals without such discussion. Offerors SHALL NOT initiate discussions during this time.

## 6.3. Final Ranking and Award

If applicable, the Evaluation Committee will select, and the Procurement Manager will notify, the Offerors per schedule Section 1.3, Calendar of Events, or as soon as possible thereafter for oral presentations. The state will determine the schedule for oral presentations at this time per the method described in Section 1.1.4.9 above. After conducting the oral presentation process, the State will combine the Evaluation Committee’s final technical and cost proposal scores in accordance with the relative weights assigned to these areas as set forth in this section of the RFP.

The State will rank Offerors according to the total overall score assigned to each in descending order. Upon completion of this process, the State will notify in writing of its selection for negotiation the Selected Offeror whose proposal receives the highest score.

The State has the discretion to reject all proposals or cancel the RFP at any time prior to fully executing a contract when it is in the best interests of the State. The reasons for the rejection or cancellation shall be made part of the contract file. This also applies if the State does not consider the cost to be fair and reasonable and if negotiations fail to meet an acceptable cost (i.e., the State reserves the right to cancel the award and take appropriate action to meet the needs of the State). The State determines whether the cost is fair and reasonable by considering the Offer, including the Offeror's qualifications, the Offeror's reputation, all costs submitted, other known costs, the project budget, and other relevant factors.

#### **6.4. Mandatory Requirements**

To be eligible for selection, the Offeror must (1) submit the required forms, technical proposal, and cost proposal per the specified time in Section 1.3, Calendar of Events; and (2) properly sign the proposal.

#### **6.5. Nonconforming Proposals**

The Mandatory Requirements set forth in Section 6.4 above are the only RFP requirements that the State will consider to be non-waivable. The State may, in its sole discretion, (1) waive any other technical or immaterial nonconformities in an Offeror's proposal, (2) allow the Offeror to cure the nonconformity, or (3) consider the nonconformity in the scoring of the Offeror's proposal.

## 7. Specifications/Qualifications/Statement of Work

### 7.1. General Requirements

#### 7.1.1. Goal

This procurement seeks to acquire the necessary services, tools, techniques, and experience to validate that Solution procured under SBE-02 meets all requirements in SBE-02 and meets them in a manner that is of high-quality, functionally fully compliant, including non-functional requirements such as but not limited to; usability, supportability, maintainability, ADA and WCAG compliant, etc.

#### 7.1.2. Support to the State

Upon request from the State, the Selected Offeror shall support the State as it relates to scope of activities specified in this RFP, in its interactions, approvals, and data submittals to all federal and state oversight and sponsoring agencies, including but not limited to CMS, auditors, and others. Support includes preparation for and attendance at meetings, federal or state audits, and any other requirements or requests by such agencies. The Selected Offeror shall fully cooperate and collaborate with the State's vendor for the SBE-02 contract for State-Based Exchange Information Technology and Customer Assistance Center. That vendor is Vimo, Inc. doing business as (DBA) GetInsured (herein referred to as GI).

#### 7.1.3. Standards

The Selected Offeror must adhere to all applicable federal and state laws, regulations, rules, policies, and standards relating to the SBE as may be modified during the term of the contract, including state mandates and standards for required hardware, software, and development components. In addition, the Selected Offeror must have a working knowledge of all federal and state mandates, regulations, standards, and requirements that apply to this project, including operational compliance with any applicable legislation passed at the federal level throughout the term of the contract. The Selected Offeror must adhere to all federal and state mandates and standards. Internal Revenue Service ([IRS Pub 1075](#)) has many requirements for the receiving, storing, and accessing of Federal Tax Information (FTI) data, including background checks for personnel and audit requirements. While not anticipated, to the extent the Selected Offeror needs to access FTI as part of execution of the requirements of this RFP, they will be expected to meet the requirements of [IRS Pub 1075](#) and work cooperatively with the State on any impacts to State agencies or systems.

All IT, including electronic information, software, systems, and equipment developed or provided under this contract must comply with the applicable requirements of the Illinois Information Technology Accessibility Act (30 ILCS 587). Standards are published at <https://doit.illinois.gov/accessibility/iitaa>.

#### 7.1.4. Timeline

The Selected Offeror shall perform all of the requirements listed in Section 7.2 relating to the SBE achieving initial public go-live no later than September 2025 and the Section 7.2 requirements

relating to post-go-live releases shall continue until at least six months after initial go-live. The post-go-live release testing and Quality Assurance may be extended in accordance with Section 9.2.

## 7.2. Requirements

### 7.2.1. User Acceptance Testing

The Selected Offeror shall be responsible for all aspects of the preparations, performance of, follow-up, and reporting on User Acceptance for all aspects of the Solution provided by the Selected Offeror for SBE-02 (Herein referred to as GetInsured or “GI”). The Selected Offeror shall apply expert understanding of Marketplace and Medicaid Eligibility & Enrollment policy, processes, and data to develop UAT artifacts, and analyze testing results and defects that may result from system, data, or requirements gaps. These requirements entail, but are not limited to:

- 7.2.1.1. Work in collaboration with the State and GI for the creation and ongoing maintenance of the overall Solution’s Requirements Traceability Matrix (RTM). This includes using GI’s instance of the software development management tool “Jira” for all aspects of requirements traceability within the limits of the capabilities of the tool. The Selected Offeror shall participate in the entry and maintenance of all requirements from the SBE-02 contract, or quality assurance of any entries made by anyone other than the UAT/QA Selected Offeror. The Selected Offeror shall participate in the creation and maintenance of the RTM through all Software Development Life Cycles (SDLC).
- 7.2.1.2. Plan and execute UAT, which includes, but is not limited to:
  1. Provide a UAT plan that details the approach, responsibilities, timeline, task, resources, tools, reporting, and management of the UAT within the SDLC.
  2. Provide all resources necessary to carry out the UAT plan through UAT “sign-off” and for six months after the SBE is publicly launched to support stabilization efforts.
  3. Developing all UAT test scenarios and test cases, including test steps, expected outcomes, defining success and failure criteria, and requiring re-test criteria for each test case.
  4. Developing test data requirements and test data; collaborate with GI to load all necessary test data into the Solution (UAT environment), refreshing and updating it as necessary to support multiple UAT sessions.
  5. Executing all test scenarios and test cases, or select scenarios and test cases as directed by the State, capturing test results, analyzing test results and defects. Coordinate between HFS and other GCI partners and vendors where test execution, such as but not limited to testing of Account Transfers, is necessary to accomplish the test.

6. As directed by the State in order to perform regression testing, re-run previously successful scenarios and test cases.
7. Provide testing tools to support all aspects of UAT testing, such as, but not limited to, automated test script execution, data scrambling tools, test data management tools, test results evaluation and reporting tools, etc. Identify all testing failures as defects and document in GI's Jira system documenting in detail the failure, and data related to the failure. Once a defect is identified, track and report on defect status and ultimate resolution. Work with the State and GI on a frequent basis to characterize defects, prioritize defects for resolution, and jointly determine defect resolution dates and times necessary to keep UAT on schedule yet maintaining the UAT quality. Defect categorizations shall follow the definition as dictated in the State's contract with Vimo (dba GetInsured).
8. Perform UAT testing supporting the following testing occurrences:
  - a. UAT as part of the State's acceptance of the initial SBE systems that will go live in the fall of 2025 in advance of GCI's first Open Enrollment. These SBE systems may be rolled out in parts or at once and the Selected Offeror must be able to accommodate either approach.
  - b. UAT on any releases after the initial launch in fall 2025, which may include quarterly major releases annually and small patch and enhancement deployments as necessary as part of UAT, the Selected Offeror shall re-execute UAT scenarios to validate go-live & release integrity.
  - c. Provide 700 hours per year of state-defined UAT-related tasks, such as, but not limited to, testing services for small patch and enhancement deployments as defined in 8.b above.
9. Provide regular UAT and post-UAT progress reports, defect reports, and other reports as requested by GCI relating to UAT.

7.2.1.3. Plan and execute data migration testing prior to the Solution Go Live.

7.2.1.4. Perform Quality Assurance of all GI's UAT-related Deliverables and Milestones (For example, but not exclusively, GI's responsibility to provide Deliverables for UAT plans, UAT results, Data Migration Plan, etc.) throughout the SDLC leading up to and for six months after going publicly live.

### 7.3. Key Personnel

- 7.3.1. Key Personnel, at a minimum, shall be the Project Manager, UAT Lead, and other personnel that Selected Offeror presents to the State as qualified staff and/or considered critical to the success of the project.
- 7.3.2. The Selected Offeror shall assign to perform this contract those persons whose resumes are submitted in the Selected Offeror's response as Key Personnel.

- 7.3.3. The identified Key Personnel may be required to provide services on-site. Offerors shall propose the most effective arrangement of on- and off-site resources to deliver the services in the timeframe required.
- 7.3.4. The State may request additional Key Personnel or other resources to provide services on site. The Selected Offeror may designate all Key Personnel and other resources to provide on-site services.
- 7.3.5. Offshore resources are only permitted with documented approval of the State. The Selected Offeror shall ensure that it complies with all applicable laws, regulations, and guidelines regarding offshore participation, including but not limited to data privacy, data export, protection of PII, etc.
- 7.3.6. If any individual proposed as Key Personnel becomes unavailable throughout the solicitation and evaluation process, the Selected Offeror shall notify the State immediately in writing and propose a substitute individual and resume. The State retains the right to approve or reject any proposed substitution. All requests for substitutions/additions of Key Personnel must include a detailed explanation of the circumstances necessitating the proposed substitution or addition and a complete resume for the proposed substitute or addition, including skills, experience, education, training, and security level. As determined by the State, all proposed substitutes/additions must have qualifications that meet or exceed the qualifications of the person to be replaced.
- 7.3.7. The Selected Offeror shall agree that, in the event that a change in personnel, either Key or non-Key, is necessary during the duration of the contract, the Selected Offeror will provide prompt written notice to the State of the proposed change and adhere to all related SLAs. If the personnel change is a result of a non-emergency, the Selected Offeror shall provide the State an advance ten (10) business-day written notice. For personnel changes that result from an emergency, the Selected Offeror's Project Manager shall provide immediate written notice to the State. The State has the right to accept or reject all personnel. All Offeror personnel must comply with the requirements set forth in this RFP.
- 7.3.8. The State will evaluate any request(s) for substitutions/additions of Key Personnel, and the State will notify the Selected Offeror of approval or disapproval in writing. Disapproval of a proposed individual(s) shall not provide grounds for non-performance by the Selected Offeror, nor form the basis of any claim for monies, delivery schedule extension, or any other equitable adjustment.
- 7.3.9. If a potential Offeror proposes to use any teaming or subcontractor arrangements, then the Offeror must provide a description that includes company names, personnel, and the parts of performance to be provided. Because teaming and subcontractor arrangements are not the same, the Offeror shall identify clearly if it is proposing a teaming or subcontractor arrangement.

- 7.3.10. The State reserves the right to accept or reject any or all project personnel. All Offeror personnel must comply with the requirements set forth in this RFP and any additional subsequent requirements that the State deems necessary upon notice from the State. The State reserves the right to request reference information for any or all proposed positions.

#### 7.4. Subcontracting

- 7.4.1. A subcontractor is a person or entity that enters into a contractual agreement with a total value of \$100,000 or more with a person or entity who has a contract subject to the Illinois Procurement Code pursuant to which the person or entity provides some or all of the goods, services, real property, remuneration, or other monetary forms of consideration that are the subject of the primary State contract, including subleases from a lessee of a State contract. If the Offeror is to utilize subcontractors, the Offeror must identify subcontractors expected to receive \$100,000 or more annually under the contract and disclose the expected amount of money that each will receive in the Offeror/Vendor Disclosure Form.
- 7.4.2. The Selected Offeror shall notify the State of any additional or substitute subcontractors hired during the term of the contract. If required, Offeror shall provide the State with a copy of all such subcontracts within fifteen (15) days after execution of the contract or subcontract, whichever occurs later.
- 7.4.3. Any subcontracts into which the Selected Offeror enters prior to the award of the contract are done at the sole risk of the Selected Offeror and subcontractor(s).

#### 7.5. Where Services Are to be Performed

- 7.5.1. All billable services performed under the resulting contract by the Selected Offeror and its subcontractors shall be performed and stored in the continental United States. This section does not apply to the purchase of software licenses or other incidental supplies utilized under the resulting contract provided the Selected Offeror meets the above provisions above. This information and the economic impact on Illinois and its residents may be considered in the evaluation. If the Selected Offeror performs billable services purchased hereunder in another country in violation of this provision, such action shall be deemed by the State as a breach of contract by the Selected Offeror and the State may execute all contractual remedies.
- 7.5.2. Throughout the term of this contract, the Selected Offeror shall disclose the locations where the services required shall be performed and the known or anticipated value of the services to be performed at each location. If the Selected Offeror received additional consideration in the evaluation based on work being performed in the United States, it shall be a breach of contract if the Selected Offeror shifts any such work outside of the United States. While not required, the State would prefer services to be performed and located in the State of Illinois.

## 8. Deliverables

- 8.1. Overall Deliverables: The following Deliverables shall be provided by the Selected Offeror. These Deliverables shall be provided for each system release. For clarity, for the initial release, these are expected to be substantial Deliverables, whereas for later full releases, the Deliverables will likely be modifications of the initial release Deliverables, and for small releases (patches, small enhancements, etc.) these Deliverables will be appropriate to the level of change involved in the release:
- 8.1.1. UAT Plan: The UAT plan shall identify the approach, responsibilities, timeline, task, resources, tools, reporting, and management of UAT throughout the SDLC. The UAT Test Plan must propose detailed acceptance criteria for all aspects of testing conducted as part of the services provided by the Selected Offeror.
  - 8.1.2. Data Migration Test Plan: The Data Migration Test Plan shall identify the approach, responsibilities, timeline, task, resources, tools, reporting, and management of Data Migration testing.
  - 8.1.3. UAT Procedures: The UAT procedures shall identify, in detail, the processes for the creation of scenarios and test data, the testing approach and management, the staffing required, the tasks, and the detailed timeline for UAT.
  - 8.1.4. UAT Results: The Selected Offeror shall maintain a library of scenarios, test data, and testing results throughout the term of this contract. Such UAT results library shall contain all historical test information and all of the most current testing results in a form easily accessible and useable by GCI.
  - 8.1.5. Requirements Traceability: Using the GI-provided Jira environments, the Selected Offeror is to produce and maintain ongoing traceability reports throughout UAT and during any and all post-live release tests.
  - 8.1.6. Status and Progress Reports: The Selected Offeror shall provide to GCI weekly status and testing reports showing both the status of the Selected Offeror's tasks as outlined in this RFP and the status of testing activities throughout the term of this Contract.



## 9. Contractual Terms

### 9.1. Precedence of Terms

Should there be an agreement between the parties, such an agreement shall consist of all documents listed in Section 9 of this RFP. Except as otherwise expressly stated in the event of a conflict between or among the provisions contained in these documents, the following order of precedence shall control:

- 9.1.1. The Terms and Conditions contained in Section 9 of this RFP.
- 9.1.2. Request for Proposal.
- 9.1.3. Final Negotiated Scope Document
- 9.1.4. Offeror's Response to the RFP.
- 9.1.5. Other.

### 9.2. Term and Termination

- 9.2.1. Term of this Contract: This contract has an initial term of two (2) years. If a start date is not identified, the term shall commence upon the last dated signature of the parties.
- 9.2.2. In no event will the total term of this contract, including the initial term, any renewal terms, and any extensions, exceed nine (9) years.
  - 9.2.2.1. The Selected Offeror shall not commence billable work in furtherance of this contract prior to final execution of this contract except when permitted pursuant to 30 ILCS 500/20-80.

### 9.3. Renewal

- 9.3.1. Subject to the maximum total term identified above, the State has the option to renew for the following term(s): Seven (7) years in any one of the following manners:
  - 9.3.1.1. One renewal covering the entire renewal allowance;
  - 9.3.1.2. Individual one-year renewals; or
  - 9.3.1.3. Any combination of full or partial renewals up to any, including the entire renewal, allowance.
- 9.3.2. The pricing section of this RFP shows the pricing for the renewal term(s), or the formula for determining cost.
- 9.3.3. Any renewal of this contract is subject to the same terms and conditions as they apply to the initial term of the contract unless otherwise provided in the cost section of this RFP. The State may renew this contract for any or all of the option periods specified, exercise any of the renewal options early, and exercise more than one option at a time based on continuing needs and favorable market conditions when in the best interest of

the State. This contract may neither be renewed automatically nor renewed solely at the Selected Offeror's option.

#### 9.4. Termination for Cause

The State may terminate this contract, in whole or in part, immediately upon notice to the Selected Offeror if (1) the State determines that the actions or inactions of the Selected Offeror, its agents, employees, or subcontractors have caused, or reasonably could cause, jeopardy to health, safety, or property; or (2) the Selected Offeror has notified the State that it is unable or unwilling to perform this contract.

If the Selected Offeror fails to perform any material requirement of this contract to the State's satisfaction, violates a material provision of this contract, or the State determines that the Selected Offeror lacks the financial resources to perform the contract, then the State shall provide written notice to the Selected Offeror to cure the problem identified within the period specified in the State's written notice. If not cured by that date, the State may either:

- (1) Immediately terminate this contract without additional written notice; or,
- (2) Enforce the terms and conditions of this contract.

For termination due to any of the causes contained in this section of the RFP, the State retains its right to seek any available legal or equitable remedies and damages.

#### 9.5. Termination for Convenience

The State may, for its convenience and with thirty (30) days' prior written notice to the Selected Offeror, terminate this contract in whole or in part and without payment of any penalty or incurring any further obligation to the Selected Offeror.

- 9.5.1. Upon submission of invoices and proof of claims, the Selected Offeror shall be entitled to compensation for supplies and services provided in compliance with this contract up to and including the date of termination.

#### 9.6. Availability of Appropriation

This contract is contingent upon and subject to the availability of funds. The State, at its sole option, may terminate or suspend this contract in whole or in part without penalty or further payment being required if the (1) Illinois General Assembly or federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason (30 ILCS 500/20-60); (2) Governor decreases the State's funding by reserving some or all of the State's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly; or (3) State determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. The Selected Offeror will be notified in writing of the failure of appropriation or a reduction or decrease.

#### 9.7. Payment Terms and Conditions

- 9.7.1. Late Payment: Payments, including late payment charges, will be paid in accordance with the State Prompt Payment Act and rules when applicable. 30 ILCS 540; 74 ILL. ADM.

Code 900. This shall be the Selected Offeror's sole remedy for late payments by the State. Payment terms contained in the Selected Offeror's invoices shall have no force or effect.

9.7.2. Expenses: The State will not pay for supplies provided or services rendered, including related expenses, incurred prior to the execution of this contract by the parties even if the effective date of this contract is prior to execution.

9.7.3. Prevailing Wage: As a condition of receiving payment, the Selected Offeror must:

- 9.7.3.1. Be in compliance with this contract;
- 9.7.3.2. Pay its employees prevailing wages when required by law;
- 9.7.3.3. Pay its suppliers and subcontractors according to the terms of their respective contracts; and
- 9.7.3.4. Provide lien waivers to the State upon request.

Examples of prevailing wage categories include public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard services, and food services. The Illinois DOL revises the prevailing wages, available on the Illinois DOL's official website, which shall be deemed proper notification of any rate changes under this subsection. The Selected Offeror is responsible for contacting the Illinois DOL via phone at 217-782-6206 or the [Labor Website](#) to ensure an understanding of prevailing wage requirements.

## 9.8. Invoicing

By submitting an invoice, the Selected Offeror certifies that the supplies or services provided meet all requirements of this contract and the amount billed, as well as that expenses incurred are as allowed in this contract. Invoices for supplies purchased, services performed, and expenses incurred through June 30 of any year must be submitted to the State no later than July 31 of that year; otherwise, the Selected Offeror may be required to seek payment through the Illinois Court of Claims (30 ILCS 105/25). All invoices are subject to statutory offset. 30 ILCS 210.

- 9.8.1. The Selected Offeror shall not bill for any taxes unless accompanied by proof that the State is subject to the tax. If necessary, the Selected Offeror may request the applicable State's Illinois tax exemption number and federal tax exemption information.
- 9.8.2. The Selected Offeror shall invoice at the completion of this contract unless invoicing is tied in this contract to milestones, deliverables, or other invoicing requirements agreed to therein.

## 9.9. Invoicing Address

The Selected Offeror shall invoice at the completion of the contract unless invoicing is tied in the contract to milestones, deliverables, or other invoicing requirements agreed to in the contract.

**Send invoices to:**

Illinois Department of Insurance

Attn: Fiscal (SBE 02)  
320 West Washington Street  
Springfield, IL 62767

Email Address: [doi.vendorinvoices@illinois.gov](mailto:doi.vendorinvoices@illinois.gov)

#### 9.10. No Obligation

This RFP in no manner obligates the State to use any of the Selected Offeror's services unless and until a valid written contract is awarded and approved by all appropriate State authorities.

#### 9.11. Basis for Proposal

Only information supplied in writing by the Procurement Manager or contained in this RFP shall be used as the basis for the preparation of Offeror proposals.

#### 9.12. Change in Contractor Representatives

The State reserves the right to require a change in contractor representatives if the assigned representative(s) is (are) not, in the opinion of the State, adequately meeting the needs of the State.

#### 9.13. Federal Funding

This contract may be partially or completely funded with federal funds. If federal funds are expected to be used, then the percentage of the goods/services paid using federal funds and the total federal funds expected to be used will be provided to the Selected Offeror in the notice of intent to award.

#### 9.14. Assignment

This contract may not be assigned or transferred in whole or in part by the Selected Offeror without the prior written consent of the State.

#### 9.15. Subcontracting

For purposes of this section of the RFP, subcontractors are those specifically hired to perform all or part of the work covered by this contract. The Selected Offeror must receive prior written approval before use of any subcontractors in the performance of this contract. If required, the Selected Offeror shall provide a copy of any subcontracts within fifteen (15) days after execution of this contract. All subcontracts must include the same certifications that the Selected Offeror must make as a condition of this contract. The Selected Offeror shall include in each subcontract the subcontractor certifications as shown on the Standard Illinois Certification form available from the State. If the Selected Offeror adds or changes any subcontractors at any time during the term of the contract, then the Selected Offeror must promptly notify, by written amendment to the contract, the names, addresses, and expected amount of money that each new or replaced subcontractor will receive pursuant to the contract.

#### 9.16. Audit/Retention of Records

The Selected Offeror and its subcontractors shall maintain books and records relating to the performance of this contract and any subcontract necessary to support amounts charged to the State pursuant this contract or subcontract. The Selected Offeror shall maintain books and records,

including information stored in databases or other computer systems, for a period of three (3) years from the later of the date of final payment under this contract or completion of the contract, and by the subcontractor(s) for a period of three (3) years from the later of the date of final payment under the term or completion of the subcontract. If federal funds are used to pay contract costs, the Selected Offeror and its subcontractors must retain its respective records for five (5) years. Books and records required to be maintained under this section shall be available for review or audit by representatives of the State, Auditor General, Executive Inspector General, Chief Procurement Officer, State of Illinois internal auditors, or other governmental entities with monitoring authority upon reasonable notice and during normal business hours. The Selected Offeror and its subcontractors shall cooperate fully with any such audit and investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under this contract or any subcontract for which adequate books and records are not available to support the purported disbursement. The Selected Offeror or subcontractors shall not impose a charge for audit or examination of the Selected Offeror's or subcontractor's books and records (30 ILCS 500/20-65).

#### **9.17. Time is Of the Essence**

Time is of the essence with respect to Selected Offeror's performance of this contract. The Selected Offeror shall continue to perform its obligations while any dispute concerning this contract is being resolved unless otherwise directed by the State.

#### **9.18. No Waiver of Rights**

Except as specifically waived in writing, failure by a party to exercise or enforce a right does not waive that party's right to exercise or enforce that or other rights in the future.

#### **9.19. Force Majeure**

Failure by either party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence, including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring party may cancel this contract without penalty if performance does not resume within thirty (30) days after the declaration. Epidemic or pandemic is not considered a force majeure event and is subject to the obligations identified in the Selected Offeror's proposal.

#### **9.20. Confidential Information**

Each party to this contract, including its agents and subcontractors, may have or gain access to confidential data or information owned or maintained by the other party while carrying out its responsibilities under this contract. The Selected Offeror shall presume all information received from the State or to which it gains access pursuant to this contract is confidential. Selected Offeror information, unless clearly marked as confidential and exempt from disclosure under the Illinois FOIA, shall be considered public. No confidential data collected, maintained, or used during performance of this contract shall be disseminated except as authorized by law and with the written consent of the disclosing party, either during the period of this contract or thereafter. The receiving party must return all data collected, maintained, created, or used during the performance of this

contract in whatever form it is maintained promptly at the end of this contract or earlier at the request of the disclosing party, or notify the disclosing party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving party's possession prior to its acquisition from the disclosing party that were received in good faith from a third party not subject to any confidentiality obligation to the disclosing party; that now or later becomes publicly known through no breach of confidentiality obligation by the receiving party; or that is independently developed by the receiving party without the use or benefit of the disclosing party's confidential information.

### 9.21. Use and Ownership

All work performed, or supplies created by the Selected Offeror under this contract, whether written documents or data, goods, or deliverables of any kind, shall be deemed work-for-hire under copyright law and all intellectual property and other laws. The State of Illinois is granted sole and exclusive ownership to all such work unless otherwise agreed upon in writing. The Selected Offeror hereby assigns to the State all right, title, and interest in and to such work, including any related intellectual property rights, and waives all claims that the Selected Offeror may have to such work, including any so-called "moral rights" in connection with the work. The Selected Offeror acknowledges that the State may use the work product for any purpose. Confidential data or information contained in such work shall be subject to the confidentiality provisions of this contract.

### 9.22. Indemnification and Liability

The Selected Offeror shall indemnify and hold harmless the State of Illinois its agencies, officers, employees, agents, and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements, and judgments, including in-house and contracted attorneys' fees and expenses, arising out of any (1) breach or violation by the Selected Offeror of any of its certifications, representations, warranties, covenants, or agreements; (2) actual or alleged death or injury to any person, damage to any real or personal property, or any other damage or loss claimed to result in whole or in part from the Selected Offeror's negligent performance; (3) act, activity, or omission of the Selected Offeror or any of its employees, representatives, subcontractors, or agents; or (4) actual or alleged claim that the services or goods provided under this contract infringe, misappropriate, or otherwise violate any intellectual property (patent, copyright, trade secret, or trademark) rights of a third party. Neither party shall be liable for incidental, special, consequential, or punitive damages.

### 9.23. Insurance

The Selected Offeror shall, at all times during the term of this contract and any renewals or extensions, maintain and provide a Certificate of Insurance naming the State as an additional insured entity for all required bonds and insurance. Certificates may not be modified or canceled until the Selected Offeror has provided at least thirty (30) days' notice to the State. The Selected Offeror shall provide (1) General Commercial Liability insurance in the amount of the contract value in aggregate of individual occurrences, each of which may be the contract value or less (Combined Single Limit Bodily Injury and Property Damage), and the contract value for Annual Aggregate; (2) Auto Liability, including Hired Auto and Non-Owned Auto (Combined Single Limit Bodily Injury and

Property Damage), in the amount of the contract value per occurrence or less; and (2) Worker's Compensation insurance in the amount required by law. Insurance shall not limit the Selected Offeror's obligation to indemnify, defend, or settle any claims.

#### 9.24. Independent Contractor

The Selected Offeror shall act as an independent contractor and not an agent or employee of, or joint venturer with, the State. All payments by the State shall be made on that basis.

#### 9.25. Solicitation and Employment

The Selected Offeror shall not employ any person employed by the State during the term of this contract to perform any work under this contract. The Selected Offeror shall give notice immediately to the State if the Selected Offeror solicits or intends to solicit State employees to perform any work under this contract.

#### 9.26. Compliance with the Law

The Selected Offeror and its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, and orders, as well as federal circulars and all license and permit requirements in the performance of this contract. The Selected Offeror shall comply with applicable tax requirements and be current in payment of such taxes. The Selected Offeror shall obtain, at its own expense, all licenses and permissions necessary for the performance of this contract.

#### 9.27. Governing Law

This RFP and any agreement with the Selected Offeror which may result from this procurement shall be governed by the laws of the State of Illinois.

#### 9.28. Background Check

Whenever the State deems it reasonably necessary for federal compliance reasons, security reasons, and/or IRS Publication 1075 reasons based on access to FTI, the Selected Offeror, at its expense, shall provide criminal and driver history background checks of the Selected Offeror's and subcontractor's officers, employees, or agents. The Selected Offeror shall provide proof of successful background checks upon request. The Selected Offeror or subcontractor shall immediately reassign any individual who, in the opinion of the State, does not pass the background check.

#### 9.29. Applicable Law

- 9.29.1. Prevailing Law: This contract shall be construed in accordance with and is subject to the laws and rules of the State of Illinois.
- 9.29.2. Equal Opportunity: The Department of Human Rights Equal Opportunity requirements are incorporated by reference (44 ADM. Code 750).
- 9.29.3. Court of Claims, Arbitration, and Sovereign Immunity: The Selected Offeror must file any claim against the State arising out of this contract exclusively with the Illinois

Court of Claims (705 ILCS 505/1). The State shall not enter binding arbitration to resolve any dispute arising out of this contract. The State of Illinois does not waive sovereign immunity by entering into this contract.

- 9.29.4. Official Text: The official text of the statutes cited herein is incorporated by reference. An unofficial version can be viewed at [www.ilga.gov/legislation/ilcs/ilcs.asp](http://www.ilga.gov/legislation/ilcs/ilcs.asp).

### 9.30. Anti-Trust Agreement

If the Selected Offeror does not pursue any claim or cause of action it has arising under federal or state antitrust laws relating to the subject matter of this contract, then, upon request of the Illinois Attorney General, the Selected Offeror shall assign to the State all of the Selected Offeror's rights, title, and interest in and to the claim or cause of action.

### 9.31. Contractual Authority

The Agency that signs this contract on behalf of the State of Illinois shall be the only State entity responsible for performance and payment under this contract. When the authorized designee signs in addition to an Agency, he/she does so as an approving officer and shall have no liability to the Selected Offeror. When the authorized designee signs a master contract on behalf of State agencies, only the Agency that places an order or orders with the Selected Offeror shall have any liability to the Selected Offeror for that order or orders.

### 9.32. Expatriated Entities

Except in limited circumstances, no business or member of a unitary business group, as defined in the Illinois Income Tax Act, shall submit a bid for or enter a contract with a State agency if that business or any member of the unitary business group is an expatriated entity.

### 9.33. Notices

Notices and other communications provided for herein shall be given in writing via electronic mail whenever possible. If transmission via electronic mail is not possible, then notices and other communications shall be given in writing via registered or certified mail with return receipt requested, via receipted hand delivery, via courier (United Postal Service, Federal Express or other similar and reliable carriers), or via facsimile showing the date and time of successful receipt. Notices shall be sent to the individuals who signed this contract using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is received. By giving notice, either party may change its contact information.

### 9.34. Modifications and Survival

Amendments, modifications, and waivers must be in writing and signed by Authorized Representatives of the parties. Any provision of this contract officially declared void, unenforceable, or against public policy shall be ignored, and the remaining provisions shall be interpreted, to the extent possible, to give effect to the parties' intent. All provisions that, by their nature, would be expected to survive shall survive termination. In the event of a conflict between the State's and



Selected Offeror's terms, conditions, and attachments, the State's terms, conditions, and attachments shall prevail.

### 9.35. Performance Record/Suspension

Upon request of the State, the Selected Offeror shall meet to discuss performance or provide contract performance updates to help ensure proper performance of this contract. The State may consider the Selected Offeror's performance under this contract and compliance with law and rule to determine whether to continue this contract, suspend the Selected Offeror from doing future business with the State for a specified period, or consider the Selected Offeror to be responsible on specific future contract opportunities.

### 9.36. FOIA

This contract and all related public records maintained by, provided to, or required to be provided to the State are subject to the Illinois FOIA notwithstanding any provision to the contrary that may be found in this contract (5 ILCS 140).

### 9.37. Schedule of Work

Any work performed on State premises shall be performed during the hours designated by the State and in a manner that does not interfere with the State and its personnel.

### 9.38. Warranties for Supplies and Services

- 9.38.1. The Selected Offeror warrants that the supplies furnished under this contract will (1) conform to the standards, specifications, drawings, samples, or descriptions furnished by the State or Selected Offeror and agreed to by the State, including but not limited to all specifications attached as exhibits hereto; (2) be merchantable, of good quality and workmanship, and free from defects for a period of twelve (12) months or longer if so specified in writing, as well as fit and sufficient for the intended use; (3) comply with all federal and state laws, regulations, and ordinances pertaining to the manufacturing, packing, labeling, sale, and delivery of the supplies; (4) be of good title and free and clear of all liens and encumbrances and; (5) not infringe any patent, copyright, or other intellectual property rights of any third party. The Selected Offeror agrees to reimburse the State for any losses, costs, damages, or expenses, including, without limitation, reasonable attorneys' fees and expenses arising from failure of the supplies to meet such warranties.
- 9.38.2. The Selected Offeror shall ensure to transfer all manufacturers' warranties to the State and provide copies of such warranties to the State. These warranties shall be in addition to all other warranties (express, implied, or statutory) and shall survive the State's payment, acceptance, inspection, or failure to inspect the supplies.
- 9.38.3. The Selected Offeror warrants that all services will be performed to meet the requirements of this contract in an efficient and effective manner by trained and competent personnel. The Selected Offeror shall monitor the performance of individuals and immediately reassign any individual who does not perform in

accordance with this contract, is disruptive or not respectful of others in the workplace, or in any way violates the contract or State policies.

**9.39. Reporting, Status, and Monitoring Specifications**

The Selected Offeror shall immediately notify the State of any event that may have a material impact on the Selected Offeror's ability to perform this contract.

**9.40. Employment Tax Credit**

Selected Offerors who hire qualified veterans and certain ex-offenders may be eligible for tax credits (35 ILCS 5/216, 5/217). Please contact the Illinois DOR via phone at 217-524-4772 for information about tax credits.

## Appendix A: Required Documents

See the Offeror Response Template for RFP response required forms.

## Appendix B: Acronyms and Definitions

- **ACA: Patient Protection and Affordable Care Act**
- **ADA: Americans with Disabilities Act**
- **BAFO: Best and Final Offer**
- **BEP: Business Enterprise Program.** The Illinois Commission on Equity & Inclusion program to support business growth in Illinois.
- **CAC: Customer Assistance Center**
- **CHIP: Children's Health Insurance Program**
- **CMS: United States Department of Health and Human Services, Centers for Medicare & Medicaid Services**
- **Confidential:** Confidential financial information concerning the Offeror's organization and data that qualifies as a trade secret in accordance with [765 ILCS 1065/ Illinois Trade Secrets Act.](#)
- **Contract Year:** This specifies each twelve-month (12-month) period commencing at 12:00 AM Central Time on the effective date and each twelve-month anniversary thereafter during the term, including during any extensions of the term.
- **CRM: Customer Relations Management**
- **DHS: Illinois Department of Human Services**
- **DOI: Illinois Department of Insurance**
- **DoIT: Illinois Department of Innovation & Technology**
- **DOL: Illinois Department of Labor**
- **DOR: Illinois Department of Revenue**
- **FFE: Federally Facilitated Exchange**
- **FOIA: Freedom of Information Act**
- **FTI: Federal Tax Information**
- **Get Covered Illinois:** The customer-facing name for Illinois' SBE.
- **HFS: Illinois Department of Healthcare and Family Services**
- **HIPAA: Health Insurance Portability and Accountability Act of 1996**
- **IRS: Internal Revenue Service**
- **IT: Information Technology.** The hardware and software used to create, store, transmit, manipulate, and display information and data.

- **OE or OEP: Open Enrollment/Open Enrollment Period**
- **PHI: Protected Health Information**
- **PII: Personally Identifiable Information**
- **QHP: Qualified Health Plan**
- **QLE: Qualifying Life Event**
- **RFP: Request for Proposals**
- **SaaS: Software as a Service**
- **SADP: Standalone Dental Plan**
- **SBE: State-Based Exchange**
- **SBE-FP: State-Based Exchange using the Federal Platform**
- **Selected Offeror:** In addition to the procurement related definition of Selected Offeror, when used in the context of a requirement “the Selected Offeror” implies both “the Solution” and any related human or other manual efforts performed by the Selected Offeror and any of its subcontractors. See definition of “Solution” below.
- **SEP: Special Enrollment Period**
- **SERFF: System for Electronic Rates & Forms Filing**
- **SLA: Service-Level Agreement**
- **Solution:** The entire technology suite that supports all aspects of this RFP, including but not limited to the SBE, CAC, and Mailroom software and related hardware, networking, and any other technology. The Solution implies all functions and functionality that are accomplished through technology (and not human or manual efforts). For clarity, when a requirement states “the Selected Offeror” it implies both “the Solution” and any related human or other manual efforts performed by the Selected Offeror and any of its subcontractors.
- **SOW: Scope of Work**
- **TIN: Taxpayer Identification Number**
- **UAT: User Acceptance Testing**
- **Vimo (GetInsured):** Name of company selected to implement and support the SBE technology, operations, and Customer Assistance Center.
- **WCAG: Web Content Accessibility Guidelines**

## Appendix C: State of Illinois Cloud Security Requirements

The Selected Offeror shall only use State or user data, or State-related or user-related data for the purposes stated in this request for proposals (RFP). The Selected Offeror shall not use State or user data, or State-related or user-related data, for any other purpose, including but not limited to data mining or bids on other government contracts. The Selected Offeror and/or its agents shall not resell nor otherwise redistribute information gained from its access to the State or users.

The Selected Offeror shall not engage in nor permit its agents to push hardware, software, or marketing not explicitly authorized by the State.

The Selected Offeror shall have a documented security incident policy and procedure, and must provide a copy with its proposal.

The Selected Offeror acknowledges and warrants that the service model that it offers is compliant with the National Institute of Standards and Technology (NIST).

The Selected Offeror shall restrict the location of information systems that receive, process, store, or transmit State of Illinois Personally Identifiable Information (PII), as the term is defined in the NIST Publication 800-122 (<http://csrc.nist.gov/publications/nistpubs/800-122/sp800-122.pdf>), to areas within the United States.

The Selected Offeror certifies that it has undertaken an independent third-party audit Statement on Standards for Attestation Engagements (SSAE-16) certifications and must provide the State with Service Organization Control (SOC) 1 Type 2, SOC 2 Type 2, or equivalent certifications and other related documents, at initial implementation and on an annual basis going forward.

The Selected Offeror must maintain a robust and reliable data backup system. The Selected Offeror must perform a daily backup of the data and systems. The Selected Offeror must maintain a minimum sixty (60) days of data backups. The Selected Offeror shall archive and securely transport at least two (2) weekly copies of the data and systems backups to a secure external site. The Selected Offeror must provide daily backup reports of all successful/failed systems backups/archives to the State. The Selected Offeror must accomplish data recovery with a minimum slowdown of system functions. The Selected Offeror must provide a copy of all data to the State without delay upon request by the State.

The Selected Offeror must provide information on how the application will be recovered in the event of a disaster. This information should include Recovery Time Objectives and Recovery Point Objectives, and whether or not the Selected Offeror utilizes an alternate location for recovery purposes. If the Selected Offeror uses an alternate location, the Selected Offeror must provide the distance of the alternate location from the original location. The Selected Offeror must provide an annual certification that it has successfully tested disaster recovery systems and processes during that year.

The Selected Offeror must perform penetration testing at regular intervals according to Cloud Security Alliance (CSA) and Open Web Application Security Project (OWASP) recommendations.

The Selected Offeror must allow the State of Illinois Technical Safeguards Unit the ability to perform vulnerability scans at initial implementation and when there are major modifications to the application as defined in the Vulnerability Scanning Agreement.

The State may, at its own expense and with reasonable notice to the Selected Offeror, conduct a security assessment of the Selected Offeror's Solution, which may include the following;

- Prior to initial "official" production rollout of the application:
  - Whitelisted scanning and manual testing of the application only, with application credentials equal to the least privileged role within the application.
  - Manual verification of scan results with the same credentials.
  - Manual testing of the application for vulnerabilities.
  - The State will not conduct any denial-of-service (DOS) attacks.
  - The State will not scan or test any infrastructure devices (e.g., servers, switches, routers, Internet Protocol (IP) addresses).
- On a quarterly basis for the for the first year after initial production deployment:
  - Whitelisted scanning and manual testing of the application only, with application credentials equal to the least privileged role within the application.
  - Manual verification of scan results with the same credentials.
  - Manual testing of the application for vulnerabilities.
  - The State will not conduct any DOS attacks.
  - The State will not scan or test any infrastructure devices (e.g., servers, switches, routers, IP addresses).
- Prior to any enhancements or upgrades being deployed to production after the initial "official" production rollout of the application:
  - Whitelisted scanning and manual testing of the application only, with application credentials equal to the least privileged role within the application.
  - Manual verification of scan results with the same credentials.
  - Manual testing of the application for vulnerabilities.
  - The State will not conduct any DOS attacks
  - The State will not scan or test any infrastructure devices (e.g., servers, switches, routers, IP addresses).
- Monthly vulnerability scan: No whitelisting, non-credentialed scan (same day every month).
  - The Offeror is required to notify the hosting provider that the State will be scanning but does not need any whitelisting.

The Selected Offeror must remediate high and medium vulnerabilities within the application detected during the security assessments that are determined by the State to pose an unacceptable risk. The State will conduct rescans to verify remediation prior to deployment to the production at its own expense.

**Data Destruction:** After transfer of data back to the State and/or migration of data to a new or replacement system and following verification of the data, the Selected Offeror must purge any of the State's data that reside on its computer hardware or software. The Selected Offeror must perform this purge in a manner no less restrictive than set forth in the requirements for "Purge" contained in NIST Special Publication 800-88, Appendix A: Minimum Sanitization Recommendation for Media Containing Data. The State reserves the right to verify that data have been properly transferred prior to erasure and ensure that the data have been removed per this agreement. The Selected Offeror must certify in writing the method used, including the date and time of data destruction.

The Selected Offeror must develop a System Security Plan (SSP) using the guidance from the NIST Risk Management Framework (RMF) (NIST SP 800-18) to establish an information security program in accordance with the Federal Information Security Management Act and demonstrate compliance. The Selected Offeror will provide a security architecture diagram of the Selected Offeror's hosting environment as applicable to the protection of the State's data and application.

**Security Control Assessment:** The Selected Offeror must perform an internal security control assessment. Guidance to conducting and documenting a Security Control Assessment can be obtained from NIST SP 800-53A Guide for Assessing Security Controls in Federal Information Systems. The Selected Offeror will document the results of this assessment in a Security Assessment Report (SAR) to be approved by the State.

**Security Risk Assessment:** Once the Selected Offeror receives the approved SAR, the Selected Offeror must then develop a Security Risk Assessment based on the applicable security controls. Guidance to conducting and documenting the Security Risk Assessment can be obtained in NIST SP 800-30.

**Plan of Action and Milestones (POA&M):** After the State reviews and approves the Security Risk Assessment, the Selected Offeror shall develop a POA&M. The POA&M should be a living document that is based on the findings and recommendations of the security assessment report. The POA&M should describe the deficiencies in the security controls, address the residual risk, and detail plans for remediation. The Selected Offeror will provide the State with monthly updates regarding progress toward remediation of identified deficiencies in security controls.

**Life Cycle Management:** The Selected Offeror or its Business Associate shall perform security system reviews and reauthorization of the system at the direction of the State. The Selected Offeror or its Business Associate shall be responsible for meeting the following requirements:

- Performing continuous monitoring of the security system. The Selected Offeror's continuous monitoring must include periodically selecting a subset of the baseline controls for assessment. Based on assessment of these controls, the Selected Offeror must identify and implement subsequent remediation actions. The ongoing remediation process should include updating key documents, such as the SSP and POA&M.
- Prior to any system or environmental modifications, the Selected Offeror must perform a security impact analysis. The Selected Offeror must include this as a part of any change management or configuration management process. If the results of the modification indicate changes to security posture of the system, the Selected Offeror should initiate corrective actions

and revise and update appropriate documents. The updating of the documentation and continuous monitoring should provide near real-time risk management.

The Selected Offeror must produce a monthly Security Status Report for the State. The Status Report should provide essential information regarding the security posture of the system and the effectiveness of the controls deployed. The Selected Offeror should detail ongoing monitoring activities and ongoing remediation efforts to address known vulnerabilities.

The Selected Offeror shall ensure encryption of State of Illinois PII, as the term is defined in the NIST Publication 800-122 (<http://csrc.nist.gov/publications/nistpubs/800-122/sp800-122.pdf>). Encryption must be in compliance with encryption-related security controls as defined in the Internal Revenue Service (IRS) Publication 1075 (<https://www.irs.gov/uac/Encryption-Requirements-of-IRS-Publication-1075>). The Selected Offeror shall ensure to encrypt any Social Security Numbers utilized in the Solution during all phases of data use, including data in motion and in use. The Offeror shall ensure encryption of data at rest as soon as practical, and in no event beginning later than June 30, 2017.

The Selected Offeror will notify the State within twenty-four (24) hours of any identified information breach or other security incident which impacts the State's data or application.

If not specifically addressed in other Information Technology Requirements, the Selected Offeror must adhere to State of Illinois and Centers for Medicare & Medicaid Services technology and security Policies, Procedures, and Standards. When those Policies, Procedures and Standards do not address security and technology issues that arise, the Selected Offeror must adhere to IRS Publication 1075 as the standard.

The Selected Offeror shall house all data pertinent to this contract within the United States.

The Selected Offeror shall ensure that production data are not used outside of the production environment.

The Selected Offeror shall, upon request, provide proof of security awareness training for all of its employees and subcontractors.

The Selected Offeror will provide proof of a satisfactory completion of a fingerprint-based background check as defined in the Department of Justice, Federal Bureau of Investigation Criminal Justice Information Services Security Policy, IRS Publication 1075, and background check done by the Illinois State Police for all employees and subcontractors.



## Appendix D: Intentionally Blank

## Appendix E: Information Technology Policies

**Exhibit E1** below provides a list of the policies contained in **Attachment B**.

### **Exhibit E1. Information Technology Policies for Outsourced/Selected Offeror-Hosted Solutions**

| <b>Policy</b>  | <b>PDF Page in Attachment B</b> |
|--|---------------------------------|
| Acceptable Use Policy  | P. 1                            |
| Access Control Policy  | P. 12                           |
| Audit and Accountability Policy                                    | P. 18                           |
| Awareness and Training Policy                                      | P. 21                           |
| Configuration Management Policy                                    | P. 23                           |
| Contingency Planning Policy  | P. 26                           |
| Criminal Justice Information Services Security Supplemental Policy | P. 29                           |
| Federal Tax Information Supplemental Policy                        | P. 30                           |
| Identification and Authentication Policy                           | P. 31                           |
| Information Security Incident Management Policy                    | P. 34                           |
| Media Protection Policy  | P. 39                           |
| Overarching Enterprise Information Security Policy                 | P. 41                           |
| Payment Card Industry Data Security Policy                         | P. 58                           |
| Personnel Security (Enterprise Information Security Policy)        | P. 60                           |
| Protected Health Information Supplemental Policy                   | P. 64                           |
| Physical and Environmental Protection Policy                       | P. 65                           |
| Privacy: Accountability, Audit, and Risk Management                | P. 69                           |
| Privacy: Data Minimization and Retention Privacy Policy            | P. 72                           |
| Privacy: Data Quality and Integrity Privacy Policy                 | P. 74                           |
| Privacy: Security Policy   | P. 76                           |
| Privacy: Transparency Authority and Purpose Privacy Policy         | P. 78                           |
| Privacy: Use Limitation Privacy Policy                             | P. 81                           |
| Program Management Policy  | P. 83                           |
| Risk Assessment Policy   | P. 87                           |
| Security Assessment and Authorization Policy                       | P. 89                           |
| Security Planning Policy   | P. 92                           |
| System and Communication Protection Policy                         | P. 95                           |
| System and Information Integrity Policy                            | P. 99                           |
| System and Services Acquisition Policy                             | P. 102                          |
| System Maintenance Policy  | P. 106                          |