

**STATE OF CONNECTICUT**

**Request for Proposal  
Employee and Retiree Prescription Drug Benefits**

January 11, 2013

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## Request for Proposal

### Section I

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#### **I. Introduction**

The Office of State Comptroller, State of Connecticut (the “State”), acting through the Health Care Cost Containment Committee (“HCCCC”), has authorized Milliman, Inc. to solicit proposals to replace its current self-insured prescription drug benefits plans for active employees, retirees that are not Medicare-eligible, and retirees that are Medicare-eligible, along with their dependents. Due to collective bargaining contracts, the State must duplicate current plan designs and funding arrangements. The State not only provides benefits to State employees, but through Connecticut General Statutes §5-259 and its subsections also covers employees in the probate court system, General Assembly members, former legislators, and State Marshals, to name a few of the additionally defined groups.

The State also offers pharmacy benefit management services through its current prescription benefits manager (“PBM”) to local municipalities under the CT Prescription Partnership program. At this time the City and Board of Education of Hartford and the State of Connecticut’s Teachers Retirement System are part of this current financial arrangement.

In addition, the State has created the “CT Partnership Plan”, which allows municipalities to purchase the State employee Point Of Service (POS) plan (described below) under the administration of United Healthcare, for its employees and, if desired, its non-Medicare retirees. The State establishes a fully insured equivalent rate for each municipality based on the group’s census and historical experience. Rates for participating municipalities are guaranteed not to change by more than three points from the State employee rate change each year. Municipalities that participate in the CT Partnership Plan are covered under the State’s current PBM contract. As such, this Request for Proposal (RFP) also applies to municipalities that participate or may participate in the CT Partnership Plan.

The current PBM contract expires on June 30, 2013. The objective of the RFP is to retain the current benefit designs while obtaining the most favorable financial terms possible.

The State’s health benefits plans are defined through a current collective bargaining agreement that remains in effect through June 2021. Therefore, it is imperative that entities responding to this RFP provide a proposal that duplicates the current benefit structure without any modifications. As illustrated throughout this RFP, the State provides its employees access to a number of health benefits options which are offered through two medical insurers, and one PBM. Although there are multiple providers that offer the benefits, the structure of the benefits and plan designs are the same. The only substantive differences between the benefit options are the breadth of the networks and the pricing offered by each carrier.

The State is negotiating with vendors to provide data aggregation services and management of the State’s Health Enhancement Plan (HEP). State employees, certain retirees, and their dependents who opt to enroll in the HEP program are required to seek age appropriate preventive services. Enrollees who are identified with one of five medical conditions (diabetes types I and II, asthma and COPD, coronary artery disease, hypertension, and hyperlipidemia) must also adhere to certain condition care requirements. The benefit design waives certain copays for office visit and providers lower copays for maintenance prescription drugs to remove barriers to care for these conditions. The details of these pharmacy copay waivers are described more fully below.

This RFP requests proposals for PBM services only. We have provided details of the medical plans and the current medical administrators to provide context for the benefits and make you aware of the administrators with whom you will be required to share data.

The State requests that you provide your proposals for the pharmacy coverage associated with each of the medical benefit options on a self-supporting basis. Currently, the State offers all plan designs through each of two carriers, Anthem and United Healthcare.

The State requests that you provide pricing assuming sole provider offerings for pharmacy benefits.

Entities responding to this RFP should also take note that the State is requiring certain rate limitations and access to information. These will be considered minimum requirements for all successful bidders. Submission of your proposal will acknowledge acceptance of these requirements. The financial requirements include both initial and renewal pricing and projection controls.

## **II. Background**

The State Comptroller is empowered by Connecticut General Statutes § 5-259 to arrange and procure a "group hospitalization and medical and surgical insurance plan" for employees and retirees. Public Act 10-174 affords the State the ability to offer the financial arrangement and services of the PBM to local municipalities.

The HCCCC was established through collective bargaining in 1985 and is composed of six labor representatives, six management representatives, and one neutral chairperson. It is responsible for implementing cost control measures, monitoring and improving plan quality, and implementing health promotion and wellness activities for state employees, retirees, and their eligible dependents.

On October 1, 1993, as an outcome of collective bargaining, elements to manage care were introduced into the state medical plan with the goal of restraining health care costs while maintaining access and quality of care.

The State implemented new wellness plan initiatives in 2011 as a result of successful negotiations between management and the State employee unions. The resulting Health Enhancement Program (HEP) affects active employees, certain retirees, and their dependents. Each year, employees decide if they will participate in HEP. Participation requires that employees receive all age and gender appropriate wellness services during the year (e.g. physical exam, cholesterol screening, well-woman exam, and two dental cleanings) and diagnosis screenings (e.g. colorectal cancer screening, Pap smears, mammograms, vision exams). In addition, persons with any of five specified chronic conditions, namely Diabetes Type I & II, Heart Failure/Heart Disease (Coronary Artery Disease), Asthma and COPD (Chronic Obstructive Pulmonary Disease), Hyperlipidemia (High Cholesterol), Hypertension (High Blood Pressure), must comply with required physician visits, prescription drug regimens, and other requirements appropriate to the proper care of the condition. The wellness visits are provided without charge to the employee, and those persons with one of the specified conditions receive their prescription drugs at reduced copays as well as no copay for office visits related to those conditions. Employees who do not comply with HEP or who choose not to participate in HEP face an additional \$350 annual deductible for in-network care and their payroll deductions for medical and pharmacy benefits are increased by \$100 per month. Presently, well over 99% of all employees participate in HEP.

**Please be mindful that this RFP covers PBM services only. The reference to medical plans and medical plan administrators will provide insight to the medical benefit plans that will work in tandem with the proposed PBM services.**

## A. Current Medical Plans

***Point of Service ("POS")*** – Currently the State offers four POS plans. Two of the POS plans have provider options with national networks; United Healthcare/Oxford and Anthem offer a national network POS. These two national networks are the United Healthcare/Oxford plan and the Anthem State POS plan.

Within the POS option, each time medical services are required, employees elect whether to access a network provider (and receive higher levels of plan benefits), or access a non-network provider (and receive lower levels of plan benefits). Note that the POS plans provide open access to employees and, do NOT require a referral to access network specialists.

***Point of Enrollment ("POE ")*** – This option operates as a typical "lock-in" Health Maintenance Organization ("HMO"). That is, benefits are only available if care is rendered by a network provider or authorized by the Health Plan. Note that the POE plans do NOT require a referral to access network specialists. The POE plan offerings are provided through Anthem (using the same network that supports the State Blue Care POS plan) and United Healthcare/Oxford.

***Point of Enrollment Gated ("POE-G")*** – This option operates as a typical "lock-in" Health Maintenance Organization ("HMO") with a gatekeeper. That is, benefits are only available if care is rendered by a network provider or authorized by the Health Plan. Note that the POE-G plans DO require a referral to access network specialists. The POE-G plan offerings are provided through Anthem (using the same network that supports the State Blue Care POS plan) and United Healthcare/Oxford.

***Out-of-Area ("OOA")*** – This option currently consists of a preferred provider organizations ("PPO") available to employees and retirees who reside outside of the carrier's regional coverage area. This plan is provided through Anthem and United. Anthem provides national access for this plan by utilizing the Blue Cross/Blue Shield network. United offers national network access through their established Choice Plus national network.

The plans are available to active and retired employees. Benefits for Medicare eligible retirees consist of a Medicare Carve-out approach (Note some of the post-65 retirees are not eligible for Medicare). The plan's normal benefits are first determined, from which Medicare benefits are subtracted. The balance, if any, represents the plan's liability.

All medical plans are currently self-insured and the State does not purchase any stop loss coverage.

The State's recent active employees and retirees' open enrollment planners provide benefit summaries, an illustration of employee contributions and an illustration of differences in the breadth of the current networks. You may find the planners and additional benefits information on the State's web site at: <http://www.osc.state.ct.us/empret/>

## B. Prescription Drug Plan

Effective July 1, 2003, prescription drug coverage was carved out of the medical plans. For the 2003-2005 plan years, Anthem was selected as the sole pharmacy benefit manager (PBM) on a fully insured and non-dividend eligible (i.e., non-participating) basis. PharmaCare became the PBM in 2005. As a result of the last RFP process, the State chose CVS Caremark, as the PBM, effective July 1, 2008. CVS Caremark provides the prescription drug benefits on a self-insured basis.

## 1. PRESCRIPTION DRUG CO-PAYS ARE AS FOLLOWS FOR ACTIVE EMPLOYEES:

For...	Maintenance Drugs 90-Day Supply	Non-Maintenance Drugs 30-Day Supply
<b>Tier 1:</b> Generic drug	\$5	\$5
<b>Tier 2:</b> Preferred brand-name drug	\$10	\$20
<b>Tier 3:</b> Non-preferred brand-name drug	\$25 (\$10 if your physician certifies the non-preferred brand-name drug is medically necessary)	\$35 (\$20 if your physician certifies the non-preferred brand-name drug is medically necessary)

For those enrolled in the Health Enhancement Program, medications used to treat chronic conditions covered by HEP's disease education and counseling programs cost even less:

- \$0 co-pay for Tier 1 (generic)
- \$5 co-pay for Tier 2 (preferred)
- \$12.50 co-pay for Tier 3 (non-preferred)

There is currently \$0 co-pay for medications and supplies used to treat diabetes (Type 1 and Type 2). Diabetic supplies should not be included in pharmacy benefits for Medicare eligible (they are covered by Medicare Part B).

The State has implemented a mandatory 90 day supply for maintenance drugs. When a covered person begins to take a maintenance medication, the first fill can be for 30 days and can be obtained at any participating pharmacy. After that, the member has two choices; they are:

- Receive the medication through the Caremark mail-order pharmacy, or
- Fill the medication at a pharmacy that participates in the state's Maintenance Drug Network

A list of the pharmacies that currently participate in the Maintenance Drug Network can be found on the Comptroller's website at [www.osc.ct.gov](http://www.osc.ct.gov). The same site contains a list of maintenance medications subject to the mandatory 90 day supply requirements.

## 2. PRESCRIPTION DRUG CO-PAYS ARE AS FOLLOWS FOR THE RETIREE PLANS:

### Retirement Date before 7/1/2009

Retirement dates Prior to 7/1/2009	2 Tier Plan	2 Tier Plan	Mandatory Maintenance Drug Program <b>Non-Medicare Retirees</b>	Medicare Retirees
Medication Type	Acute Medications- Participating Retail Pharmacy	Acute Medications Non- Participating Pharmacy	Maintenance Medications must use Maintenance Drug Network	Maintenance Drug Optional Maintenance Drug Network
Generic	\$3.00	20%	\$0.00	\$0.00
Preferred	\$6.00	20%	\$0.00	\$0.00
Non Preferred	\$6.00	20%	\$0.00	\$0.00
Day Supply Limit Non-Medicare	30	30	90	90

### Retirement Dates between 7/1/2009 and 10/1/2011

Retirement dates 7/1/2009 to 10/1/2011	3 Tier Plan	3 Tier Plan	Non-Medicare Retirees	Medicare Retirees
Medication Type	Acute Medications- Participating Retail Pharmacy	Acute Medications Non- Participating Pharmacy	Maintenance Medications must use Maintenance Drug Network	Maintenance Drugs Maintenance Drug Network Optional
Generic	\$5.00	20%	\$0.00	\$0.00
Preferred	\$10.00	20%	\$0.00	\$0.00
Non Preferred	\$25.00	20%	\$0.00	\$0.00
Day Supply Limit	30	30	90	90

### Retirement Dates after 10/2/2011

Retirement dates After 10/2/2011	3 Tier Plan	3 Tier Plan	Non-Medicare Retirees	<b>Health Enhancement Program only</b>
Medication Type	Acute Medications- Participating Retail Pharmacy	Acute Medications Non- Participating Pharmacy	Maintenance Drugs Must use Maintenance Drug Network	Chronic Condition-Related Maintenance Drugs Must use Maintenance Drug Network
Generic	\$5.00	20%	\$5.00	\$0.00
Preferred	\$20.00	20%	\$10.00	\$5.00
Non Preferred	\$35.00	20%	\$25.00	\$12.50
Day Supply Limit	30	30	90	90

The current pharmacy benefits plan is offered through one PBM. The State is requesting that you provide a self-insured proposal for prescription drug benefits. You should also note that the State intends to continue to offer the prescription drug benefits through one carved-out PBM. Therefore, your proposal should offer the prescription drug benefits on a stand-alone basis. Claims experience will be provided to PBMs who respond to this RFP with an intent to bid and who sign a non-disclosure agreement.

Effective January 1, 2012, the State implemented an Employer Group Waiver Plan (EGWP) for Medicare eligible retirees. The EGWP plan replicates the benefit plan design described in the tables above. The Health Enhancement Program (HEP) provisions do not apply to persons who retired before October 3, 2011, however. Your proposal must duplicate this EGWP program. The effective date of the change to a new PBM vendor for the EGWP arrangement will likely be January 1, 2014 so that the State will be able to reap the benefit of the federal reinsurance subsidy paid on claims that exceed the catastrophic threshold under Medicare Part D.

The EGWP plan uses an EGWP + Wrap structure in order to maximize payment from the coverage gap discount program. This structure is required to be used by all PBMs that submit a proposal. The net benefit does not have a deductible and has member copays/cost sharing as outlined in the table shown above for retirement dates after 10/2/2011. There are approximately 42,200 Medicare eligible retirees who receive their benefits through the EGWP + Wrap benefit program.

You must provide a cost proposal for the entire group of benefits including the State of Connecticut employees and retirees, and the plan designs for the Teachers Retirement System, the active employees and retirees of the City of Hartford, along with non-state entities that participate in the CT Partnership Plan. The State of Connecticut has implemented the EGWP plan offering, but the City of Hartford has not chosen to offer this plan design. Your proposal will assume that other local municipalities may join these programs at the same financial offering. We also request that you contemplate and provide more cost effective pricing if the covered membership were to grow. For example; please illustrate how the proposed financial arrangement will improve with each additional 10,000 members covered under this offering.

The financial section of your proposal should also provide pricing associated with an Employer Group Waiver Plan (EGWP). The EGWP proposal should take into account that benefits must remain the same for the retirees and that benefit must be seamless to retirees. If there are any differences or changes to the formulary because of the EGWP offering, you must identify the differences, or it will be assumed that you proposal duplicates the current plan design and availability of drugs.

### **III. Proposal Objective**

The objective of this RFP is to duplicate the current pharmacy plans of benefits in the most cost-effective manner. The State of Connecticut is seeking the most cost-effective solution that will match current benefit designs and provide high quality service to its covered employees, retirees, and their dependents through a broad national network of pharmacies.

### **IV. Planned Schedule of RFP Activities**

It is the State's intention to comply with the following schedule:

<b>Date</b>	<b>Activity</b>
January 11, 2013	Release RFP
January 16, 2013	Deadline for Intent to Bid
January 18, 2013	Vendor Question Deadline via email
January 23 , 2013	Vendor Questions Answered
February 4, 2013	Proposals Due by 2:30 PM EST
February 19, 2013	Finalist Interviews (If Necessary)
March 1, 2013	Final Decision
March 1 – June 30, 2013	Begin Implementation
July 1, 2013	Effective Date for all benefits except EGWP
January 1, 2014	Effective Date for EGWP

- A. These dates represent a tentative schedule of events. The State reserves the right to modify these dates at any time, with appropriate notice to prospective bidders.
- B. This RFP does not commit the State to award a contract. The State reserves the right to reject all proposals, and at its discretion, may withdraw or amend this RFP at any time.
- C. The State may revise and amend the RFP prior to the due date for the proposal. If, in the opinion of the State, revisions or amendments will require substantive changes in proposals, the due date may be extended.



D. The State reserves the right to reject any and all proposals received, for specific reasons, which include, but are not limited to, non-compliance with RFP requirements.

E. Responses to this RFP will be the primary source of information used in the evaluation process. Each bidder is requested and advised to be as complete as possible in its response. The State reserves the right to contact any bidder to clarify any response or make a presentation.

## **V. Intent to Bid**

By January 16, 2013, please email the attached Intent to Bid form to [osc.rfp@po.state.ct.us](mailto:osc.rfp@po.state.ct.us) and state whether or not you intend to bid. The Intent to Bid form is included at the back of this RFP.

## **VI. Non-Disclosure Agreement**

Those firms submitting a Notice of Intent to Bid will be expected to sign a Non-Disclosure Agreement (see Section V) as a condition of receiving detailed claims information.

## **VII. Vendor Questions**

The State intends to answer questions from any Vendor that is considering a response to this RFP. Questions received by the deadline of **3:00 P.M. (ET) on January 18, 2013**, will be answered. Questions must be in writing and submitted by email to [osc.rfp@po.state.ct.us](mailto:osc.rfp@po.state.ct.us). Questions will not be accepted over the telephone. The State reserves the right to provide a combined answer to similar questions. Any and all questions and answers to this RFP will be posted by **January 23, 2013** on the OSC website at <http://www.osc.ct.gov/vendor/index.html>.

## **VIII. Proposal Submission**

**All proposals must be received by 3:00 P.M. (ET), February 4, 2013 in order to be considered.** Proposals received later than the time and date specified will not be considered. If you choose not to offer a proposal, please confirm this in writing with the specific reasons for your declination.

**One (1) original and ten (10) copies and Two (2) CD-ROM-based electronic copies of the entire proposal shall be placed in a sealed envelope, bearing the name and address of the Respondent and clearly marked with the words, State Prescription Benefit Manager and Pharmacy Benefits RFP and submitted to:**

**Office of the State Comptroller  
Business Services Office  
State of Connecticut  
55 Elm Street, Room 301  
Hartford, CT 06106  
ATTN: RFP – PBM**

## **IX. Contract Period**

The State of Connecticut is seeking a contract-effective date commencing July 1, 2013 for all services except EGWP. To obtain the benefits of the federal catastrophic reinsurance program available under Medicare Part D, the EGWP contract will take effect on January 1, 2014. Proposals should include discount, dispensing fee, rebate and fee terms that are guaranteed for a period no less than three-years beginning July 1, 2013 through

June 30, 2016, from January 1, 2014 through December 31, 2016 for EGWP. There will also be the potential for two one-year extensions. Your proposal should provide pricing guarantees for three-years, with the potential for two one-year extensions. The template that should be used for your financial terms is included in this RFP in Section III.

#### **X. Restriction on Contact with State Personnel**

Except as called for in this RFP, from the date of release of this RFP until the right to negotiate a contract is awarded as a result of this RFP, any communication with personnel employed by the Comptroller's Office, members of the Health Care Cost Containment Committee, and RFP committee members about the RFP until the successor bidders are selected are prohibited. All communications must be directed to the dedicated e-mail address: [osc.rfp@po.state.ct.us](mailto:osc.rfp@po.state.ct.us).

#### **XI. Conflict of Interest**

The bidder shall certify in writing that no relationship exists between the bidder and the State of Connecticut that interferes with fair competition or is a conflict of interest, and no relationship exists between the bidder and another person or organization that constitutes a conflict of interest with respect to any State contract. Any successful bidder must execute a contract and grant disclosure and certification form.

The bidder shall provide assurances that it presently has no interest and shall not acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder. The bidder shall also provide assurances that no person having any such known interests shall be employed during the performance of this contract.

#### **XII. Proposal Preparation Costs**

The State shall not incur any liability for any costs incurred by bidders in replying to this RFP. The State of Connecticut is fully exempt from the payment of excise and sales taxes imposed by the Federal Government and/or the State. Vendors remain liable, however, for any other applicable taxes.

#### **XIII. Governing Law**

The contract shall be governed in all respects by the laws of the State of Connecticut.

#### **XIV. Freedom of Information**

Due regard will be given for the protection of proprietary information contained in all proposals received; however, vendors should be aware that all materials associated with the procurement are subject to the terms of the Freedom of Information Act (FOIA) and all rules, regulations and interpretations resulting there from. **It will not be sufficient for vendors to merely state in general terms that the proposal is proprietary in nature and therefore, not subject to release to third parties. Any proposal that makes such a general or overarching claim may be subject to disqualification. Those particular sentences, paragraphs, pages or sections which a vendor believes to be exempt from disclosure under the Act must be specifically identified as such.** Convincing explanation and rationale sufficient to justify each exemption consistent with the §1-210 of the Connecticut General Statutes, must accompany the proposal. The rationale and explanation must be stated in terms of the prospective harm to the competitive position of the vendor that would result if the identified material were to be released and the reasons why the materials are legally exempt from release pursuant to the above-cited statute. Between the vendor and the OSC, the final administrative authority to release or exempt any or all material so identified rests with the OSC. **ALL SUCH MATERIAL MUST BE**

**SUBMITTED IN A SEPARATE SEALED ENVELOPE AND MARKED "CONFIDENTIAL". THIS INCLUDES ANY INFORMATION REQUESTED IN AN ELECTRONIC FORMAT.**

**XV. Commissions**

You must certify in your response that no provision for commissions has been included in your fees. The State **WILL NOT** accept proposals with provisions for commission arrangements, nor will the State pay commissions to any brokers.

## **PBM Proposal Requirements and Questionnaire**

### **Section II**

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#### **I. Information Provided**

You may obtain further benefit information at the following web address: <http://www.osc.state.ct.us/empret/>

Your proposal must list and identify any benefit differentials in comparison to the provided benefit summaries and current formulary. Any benefit differences that are not highlighted will not be accepted upon completion of the contract. Due to the State's current collective bargaining agreement with its employees, any benefit differentials may be grounds for disqualification.

To assist you with the preparation of your proposal, we have provided the following information:

- ◆ Section IV – Current plan census data
- ◆ Section V – Prescription drug paid claim experience, Non-Disclosure Agreement (required to obtain prescription drug paid claim experience)
- ◆ Section VI – State of Connecticut Contract
- ◆ Section VII – State Certifications/Affidavits and Intent to Bid Form

You should consider all information received in conjunction with this request for proposal to be confidential. Any breach of confidentiality may result in disqualification from the selection process.

#### **II. Selection and Evaluation Criteria**

The State considers the following criteria to be the most critical, although not listed in order of importance, in selecting a PBM to provide and administer the pharmacy benefits and other requested services for the State and its members:

1. Ability to achieve cost savings for the State through competitive financial arrangements and/or administrative fees.
2. Aggressive multi-year pricing and performance guarantees.
3. Strength and breadth of regional and national pharmacy access for plans offered to State employees and retirees, including establishment of maintenance drug network.
4. Ability to duplicate the State's pharmacy plan designs.
5. Ability to abide by the State's requirements outlined in the collective bargaining agreements.
6. Demonstrated long-term commitment to providing and ensuring high quality health care.
7. Ability to provide the State of Connecticut participants with efficient benefit administration and utilization review services.
8. An effective and efficient means of providing customer service support and program information to participants.
9. Capability to handle the retiree population including split family enrollments in the Medicare and non-Medicare programs.
10. Integrated on-line systems to facilitate timely eligibility reporting and claim payments.

11. Recognized commitment and dedication to affirmative action.
12. Integrated medical management strategies.
13. Ability and willingness to meet State's data requirements.
14. Adherence to State contract requirements.

A scoring outline will be developed using the scoring criteria from this page.

### **III. Proposal Content Requirements**

#### **A. Transmittal Letter**

A transmittal letter must accompany all proposals. A corporate officer or person who is authorized to represent the company must sign this letter. A letter of transmittal must meet the following requirements:

1. Identify the submitting organization and the name, title, address, telephone number, and email address of the contact-person(s) responsible for clarifying proposal content and for approving any agreement with the State.
2. Explicitly indicate unequivocal acceptance of all the requirements of this RFP and must reflect written compliance to all its requirements.
3. Bear the signature of the person authorized to obligate the organization contractually.
4. Acknowledge receipt of any and all amendments to this RFP.

#### **B. Table of Contents**

The Table of Contents should reference all materials required by this RFP and any additional information or material the Vendor wishes to supply.

#### **C. Executive Summary**

Proposers must provide an Executive Summary. This is to permit a vendor to briefly summarize the most salient aspects of each section of the proposal in terms of satisfying the requirements presented in this RFP. The Executive Summary must provide a high-level overview of the proposer's proposed solution. The vendor must summarize its understanding of the objectives of the State in issuing this RFP, the intended results of the Project, the scope of work and any issues which need to be addressed in this Project.

#### **D. Qualifications**

Please thoroughly describe, in the form of a narrative, your experience in the following areas:

1. Experience in the development and implementation of network development, claims payments, and customer service including any experience with state government agencies.
2. Experience in developing and implementing benefits administration system, HIPAA 834 transmission of eligibility and 837 transmissions of claims on a regional, statewide and national basis.
3. Demonstrable experience in using innovative ideas to provide support to health plans and their members.

4. Experience coordinating the development, implementation and management of a public benefit plan.
5. Demonstrate that system is capable of managing benefit and all accumulators for two (2) separate benefit years by providing case scenarios and documented results.

E. Questionnaire

Please thoroughly answer, in the form of a narrative, the following questions:

A. ***General***

1. Have there been any governmental investigations of your organization due to Medicare fraud? If so, please describe.
2. Do you anticipate any changes in your organization's basic ownership structure or any other significant changes in your organization within the next 12 months? If so, please describe.
3. If your organization proposes to subcontract with a mail service provider, please indicate on what basis that provider is selected and describe the nature of your firm's relationship with the subcontracted provider.
4. Discuss pharmaceutical management programs both included in core coverage and on an optional basis (and associated fee).
5. Describe how your system will fully support all applicable state and federal policies with regard to verification of client eligibility and editing for pharmacy claims.
6. Describe how you will support the handling of Federal and Supplemental rebates and your proposal for transitioning the rebate function from our current Contractor.
7. Explain how your proposed system will cross-check previous prescription history from the previous Connecticut PBM, CVS Caremark, to generate prospective drug utilization review alerts to dispensing pharmacists.
8. The connectivity between the Contractor and pharmacy providers will be in accordance with current, national, uniform standards (NCPDP format) for batch claims processing and prospective drug utilization review (Pro-DUR) and will be HIPAA and HITECH compliant. Describe your process for insuring these standards continue to be met.
9. Describe your standards to address system vulnerability to theft and mischief, and efforts at tampering.
10. Identify your drug reference database (First Data Bank, MediSpan, etc.) vendor and ability to contract with other drug data vendors in order to provide drug information that is currently not supplied by your current data vendor to meet Connecticut's needs. Address any licensing requirements or costs that we may incur to receive claims information with your vendor's drug reference information.
11. Describe your current MAC programs. Additionally, describe how you regularly monitor MAC to ensure adequate pricing and describe how MAC dispute process determines if a pharmacy is being paid unfairly or instead due to inadequate pharmacy purchasing.
12. For Compounded Drugs, describe how the system will capture, edit, and adjudicate pharmacy claims. Explain how your system will perform this process and how the system will support

multiple-ingredient processing per the specifications of the most current National Council for Prescription Drug Programs (NCPDP) version being utilized.

13. Is your retail pharmacy network contracted at the new AWP (those available post-September 26, 2009)?
14. What is your definition of Specialty/Biotech drugs?
15. Do you have a dedicated P&T (Pharmacy and Therapeutics) committee for your specialty drug program?
16. If you have a dedicated specialty P&T Committee for specialty, what is the composition of your specialty P&T Committee, and their credentials?
17. List the Specialty drugs to which your organization does not have access (i.e., limited distribution products).
18. How does your organization obtain access to limited distribution products if you are not a “preferred vendor” for your clients?
19. Describe your customer service operations as well as your call center hours and locations, average wait time, and issue resolution statistics.
20. Describe in detail the educational outreach programs you would provide to customers including but not limited to social media, direct mail, and pharmacy-based communications.
21. Describe what services customers may utilize through your company’s website, e-apps, or other technology.
22. Describe any physician outreach programs your company provides including but not limited to outreach associated with gaps in care, generic alerts and education.
23. Describe your formulary review process, including the frequency with which drugs are tiered, the process of review and data sources that inform the review process.

**B. EGWP**

24. Please provide a copy of your Medicare Part D formulary. Provide side by side formulary comparison to the State’s current formulary.
25. Describe the transition supply process you will utilize for members who are currently using non-formulary prescription drugs, drugs requiring prior authorization, step therapy, and quantity level limits.
26. Describe the enrollment/disenrollment process and include detail regarding the timing of when enrollment/disenrollment changes go into effect.
27. Confirm that Bidder will mirror the active plan clinical rules as closely as possible consistent with CMS regulation.
28. Describe the member termination process under the EGWP, including the timing of termination after termination date is received from Connecticut.
29. Are you able to provide electronic feeds of participation data to an outside data aggregator or vendor partners? If there is an additional cost, please indicate the cost on the rate sheet.

30. Are you willing to provide monthly interface with the data integration vendor or other vendors for claims and utilization data? If there is an additional cost, please indicate the cost on the rate sheet.
31. Please describe how you will coordinate with other Contractors, if any, to manage functions such as data sharing, eligibility, coordination of benefits and payment of medical, pharmacy and healthcare claims.
32. Do you agree to coordinate clinical management with the medical administrator, wellness and disease management vendor, and any other vendor or administrator the State contracts with to provide services for its member's health administration and management services.
33. Considering that member and dependent enrollments will be split between Medicare and Non-Medicare and that some members and dependents will age into to EGWP between July 1, 2013 and January 1, 2014, please describe your proposed integration strategy with the incumbent carrier.
34. Please explain the mechanics of the EGWP 2014 enrollment.

***C. Utilization Review***

35. Describe your current step therapy program, including your clinical review process utilized in developing your step therapy protocols, and provide a list of affected drugs. Additionally, what provision do you have to allow a member to obtain a prescription for drugs on the step therapy list if the physician is unavailable? Will you be willing to work with the State to customize the step therapy program?

***D. Mail Order and Maintenance Drug Network (See the descriptions above for information about the State's mandatory 90 day maintenance drug requirement)***

36. Name the primary pharmacy (and location) that would provide mail order prescription medication to participants. What is the dispensing capacity of this pharmacy and what capacity is currently utilized? How would you handle the additional utilization by State members?
37. Confirm that you offer, or can offer by July 1, 2013, a retail network that provides better prices for dispensing 90-day supplies (i.e., Retail-90 Network)?
38. Please outline your transition plan to transfer plan members from the existing mail order pharmacy provider to your mail order pharmacy offering with minimal disruption. Please do the same for the maintenance drug network.
39. If your company offers mail order or deeply discounted pricing at select retail-90 pharmacies, please provide information about these networks/select pharmacies.
40. Identify any pharmacies that are in the current Maintenance Drug Network that will not be in your network. Also, identify any pharmacies that are not in the current Maintenance Drug Network that will be in our maintenance drug network and provide a list of pharmacies in your network not in the state's existing network.

***E. Financial***

41. How will The State of Connecticut be reimbursed for rebates? The State of Connecticut would prefer to receive a guaranteed rebate for each script dispensed. If you are proposing a non guaranteed rebate structure, please describe how the state would benefit from this structure.
42. The Bidder must specify both brand and generic costing methodology and dispensing fees. The Bidder must describe all of the following:



- a. Indicate how often the Bidder's MAC list is updated and the criteria for adding and deleting products from this list.
  - b. Confirm that the Bidder's MAC list applies to both retail and mail order.
  - c. Attach a copy of Bidder's most recent MAC price list.
  - d. Indicate how generics without a MAC price are priced.
  - e. Describe the source, reference price and frequency of updates for the Bidder's single source brand name medications.
  - f. Describe the source, reference price and frequency of updates for the Bidder's single source generic medications and the generics subject to MAC pricing.
  - g. Claims must adjudicate at the lowest of discounted cost plus dispensing fee, Usual and Customary (U&C) cost, or member copay. Providers must submit the U&C with each claim. How does the Bidder's organization assure that this protocol is followed?
43. Identify specific performance guarantees and associated financial incentives. The State welcomes your suggestions about areas in which you will guarantee performance along with financial incentives and/or penalties. Possible areas include: customer service call resolution, network size, mail order pharmacy performance (e.g. fill accuracy, delivery turnaround time, capacity), utilization management program performance, etc.

***F. Retail and Maintenance Drug Networks***

- 44. How large is your nationwide network of member pharmacies?
- 45. How many State of Connecticut network pharmacies will be included in the network intended to service The State of Connecticut employees?
- 46. How do you administer your specialty drug network?
- 47. Please note we have attached a complete list of all pharmacies utilized by State of Connecticut members. Please identify those pharmacies not in your networks.
- 48. Which of the following price sources does your company use to determine the gross cost of medications which are dispensed at the specialty pharmacy?
  - ◆ MediSpan,
  - ◆ Micromedex,
  - ◆ Thomson HealthCare's Red Book,
  - ◆ Other:

**G. Vendor Certifications and Affidavits**

Please include completed copies of the following Vendor Certifications and Affidavits, copies of which are provided in Section VII of this RFP:

- ☐ Commission on Human Rights and Opportunities Notification to Bidders
- ☐ OPM Nondiscrimination Certification
- ☐ Gift and Campaign Contribution Certification
- ☐ Consulting Agreement Affidavit
- ☐ Summary of State Ethics Laws

## H. Contract Exceptions

Please indicate if you have any exceptions to the draft contract provided in Section VI.

## I. Requirements

The following are base requirements that need to be satisfied in order for your organization to be considered as a proposer. Please complete the table below and indicate “YES” or “NO” to your organizations ability to comply:

REQUIREMENTS	YES	NO
(1) Vendor will provide all labor, equipment, facilities, supplies, and other services to include services as needed/specified.		
(2) Prescription drug re-pricing reports will be submitted in your pricing proposal section with clear statements of assumptions and any guarantees of transparency.		
(3) Bidders will provide a list of preferred and non-preferred drugs as compared to the recent State employees’ utilization.		
(4) Administration of benefit plans for active and retired State employees and dependents and affiliated groups participating in the program described in Section I: <ul style="list-style-type: none"><li>a. Vendor must agree to administration of the plan as mutually agreed to by the vendor and the State, with final determination to be made by the State. All operational aspects of the plan must be clearly described and the State must reserve the right to review and audit the operations of the plan.</li><li>b. Develop and maintain an employee benefit plan providing benefits as specified by the State. The benefit plans to be offered are described on the State’s website at <a href="http://www.osc.state.ct.us/empret/">http://www.osc.state.ct.us/empret/</a>.</li><li>c. Vendor must allow the State to test website structure, pages, and review and approve content for usability as determined by the State; usability concerns must be resolved within two (2) business days.</li><li>d. Vendor must agree that all data, records, files and other information relating to the plan belong to the State and are subject to release to the State if the contract is terminated.</li><li>e. Vendor must provide a copy of their emergency operations/disaster recovery/business continuity/pandemic flu plan as part of their response to this RFP.</li><li>f. Vendor must provide detailed information on insurance, bonding, and guarantees offered in the event of issues caused by loss of operations due to an emergency or disaster.</li><li>g. Vendor must provide subrogation services.</li></ul>		

REQUIREMENTS	YES	NO
<ul style="list-style-type: none"> <li>h. Vendor must disclose offshore relationships, if any.</li> <li>i. Vendor must receive prior approval for all communications to members. This includes all written website, electronic communication including media advertising. During open enrollment periods, all general media advertising in the State of Connecticut media markets must also be approved by the State. Failure to comply will result in a penalty payment of 0.50% of total expenses, no less than \$30,000 and no greater than \$100,000.</li> </ul>		
<p>(5) Eligibility</p> <ul style="list-style-type: none"> <li>a. Vendor must agree to accept and provide electronic data feeds in the appropriate HIPAA or State defined format on a schedule determined by the State. Currently for active employees, enrollment data is sent via the HIPAA 834 format. All carriers will receive the identical format and data structure as defined by the State.</li> <li>b. Vendor must agree to share data with health benefits administrators and the State's new data manager and wellness plan coordinator.</li> <li>c. Vendor must agree to accept the eligibility structure as defined by the State.</li> <li>d. Enrollment data that does not pass carrier system edits must either be corrected or bypassed by the carrier. The remaining data must be posted without delay. Issues related to errant data must be addressed with the employing agency's benefit staff or the Healthcare Policy and Benefit Services Division as appropriate.</li> <li>e. Vendor must agree to the State-defined Eligibility Periods; award of this contract means that any eligible employee and their dependents will be eligible for coverage.</li> <li>f. Open enrollment shall be the period announced by the State to allow eligible subscribers to join the plan, change coverage, or add eligible dependents. The open enrollment periods are generally from May 1<sup>st</sup> to June 1<sup>st</sup> each year for active employees and retirees.</li> <li>g. HIPAA Events: members may add, drop or make changes as appropriate if an allowable qualifying event occurs.</li> <li>h. The vendor must agree to process active and retiree enrollment additions, changes and deletions correctly within seven (7) days of the creation date of the file or information provided by the State. The State will provide a weekly file to report any changes within their enrollment data (to be known as the Change File). This file will include additions, terminations, coverage class changes, changes in dependent enrollment, etc.</li> </ul>		

REQUIREMENTS	YES	NO
<p>Towards the end of each month, the State will provide a monthly file to report a snapshot of all current live enrollment data (to be known as the Full File). The Full File is typically not loaded and used for comparative purposes only. After receipt of the monthly Full File, the vendor must reconcile all active employee enrollment data and report any discrepancies, in a format defined by the State, by the 15<sup>th</sup> of the next month to the appropriate State department; aggregate information must be sent to the Healthcare Policy and Benefit Services Division. The State will review the discrepancies and provide feedback appropriate to the condition being reported and make any necessary corrections to State enrollment information.</p> <p>i. Following receipt of the retiree Full File, the vendor must reconcile data and report any discrepancies, in a format defined by the State, by the 15<sup>th</sup> of the next month to the Healthcare Policy and Benefit Services Division. The Healthcare Policy and Benefit Services Division will review the discrepancies and provide feedback appropriate to the condition being reported and make any necessary corrections to State enrollment information.</p> <p>j. Group Numbers – Department ID, as defined by the State, will substitute for any arbitrary vendor group number that might otherwise be assigned to a State agency or location. More specifically, enrollment and remittance information from the State will include the Department ID as the sole identifier of an employee’s location. The vendor may translate the data to accommodate their own systems, however; all communications to and from the State, whether electronic or otherwise, will refer to the Department ID.</p> <p>k. The vendor will capture and report the State provided Employee ID (EMPLID) in data stores and data transfers with the state and other state vendors. The member’s EMPLID must also be connected to all associated dependents.</p> <p>l. Retiree 834 eligibility file and EGWP enrollment file process</p> <p>The retiree 834 files contain the all retiree enrollment data. There are three enrollment types reported in the 834 file:</p> <ol style="list-style-type: none"> <li>1. Early – the individual and their entire family (if applicable) are not eligible for Medicare.</li> <li>2. Medicare – the individual and their entire family (if applicable) are eligible for Medicare.</li> <li>3. Splits (plus 1 or family coverage only) – at least one of the enrolled individuals is eligible for Medicare and at least one enrolled individual is ineligible for Medicare.</li> </ol>		

REQUIREMENTS	YES	NO
<p>In the State's enrollment record, the retiree is enrolled in one plan and applicable family members are enrolled as dependents of that plan. In the enrollment record for the retiree, they and any dependents eligible for Medicare are identified by a code in the 834 file.</p> <p>The following is an example of an Early contract detail record in the 834 Full File:</p> <pre> INS*Y*18*030*XN*A*E**RT~ REF*0F*000123456~ REF*1L*OSC15000~ REF*23*X~ NM1*IL*1*DOE*JOHN**MR**34*123456789~ N3*15 NOWHERE ST~ N4*HARTFORD*CT*06106~ DMG*D8*19490101*M~ HD*030**PDG*ORX2U2*E1D~ DTP*348*D8*20110601~ INS*N*01*030*XN*A*E~ REF*0F*000123456~ REF*1L*OSC15000~ REF*23*X~ NM1*IL*1*DOE*JANE****34*987654321~ DMG*D8*19530101*F~ HD*030**PDG*ORX2U2~ DTP*348*D8*20110601~ </pre> <p>In this example, both the retiree and her spouse are ineligible for Medicare. They both must be enrolled in the Early retiree prescription plan.</p> <p>The following is an example of a Medicare contract detail record in the 834 Full File:</p> <pre> INS*Y*18*030*XN*A*C**RT~ REF*0F*000123456~ REF*1L*OSC15000~ REF*23*X~ NM1*IL*1*DOE*JANE****34*123456789~ N3*15 NOWHERE ST~ N4*HARTFORD*CT*06106~ DMG*D8*19240101*F~ HD*030**PDG*ORX2O1*E1D~ DTP*348*D8*20100501~ INS*N*01*030*XN*A*C~ REF*0F*000123456~ REF*1L*OSC15000~ REF*23*X~ </pre>		

REQUIREMENTS	YES	NO
<p>NM1*IL*1*DOE*JOHN****34*987654321~  DMG*D8*19190101*M~  HD*030**PDG*ORX2O1~  DTP*348*D8*20100501~</p> <p>In this example, both the retiree and her spouse are eligible for Medicare. Both of their records must be matched to the EGWP enrollment record. If they are both properly enrolled in EGWP, they must not be enrolled in the Early retiree prescription plan. If the retiree and/or the dependent are not properly enrolled in EGWP, the individual (or perhaps both) with the incorrect enrollment in EGWP must be enrolled in the Early retiree prescription plan and reported to the Healthcare Policy &amp; Benefits Services Division's Retirement Health Insurance Unit to determine the problem with the EGWP enrollment. Once the error is corrected, a manual termination of Early retiree coverage is required.</p> <p>The following is an example of a split contract detail record in the 834 Full File:</p> <p>INS*Y*18*030*XN*A*C**RT~  REF*0F*000123456~  REF*1L*OSC15000~  REF*23*X~  NM1*IL*1*DOE*JOHN****34*123456789~  N3*15 NOWHERE ST~  N4*HARTFORD*CT*06106~  DMG*D8*19340101*M~  HD*030**PDG*ORX111*E1D~  DTP*348*D8*20100501~  INS*N*01*030*XN*A*E~  REF*0F*000123456~  REF*1L*OSC15000~  REF*23*X~  NM1*IL*1*DOE*JANE****34*987654321~  DMG*D8*19510101*F~  HD*030**PDG*ORX111~  DTP*348*D8*20100501~</p> <p>The retiree in this case is eligible for Medicare and his spouse is not. In this case, the dependent must be enrolled in the Early retiree prescription plan. The retiree's record must be matched to the EGWP enrollment record. If the retiree is properly enrolled in EGWP, the retiree must not be enrolled in the Early retiree prescription plan. If the retiree is not properly enrolled in EGWP, he must be enrolled in the Early retiree prescription plan and reported to the Healthcare Policy &amp; Benefits Services Division's Retirement Health Insurance Unit to determine the problem with the EGWP enrollment. Once the error is</p>		

REQUIREMENTS	YES	NO
<p>corrected, a manual termination of Early retiree coverage is required.</p> <p>During the first six months of the contract, the vendor must commit to working closely with the EGWP vendor to verify and match enrollment in conjunction with the above. The purpose of this is to ensure that there are no gaps in coverage base on an administrative problem.</p> <p>The State also produces a separate EGWP enrollment flat file which provides enrollment detail for each individual as required by our current vendor along with information required by CMS. The current format of this file is proprietary to our current vendor.</p> <p>m. The vendor will provide the State with online access to their enrollment information in real time.</p>		
<p>(6) File Exchange Protocol</p> <p>There are currently two methods for exchanging files with the State's Core-CT system:</p> <ol style="list-style-type: none"> <li>1. The carrier logs into the secure Core-CT Production Supplier Portal via https to download files. The URL is <a href="https://corect.ct.gov:10400/psp/PSPRD/signon.html">https://corect.ct.gov:10400/psp/PSPRD/signon.html</a>;</li> <li>or,</li> <li>2. The carrier logs into the secure Core-CT Axway Server. The URL is <a href="https://sfile.ct.gov/">https://sfile.ct.gov/</a> For those using an automated system Axway has a client available at <a href="http://www.axway.com/products-solutions/mft/gateways/securetransport">http://www.axway.com/products-solutions/mft/gateways/securetransport</a></li> </ol> <p><u>Testing Requirements</u></p> <p>At least one test cycle must be completed successfully prior to going live employing one of the previously mentioned file transports.</p> <p>The Core-CT Supplier Portal uses a non-standard port (10400 for Production, 15000 for Test) and that may require action by the carrier's Tech Support area to accomplish this. Vendors must report in their response to this RFP whether they were able to successfully reach the portal sign on page at: <a href="https://corect.ct.gov:10400/psp/PSPRD/signon.html">https://corect.ct.gov:10400/psp/PSPRD/signon.html</a> or have obtained Axway client software and successfully connected to: <a href="https://sfile.ct.gov/">https://sfile.ct.gov/</a></p> <p>Additional information for all parties that exchange data with State's Core-CT system is available at: <a href="http://www.core-ct.state.ct.us/hrint/">http://www.core-ct.state.ct.us/hrint/</a></p>		

<p>(7) Network Development, Rental and Management</p> <ul style="list-style-type: none"> <li>a. Vendor must maintain and manage an existing pharmacy network that will be provided for the use in managing this plan.</li> <li>b. Vendor must assist with developing a proprietary network, if the State so chooses. The State currently maintains a network of retail pharmacies where a member may fill a 90 script at deeply discounted pricing. The successful vendor's network should be very similar to or more robust than the current network.</li> <li>c. Vendor will be responsible for maintaining all provider contracts, terms and conditions, within its claims payment system.</li> <li>d. Vendor will handle all provider quality issues.</li> </ul>		
<p>(8) Administrative or Executive Support</p> <ul style="list-style-type: none"> <li>a. Vendor must verify and commit that during the length of the contract, it shall not undertake a major conversion for, or related to, the system used to deliver services to the plan without specific written notice to the State. This does not apply to any program fixes, modifications and enhancements.</li> <li>b. Vendor must notify the State prior to any changes in vendor's representatives.</li> <li>c. Vendor must agree to change the assigned vendor's representatives at the State's request.</li> </ul>		
<p>(9) Vendor must comply with HIPAA, PPACA and other federal and/or state mandates to include privacy, security and electronic data transfer requirements</p>		
<p>(10) Vendor must comply with performance standards as identified in this RFP (examples provided in Performance Standards are provided for illustrative purposes only and may be expanded at the State's option.)</p>		
<p>(11) Audits</p> <ul style="list-style-type: none"> <li>a. Vendor must agree to audits conducted by the State or their chosen auditor and/or legislative audit.</li> <li>b. Vendor must agree to annually provide a SAS 70 Report if the State determines there is a need (allowable time will be given to provide this information, if the vendor doesn't currently have a completed SAS 70) and any other applicable audits and certifications.</li> <li>c. Vendor must agree to make available all provider records to the State or their representatives (e.g. State Auditors, the State's actuary, etc).</li> <li>d. Vendor will guarantee to the State or its appointees the right to reasonable inspection of facilities, equipment, and system</li> </ul>		



support operations to ensure the continued ability of the vendor to support the plan; failure to comply with a reasonable request to inspect will result in a penalty; failure to respond to a finding from an inspection within 30 calendar days will result in a penalty.		
<p>(12) Data Requirement</p> <ul style="list-style-type: none"> <li>a. Vendor must agree to provide claims data in the format outlined by the State on a schedule determined by the State.</li> <li>b. Vendors must agree to provide requested claims, enrollment, and premium data to the State's consultant and data manager for inclusion in the State's claims database.</li> <li>c. Prescription Drug vendors must agree to supply monthly NCPDP2 Payment data to the State.</li> </ul>		
<p>(13) Reporting Requirements</p> <ul style="list-style-type: none"> <li>a. Vendor must provide some form of on-line ad hoc reporting capability with full description of the tools available.</li> <li>b. Vendor must provide reporting based on the divisions defined by the State.</li> <li>c. Vendor will provide a detailed description of their capability to track and report on telephone services to include categories being monitored; at a minimum, the vendor must provide a monthly report of types of calls, number of calls resolved during the month, phone abandonment rate, and average response times.</li> <li>d. Vendor must negotiate with the State to develop mutually agreeable reporting formats and deadlines; the State reserves the right to establish formats and deadlines, if negotiations fail.</li> <li>e. Vendor must provide basic provider background information, cost data, and quality data on a scheduled basis as determined by the State.</li> </ul>		
<p>(14) Accounting/Actuary Requirements</p> <ul style="list-style-type: none"> <li>a. Vendor must provide a year-end report at the appropriate plan-year end.</li> <li>b. Vendor will respond to all requests for additional information within a 24-hour period.</li> <li>c. Vendor will provide a copy of the data dictionary for all fields that are operational in any system proposed. This data dictionary must include the length of the field and a specific description of the data stored in each field.</li> </ul>		

<p>(15) Privacy &amp; Security</p> <ul style="list-style-type: none"> <li>a. Vendor must describe any breaches, complaints or grievances with regards to protected health information (e.g., security or privacy) for their complete book of business; list the event and resolution in detail.</li> <li>b. Vendor must disclose any event where their employees have willfully committed acts that compromise member information, regardless of whether it is PHI or not.</li> <li>c. Vendor must describe their HIPAA policies, procedures and training related to quality and provider data.</li> </ul>		
<p>(16) The State expects you will provide aggressive performance guarantees. Your proposal will include identification of your specific performance guarantees and financial incentives.</p>		

# Financial Proposals

## Section III

Complete the tables below, providing your guaranteed discounts, fees, etc. for each year of the three-year contract period. Include commentary about guarantees you will offer during each of up to two one-year contract extensions.

Explain the basis off of which the discount is measured (i.e., what AWP reference is being used).

<b>Retail 30 day</b>	<b>Active &amp; Early Retiree Population</b>			<b>Medicare Eligible Population (EGWP + wrap)</b>		
	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Generic Discount						
Generic Dispensing Fee						
Brand Discount						
Brand Dispensing Fee						
Specialty Discount						
Specialty Dispensing Fee						
Rebate per Script						
Administrative Fee						

<b>Retail 90 day (85 day fills and greater)</b>	<b>Active &amp; Early Retiree Population</b>			<b>Medicare Eligible Population (EGWP + wrap)</b>		
	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Generic Discount						
Generic Dispensing Fee						
Brand Discount						
Brand Dispensing Fee						
Specialty Discount						
Specialty Dispensing Fee						
Rebate per Script						
Administrative Fee						

<b>Mail Order</b>	<b>Active &amp; Early Retiree Population</b>			<b>Medicare Eligible Population (EGWP + wrap)</b>		
	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Generic Discount						
Generic Dispensing Fee						
Brand Discount						
Brand Dispensing Fee						
Specialty Discount						
Specialty Dispensing Fee						
Rebate per Script						
Administrative Fee						

1. Will you provide a three year financial rate guarantee? If so, please provide any details not reflected in the table above.
2. The average rebate per script should be reflected in the tables above (on a per script basis for all scripts) on a guaranteed basis. Under what circumstances can this figure be higher? Explain in detail how the State will be reimbursed for rebates. For example, will rebates be applied as a credit in the following year, will monthly reimbursement checks be paid to the State, etc.
3. The generic discount guarantee should be inclusive of MAC'd scripts, generic scripts processed using a discount off of AWP and scripts where the discounted ingredient cost is determined by using the "lesser than" logic involving usual and customary pricing. Approximately what percentage of your retail generic drugs (based on a dollar count basis) is reimbursed at MAC pricing?

**Census  
Section IV**

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Enrollment as of October 2012				
Age Cat	Active Members	Medicare	Early Retirees	Total
00-1	2,092	1	24	2,117
02-06	7,569	1	228	7,798
07-18	26,711	58	3,232	30,001
19-22	9,851	50	2,511	12,412
23-24	4,159	33	1,308	5,500
25-29	4,931	38	743	5,712
30-34	6,351	32	67	6,450
35-39	8,429	33	162	8,624
40-44	11,762	65	721	12,548
45-49	13,806	171	1,912	15,889
50-54	14,059	328	2,770	17,157
55-59	11,319	522	6,607	18,448
60-64	6,848	933	10,097	17,878
65+	3,694	39,939	1,166	44,799
Total	131,581	42,204	31,548	205,333

**Claims Experience**  
**Section V**

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**Detailed prescription drug claims listings**

**Upon receipt of the Intent to Bid Form you will need to agree to the terms identified below before you can access the information.**

## **NON-DISCLOSURE AGREEMENT**

This Agreement is made as of \_\_\_\_\_, 2013 by and between THE OFFICE OF THE STATE COMPTROLLER of the State of Connecticut., (“The Office of the State Comptroller”), and \_\_\_\_\_, a \_\_\_\_\_ corporation (“Recipient”).

### **Recitals**

- A. The Office of the State Comptroller has in its possession certain information which is not generally available to the public, and which is proprietary to The Office of the State Comptroller or considered by The Office of the State Comptroller to be confidential or trade secret. In connection with a proposed or existing business relationship between the parties, and during the performance of any resulting agreement between the parties, The Office of the State Comptroller may disclose certain of such information to Recipient.
- B. The Office of the State Comptroller desires to protect such proprietary or confidential information from disclosure to third parties and to prevent use or disclosure thereof except as authorized in accordance with this Agreement or otherwise in writing.

NOW, THEREFORE, in consideration of the mutual promises, covenants and obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1. **Confidential Information.** “Confidential Information” means any type of information, data, or knowledge of The Office of the State Comptroller which is disclosed to Recipient for use in responding to the RFP and which The Office of the State Comptroller desires to protect against unrestricted disclosure or unauthorized use, regardless of the form of disclosure (e.g., whether written, oral, graphic, electronic, or visual), the date of disclosure (e.g., whether before, on, or after the date of this Agreement), or the party through whom disclosure is made (e.g., whether direct or indirect disclosure). “Confidential Information” includes without limitation pharmacy claims data, details concerning pharmacy benefit utilization, brand/generic/specialty drug, pharmacy data by population (Active, Non-Medicare/Medicare retirees), financial information or projections, and any other information pertaining to the past, present, or future pharmacy benefit utilization, business operations, or financial condition of The Office of the State Comptroller.
- 2. **Nondisclosure.**
  - 2.1 Subject to the terms of this Agreement, Recipient shall: (i) hold all Confidential Information in strictest trust and confidence; (ii) not disclose any Confidential Information, or permit any Confidential Information to be disclosed through Recipient, to any person, entity or governmental body, or personnel thereof; and (iii) use Confidential Information only as expressly permitted by this Agreement. Notwithstanding the preceding sentence, The Office of the State Comptroller consents in advance to the disclosure of its Confidential Information to those employees of Recipient necessary to evaluate a proposed business relationship between the parties or to perform the obligations of Recipient under any resulting business relationship or agreements as described in the Recitals, above. Recipient agrees to ensure that each such person maintains the confidentiality of the Confidential Information in accordance with this Agreement.

- 2.2 The obligations of Recipient set forth in Subsection 2.1, above, shall not apply to any Confidential Information which: (i) is or becomes generally known to the public through no fault of Recipient; (ii) prior to Recipient's receipt from The Office of the State Comptroller, was obtained by Recipient from a third party who is under no obligation of confidentiality with respect to such information; (iii) is developed by Recipient completely independent from the Confidential Information; or (iv) is required by law or regulation to be disclosed, but only to the extent and for the purpose of such required disclosure after providing The Office of the State Comptroller with advance written notice if reasonably possible such that The Office of the State Comptroller is afforded an opportunity to contest the disclosure or seek an appropriate protective order. Recipient shall have the burden of proving the existence of any of the exceptions described in this Subsection.
3. Ownership of Confidential Information. The Confidential Information shall be and remain the exclusive property of The Office of the State Comptroller. Recipient shall not take or use any materials, records, or media of any nature that contain Confidential Information or that belong to The Office of the State Comptroller, except as expressly authorized hereunder or as otherwise authorized by The Office of the State Comptroller in advance and in writing. Upon request by The Office of the State Comptroller, Recipient shall deliver to The Office of the State Comptroller all of same in Recipient's possession, custody or control, and Recipient shall not retain any copies thereof.
4. Use of Confidential Information. Recipient shall not, internally or in conjunction with any other person, and shall not permit any parent, subsidiary, affiliated entity, or third party to: (i) reverse engineer, reverse compile or reverse assemble the Confidential Information; or (ii) use Confidential Information for its own benefit or for the benefit of others for any purpose other than to evaluate a proposed business relationship between the parties or to perform the obligations of Recipient under any resulting business relationship or agreements as described in the Recitals, above. Data is provided for use solely in responding to the RFP. All other uses are prohibited.
5. Standard of Confidentiality Protection. At all times, Recipient will protect the confidentiality of The Office of the State Comptroller's Confidential Information. The minimum standard for protection thereof shall be that degree of protection, and those measures intended to implement such protection, as Recipient affords its own most secret or highly confidential information, but in any event no lesser standard than that which a reasonable person would utilize with respect to its own trade secrets or highly confidential information.
6. Remedy for Breach. The parties hereto recognize and agree that money damages are an inadequate remedy for breach of this Agreement by Recipient and further recognize that breach of this Agreement by Recipient would result in irreparable harm to The Office of the State Comptroller. Therefore, in the event of a breach or threatened breach by Recipient of this Agreement, Recipient may be enjoined from engaging in any activity prohibited by this Agreement by injunction issued by a court of competent jurisdiction. Nothing herein shall be construed as prohibiting The Office of the State Comptroller from pursuing any other remedies available to it for such breach or threatened breach of this Agreement, including the recovery of damages.
7. Miscellaneous.
- 7.1 Term. This Agreement shall be effective as of the date first written above and shall remain in effect for a period of three (3) years thereafter. All obligations of Recipient under this Agreement shall survive the termination of this Agreement with respect to Confidential Information disclosed to Recipient prior to termination of this Agreement.



8. Forum and Choice of Law. The parties deem the Agreement to have been made in the City of Hartford, State of Connecticut. Both parties agree that it is fair and reasonable for the validity and construction of the Agreement to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that any immunities provided by Federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. Recipient waives any objection which it may now have or will have to the laying of venue of any Claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.

8.1 No Further Obligation. Nothing in this Nondisclosure Agreement shall obligate either party to enter into or to refrain from entering into any further agreement or negotiation with the other party or with any third party.

8.2 Entire Agreement; Modification. This Agreement together with all exhibits or schedules attached to this Agreement: (a) contains the entire understanding between the parties with respect to the safeguarding of Confidential Information disclosed during the term of this Agreement; and (b) supersedes all prior communications and understandings between the parties with respect thereto. This Agreement may be modified, supplemented and/or amended only by a writing signed by authorized representatives of both The Office of the State Comptroller and Recipient; provided, however, that in the event any court of competent jurisdiction determines any provision herein is too broad to enforce as written, such court is authorized and directed by the parties hereto to construe, modify or reform such provision to the extent reasonably necessary to make such provision enforceable.

EXECUTED as of the date first set forth above.

The Office of the State Comptroller:

Recipient:

THE OFFICE OF THE STATE COMPTROLLER, Inc.

\_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

The Office of the State Comptroller's Address for Notices:

Recipient's Address for Notices:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Attention: \_\_\_\_\_

Attention: \_\_\_\_\_

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

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

**State Contract**  
**Section VI**

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**State Contract**

The State's Prescription Benefits Management Agreement is included in this Attachment to this RFP. It represents a contract that the State believes is equitable to both the OSC and the selected contractor.

The State reserves the right to incorporate into this Agreement any and/or all terms and conditions that may be deemed to be fair or beneficial to the State.

If contract negotiations cannot be successfully concluded with a selected contractor, the State may, at its sole discretion, proceed to withdraw the offer and offer a contract to another competing firm, or follow any other course of action that it deems necessary or advisable to meet its statutory responsibilities.

**AGREEMENT TO PROVIDE PRESCRIPTION BENEFIT MANAGEMENT AND  
CLAIMS ADMINISTRATION**

This Agreement (“Agreement” or “Contract”) is made and entered into as of the \_\_\_\_ day of July 1, 2013 (“Effective Date”) by and between the State of Connecticut (“State”) by and through Office of the State Comptroller (“Comptroller” and/or “Agency”), and \_\_\_\_\_ (“Contractor”).

WITNESSETH THAT:

WHEREAS, under the authority of Conn. Gen. Stat. Section 5-259 the Comptroller has issued a Request for Proposals for a vendor to provide prescription benefit management and claims administration services in support of the State of Connecticut health benefit plans;

WHEREAS, the Contractor desires to provide such services; and

WHEREAS, the State has selected the Contractor to provide such services under the Program on the terms and conditions set forth below.

NOW, THEREFORE, intending to be legally bound, the State, and Contractor hereby agree as follows:

*Section 1 – Agreement to Provide Services*

Services: **[SCOPE OF WORK TO BE PROVIDED CONSISTENT WITH  
FINAL CONTRACT AWARD]**

*Section 2—Entire Agreement.*

This Agreement embodies the entire agreement between the State and the Contractor on matters specifically addressed herein. The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind or nature not set forth herein. This Agreement shall supersede all prior written agreements between the parties and their predecessors. No changes, amendments or modifications of any terms or conditions of the Agreement shall be valid unless reduced to writing and signed by both parties. The

Contractor's proposal dated \_\_\_\_\_, was created and used as determinative in the competitive procurement that resulted in this Agreement. That proposal is attached hereto as a reference exhibit (Exhibit \_\_\_\_). Notwithstanding the foregoing, where the Agreement is in conflict with the terms and provisions of this Agreement, the Agreement shall control.

*Section 3 – Term and Termination.*

(a) Term. This Agreement shall begin effective July 1, 2013 and shall expire on June 30, 2016, at which time the parties may agree to extend the Agreement for up to two additional one-year periods.

(b) Termination.

(1) Termination for Convenience—Notwithstanding any provisions in this Agreement, Comptroller, through a duly authorized employee, may terminate the Agreement whenever Comptroller makes a written determination that such termination is in the best interests of the State. Comptroller shall notify the Contractor in writing of termination pursuant to this section, which notice shall specify the effective date of termination, which shall be at least 60 days after the date of the notice.

(2) Termination for Cause —Notwithstanding any provisions in this Agreement, Comptroller, through a duly authorized employee, may, after making a written determination that the Contractor has breached the Agreement, terminate the Agreement in accordance with the provisions in the Breach section of this Agreement.

Comptroller shall send the notice of termination via certified mail, return receipt requested, to the Contractor at the most current address which the Contractor has furnished to Comptroller for purposes of correspondence, or by hand delivery. Upon receiving the notice from Comptroller, the Contractor shall immediately discontinue providing services

(4) Upon Termination of the Agreement, all rights and obligations shall be null and void, so that no party shall have any further rights or obligations to any other party, except with respect to the sections which survive Termination.

(5) Termination of the Agreement pursuant to this section shall not be deemed to be a breach of contract by Comptroller.

(6) If the agreement is terminated by the State as provided herein, the Contractor will be paid all accrued but unpaid amounts due prior to the date of termination.

(7) Breach—If either party breaches the Agreement in any respect, the non-breaching party shall provide written notice of the breach to the breaching party and afford the breaching party an opportunity to cure within ten (10) days from the date that the breaching party receives the notice. In the case of a Contractor breach, any other time period which Comptroller sets forth in the notice shall trump the ten (10) days. The right to cure period shall be extended if the non-breaching party is satisfied that the breaching party is making a good faith effort to cure but the nature of the breach is such that it cannot be cured within the right to cure period. The notice may include an effective Contract Termination date if the breach is not cured by the stated date and, unless otherwise modified by the non-breaching party in writing prior to the Termination date, no further action shall be required of any party to effect the Termination as of the stated date. If the notice does not set forth an effective Contract Termination date, then the non-breaching party may terminate the Agreement by giving the breaching party no less than twenty four (24) hours' prior written notice.

#### *Section 4 – Communications*

Contractor shall submit any proposed communication plan for review and written approval by the Comptroller prior to distribution to employees or retirees. This includes sample emails and notifications and other information to be distributed in connection with its services.

The Contractor, and any agent or person employed by the Contractor in connection with its services under this Agreement, shall conduct its communications activities in accordance with the plan approved by the Comptroller.

*Section 5 – Advertising, Publicity and Promotion.*

Unless specifically authorized in writing by the Comptroller, the Contractor shall have no right to use, and shall not use, the name of the State of Connecticut, its officials or employees, the seal of the State, or the seal of the Comptroller:

- (a) In any advertising, publicity, promotion; nor
- (b) To express or imply any endorsement of the Contractor's products or services; nor
- (c) To use the names of the State, its officials or employees or the State seal or Comptroller's seal in any manner (whether or not similar to uses prohibited by subparagraphs (a) and (b) above), except as only to manufacture and deliver in accordance with this Agreement such items as are hereby contracted by the State, provided however, the use of the State seal shall require specific and express permission from the Secretary of the State.

*Section 6 – Payment Schedule*

Contractor shall bill Comptroller in arrears no more frequently than once per month in accordance with Terms set forth in Exhibit A.

*Section 7 – Access and Examination of Records.*

The Comptroller or his representatives shall have the right at reasonable hours to examine any books, records, accounts and other documents of the Contractor or its subcontractors pertaining to work performed under this Agreement. The State will provide the Contractor or such subcontractor 72 hours notice of such intended examination. At the State's request, the Contractor shall provide the State with hard copies, magnetic tape, CD or DVD containing any data or information relating to the State's business, which data or information is in the possession

or control of the Contractor. The Contractor shall incorporate this paragraph verbatim into any agreement it enters into with any subcontractor providing services under this Agreement.

*Section 8—Discovery of Conflicts, Errors, Omissions and Discrepancies.*

In case of conflicts, discrepancies, errors or omissions among the various parts of this Agreement, any such matter shall be submitted immediately by the Contractor to the Comptroller for clarification. The Comptroller shall issue such clarification within a reasonable period of time so as not to prejudice the Contractor. Any service affected by such conflicts, discrepancies, errors or omissions which are performed by the Contractor prior to clarification by the Comptroller shall be at the Contractor's risk.

*Section 9 – Amendments.*

This Agreement may be amended only with the consent and signature of both parties and with the approval of the Attorney General.

*Section 10—Forum, Choice of Law and Litigation.*

The parties deem the Agreement to have been made in the City of Hartford, State of Connecticut. Both parties agree that it is fair and reasonable for the validity and construction of the Agreement to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that any immunities provided by Federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor

waives any objection which it may now have or will have to the laying of venue of any claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.

The Contractor shall provide written notice to the State of any litigation that directly relates to the services provided by the Contractor under this Agreement or that would impair the ability of the Contractor to fulfill the terms and conditions of this Agreement, including but not limited to any financial, legal or any other situation which would prevent the Contractor from meeting its obligations under the Agreement.

*Section 11—Indemnity.*

(a) The Contractor shall indemnify, defend and hold harmless the State and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all (1) claims arising, directly or indirectly, from acts of commission or omission of the Contractor in connection with performance under the Agreement (collectively, the "Acts"); and (2) liabilities, damages, losses, costs and expenses, including but not limited to, attorneys' and other professionals' fees, arising, directly or indirectly, in connection with such claims, Acts or the Agreement. The Contractor shall use counsel reasonably acceptable to the State in carrying out its obligations under this section. The Contractor's obligations under this section to indemnify, defend and hold harmless against claims includes claims concerning confidentiality of any part of or all of the Contractor's bid, proposal or any Records, any intellectual property rights, other proprietary rights of any person or entity, copyrighted or uncopyrighted compositions, secret processes, patented or unpatented inventions, articles or appliances furnished or used in the Performance.

(b) The Contractor shall not be responsible for indemnifying or holding the State harmless from any liability arising due to the negligence of the State or any other person or entity acting under the direct control or supervision of the State.



(c) The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor. The State shall give the Contractor reasonable notice of any such claims.

(d) The Contractor's duties under this section shall remain fully in effect and binding in accordance with the terms and conditions of the Agreement, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the claims.

(e) The Contractor shall carry and maintain at all times during the term of the Agreement, and during the time that any provisions survive the term of the Contract, sufficient general liability insurance to satisfy its obligations under this Contract. The Contractor shall name the State as an additional insured on the policy and shall provide a copy of the Declaration Page of the policy to Comptroller prior to the effective date of the Contract. The Contractor shall not begin Performance until the delivery of the Declaration Page to Comptroller. Comptroller shall be entitled to recover under the insurance policy even if a body of competent jurisdiction determines that Comptroller or the State is contributorily negligent.

(f) The rights provided in this section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a Claim against a third party.

(g) This section shall survive the Termination of the Contract and shall not be limited by reason of any insurance coverage.

*Section 12 – Subcontracting.*

The Contractor may enter into one or more subcontracts for the performance of portions of its services and obligations under this Agreement. The Contractor shall notify the State prior to the effective date of such subcontract of the identity of any material subcontractor together

with a description of the portions of the work to be subcontracted and the State shall approve such subcontractor prior to commencement of work or service and such approval shall not be unreasonably withheld. Notwithstanding such subcontracting and/or delegation of duties, the Contractor shall remain responsible to the State for ensuring that its obligations under this Agreement are performed in accordance with the applicable provisions of this Agreement.

*Section 13 – Authorizations.*

Each party hereby represents that it has the unrestricted right and authority to enter into and perform its obligations under this Agreement.

*Section 14 – Notices.*

All notices required or permitted to be given or made in this Agreement shall be in writing. Such notice(s) shall be deemed to be duly given or made if delivered by hand, by certified or registered mail or by nationally recognized overnight courier to the address specified below:

If to Comptroller:	Office of the State Comptroller Healthcare Policy & Benefit Services Division 55 Elm Street Hartford, CT 06106 Attn: Thomas C. Woodruff, Ph.D., Director
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If to Contractor:

*Section 15 – Nondisclosure.*

The Contractor shall not release any information concerning the services provided pursuant to this Agreement or any part thereof to any member of the public, press, business entity or any official body unless prior written consent is obtained from the Comptroller, except to the extent required by law, legal process or regulatory authority having jurisdiction over the Contractor.

*Section 16 – Confidentiality.*

All employee data provided to Contractor by the State will be treated as proprietary to the State and confidential. The Contractor agrees to hold such employee information in strictest confidence and not to disclose or otherwise make available any of such information in any form to any person except to those employees of the State, or the Contractor who need access to the information to facilitate the provision of services under this Agreement and except where a disclosure of such information by Contractor is required by other governmental authority to ensure compliance with laws, rules or regulations, and such disclosure will be limited to that actually so required. Where such disclosure is required, the Contractor will provide advance notice to the Comptroller of the need for the disclosure and will not disclose absent consent from the Comptroller, except to the extent required by law, legal process or regulatory authority having jurisdiction over such party.

. Contractor agrees and warrants that this Section 16 is binding on any subcontracts for the performance of services and obligations under this Agreement.

*Section 17— Sovereign Immunity.*

The parties acknowledge and agree that nothing in the Solicitation or the Agreement shall be construed as a modification, compromise or waiver by the State of any rights or defenses of any immunities provided by Federal law or the laws of the State of Connecticut to the State or any of its officers and employees, which they may have had, now have or will have with respect to all matters arising out of the Agreement. To the extent that this section conflicts with any other section, this section shall govern.

*Section 18 – Non-Waiver.*

None of the conditions of this Agreement shall be considered waived by any party hereto unless given in writing. No such waiver shall be a waiver of any past or future default, breach or

modification of any of the conditions of this Agreement unless expressly stipulated in such waiver.

*Section 19 – Executive Orders.*

This Agreement is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices, Executive Order No. Seventeen of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings and Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, concerning violence in the workplace, all of which are incorporated into and are made a part of the Agreement as if they had been fully set forth in it. At the Contractor's request, the Client Agency shall provide a copy of these orders to the Contractor.

This Agreement may also be subject to Executive Order No. 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms and Executive Order No. 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, in accordance with their respective terms and conditions.

*Section 20— Assignment.*

This Agreement shall not be assigned by either party without the express prior written consent of the other. An assignment does not include the sale of the Contractor or a transfer of substantially all of the Contractor's assets. In the event of such sale or transfer, the Contractor will use its best efforts to have the acquiring entity assume all obligations under this Agreement. On notice of such sale or transfer, the State will have the right to terminate this Agreement pursuant to the termination provisions herein.

*Section 21— Summary of State Ethics Laws.*

Pursuant to the requirements of section 1-101qq of the Connecticut General Statutes, the summary of State ethics laws developed by the State Ethics Commission pursuant to section 1-81b of the Connecticut General Statutes is incorporated by reference into and made a part of the Agreement as if the summary had been fully set forth in the Contract.

*Section 22— Nondiscrimination and Affirmative Action Provisions.*

(a) For purposes of this Section, the following terms are defined as follows:

- i. "Commission" means the Commission on Human Rights and Opportunities;
- ii. "Contract" and "contract" include any extension or modification of the Contract or contract;
- iii. "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;
- iv. "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose.
- v. "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;

- vi. "good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements;
- vii. "marital status" means being single, married as recognized by the State of Connecticut, widowed, separated or divorced;
- viii. "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders;
- ix. "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of Connecticut General Statutes § 32-9n; and
- x. "public works contract" means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

For purposes of this Section, the terms "Contract" and "contract" do not include a contract where each contractor is (1) a political subdivision of the state, including, but not

limited to, a municipality, (2) a quasi-public agency, as defined in Conn. Gen. Stat. Section 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Conn. Gen. Stat. Section 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

(b) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut; and the Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the work involved; (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Commission; (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining Agreement or other contract or understanding and

each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this Section and Connecticut General Statutes §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes §§ 46a-56, 46a-68e and 46a-68f; and (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this Section and Connecticut General Statutes § 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.

(c) Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

(d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.

(e) The Contractor shall include the provisions of subsection (b) of this Section in every subcontract or purchase order entered into in order to fulfill any obligation of a



contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes §46a-56; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

(f) The Contractor agrees to comply with the regulations referred to in this Section as they exist on the date of this Contract and as they may be adopted or amended from time to time during the term of this Contract and any amendments thereto.

(g) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the Contractor agrees to comply with each provision of this section and with each

regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes § 46a-56; and (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this Section and Connecticut General Statutes § 46a-56.

(h) The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes § 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

*Section 23– Health Insurance Portability and Accountability Act (“HIPAA”).*

(a) If the Contractor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.

(b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance with all applicable federal and state law regarding confidentiality, which includes but is not limited to HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; and

(c) The State of Connecticut Agency named on page 1 of this Contract (hereinafter the “Department”) is a “covered entity” as that term is defined in 45 C.F.R. § 160.103; and

(d) The Contractor, on behalf of the Department, performs functions that involve the use or disclosure of “individually identifiable health information,” as that term is defined in 45 C.F.R. § 160.103; and

(e) The Contractor is a “business associate” of the Department, as that term is defined in 45 C.F.R. § 160.103; and

(f) The Contractor and the Department agree to the following in order to secure compliance with the HIPAA, the requirements of Subtitle D of the Health Information Technology for Economic and Clinical Health Act (hereinafter the HITECH Act), (Pub. L. 111-5, sections 13400 to 13423), and more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E.

(g) Definitions

(1) “Breach shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. §17921(1))

(2) “Business Associate” shall mean the Contractor.

(3) “Covered Entity” shall mean the Department of the State of Connecticut named on page 1 of this Contract.

- (4) “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 C.F.R. § 164.501.
- (5) “Electronic Health Record” shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. §17921(5))
- (6) “Individual” shall have the same meaning as the term “individual” in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
- (7) “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and parts 164, subparts A and E.
- (8) “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.
- (9) “Required by Law” shall have the same meaning as the term “required by law” in 45 C.F.R. § 164.103.
- (10) “Secretary” shall mean the Secretary of the Department of Health and Human Services or his designee.
- (11) “More stringent” shall have the same meaning as the term “more stringent” in 45 C.F.R. § 160.202.
- (12) “This Section of the Contract” refers to the HIPAA Provisions stated herein, in their entirety.
- (13) “Security Incident” shall have the same meaning as the term “security incident” in 45 C.F.R. § 164.304.

(14) “Security Rule” shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and parts 164, subpart A and C.

(15) “Unsecured protected health information” shall have the same meaning as the term as defined in section 13402(h)(1)(A) of HITECH. Act. (42 U.S.C. §17932(h)(1)(A)).

(h) Obligations and Activities of Business Associates.

(1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.

(2) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.

(3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity..

(4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.

(5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.

(6) Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and

conditions that apply through this Section of the Contract to Business Associate with respect to such information.

- (7) Business Associate agrees to provide access, at the request of the Covered Entity, and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.
- (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner agreed to by the parties.
- (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- (10) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (11) Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with clause h. (10) of this Section of the Contract, to permit Covered Entity to respond to a request by

an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder. Business Associate agrees at the Covered Entity's direction to provide an accounting of disclosures of PHI directly to an individual in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.

(12) Business Associate agrees to comply with any state or federal law that is more stringent than the Privacy Rule.

(13) Business Associate agrees to comply with the requirements of the HITECH Act relating to privacy and security that are applicable to the Covered Entity and with the requirements of 45 C.F.R. sections 164.504(e), 164.308, 164.310, 164.312, and 164.316.

(14) In the event that an individual requests that the Business Associate (a) restrict disclosures of PHI; (b) provide an accounting of disclosures of the individual's PHI; or (c) provide a copy of the individual's PHI in an electronic health record, the Business Associate agrees to notify the covered entity, in writing, within five business days of the request.

(15) Business Associate agrees that it shall not, directly or indirectly, receive any remuneration in exchange for PHI of an individual without (1) the written approval of the covered entity, unless receipt of remuneration in exchange for PHI is expressly authorized by this Contract and (2) the valid authorization of the individual, except for the purposes provided under section 13405(d)(2) of the HITECH Act, (42 U.S.C. § 17935(d)(2)) and in any accompanying regulations

(16) Obligations in the Event of a Breach

- A. The Business Associate agrees that, following the discovery of a breach of unsecured protected health information, it shall notify the Covered Entity of such breach in accordance with the requirements of section 13402 of HITECH (42 U.S.C. 17932(b) and the provisions of this Section of the Contract.
- B. Such notification shall be provided by the Business Associate to the Covered Entity without unreasonable delay, and in no case later than 30 days after the breach is discovered by the Business Associate, except as otherwise instructed in writing by a law enforcement official pursuant to section 13402 (g) of HITECH (42 U.S.C. 17932(g)) . A breach is considered discovered as of the first day on which it is, or reasonably should have been, known to the Business Associate. The notification shall include the identification and last known address, phone number and email address of each individual (or the next of kin of the individual if the individual is deceased) whose unsecured protected health information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, or disclosed during such breach.
- C. The Business Associate agrees to include in the notification to the Covered Entity at least the following information:
1. A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known.
  2. A description of the types of unsecured protected health information that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code).



3. The steps the Business Associate recommends that individuals take to protect themselves from potential harm resulting from the breach.
  4. A detailed description of what the Business Associate is doing to investigate the breach, to mitigate losses, and to protect against any further breaches.
  5. Whether a law enforcement official has advised either verbally or in writing the Business Associate that he or she has determined that notification or notice to individuals or the posting required under section 13402 of the HITECH Act would impede a criminal investigation or cause damage to national security and; if so, include contact information for said official.
- D. Business Associate agrees to provide appropriate staffing and have established procedures to ensure that individuals informed by the Covered Entity of a breach by the Business Associate have the opportunity to ask questions and contact the Business Associate for additional information regarding the breach. Such procedures shall include a toll-free telephone number, an e-mail address, a posting on its Web site or a postal address. For breaches involving ten or more individuals whose contact information is insufficient or out of date to allow written notification under 45 CFR § 164.404(d)(1)(i), the Business Associate shall notify the Covered Entity of such persons and maintain a toll-free telephone number for ninety days after said notification is sent to the Covered Entity. Business Associate agrees to include in the notification of a breach by the Business Associate to the Covered Entity, a written description of the procedures that have been established to meet these

requirements. Costs of such contact procedures will be borne by the Contractor.

E. Business Associate agrees that, in the event of a breach, it has the burden to demonstrate that it has complied with all notifications requirements set forth above, including evidence demonstrating the necessity of a delay in notification to the Covered Entity.

(i) Permitted Uses and Disclosure by Business Associate.

(1) General Use and Disclosure Provisions Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

(2) Specific Use and Disclosure Provisions

(A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.

(B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the

person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

(j) Obligations of Covered Entity.

(1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

(2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.

(3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(k) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.

(l) Term and Termination.

(1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when the information collected in

accordance with clause h. (10) of this Section of the Contract is provided to the Covered Entity and all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

(2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

- (A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or
- (B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
- (C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(3) Effect of Termination

- (A) Except as provided in (l)(2) of this Section of the Contract, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall also provide the information collected in accordance with clause h. (10) of this Section of the Contract to the Covered Entity within ten business days of the notice of termination. This provision shall apply to PHI that is in the possession of

subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.

(B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.

(m) Miscellaneous Provisions.

- (1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
- (2) Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- (3) Survival. The respective rights and obligations of Business Associate shall survive the termination of this Contract.
- (4) Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.

- (5) Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
- (6) Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, civil or criminal penalty, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, contractors or agents, or any third party to whom Business Associate has disclosed PHI contrary to the provisions of this Contract or applicable law. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.
- (7) Indemnification. The Business Associate shall indemnify and hold the Covered Entity harmless from and against any and all claims, liabilities, judgments, fines, assessments, penalties, awards and any statutory damages that may be imposed or assessed pursuant to HIPAA, as amended or the HITECH Act, including, without limitation, attorney's fees, expert witness fees, costs of investigation, litigation or dispute resolution, and costs awarded thereunder, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this section of the contract, under HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.

*Section 24 – Insurance.*

The Contractor, at its sole expense, agrees that while performing services specified in this agreement shall carry sufficient insurance (liability and/or other) as applicable according to the nature of the service to be performed so as to “save harmless” the State of Connecticut from any insurable cause whatsoever. If requested, certificates of such insurance shall be filed with the OSC prior to the performance of services.

*Section 25 – Additional Reporting and Contractor Requirements.*

As of the effective date of this Agreement, the Contractor shall provide to the Comptroller any and all agreements for compensating brokers or others who are authorized to serve employees of the State pursuant to this Agreement. Compensation for purposes of this Agreement includes, but is not limited to any and all fees, bonuses, salary, commissions, expenses, awards and payments.

The Contractor is prohibited from providing any compensation as defined in section, including contingent commissions, finder’s fees or awards to any organization, group, individual, firm or agency for access to employees of State or this Agreement.

Any violation of this section shall be grounds for immediate termination of the Agreement by the Contractor.

*Section 26—Severability*

If any term or provision of the Contract or its application to any person, entity, or circumstance shall to any extent be held to be invalid or unenforceable, the remainder of the Contract or the application of such term or provision shall not be affected as to persons, entities or circumstances other than those to whom or to which it is held to be invalid or unenforceable. Each remaining term and provision of the Contract shall be valid and enforced to the fullest extent possible by law.

*Section 27—Campaign Contribution Restrictions*

For all State contracts as defined in P.A. 07-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this Agreement expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See Exhibit C.

*Section 28—Audit and Inspection of Plants, Places of Business and Records.*

(a) The State and its agents, including, but not limited to, the Connecticut Auditors of Public Accounts, Attorney General and State's Attorney and their respective agents, may, at reasonable hours, inspect and examine all of the parts of the Contractor's and Contractor Parties' plants and places of business which, in any way, are related to, or involved in, the performance of this Agreement.

(b) The Contractor shall maintain, and shall require each of the Contractor Parties to maintain, accurate and complete Records. The Contractor shall make all of its and the Contractor Parties' Records available at all reasonable hours for audit and inspection by the State and its agents.

(c) The State shall make all requests for any audit or inspection in writing and shall provide the Contractor with at least twenty-four (24) hours' notice prior to the requested audit and inspection date. If the State suspects fraud or other abuse, or in the event of an emergency, the State is not obligated to provide any prior notice.

(d) All audits and inspections shall be at the State's expense.

(e) The Contractor shall keep and preserve or cause to be kept and preserved all of its and Contractor Parties' Records until three (3) years after the latter of (i) final payment under this



Agreement, or (ii) the expiration or earlier termination of this Agreement, as the same may be modified for any reason. The State may request an audit or inspection at any time during this period. If any Claim or audit is started before the expiration of this period, the Contractor shall retain or cause to be retained all Records until all Claims or audit findings have been resolved.

(f) The Contractor shall cooperate fully with the State and its agents in connection with an audit or inspection. Following any audit or inspection, the State may conduct and the Contractor shall cooperate with an exit conference.

(g) The Contractor shall incorporate this entire Section verbatim into any contract or other agreement that it enters into with any Contractor Party.

*Section 29 Encryption of Data; Breach of Security or Loss.*

(a) Contractor and Contractor Parties, at their own expense, shall encrypt any and all data which they come to possess or control, wherever and however stored or maintained, and which data DOIT or a Department, at any time, classifies as confidential or restricted. The Contractor and Contractor Parties shall encrypt the data in accordance with the Connecticut Enterprise Architecture – Technology Architecture (CTEA-TA) protocols. The Contractor and Contractor Parties shall have a continuing obligation always to keep and maintain the data encryption consistent with CTEA-TA, as CTEA-TA may change from time to time.

The Contractor and Contractor Parties shall notify DOIT, the Department and the Connecticut Office of the Attorney General as soon as practical, but no later than twenty-four (24) hours, after they become aware of or suspect that any and all data which Contractor has come to possess or control under subsection (a) above has been subject to a “data breach.” For purposes of this Section, a “data breach” is an occurrence where (1) any or all of the data is misplaced, lost, stolen or in any way compromised; or (2) one or more third parties have had access to or taken

control or possession of any or all of the data without prior written authorization from DOIT or the Department.

(b) In addition to the notification requirements of subsection (b), should a data breach occur, the Contractor shall, within three (3) business days after the notification, present to DOIT, the Department and the Connecticut Office of the Attorney General, for review and approval, a credit monitoring or protection plan that the Contractor shall make available at its own cost and expense to all individuals affected by the data breach. Unless otherwise agreed to in writing by the Connecticut Office of the Attorney General, such a plan shall be offered to each such individual free of charge and shall consist of, at a minimum, the following:

- (1) Reimbursement for the cost of placing and lifting one (1) security freeze per credit file pursuant to Connecticut General Statutes § 36a-701a;
- (2) Credit monitoring services consisting of automatic daily monitoring of at least three
- (3) relevant credit bureau reports;
- (4) Fraud resolution services, including writing dispute letters, initiating fraud alerts and security freezes, to assist affected individuals to bring matters to resolution; and
- (5) Identity theft insurance with at least \$ 25,000.00 coverage.

Such credit monitoring or protection plans shall cover a length of time commensurate with circumstances of the data breach, but under no circumstances shall the Contractor's credit monitoring and protection plan be for less than two (2) calendar years from the plan start date. The Contractors' costs and expenses for the credit monitoring and protection plan shall not be recoverable from DOIT, the Department or any State of Connecticut entity.

The Contractor represents and warrants that it shall obligate each Contractor Party in a written contract to all of the terms of this Section just as if each Contractor Party had executed this

Agreement as an original signatory and each were bound by this Section to the same extent that the Contractor is bound.

- (c) The Contractor's or Contractor Parties' failure to encrypt the data, provide notice, or to provide the credit monitoring or protection plan shall be deemed to be, without more, a material breach of this Agreement. The Contractor shall be responsible for any Contractor Parties breach as if the Contractor itself had breached the Agreement. Consequently, and without otherwise limiting the rights of DOIT or a Department at law or in equity, the Contractor shall indemnify and hold harmless DOIT, the Department and the State, as appropriate, for any and all damages, costs and expenses associated directly or indirectly with Contractor's or Contractor Parties' breach. The damages, costs and expenses shall include, but not be limited to, those resulting from any corresponding contracting for credit or identity protection services, or both, and from any subsequent non-State use of any data.

*Section 30—Whistleblowing.*

This Contract may be subject to the provisions of Section 4-61dd of the Connecticut General Statutes. In accordance with this statute, if an officer, employee or appointing authority of the Contractor takes or threatens to take any personnel action against any employee of the Contractor in retaliation for such employee's disclosure of information to any employee of the contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under the provisions of subsection (a) of such statute, the Contractor shall be liable for a civil penalty of not more than five thousand dollars for each offense, up to a maximum of twenty per cent of the value of this Contract. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day's continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition

and recovery of such civil penalty. In accordance with subsection (f) of such statute, each large state contractor, as defined in the statute, shall post a notice of the provisions of the statute relating to large state contractors in a conspicuous place which is readily available for viewing by the employees of the Contractor.

*Section 31—Disclosure of Records*

This Contract may be subject to the provisions of section 1-218 of the Connecticut General Statutes. In accordance with this statute, each contract in excess of two million five hundred thousand dollars between a public agency and a person for the performance of a governmental function shall (a) provide that the public agency is entitled to receive a copy of records and files related to the performance of the governmental function, and (b) indicate that such records and files are subject to FOIA and may be disclosed by the public agency pursuant to FOIA. No request to inspect or copy such records or files shall be valid unless the request is made to the public agency in accordance with FOIA. Any complaint by a person who is denied the right to inspect or copy such records or files shall be brought to the Freedom of Information Commission in accordance with the provisions of sections 1-205 and 1-206 of the Connecticut General Statutes.

*Section 32—Freedom of Information*

All materials associated with the Agreement and information exchanged in the course of providing services, except for “PHI”, may be subject to disclosure section 1-218 of the Connecticut General Statutes and all corresponding rules, regulations and interpretations, collectively referred to as “FOIA”.

1. Within 10 days of signing this Contract Contractor shall notify the State in writing of all Confidential Information in this Agreement that it claims may be exempt from public disclosure under FOIA. In making a request for protection of materials Contractor must specifically

identify those particular documents or parts of documents [sentences, paragraphs, pages, or sections] that the Contractor believes are exempt from disclosure under the FOIA by marking each as “CONFIDENTIAL” and provide a convincing explanation and rationale sufficient to justify each exemption consistent with the FOIA. The rationale and explanation must be stated in terms of the prospective harm to the competitive position of Contractor that would result if the identified material were to be released and reasons why the materials are legally exempt from release pursuant to the FOIA.

2. Within 10 days of signing this Agreement Contractor shall provide Comptroller with a copy of this Agreement in electronic format (either CD or DVD) from which all information asserted by Contractor to be CONFIDENTIAL has been redacted. Contractor acknowledges and agrees that in the event a FOIA request for disclosure of the Contract, that Comptroller may disclose such redacted copy without advance notice or objection.

3. In the event of a FOIA request for Confidential Information contained in the Agreement or other document, Comptroller shall promptly notify Contractor so that it may have the opportunity to submit to the Comptroller within the time limit prescribed in FOIA for the Comptroller to issue a decision and rationale and explanation described above in Section 1 as to why the requested materials are exempt under FOIA and should not be disclosed and, upon a decision by the Comptroller to disclose the requested materials, to seek a protective order or other similar relief. State, however, has no obligation to initiate, prosecute or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information that is sought pursuant to the FOIA. Contractor shall have the burden of establishing that the availability of any FOIA exemption in any proceeding where it is an issue.

4. The State further acknowledges that it will not release any information identified by

Contractor as Confidential Information or exempt from disclosure without first providing notice to Contractor of such intent and allowing Contractor to seek administrative or judicial relief to prevent such disclosure. The State agrees not to oppose any action of Contractor to obtain a declaratory judgment or other appropriate remedy. If the Freedom of Information Commission or a court thereafter determines that the State is legally required to disclose such Confidential Information, the State shall disclose the minimum required pursuant to the court order.

5. In no event shall Comptroller or the State have any liability for the disclosure of any documents in its possession which the State or Comptroller is compelled by a court order to disclose pursuant to FOIA or other requirements of law. To the extent that any other provision or part of the Agreement conflicts with or is in any way inconsistent with this section, this Section controls and shall apply.

IN WITNESS HEREOF, the parties execute this Agreement.

\_\_\_\_\_

Office of the State Comptroller

By \_\_\_\_\_

By \_\_\_\_\_  
Kevin Lembo

Date \_\_\_\_\_

Date \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Attorney General's Office

Date \_\_\_\_\_

State Affidavits/Certifications and Intent to Bid Form  
Section VII

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Attachments Include:

Commission on Human Rights and Opportunities Notification to Bidders  
OPM Nondiscrimination Certification  
Gift and Campaign Contribution Certification  
Consulting Agreement Affidavit  
Summary of State Ethics Laws  
State Elections Enforcement Commission Form 10  
Intent to Bid Form

This form is **MANDATORY** and must be completed, signed, and returned with the vendor's bid.

**ACKNOWLEDGMENT OF CONTRACT COMPLIANCE  
NOTIFICATION TO BIDDERS**

INSTRUCTION: Bidder must sign acknowledgment below, and return this form to the awarding agency with the bid proposal.

The undersigned duly authorized representative of the bidding vendor acknowledges receiving and reading a copy of the **NOTIFICATION TO BIDDERS**. *(Please print name under signature line.)*

---

Signature

---

Title

---

Date

**On behalf of:**

---

Vendor Name

---

Street Address

---

City State Zip

---

Federal Employee Identification Number  
(FEIN/SSN)

This form is **MANDATORY** and must be completed, signed, and returned with the vendor's bid.



**COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES**  
**CONTRACT COMPLIANCE REGULATIONS**  
**NOTIFICATION TO BIDDERS**

(Revised 09/17/07)

The contract to be awarded is subject to contract compliance requirements mandated by Sections 4a-60 and 4a-60a of the Connecticut General Statutes; and, when the awarding agency is the State, Sections 46a-71(d) and 46a-81i(d) of the Connecticut General Statutes. There are Contract Compliance Regulations codified at Section 46a-68j-21 through 43 of the Regulations of Connecticut State Agencies, which establish a procedure for awarding all contracts covered by Sections 4a-60 and 46a-71(d) of the Connecticut General Statutes.

According to Section 46a-68j-30(9) of the Contract Compliance Regulations, every agency awarding a contract subject to the contract compliance requirements has an obligation to “aggressively solicit the participation of legitimate minority business enterprises as bidders, contractors, subcontractors and suppliers of materials.” “Minority business enterprise” is defined in Section 4a-60 of the Connecticut General Statutes as a business wherein fifty-one percent or more of the capital stock, or assets belong to a person or persons: “(1) Who are active in daily affairs of the enterprise; (2) who have the power to direct the management and policies of the enterprise; and (3) who are members of a minority, as such term is defined in subsection (a) of Section 32-9n.” “Minority” groups are defined in Section 32-9n of the Connecticut General Statutes as “(1) Black Americans . . . (2) Hispanic Americans . . . (3) persons who have origins in the Iberian Peninsula . . . (4) Women . . . (5) Asian Pacific Americans and Pacific Islanders; (6) American Indians . . .” An individual with a disability is also a minority business enterprise as provided by Section 4a-60g of the Connecticut General Statutes. The above definitions apply to the contract compliance requirements by virtue of Section 46a-68j-21(11) of the Contract Compliance Regulations.

The awarding agency will consider the following factors when reviewing the bidder’s qualifications under the contract compliance requirements:

- (a) the bidder’s success in implementing an affirmative action plan;
- (b) the bidder’s success in developing an apprenticeship program complying with Sections 46a-68-1 to 46a-68-17 of the Administrative Regulations of Connecticut State Agencies, inclusive;
- (c) the bidder’s promise to develop and implement a successful affirmative action plan;
- (d) the bidder’s submission of employment statistics contained in the “Employment Information Form”, indicating that the composition of its workforce is at or near parity when compared to the racial and sexual composition of the workforce in the relevant labor market area; and
- (e) the bidder’s promise to set aside a portion of the contract for legitimate minority business enterprises. See Section 46a-68j-30(10)(E) of the Contract Compliance Regulations.

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**INSTRUCTIONS AND OTHER INFORMATION**

The following BIDDER CONTRACT COMPLIANCE MONITORING REPORT must be completed in full, signed, and submitted with the bid for this contract. The contract awarding agency and the Commission on Human Rights and Opportunities will use the information contained thereon to determine the bidders compliance to Sections 4a-60 and 4a-60a CONN. GEN. STAT., and Sections 46a-68j-23 of the Regulations of Connecticut State Agencies regarding equal employment opportunity, and the bidder’s “good faith efforts to include minority business enterprises as subcontractors and suppliers for the work of the contract.

**1) Definition of Small Contractor**

Section 4a-60g CONN. GEN. STAT. defines a small contractor as a company that has been doing business under the same management and control and has maintained its principal place of business in Connecticut for a one year period immediately prior to its application for certification under this section, had gross revenues not exceeding ten million dollars in the most recently completed fiscal year, and at least fifty-one percent of the ownership of which is held by a person or persons who are active in the daily affairs of the company, and have the power to direct the management and policies of the company, except that a nonprofit corporation shall be construed to be a small contractor if such nonprofit corporation meets the requirements of subparagraphs (A) and (B) of subdivision 4a-60g CONN. GEN. STAT.

**MANAGEMENT:** Managers plan, organize, direct, and control the major functions of an organization through subordinates who are at the managerial or supervisory level. They make policy decisions and set objectives for the company or departments. They are not usually directly involved in production or providing services. Examples include top executives, public relations managers, managers of operations specialties (such as financial, human resources, or purchasing managers), and construction and engineering managers.

**BUSINESS AND FINANCIAL OPERATIONS:** These occupations include managers and professionals who work with the financial aspects of the business. These occupations include accountants and auditors, purchasing agents, management analysts, labor relations specialists, and budget, credit, and financial analysts.

**MARKETING AND SALES:** Occupations related to the act or process of buying and selling products and/or services such as sales engineer, retail sales workers and sales representatives including wholesale.

**LEGAL OCCUPATIONS:** In-House Counsel who is charged with providing legal advice and services in regards to legal issues that may arise during the course of standard business practices. This category also includes assistive legal occupations such as paralegals, legal assistants.

**COMPUTER SPECIALISTS:** Professionals responsible for the computer operations within a company are grouped in this category. Examples of job titles in this category include computer programmers, software engineers, database administrators, computer scientists, systems analysts, and computer support specialists.

**ARCHITECTURE AND ENGINEERING:** Occupations related to architecture, surveying, engineering, and drafting are included in this category. Some of the job titles in this category include electrical and electronic engineers, surveyors, architects, drafters, mechanical engineers, materials engineers, mapping technicians, and civil engineers.

**OFFICE AND ADMINISTRATIVE SUPPORT:** All clerical-type work is included in this category. These jobs involve the preparing, transcribing, and preserving of written communications and records; collecting accounts; gathering and distributing information; operating office machines and electronic data processing equipment; and distributing mail. Job titles listed in this category include telephone operators, bill and account collectors, customer service representatives, dispatchers, secretaries and administrative assistants, computer operators and clerks (such as payroll, shipping, stock, mail and file).

**BUILDING AND GROUNDS CLEANING AND MAINTENANCE:** This category includes occupations involving landscaping, housekeeping, and janitorial services. Job titles found in this category include supervisors of landscaping or housekeeping, janitors, maids, grounds maintenance workers, and pest control workers.

**CONSTRUCTION AND EXTRACTION:** This category includes construction trades and related occupations. Job titles found in this category include boilermakers, masons (all types), carpenters, construction laborers, electricians, plumbers (and related trades), roofers, sheet metal workers, elevator installers, hazardous materials removal workers, paperhangers, and painters. Paving, surfacing, and tamping equipment operators; drywall and ceiling tile installers; and carpet, floor and tile installers and finishers are also included in this category. First line supervisors, foremen, and helpers in these trades are also grouped in this category..

**INSTALLATION, MAINTENANCE AND REPAIR:** Occupations involving the installation, maintenance, and repair of equipment are included in this group. Examples of job titles found here are heating, ac, and refrigeration mechanics and installers; telecommunication line installers and repairers; heavy vehicle and mobile equipment service technicians and mechanics; small engine mechanics; security and fire alarm systems installers; electric/electronic repair, industrial, utility and transportation equipment; millwrights; riggers; and manufactured building and mobile home installers. First line supervisors, foremen, and helpers for these jobs are also included in the category.

**MATERIAL MOVING WORKERS:** The job titles included in this group are Crane and tower operators; dredge, excavating, and lading machine operators; hoist and winch operators; industrial truck and tractor operators; cleaners of vehicles and equipment; laborers and freight, stock, and material movers, hand; machine feeders and offbearers; packers and packagers, hand; pumping station operators; refuse and recyclable material collectors; and miscellaneous material moving workers.

**PRODUCTION WORKERS:** The job titles included in this category are chemical production machine setters, operators and tenders; crushing/grinding workers; cutting workers; inspectors, testers sorters, samplers, weighers; precious stone/metal workers; painting workers; cementing/gluing machine operators and tenders; etchers/engravers; molders, shapers and casters except for metal and plastic; and production workers.

<p><u>White</u> (not of Hispanic Origin)- All persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.</p> <p><u>Black</u>(not of Hispanic Origin)- All persons having origins in any of the Black racial groups of Africa.</p> <p><u>Hispanic</u>- All persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.</p>	<p><u>Asian or Pacific Islander</u>- All persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes China, India, Japan, Korea, the Philippine Islands, and Samoa.</p> <p><u>American Indian or Alaskan Native</u>- All persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.</p>
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## BIDDER CONTRACT COMPLIANCE MONITORING REPORT

### PART I - Bidder Information

Company Name Street Address City & State Chief Executive	Bidder Federal Employer Identification Number _____ Or Social Security Number _____
Major Business Activity (brief description)	Bidder Identification (response optional/definitions on page 1)  -Bidder is a small contractor. Yes__ No__ -Bidder is a minority business enterprise Yes__ No__ (If yes, check ownership category) Black__ Hispanic__ Asian American__ American Indian/Alaskan Native__ Iberian Peninsula__ Individual(s) with a Physical Disability__ Female__
Bidder Parent Company (If any)	- Bidder is certified as above by State of CT Yes__ No__
Other Locations in Ct. (If any)	

### PART II - Bidder Nondiscrimination Policies and Procedures

1. Does your company have a written Affirmative Action/Equal Employment Opportunity statement posted on company bulletin boards? Yes__ No__	7. Do all of your company contracts and purchase orders contain non-discrimination statements as required by Sections 4a-60 & 4a-60a Conn. Gen. Stat.? Yes__ No__
2. Does your company have the state-mandated sexual harassment prevention in the workplace policy posted on company bulletin boards? Yes__ No__	8. Do you, upon request, provide reasonable accommodation to employees, or applicants for employment, who have physical or mental disability? Yes__ No__
3. Do you notify all recruitment sources in writing of your company's Affirmative Action/Equal Employment Opportunity employment policy? Yes__ No__	9. Does your company have a mandatory retirement age for all employees? Yes__ No__
4. Do your company advertisements contain a written statement that you are an Affirmative Action/Equal Opportunity Employer? Yes__ No__	10. If your company has 50 or more employees, have you provided at least two (2) hours of sexual harassment training to all of your supervisors? Yes__ No__ NA__
5. Do you notify the Ct. State Employment Service of all employment openings with your company? Yes__ No__	11. If your company has apprenticeship programs, do they meet the Affirmative Action/Equal Employment Opportunity requirements of the apprenticeship standards of the Ct. Dept. of Labor? Yes__ No__ NA__
6. Does your company have a collective bargaining agreement with workers? Yes__ No__ 6a. If yes, do the collective bargaining agreements contain non-discrimination clauses covering all workers? Yes__ No__ 6b. Have you notified each union in writing of your commitments under the nondiscrimination requirements of contracts with the state of Ct? Yes__ No__	12. Does your company have a written affirmative action Plan? Yes__ No__ If no, please explain.  13. Is there a person in your company who is responsible for equal employment opportunity? Yes__ No__ If yes, give name and phone number. _____ _____

1. Will the work of this contract include subcontractors or suppliers?    Yes\_\_ No\_\_

1a. If yes, please list all subcontractors and suppliers and report if they are a small contractor and/or a minority business enterprise. (defined on page 1 / use additional sheet if necessary)

1b. Will the work of this contract require additional subcontractors or suppliers other than those identified in 1a. above? Yes\_\_ No\_\_

PART IV - Bidder Employment Information Date:

JOB CATEGORY *	OVERALL TOTALS	WHITE (not of Hispanic origin)		BLACK (not of Hispanic origin)		HISPANIC		ASIAN or PACIFIC ISLANDER		AMERICAN INDIAN or ALASKAN NATIVE	
		Male	Female	Male	Female	Male	Female	Male	Female	male	female
Management											
Business & Financial Ops											
Marketing & Sales											
Legal Occupations											
Computer Specialists											
Architecture/Engineering											
Office & Admin Support											
Bldg/ Grounds Cleaning/Maintenance											
Construction & Extraction											
Installation , Maintenance & Repair											
Material Moving Workers											
Production Occupations											
TOTALS ABOVE											
Total One Year Ago											
FORMAL ON THE JOB TRAINEES (ENTER FIGURES FOR THE SAME CATEGORIES AS ARE SHOWN ABOVE)											
Apprentices											
Trainees											

\*NOTE: JOB CATEGORIES CAN BE CHANGED OR ADDED TO (EX. SALES CAN BE ADDED OR REPLACE A CATEGORY NOT USED IN YOUR COMPANY)

1. Which of the following recruitment sources are used by you? (Check yes or no, and report percent used)				2. Check (X) any of the below listed requirements that you use as a hiring qualification  (X)		3. Describe below any other practices or actions that you take which show that you hire, train, and promote employees without discrimination
SOURCE	YES	NO	% of applicants provided by source			
State Employment Service					Work Experience	
Private Employment Agencies					Ability to Speak or Write English	
Schools and Colleges					Written Tests	
Newspaper Advertisement					High School Diploma	
Walk Ins					College Degree	
Present Employees					Union Membership	
Labor Organizations					Personal Recommendation	
Minority/Community Organizations					Height or Weight	
Others (please identify)					Car Ownership	
					Arrest Record	
					Wage Garnishments	

Certification (Read this form and check your statements on it CAREFULLY before signing). I certify that the statements made by me on this BIDDER CONTRACT COMPLIANCE MONITORING REPORT are complete and true to the best of my knowledge and belief, and are made in good faith. I understand that if I knowingly make any misstatements of facts, I am subject to be declared in non-compliance with Section 4a-60, 4a-60a, and related sections of the CONN. GEN. STAT.

(Signature)	(Title)	(Date Signed)	(Telephone)
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**STATE OF CONNECTICUT**  
**NONDISCRIMINATION CERTIFICATION – New Resolution**  
**By Entity**  
**For Contracts Valued at \$50,000 or More**

*Documentation in the form of a corporate, company, or partnership policy adopted by resolution of the board of directors, shareholders, managers, members or other governing body of a contractor that certifies the contractor complies with the nondiscrimination agreements and warranties under Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended*

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**INSTRUCTIONS:**

For use by an entity (corporation, limited liability company, or partnership) when entering into any contract type with the State of Connecticut valued at \$50,000 or more for any year of the contract. Complete all sections of the form. Submit to the awarding State agency prior to contract execution.

**CERTIFICATION OF RESOLUTION:**

I, \_\_\_\_\_, \_\_\_\_\_, of \_\_\_\_\_,  
Authorized Signatory Title Name of Entity

an entity duly formed and existing under the laws of \_\_\_\_\_,  
Name of State or Commonwealth

certify that the following is a true and correct copy of a resolution adopted on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by the governing body of \_\_\_\_\_,  
Name of Entity

in accordance with all of its documents of governance and management and the laws of \_\_\_\_\_, and further certify that such resolution has not been modified  
Name of State or Commonwealth

or revoked, and is in full force and effect.

RESOLVED: That the policies of \_\_\_\_\_ comply with the  
Name of Entity  
nondiscrimination agreements and warranties of Connecticut General Statutes  
§§ 4a-60(a)(1) and 4a-60a(a)(1), as amended.

The undersigned has executed this certificate this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Date

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



## STATE OF CONNECTICUT GIFT AND CAMPAIGN CONTRIBUTION CERTIFICATION

*Written or electronic certification to accompany a State contract with a value of \$50,000 or more in a calendar or fiscal year, pursuant to C.G.S. §§ 4-250 and 4-252(c); Governor M. Jodi Rell's Executive Orders No. 1, Para. 8, and No. 7C, Para. 10; and C.G.S. §9-612(g)(2)*

### INSTRUCTIONS:

Complete all sections of the form. Attach additional pages, if necessary, to provide full disclosure about any lawful campaign contributions made to campaigns of candidates for statewide public office or the General Assembly, as described herein. Sign and date the form, under oath, in the presence of a Commissioner of the Superior Court or Notary Public. Submit the completed form to the awarding State agency at the time of initial contract execution and if there is a change in the information contained in the most recently filed certification, such person shall submit an updated certification either (i) not later than thirty (30) days after the effective date of such change or (ii) upon the submittal of any new bid or proposal for a contract, whichever is earlier. Such person shall also submit an accurate, updated certification not later than fourteen days after the twelve-month anniversary of the most recently filed certification or updated certification.

**CHECK ONE:**    ☐ Initial Certification    ☐ 12 Month Anniversary Update (Multi-year contracts only.)  
  
☐ Updated Certification because of change of information contained in the most recently filed certification or twelve-month anniversary update.

### GIFT CERTIFICATION:

As used in this certification, the following terms have the meaning set forth below:

- 1) "Contract" means that contract between the State of Connecticut (and/or one or more of its agencies or instrumentalities) and the Contractor, attached hereto, or as otherwise described by the awarding State agency below;
- 2) If this is an Initial Certification, "Execution Date" means the date the Contract is fully executed by, and becomes effective between, the parties; if this is a twelve-month anniversary update, "Execution Date" means the date this certification is signed by the Contractor;
- 3) "Contractor" means the person, firm or corporation named as the contractor below;
- 4) "Applicable Public Official or State Employee" means any public official or state employee described in C.G.S. §4-252(c)(1)(i) or (ii);
- 5) "Gift" has the same meaning given that term in C.G.S. § 4-250(1);
- 6) "Principals or Key Personnel" means and refers to those principals and key personnel of the Contractor, and its or their agents, as described in C.G.S. §§ 4-250(5) and 4-252(c)(1)(B) and (C).

I, the undersigned, am a Principal or Key Personnel of the person, firm or corporation authorized to execute this certification on behalf of the Contractor. I hereby certify that, no gifts were made by (A) such person, firm, corporation, (B) any principals and key personnel of the person firm or corporation who participate substantially in preparing bids, proposals or negotiating state contracts or (C) any agent of such, firm, corporation, or principals or key personnel who participates substantially in preparing bids, proposals or negotiating state contracts, to (i) any public official or state employee of the state agency or quasi-public agency soliciting bids or proposals for state contracts who participates substantially in the preparation of bid solicitations or request for proposals for state contracts or the negotiation or award of state contracts or (ii) any public official or state employee of any other state agency, who has supervisory or appointing authority over such state agency or quasi-public agency.

I further certify that no Principals or Key Personnel know of any action by the Contractor to circumvent (or which would result in the circumvention of) the above certification regarding **Gifts** by providing for any other Principals, Key Personnel, officials, or employees of the Contractor, or its or their agents, to make a **Gift** to any Applicable Public Official or State Employee. I further certify that the Contractor made the bid or proposal for the Contract without fraud or collusion with any person.

**CAMPAIGN CONTRIBUTION CERTIFICATION:**

I further certify that, on or after December 31, 2006, neither the Contractor nor any of its principals, as defined in C.G.S. § 9-612(g)(1), has made any **campaign contributions** to, or solicited any contributions on behalf of, any exploratory committee, candidate committee, political committee, or party committee established by, or supporting or authorized to support, any candidate for statewide public office, in violation of C.G.S. § 9-612(g)(2)(A). I further certify that **all lawful campaign contributions** that have been made on or after December 31, 2006 by the Contractor or any of its principals, as defined in C.G.S. § 9-612(g)(1), to, or solicited on behalf of, any exploratory committee, candidate committee, political committee, or party committee established by, or supporting or authorized to support any candidates for statewide public office or the General Assembly, are listed below:

**Lawful Campaign Contributions to Candidates for Statewide Public Office:**

<u>Contribution Date</u>	<u>Name of Contributor</u>	<u>Recipient</u>	<u>Value</u>	<u>Description</u>

**Lawful Campaign Contributions to Candidates for the General Assembly:**

<u>Contribution Date</u>	<u>Name of Contributor</u>	<u>Recipient</u>	<u>Value</u>	<u>Description</u>

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.

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

\_\_\_\_\_  
**Printed Name of Authorized Official**

\_\_\_\_\_  
**Signature of Authorized Official**

**Subscribed and acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.**

\_\_\_\_\_  
**Commissioner of the Superior Court (or Notary Public)**







## STATE OF CONNECTICUT

### AFFIRMATION OF RECEIPT OF STATE ETHICS LAWS SUMMARY

*Written or electronic affirmation to accompany a large State construction or procurement contract, having a cost of more than \$500,000, pursuant to Connecticut General Statutes §§ 1-101mm and 1-101qq*

#### INSTRUCTIONS:

Complete all sections of the form. Submit completed form to the awarding State agency or contractor, as directed below.

#### CHECK ONE:

- ☐ I am a person seeking a large State construction or procurement contract. I am submitting this affirmation to the awarding State agency with my bid or proposal. [Check this box if the contract will be awarded through a competitive process.]
- ☐ I am a contractor who has been awarded a large State construction or procurement contract. I am submitting this affirmation to the awarding State agency at the time of contract execution. [Check this box if the contract was a sole source award.]
- ☐ I am a subcontractor or consultant of a contractor who has been awarded a large State construction or procurement contract. I am submitting this affirmation to the contractor.
- ☐ I am a contractor who has already filed an affirmation, but I am updating such affirmation either (i) no later than thirty (30) days after the effective date of any such change or (ii) upon the submittal of any new bid or proposal, whichever is earlier.

#### IMPORTANT NOTE:

Within fifteen (15) days after the request of such agency, institution or quasi-public agency for such affirmation contractors shall submit the affirmations of their subcontractors and consultants to the awarding State agency. Failure to submit such affirmations in a timely manner shall be cause for termination of the large State construction or procurement contract.

#### AFFIRMATION:

I, the undersigned person, contractor, subcontractor, consultant, or the duly authorized representative thereof, affirm (1) receipt of the summary of State ethics laws\* developed by the Office of State Ethics pursuant to Connecticut General Statutes § 1-81b and (2) that key employees of such person, contractor, subcontractor, or consultant have read and understand the summary and agree to comply with its provisions.

\* The summary of State ethics laws is available on the State of Connecticut's Office of State Ethics website.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Title

\_\_\_\_\_  
Firm or Corporation (if applicable)

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Awarding State Agency

Guide to the Code of Ethics  
For Current or Potential  
State Contractors  
2010

## Guide for Current or Potential State Contractors

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### INTRODUCTION

The Connecticut Office of State Ethics (OSE) is an independent regulatory agency for the state of Connecticut, charged with administering and enforcing the Connecticut Codes of Ethics, located in the Connecticut General Statutes, Chapter 10.

The Ethics Codes under the OSE's jurisdiction are comprised of:

- The Code of Ethics for Public Officials (Part I);
- The Code of Ethics for Lobbyists (Part II); and
- Limited jurisdiction over Ethical Considerations Concerning Bidding and State Contracts (Part IV).

This guide provides general information only. The descriptions of the law and the OSE in this guide are not intended to be exhaustive. Please review the Advisory Opinions and Declaratory Rulings on our website or contact the Legal Division of the OSE with any questions regarding interpretation of the law.

For more information on the subjects discussed in this guide, call, write or visit:

**Connecticut Office of State Ethics**  
**18-20 Trinity Street**  
**Suite 205**  
**Hartford, CT 06106**  
**860/263-2400**  
**[www.ct.gov/ethics](http://www.ct.gov/ethics)**

#### *Citizen's Ethics Advisory Board:*

**G. Kenneth Bernhard, Chairperson** (through September 2011)  
**Thomas H. Dooley, Vice Chairperson** (through September 2012)  
**Ernest Abate** (through September 2011)  
**Kathleen F. Bornhorst** (through September 2012)  
**Rebecca M. Doty** (through September 2011)  
**General David Gay, (ret.)** (through September 2013)  
**Dennis Riley** (through September 2013)  
**Winthrop Smith, Jr.** (through September 2013)  
**Shawn T. Wooden** (through September 2013)

## Guide for Current or Potential State Contractors

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## Guide for Current or Potential State Contractors

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### THE OFFICE OF STATE ETHICS (OSE)

The Connecticut Office of State Ethics (OSE) was officially created on July 1, 2005, by Public Act 05-183. The governing body of the OSE is the Citizen's Ethics Advisory Board (CEAB), nine members appointed by the Governor and legislative leadership. The CEAB holds monthly meetings that are open to the public and that are often covered by CT-N. A schedule of CEAB meeting dates, times and locations is available on the OSE's Web site, [www.ct.gov/ethics](http://www.ct.gov/ethics).

The OSE is an independent watchdog agency for the state of Connecticut that administers Connecticut General Statutes, Chapter 10, Parts I and II, with limited jurisdiction over Part IV.

Simply put, the OSE educates all those covered by the law (the "regulated community"); provides information to the public; interprets and applies the codes of ethics; and investigates potential violations, and otherwise enforces the codes.

The OSE is made up of the following components:

- Citizen's Ethics Advisory Board
- Executive Director
- Legal Division
- Enforcement Division

### THE BIG PICTURE

All state officials and employees (except judges) are covered by Part I of the Code of Ethics for Public Officials (henceforth, Part I, or the Code). It is important to remember that certain provisions of the Code also apply to public officials and state employees after they leave state service.

As you read through this guide, be aware that these laws were enacted to prevent individuals from using their public position or authority for personal, financial benefit.

**Each state agency also has its own ethics policy, which in many cases may be more restrictive than what follows. Be sure to obtain a copy of the agency's policy before you attempt to provide any benefit to an agency official or employee.**

## Guide for Current or Potential State Contractors

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### GIVING BENEFITS TO STATE PERSONNEL

#### Gifts

As a current or potential state contractor, you are presumably doing business with or seeking to do business with a state agency, and are therefore considered to be a **restricted donor**. In general, public officials, state employees and candidates for public office may not accept gifts from restricted donors.

#### Restricted Donors

Restricted donors include:

- Registered lobbyists (a list is available on the OSE's Web site) or a lobbyist's representative;
- Individuals or groups doing business with a state department or agency;
- Individuals or groups seeking to do business with a state department or agency;
- Individuals or groups engaged in activities regulated by a state department or agency; or
- Contractors pre-qualified by the Connecticut Department of Administrative Services (Conn. Gen. Stat. § 4a-100).

A **gift** is defined as anything of value that is directly and personally received by a public official or state employee (or sometimes family members of those two categories) *unless* consideration of equal or greater value is provided. Conn. Gen. Stat. § 1-79 (e).

#### Gift Exceptions

There are, however, certain exceptions to this definition of gift. Not all exceptions are covered below; see Conn. Gen. Stat. § 1-79 (e) (1) – (17) for the complete list.

- *Token Items* – Restricted donors such as current or potential state contractors may provide any item of value that is not more than \$10 (such as a pen, mug, or inexpensive baseball cap) to a public official or state employee, provided that the annual aggregate of such items from a single source is \$50 or less. Conn. Gen. Stat. § 1-79 (e) (16).
- *Food and Beverage* – Restricted donors may also provide less than \$50 worth of food and beverage in a calendar year to a public official or state employee, provided that the restricted donor or his/her representative is in attendance when the food and/or beverage is being consumed. Conn. Gen. Stat. § 1-79 (e) (9).
- *Training* – Vendors may provide public officials and state employees with training for a product purchased by a state or quasi-public agency provided such training is offered to all customers of that vendor. Conn. Gen. Stat. § 1-79 (e) (17).

## Guide for Current or Potential State Contractors

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- *Gifts to the State* – Restricted donors may provide what are typically referred to as “gifts to the state.” These gifts are goods and services provided to a state agency or quasi-public agency for use on state or quasi-public agency property or that support an event, and which facilitate state or quasi-public action or functions. Conn. Gen. Stat. § 1-79 (e) (5).
- *Other Exceptions* – There are a total of 17 separate gift exceptions in the Code. Also exempt from the definition of gift are items such as informational materials germane to state action, ceremonial plaques or awards costing less than \$100, or promotional items, rebates or discounts also available to the general public. See Conn. Gen. Stat. § 1-79 (e) (1) – (17).

**Note:** The popularly-cited exception for major life events does not apply to those who are regulated by, doing business with or seeking to do business with a state agency. The only restricted donor that can make use of this very narrow exception is a registered lobbyist.

### Gift Provisions

*Example: You are in the process of submitting a contracting bid to a state agency. You provide the agency head with a gift certificate for \$45 to a popular West Hartford eatery for her to use on her own. You have not previously given anything of value to this individual. Even though you are under the permissible \$49.99 food and beverage limit, this gift is not allowed because you or your representative will not be in attendance while the food and beverage is being consumed.*

### Reporting Requirements

Should you or your representative give something of \$10 or more in value to a public official or state employee, you must, within **10 days**, give the gift recipient and the head of that individual’s department or agency a written report stating:

- Name of the donor;
- Description of item(s) given;
- Value of such item(s); and
- Total cumulative value of all items to date given to that recipient during the calendar year.

This helps both you and the state employee keep track of the gift exceptions noted above, so that permissible limits are not exceeded. Conn. Gen. Stat. § 1-84 (o). A courtesy form is available for this notification on the OSE’s Web site, in the “Forms” section.



## Guide for Current or Potential State Contractors

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### Necessary Expenses

You may provide necessary expenses to a public official or state employee **only** if the official or employee, in his/her official capacity, is actively participating in an event by giving a speech or presentation, running a workshop, or having some other active involvement.

Necessary expenses are limited to:

- Travel (coach or economy class);
- Lodging (standard cost of room for the nights before, of, and immediately following the event);
- Meals; and
- Related conference expenses.

Conn. Gen. Stat. § 1-79 (9).

Entertainment costs (tickets to sporting events, golf outings, night clubs, etc.) are **not** necessary expenses. Necessary expense payments also **do not** include payment of expenses for family members or other guests.

### Fees/Honorariums

Public officials and state employees may **not** accept fees or honorariums for an article, appearance, speech or participation at an event in their official capacity.

Fees or honorariums for such activities, if offered based solely on expertise and without any regard to official capacity, may be acceptable. Contact the OSE before offering such payment to an official or employee. Conn. Gen. Stat. § 1-84 (k).

### Necessary Expenses, Fees and Honorariums

***Example: You invite a state employee to travel to New York City to give a speech to your managers on issues surrounding contracting with a state agency. You provide Amtrak fare for the employee as well as his spouse, who will spend the day in the city. The evening of the speech, you will treat the employee and his spouse with complimentary tickets to a Broadway show in lieu of a speaking fee. You may provide coach class travel expenses only to the state employee who is actively participating in an event. In this case, you may only provide Amtrak fare for the employee giving the speech, not his spouse. Entertainment costs, such as tickets to a show, are not considered necessary expenses and may not be provided. Additionally, state employees may not accept fees or honorariums for a speech given in their official capacity.***

## Guide for Current or Potential State Contractors

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### HIRING STATE PERSONNEL

#### Post-state Employment (Revolving Door)

If you are considering hiring a *former* state employee, you should be aware of the Code's post-state employment, or revolving door, provisions.

#### Lifetime Bans

- Former state employees may **never** disclose any confidential information they learned during the course of their state service for anyone's financial gain. Conn. Gen. Stat. § 1-84a.
- A former state official or employee may **never** represent anyone other than the state regarding a particular matter in which he or she was personally or substantially involved while in state service and in which the state has a substantial interest. This prevents side switching. Conn. Gen. Stat. § 1-84b (a).

#### One-year Bans

- If you hire or otherwise engage the services of a former state official or employee, he or she may not represent you before his or her former agency for a period of **one year** after leaving state service. Conn. Gen. Stat. § 1-84b (b). (See Advisory Opinion 2003-3, which provides a limited exception to this provision if the employee is providing purely technical expertise to help implement a previously-awarded contract. This exception applies to extremely limited circumstances; contact the OSE for guidance.)
- You are prohibited from hiring a former state official or employee for a period of **one year** after he or she leaves state service if that individual was substantially involved in, or supervised, the negotiation or award of a contract (that you or your business was a party to) valued at \$50,000 or more, and the contract was signed within his or her last year of state service. Conn. Gen. Stat. § 1-84b (f).
- Employees who held certain specifically-designated positions (with significant decision-making or supervisory responsibility) at certain state regulatory agencies are prohibited from seeking or accepting employment with any business subject to regulation by the individual's agency within **one year** of leaving the agency. Likewise, such businesses may not hire those employees. Note that there is an exception for *ex-officio* board or commission members. Conn. Gen. Stat. § 1-84b (c).

#### Post-state Employment

*Example: You run a hospital regulated by the Office of Health Care Access (OHCA). You would like to offer a job to the former Commissioner of OHCA, who has been out of state service for 5 months. Because the hospital is regulated by a state agency whose Commissioner is specifically designated in 1-84b (c), the former head of such agency would not be permitted to accept employment with you for one full year after leaving state service. See Advisory Opinion 2003-19.*

## Guide for Current or Potential State Contractors

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### Outside Employment for Current Public Officials and State Employees

If you are considering hiring a *current* state employee, especially from a state agency with which you do business or by which you are regulated, you should be aware of the following rules regarding the employment of current state employees.

- A current state employee may not accept outside employment that impairs his or her independence of judgment regarding his or her state duties, or that encourages him or her to disclose confidential information learned in his or her state job. Conn. Gen. Stat. § 1-84 (b).
- A current state employee may not use his or her state position for his or her own financial gain or the gain of his or her family (spouse, child, child's spouse, parent, brother or sister) or an associated business, however inadvertent that use may be. Conn. Gen. Stat. § 1-84 (c).

#### Other Considerations

Business entities engaged in Indian gaming activities in the state should be aware of specific provisions that apply to present or former Gaming Policy Board or Division of Special Revenue public officials or employees. See Conn. Gen. Stat. §§ 1-84b (d) and (e).

### Outside Employment

*Example: Your small business occasionally receives grants or contracts from Agency X. You know that a particular contract manager with Agency X has the skills you need to help you grow your business. This employee has expressed interest in earning a little extra money for himself, while helping you with your business in the evenings and on weekends. It would constitute an impermissible impairment of judgment for the employee of Agency X, who has contract management responsibilities, to accept outside employment with your business – a business that receives grants or contracts from Agency X.*

## Guide for Current or Potential State Contractors

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### OTHER PROVISIONS

#### **Prohibited Activities for Consultants or Independent Contractors**

If you are hired by the state as a consultant or independent contractor, you are prohibited from the following:

- Using your authority under the contract or any confidential information acquired during the course of the contract for your financial gain or the financial gain of your immediate family;
- Accepting another state contract that would impair your independence of judgment or your performance in your existing state contract; and
- Accepting anything of value based on the understanding that your actions on behalf of the state would be influenced.

Conn. Gen. Stat. § 1-86e (1) – (3); see also Conn. Gen. Stat. § 1-101nn.

#### **Gift and/or Campaign Contribution Certifications**

Contractors seeking large state contracts must provide certifications regarding gifts and/or campaign contributions made to certain state employees or public officials in the two-year period prior to the submission of a bid or proposal. Copies of these certifications and other updated information regarding state contractors can be found on the Web sites of the Department of Administrative Services ([www.das.state.ct.us](http://www.das.state.ct.us)) and the Office of Policy and Management ([www.opm.state.ct.us](http://www.opm.state.ct.us)).

#### **Investment Services and the Office of the Treasurer**

If you or your business provides investment services, as defined in the Code, and you make a political contribution to the State Treasurer's campaign, you may be prohibited from contracting with the Office of the Treasurer. See Conn. Gen. Stat. § 1-84 (n).

#### **Registering as a Lobbyist**

If you or your business spends or receives over \$2,000 in a calendar year for activities that constitute lobbying under Part II of the Code of Ethics (whether to affect legislation or the actions of an administrative state agency), you/your business may have to register as a lobbyist with the Office of State Ethics. Lobbyist registration information is available at [www.ct.gov/ethics](http://www.ct.gov/ethics).

#### **Contribution Ban for Communicator Lobbyists** (Conn. Gen. Stat. § 9-610 (g) and (h).)

Registered communicator lobbyists, their affiliated political action committees (PACs), as well as members of their immediate families are banned from soliciting or donating political campaign contributions. Please contact the State Elections Enforcement Commission at 860-256-2940 for more information.

## Guide for Current or Potential State Contractors

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### **Sessional Contribution Ban for Client Lobbyists** (Conn. Gen. Stat. § 9-610 (e).)

Registered lobbyists and their affiliated political action committees (PACs) are banned from soliciting or donating political campaign contributions. Specifically, there is a temporary ban while the General Assembly is in session that applies to all registered client lobbyists and their affiliated PACs. Please contact the State Elections Enforcement Commission at 860-256-2940 for more information.

### **Public Act 05-287**

Public Act 05-287 prohibits anyone who is a party (or seeking to become a party) to a large state construction, procurement, or consultant services contract over \$500,000 from:

- Soliciting information from a public official or state employee that is not available to other bidders for that contract, with the intent to obtain a competitive advantage;
- Intentionally or recklessly charging a state agency for work not performed or goods or services not provided;
- Falsifying invoices or bills; or
- Intentionally violating or circumventing state competitive bidding and ethics laws.

This Act also requires any prospective state contractor to affirm in writing that he or she has received a summary of the state's ethics laws and that his or her key employees have read and understood the summary and agree to comply with the applicable provisions. Conn. Gen. Stat. § 1-101qq.

An affirmation form is available through the Connecticut Office of Policy and Management.

### **Executive Orders**

#### Executive Order 3

Under this Order, the Department of Administrative Services established and maintains on its Web site the State Contracting Portal for purposes of posting all contracting opportunities with state agencies and providing information on contracting processes and procedures.

#### Executive Order 7C

This Order covers the State Contracting Standards Board, established to conduct a comprehensive review of existing procurement and contracting laws and prepare a uniform code to govern all aspects of procurement and contracting.

The full text of these Executive Orders can be found on the Governor's Web site,

[www.ct.gov/governorrell/site/default.asp](http://www.ct.gov/governorrell/site/default.asp).

## **Guide for Current or Potential State Contractors**

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### **FOR MORE INFORMATION**

This guide provides general information only. The descriptions of the law and the OSE in this guide are not intended to be exhaustive. For more information regarding the Code of Ethics as it pertains to current or potential state contractors, please contact the Legal Division of the Office of State Ethics, Monday – Friday, 8:30 a.m. to 5:00 p.m.

**Office of State Ethics**  
**18-20 Trinity Street**  
**Hartford, CT 06106-1660**  
**T: 860/263-2400**  
**F: 860/263-2402**  
[www.ct.gov/ethics](http://www.ct.gov/ethics)

### **Specific Contacts:**

Questions or advice regarding the Ethics Codes: [Ethics.Code@ct.gov](mailto:Ethics.Code@ct.gov)  
Lobbyist filing/reporting questions: [lobbyist.OSE@ct.gov](mailto:lobbyist.OSE@ct.gov)  
Public official filing/reporting questions: [SFI.OSE@ct.gov](mailto:SFI.OSE@ct.gov)  
Enforcement questions: [Ethics.Enforcement@ct.gov](mailto:Ethics.Enforcement@ct.gov)  
All other inquiries: [ose@ct.gov](mailto:ose@ct.gov)

# STATE OF CONNECTICUT STATE ELECTIONS ENFORCEMENT COMMISSION

20 Trinity Street Hartford, Connecticut 06106—1628

## SEEC FORM 10

### **NOTICE TO EXECUTIVE BRANCH STATE CONTRACTORS AND PROSPECTIVE STATE CONTRACTORS OF CAMPAIGN CONTRIBUTION AND SOLICITATION BAN**

This notice is provided under the authority of Connecticut General Statutes 9-612(g)(2), as amended by P.A. 07-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined on page 2):

#### **Campaign Contribution and Solicitation Ban**

No *state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor*, with regard to a *state contract or state contract solicitation* with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to, or *solicit* contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee;

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

#### **Duty to Inform**

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

#### **Penalties for Violations**

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

**Civil penalties**--\$2000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of \$2000 or twice the amount of the prohibited contributions made by their principals.

**Criminal penalties**—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or \$5000 in fines, or both.

#### **Contract Consequences**

Contributions made or solicited in violation of the above prohibitions may result, in the case of a state contractor, in the contract being voided.

Contributions made or solicited in violation of the above prohibitions, in the case of a prospective state contractor, shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The state will not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Receipt acknowledged: \_\_\_\_\_  
(signature) (date)

Print name: \_\_\_\_\_ Title: \_\_\_\_\_

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

Additional information and the entire text of P.A 07-1 may be found on the website of the State Elections Enforcement Commission, [www.ct.gov/seec](http://www.ct.gov/seec). Click on the link to "State Contractor Contribution Ban"

### Definitions:

"State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. "Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a state contractor or prospective state contractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has managerial or discretionary responsibilities with respect to a state contract, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

"State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan or a loan to an individual for other than commercial purposes.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual.

"Solicit" means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (IV) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.



## **INTENT TO BID FAX FORM**

*Please fill out the Intent to Bid Form and fax it to Sarah Ormerod at (860) 702-3662 or send an email to [osc.rfp@po.state.ct.us](mailto:osc.rfp@po.state.ct.us) with the pertinent information from this form.*

Attention to: [osc.rfp@po.state.ct.us](mailto:osc.rfp@po.state.ct.us)

Plan Sponsor Name: **The STATE OF CONNECTICUT**

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

Authorized Personnel: \_\_\_\_\_

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

This is to confirm that we have received the Request for Proposal for the State of Connecticut.  
We wish to advise you that we **will** **will not** submit a proposal to provide prescription drug coverage.

We are not submitting a proposal because \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature and submission of this document will serve as confirmation that you agree to handle all files and information associated with this RFP under the same rules as protected health information under HIPAA. Failure to do so will result in disqualification of your bid. Signature of this form presents your intent to bid and legally binds you to the terms and conditions herein, specific to the State's request to protect confidential information.

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

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

***Note: This form must be received no later than January 16, 2013 to be considered for selection.***

*This message is intended only for the use of the individual entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure. If you have received this communication in error, please notify us immediately and destroy or return the original message to us by mail.*

*Thank you.*