Request for Proposal 08-X-39615

For: Internet-based Patient Safety Adverse Event Reporting System - DHSS

Event	Date	Time
Bidder's Electronic Question Due Date (Refer to RFP Section 1.3.1 for more information.)	09/21/07	5:00 PM
Mandatory Pre-bid Conference	N/A	N/A
Mandatory Site Visit	N/A	N/A
Bid Submission Due Date (Refer to RFP Section 1.3.2 for more information.)	11/01/07	2:00 PM

Dates are subject to change. All changes will be reflected in Addenda to the RFP posted on the Division of Purchase and Property website.

Small Business Set-Aside (Refer to RFP Section 4.4.2.2 for more information.)	Status	Category
	☐ Not Applicable	☐ I
	☐ Entire Contract	☐ II
	☐ Partial Contract	☐ III
	☒ Subcontracting Only	

RFP Issued By

State of New Jersey
Department of the Treasury
Division of Purchase and Property
Trenton, New Jersey 08625-0230

Using Agency/Agencies

State of New Jersey
Department of Health and Senior Services
Office of the Commissioner
Health Care Quality Assessment
Ewing, New Jersey 08628

August 24, 2007

Table of Contents

NOTICE TO BIDDERS

SET-ASIDE CONTRACTS
N.J.S.A 52:32-17, N.J.A.C. 17:13, 12A:10

Pursuant to the provisions of the New Jersey statute and administrative code cited above, this contract, or a portion thereof, has been designated as a set-aside contract for Small Business. As such, as indicated on page one of this document, eligibility to bid is limited to bidders (or subcontractors, as applicable) that meet statutory and regulatory requirements and have had their eligibility determined by the New Jersey Commerce, Economic Growth and Tourism Commission (Commerce). The definitions of each Small Business set-aside category can be found at N.J.A.C. 17:13-1.2 or N.J.A.C. 12A:10-1.2.

"Small Business" means a business that has its principal place of business in the State of New Jersey, is independently owned and operated, and has no more than 100 full-time employees.

The new program places Small Business into the following categories: (I) those with gross revenues up to $500,000; (II) those with gross revenues of up to $5 million; and (III) those with gross revenues that do not exceed $12 million. While companies registered as having revenues below $500,000 can bid on any contract, those earning more than the $500,000 and $5 million amounts will not be permitted to bid on contracts designated for revenue classifications below their respective levels.

Each business interested in bidding for this contract should provide, as part of its response to this solicitation, proof of its current registration as a qualifying Small Business with New Jersey Commerce, Economic Growth and Tourism Commission. Any business that seeks to register as a Small Business is required to submit a fee along with its application to Commerce.

All necessary forms and any additional information concerning registration may be obtained by contacting Commerce's office of Small Business services, by telephone at the number below, or by mail, or in person between the hours of 9:00 am and 5:00 pm at the address below:

NEW JERSEY COMMERCE, ECONOMIC GROWTH AND TOURISM COMMISSION
OFFICE OF SMALL BUSINESS SERVICES
20 WEST STATE STREET - 4TH FLOOR
PO BOX 820, TRENTON, NJ 08625-0820

TELEPHONE: 609-292-2146

1.0 INFORMATION FOR BIDDERS

1.1 PURPOSE AND INTENT

This Request for Proposal (RFP) is issued by the Purchase Bureau, Division of Purchase and Property (DPP), Department of the Treasury on behalf of Health Care Quality Assessment, the Office of the Commissioner, New Jersey Department of Health and Senior Services (DHSS). The purpose of this RFP is to solicit bid proposals for an internet-based patient safety adverse event reporting system and supporting services.

The intent of this RFP is to award a contract to the responsible bidder whose bid proposal, conforming to this RFP is most advantageous to the State, price and other factors considered. However, the State reserves the right to separately procure individual requirements that are the subject of the contract during the contract term, when deemed by the Director to be in the State's best interest.

The NJ Standard Terms & Conditions version 05 09 06 will apply to all contracts or purchase agreements made with the State of New Jersey. These terms are in addition to the terms and conditions set forth in this RFP and should be read in conjunction with them unless the RFP specifically indicates otherwise.

During the course of this procurement, the State reserves the right to negotiate and/or request a Best and Final Offer (BAFO) in accordance with RFP Section 6.4.

1.2 BACKGROUND

The Patient Safety Act ("The Act") (N.J.P.L. 2004, c.9) was enacted in April 2004 and requires that all licensed health care facilities report serious preventable adverse events to DHSS for the purpose of minimizing the occurrence of and level of harm from adverse events, and to incorporate mechanisms that will continually improve the performance of health care facilities in their delivery of services. The Act defines a serious preventable adverse event as an event that results in death or loss of body part, or disability or loss of bodily function lasting for more than seven days or present at discharge. The Act requires DHSS to maintain the confidentiality of the reported data. DHSS is expected to analyze the reported data in order to provide feedback to health care facilities on the types of events that have occurred, their causes, and methods to prevent future events. At this time, there is no solid evidence allowing DHSS to project the number of serious preventable adverse events that will be reported annually, but DHSS does not expect the volume to exceed 2,000 reports, and an equal number of root cause analyses (RCA), per year. The Act also requires DHSS to create a system to receive voluntary, anonymous, confidential reports from health care professionals or employees of health care facilities of less serious preventable adverse events as well as near misses that occur in licensed health care facilities. The universe of less serious events and near misses is expected to be much larger than that for serious preventable adverse events. DHSS, however, has no solid evidence allowing it to project the numbers of events that would be reported in this manner. If health care facility administrators chose to report all known preventable adverse events and near misses, then, based on experience from the Pennsylvania Patient Safety Authority, it is expected that NJ hospitals alone would generate 100,000 reports per year. There would be no root cause analyses (RCA) reported into this voluntary system. Due to differences between the structure of the Pennsylvania and New Jersey systems, DHSS does not expect that reporting will reach this level.

The Act requires that all licensed health care facilities develop and implement a patient or resident safety committee and a patient or resident safety plan. The plan developed by the facility must specify the process for facility staff, representing specific disciplines and

competencies within the facility, to conduct ongoing analyses and application of evidence-based patient safety practices to reduce the occurrence of future preventable adverse events. The plan must provide for analyses of serious preventable adverse events, as well as some lesser preventable adverse events and near-misses; it must also provide for ongoing patient safety training for facility personnel. Although The Act requires disclosure by health care facilities to a patient or resident affected by the occurrence of a serious preventable adverse event, it otherwise restricts the discoverability, admissibility and disclosure of any documents, materials or information developed by the Patient Safety Committee or reported to DHSS as part of the process of self-critical analysis. The Act does, however, authorize DHSS and or the Attorney General to use reported information for oversight purposes, focusing on corrective action and reserving punitive action for cases that display recklessness, gross negligence, willful misconduct, or a pattern of substandard performance.

When a health care facility becomes aware that a serious preventable adverse event has occurred, the facility must report the details of the event to DHSS within five (5) business days. A RCA must be prepared by the patient safety committee exploring the underlying causes and contributing factors to the event and must be submitted to DHSS within forty-five (45) days from the date when the initial event report was submitted to DHSS.

Covered Facilities

Under The Act, all health care facilities licensed in accordance with N.J.S.A. 26:2H-1 et seq. are required to report all serious preventable adverse events to DHSS. These facilities include:

Acute Care Facilities:		**Long Term Care Facilities:**	
General acute care hospitals	80	Nursing homes	372
Specialized hospitals	13	Residential health care facilities	33
Psychiatric hospitals	11	Adult medical day care	126
Rehabilitation hospitals	17	Pediatric medical day care	12
Hospice	55	Assisted living facilities	164
Home health agencies	51	Comprehensive personal care homes	40
Ambulatory care	674		
Residential substance abuse	38		
Total (all facilities) = 1686			

DHSS is proposing implementing rules that would include a phase-in for different types of facilities. In February, 2005 the new mandatory reporting system was implemented on a preliminary basis for general hospitals. Upon adoption, the rules are effective for general, special, psychiatric and rehabilitation hospitals. DHSS anticipates rules will be adopted in the fall of 2007. The following categories of facilities will become subject to mandatory reporting six months after the date rules are adopted:

- Ambulatory Care Facilities
- Home Health Care Agencies
- Hospice Care Providers

The following categories of facilities will become subject to mandatory reporting twelve (12) months after the date rules are adopted:

- Long Term Care Facilities
- Assisted Living Residences
- Comprehensive Personal Care Homes
- Residential Healthcare Facilities
- Assisted Living Programs
- Adult and Pediatric Day Health Services

Standardized Taxonomy

The Act requires DHSS to utilize, where available, national standards in developing detailed categories of events to be reported. DHSS, in its proposed rules, has chosen to build reporting requirements around the National Quality Forum's (NQF) list of adverse events that should never occur in a health care facility. However, within each category on this list there must be provision to capture any other event that meets the statutory definition of a serious preventable adverse event. The proposed rules are available at http://www.NJ.gov/health/hcqo/ps. Additionally, the NQF has adopted a standard taxonomy for analysis of adverse events and DHSS expects its reporting system, including RCA, to be capable of being mapped to this taxonomy (see RFP Section 3.2.1).

Nursing Homes

Current regulations require that nursing homes submit to DHSS reports of alleged events covered by N.J.A.C. 8:39-9.4(e)3i including instances of mistreatment, neglect, or abuse, injuries of unknown source, and misappropriation of resident property. Under The Act, some of these events are reportable as mandatory events. To facilitate a unified reporting process the proposed system must allow for the collection of all reports submitted by nursing homes under N.J.A.C. 8:39-9.4(e)3i into a separate database for action by DHSS and to sort and selectively retain within an aggregate patient safety adverse event reporting system database those reports that meet the reporting requirements under The Act (see RFP Section 3.2.2).

Hardware and Internet Access

In order to utilize the proposed web-enabled patient safety adverse event reporting system, licensed facilities must purchase their own basic hardware (defined as a basic IBM-compatible or Macintosh desktop computer with keyboard, mouse and color monitor, Microsoft XP or equivalent operating system, Microsoft Word and Excel or equivalent software, and anti-virus and firewall protection) and subscribe to an internet provider network (IPN) in their local area. For those facilities without computer or internet access, paper forms must be developed to allow health care facilities to report serious preventable adverse events to DHSS by secure fax (see RFP Section 3.2.4).

1.3 KEY EVENTS

1.3.1 ELECTRONIC QUESTION AND ANSWER PERIOD

The Purchase Bureau will accept questions and inquiries from all potential bidders electronically via web form. To submit a question, please go to Current Bid Opportunities webpage or to http://ebid.nj.gov/QA.aspx

Questions should be directly tied to the RFP and asked in consecutive order, from beginning to end, following the organization of the RFP. Each question should begin by referencing the RFP page number and section number to which it relates.

Bidders are not to contact the Using Agency directly, in person, by telephone or by email, concerning this RFP.

The cut-off date for electronic questions and inquiries relating to this RFP is indicated on the cover sheet. Addenda to this RFP, if any, will be posted on the Purchase Bureau website after the cut-off date (see Section 1.4.1. of this RFP for further information.)

1.3.2 SUBMISSION OF BID PROPOSAL

In order to be considered for award, the bid proposal must be received by the Purchase Bureau of the Division of Purchase and Property at the appropriate location by the required time. **ANY BID PROPOSAL NOT RECEIVED ON TIME AT THE LOCATION INDICATED BELOW WILL BE REJECTED. THE DATE AND TIME IS INDICATED ON THE COVER SHEET. THE LOCATION IS AS FOLLOWS:**

BID RECEIVING ROOM - 9TH FLOOR
PURCHASE BUREAU
DIVISION OF PURCHASE AND PROPERTY
DEPARTMENT OF THE TREASURY
33 WEST STATE STREET, P.O. BOX 230
TRENTON, NJ 08625-0230

Directions to the Purchase Bureau can be found at the following web address: http://www.state.nj.us/treasury/purchase/directions.htm.

Note: Bidders using USPS Regular or Express mail services should allow additional time since USPS mail deliveries are not delivered directly to the Purchase Bureau.

Procedural inquiries on this RFP may be directed to RFP.procedures@treas.state.nj.us. This e-mail address may also be used to submit requests to review bid documents. The State will not respond to substantive questions related to the RFP or any other contract via this e-mail address.

To submit an RFP or contract related question, go to the Current Bidding Opportunities webpage or to http://ebid.nj.gov/QA.aspx.

1.4 ADDITIONAL INFORMATION

1.4.1 ADDENDA: REVISIONS TO THIS RFP

In the event that it becomes necessary to clarify or revise this RFP, such clarification or revision will be by addendum. Any addendum to this RFP will become part of this RFP and part of any contract awarded as a result of this RFP.

ALL RFP ADDENDA WILL BE ISSUED ON THE DIVISION OF PURCHASE AND PROPERTY WEB SITE. TO ACCESS ADDENDA, SELECT THE BID NUMBER ON THE BIDDING OPPORTUNITIES WEB PAGE AT THE FOLLOWING ADDRESS:

http://www.state.nj.us/treasury/purchase/bid/summary/bid.shtml.

There are no designated dates for release of addenda. Therefore interested bidders should check the Purchase Bureau "Bidding Opportunities" website on a daily basis from time of RFP issuance through bid opening.

It is the sole responsibility of the bidder to be knowledgeable of all addenda related to this procurement.

1.4.2 BIDDER RESPONSIBILITY

The bidder assumes sole responsibility for the complete effort required in submitting a bid proposal in response to this RFP. No special consideration will be given after bid proposals are opened because of a bidder's failure to be knowledgeable as to all of the requirements of this RFP.

1.4.3 COST LIABILITY

The State assumes no responsibility and bears no liability for costs incurred by a bidder in the preparation and submittal of a bid proposal in response to this RFP.

1.4.4 CONTENTS OF BID PROPOSAL

Subsequent to bid opening, all information submitted by bidders in response to the bid solicitation is considered public information, except as may be exempted from public disclosure by the Open Public Records Act, N.J.S.A. 47:1A-1 et seq., and the common law. Because the State proposes to negotiate and/or pursue a Best and Final Offer, bid proposals will not be made public until the Letter of Intent to Award is issued.

A bidder may designate specific information as not subject to disclosure when the bidder has a good faith legal/factual basis for such assertion. The State reserves the right to make the determination and will advise the bidder accordingly. The location in the bid proposal of any such designation should be clearly stated in a cover letter. **The State will not honor any attempt by a bidder either to designate its entire bid proposal as proprietary and/or to claim copyright protection for its entire proposal.**

By signing the cover sheet of this RFP, the bidder waives any claims of copyright protection set forth within the manufacturer's price list and/or catalogs. The price lists and/or catalogs must be accessible to State using agencies and cooperative purchasing partners and thus have to be made public to allow all eligible purchasing entities access to the pricing information.

All bid proposals, with the exception of information determined by the State or the Court to be proprietary, are available for public inspection after the Letter of Intent to Award is issued. At such time, interested parties can make an appointment with the Purchase Bureau to inspect bid proposals received in response to this RFP.

1.4.5 BID OPENING

On the date and time bid proposals are due under the RFP, only the names of the bidders submitting bid proposals will be publicly announced. The contents of the bid proposals shall remain confidential until the Notice of Intent to Award is issued by the Director.

1.4.6 PRICE ALTERATION

Bid prices must be typed or written in ink. Any price change (including "white-outs") must be initialed. Failure to initial price changes shall preclude a contract award from being made to the bidder.

1.4.7 BID ERRORS

In accordance with N.J.A.C. 17:12-1.22, “Bid Errors,” a bidder may withdraw its bid as follows:

A bidder may request that its bid be withdrawn prior to bid opening. Such request must be made, in writing, to the Supervisor of the Business Unit. If the request is granted, the bidder may submit a revised bid as long as the bid is received prior to the announced date and time for bid opening and at the place specified.

If, after bid opening but before contract award, a bidder discovers an error in its proposal, the bidder may make written request to the Supervisor of the Business Unit for authorization to withdraw its proposal from consideration for award. Evidence of the bidder's good faith in making this request shall be used in making the determination. The factors that will be considered are that the mistake is so significant that to enforce the contract resulting from the proposal would be unconscionable; that the mistake relates to a material feature of the contract; that the mistake occurred notwithstanding the bidder's exercise of reasonable care; and that the State will not be significantly prejudiced by granting the withdrawal of the proposal. Note: a PB-36 complaint form may be filed and forwarded to the Division's Contract Compliance and Administration Unit (CCAU) for handling. A record of the complaint will also be maintained in the Division's vendor performance file for evaluation of future bids submitted.

All bid withdrawal requests must include the bid identification number and the final bid opening date and sent to the following address:

Department of the Treasury
Purchase Bureau, PO Box 230
33 West State Street – 9th Floor
Trenton, New Jersey 08625-0230
Attention: Supervisor, Business Unit

If during a bid evaluation process, an obvious pricing error made by a potential contract awardee is found, the Director shall issue written notice to the bidder. The bidder will have five days after receipt of the notice to confirm its pricing. If the vendor fails to respond, its bid shall be considered withdrawn, and no further consideration shall be given it.

If it is discovered that there is an arithmetic disparity between the unit price and the total extended price, the unit price shall prevail. If there is any other ambiguity in the pricing other than a disparity between the unit price and extended price and the bidder's intention is not readily discernible from other parts of the bid proposal, the Director may seek clarification from the bidder to ascertain the true intent of the bid.

1.4.8 JOINT VENTURE

If a joint venture is submitting a bid proposal, the agreement between the parties relating to such joint venture should be submitted with the joint venture's bid proposal. Authorized signatories from each party comprising the joint venture must sign the bid proposal. A separate Ownership Disclosure Form, Disclosure of Investigations and Actions Involving Bidder, Affirmative Action Employee Information Report, MacBride Principles Certification, and Business Registration or Interim Registration must be supplied for each party to a joint venture.

2.0 DEFINITIONS

2.1 GENERAL DEFINITIONS

The following definitions will be part of any contract awarded or order placed as result of this RFP.

Addendum – Written clarification or revision to this RFP issued by the Purchase Bureau.

All-Inclusive Hourly Rate – An hourly rate comprised of all direct and indirect costs including, but not limited to: overhead, fee or profit, clerical support, travel expenses, per diem, safety equipment, materials, supplies, managerial support and all documents, forms, and reproductions thereof. This rate also includes portal-to-portal expenses as well as per diem expenses such as food.

Amendment – A change in the scope of work to be performed by the contractor. An amendment is not effective until it is signed by the Director, Division of Purchase and Property.

Bidder – An individual or business entity submitting a bid proposal in response to this RFP.

Contract – This RFP, any addendum to this RFP, and the bidder's proposal submitted in response to this RFP, as accepted by the State.

Contractor – The bidder awarded a contract resulting from this RFP. Also referred to as the Implementation Contractor.

Director – Director, Division of Purchase and Property, Department of the Treasury. By statutory authority, the Director is the chief contracting officer for the State of New Jersey.

Division – The Division of Purchase and Property

Evaluation Committee – A committee established by the Director to review and evaluate bid proposals submitted in response to this RFP and to recommend a contract award to the Director.

Firm Fixed Price – A price that is all-inclusive of direct cost and indirect costs, including, but not limited to, direct labor costs, overhead, fee or profit, clerical support, equipment, materials, supplies, managerial (administrative) support, all documents, reports, forms, travel, reproduction and any other costs. No additional fees or costs shall be paid by the State unless there is a change in the scope of work.

Joint Venture – A business undertaking by two or more entities to share risk and responsibility for a specific project.

May – Denotes that which is permissible, not mandatory.

Project – The undertaking or services that are the subject of this RFP.

Request for Proposal (RFP) – This document which establishes the bidding and contract requirements and solicits bid proposals to meet the purchase needs of the using Agencies as identified herein.

Shall or Must – Denotes that which is a mandatory requirement. Failure to meet a mandatory requirement will result in the rejection of a bid proposal as materially non-responsive.

Should – Denotes that which is recommended, not mandatory.

State Contract Manager – The individual responsible for the approval of all deliverables, i.e., tasks, sub-tasks or other work elements in the Scope of Work as set forth in Sections 8.1, 8.1.1 and 8.1.2.

Subtasks – Detailed activities that comprise the actual performance of a task.

State – State of New Jersey.

Subcontractor – An entity having an arrangement with a State contractor, where the State contractor uses the products and/or services of that entity to fulfill some of its obligations under its State contract, while retaining full responsibility for the performance of all of its [the contractor's] obligations under the contract, including payment to the subcontractor. The subcontractor has no legal relationship with the State, only with the contractor.

Task – A discrete unit of work to be performed.

Using Agency[ies] – The entity[ies] for which the Division has issued this RFP and will enter into a contract.

2.2 CONTRACT SPECIFIC DEFINITIONS

Framework – The schema by which event reports and RCAs are captured and described. It includes the event and RCA taxonomies, severity scale, and several other descriptors.

User-test – A controlled, in-house testing procedure that assures the functional completeness of a system. It includes user acceptance testing of the menus, screens, forms, and on-line help to assess the program's clarity, intuitiveness, ease of use and readability.

Rollout – The systematic, public introduction of a system through training, granting access permissions, and providing technical and operational support.

Taxonomy – A classification schema based on a specified theoretical model. For example, the NQF hierarchical taxonomy described in RFP Section 1.2.

3.0 SCOPE OF WORK

3.1 OVERALL OBJECTIVE

The overall objective of this project is to design, develop and implement a robust, secure, web-based data collection and analysis system to support the responsibilities of DHSS under the Patient Safety Act ("The Act") (N.J.P.L. 2004, c.9). The contractor shall be responsible for the following:

1. Develop the framework and underlying coding schemes for identifying, classifying and evaluating reports of serious preventable adverse events that occur in health care facilities, and less serious preventable adverse events and near-misses. The framework and coding schemes must be fully consistent with the DHSS rules implementing The Act, the current DHSS event and RCA reporting forms (available at http://www.nj.gov/health/hcqo/ps/), and with the NQF taxonomy/schematic for event analysis.

2. Develop the framework and underlying coding schemes for identifying, classifying and evaluating the root causes and contributing factors resulting in incidences of serious preventable adverse events. The framework and coding schemes must be fully consistent with the DHSS rules implementing The Act, the current DHSS event and RCA reporting forms (available at http://www.nj.gov/health/hcqo/ps/), and with the NQF taxonomy/schematic for event analysis.

3. Develop the processes and analytical methods for evaluating and analyzing serious preventable adverse events, including RCA, as well as less serious preventable adverse events and near-misses. Processes must be designed to track the relationships of events with one or more of the other factors captured in the event reports, such as type of facility, type of event, extent and type of harm resulting, location of event within the facility, time of day, and primary and secondary causes of events. Trends over time must also be tracked, at the individual facility level, by facility type statewide, and by type of events, in order to assess the impact of event reporting and analysis. Algorithms must also be developed to identify, by facility and/or event type, potential under-reporting. The separate contributions of the mandatory and voluntary reporting systems' trend analyses must be tracked, since the quality of the data in the voluntary reporting system may be inferior to that in the mandatory reporting system, and DHSS may want to display separately the results of each system.

4. Through end user input, develop standardized and customizable tracking, analytical and management reports for DHSS and facilities. Reports for DHSS must permit DHSS to identify both facility-level and patient-level data, and to track the timeliness and completeness requirements for all event reports and RCAs. Reports for facilities must permit facilities to track and review their own events and data patterns for their own management and analytical purposes. Reports for facilities must be available on a web-enabled basis and must permit a licensed health care facility to compare itself against statewide benchmarks for similar types of facilities. Reports for facilities must not permit a facility to identify any data specific to any other facility or any patient-level data not submitted by that facility.

5. Design, develop and implement custom software that shall automate the collection, evaluation, analysis, data management and data presentation processes defined in the first four objectives.

6. Architect, procure, install, configure, and test a custom applications platform (hardware) to support the software described above. The requirements for the procurement and installation of the applications platform will be different under Option 1 and Option 2 for system hosting.

7. Under Option 1 the contractor shall host the system using its own IT infrastructure and IT staff. Under Option 2 the State shall host the system using its current IT infrastructure and staff and the contractor shall provide management and operational support. These options are further described in RFP Section 3.2.4 and extend throughout the term of the contract.

8. Design, develop and implement technical and operational services to support the patient safety adverse event reporting system developed and implemented in the first six objectives including:

   - Help desk services for DHSS and facilities.
   - Software updates and enhancements to meet new requirements.
   - Hardware platform upgrades and maintenance.

   The nature and extent of help desk and applications software, and platform management and maintenance functions will be different under Option 1 and Option 2 for system hosting as defined in RFP Section 3.2.4, and extend throughout the term of the contract.

9. Develop web-based and written documentation and operating manuals for reference by DHSS staff. Provide detailed training for up to ten (10) select DHSS personnel in system operation.

10. Develop web-based and written operating and training materials for self-directed training by facility-designated administrators/operators as well as user-friendly, on-line instructions and menu sequencing for the voluntary system.

3.2 REQUIREMENTS

3.2.1 FRAMEWORKS, CODING SCHEMES, ANALYTICAL METHODS AND DATA PRESENTATION FORMATS

Drawing on national models, current clinical and health services research and clinical practice guidelines, the contractor shall design conceptual models of, and quantitative and qualitative methods for, describing mandatory serious preventable adverse events, voluntary less serious preventable adverse events and near-misses, and their root causes and contributing factors. In consultation with DHSS, the contractor shall design coding schemes and methods for classifying the data gathered through the event reporting process. The system must meet the requirements of the Agency for Healthcare Research Quality (AHRQ) rules to implement the Federal Patient Safety and Quality Improvement Act of 2005/Patient Safety Organizations. Separate event type coding (taxonomies) must be developed for mandatory serious preventable adverse events, their root causes and contributing factors and voluntary less serious preventable adverse events and near misses. Taxonomies must be designed as decision trees to gather both basic and complex descriptive data based on current clinical and health services research and clinical practice guidelines. The basic taxonomy for mandatory reporting must adhere to the NQF "never events" list, as modified by DHSS and described in the DHSS' proposed patient safety regulations (see http://www.nj.gov/health/hcqo/ps/). Development of the taxonomy for voluntary preventable adverse events and near-misses must be based on an understanding of the current state of patient safety reporting among State and federal government agencies, national and regional accreditation bodies, other health care organizations, and in health systems and institutions. Specifically, the contractor shall incorporate requirements, standards and ideas from the following list of publications as well as other source materials provided by the contractor where applicable and upon prior approval by DHSS. These publications and source materials include:

- National Quality Forum's report, "Serious Reportable Events in Healthcare"
  http://www.ahrq.gov/downloads/pub/advances/vol4/Kizer2.doc

- National Quality Forum/Joint Commission on the Accreditation of Healthcare Organizations' (JCAHO) patient safety event/root cause analysis taxonomy.
  http://intqhc.oxfordjournals.org/cgi/reprint/mzi021v1.pdf
  Chang A, Schyve P, Croteau J et al. The JCAHO patient safety event taxonomy: a standardized terminology and classification schema for near misses and adverse events. International Journal for Quality in Health Care 2005 Vol 17, No 2: 95–105.

- International Code of Diseases (ICD-9/10)
  http://www.cdc.gov/nchs/datawh/ftpserv/ftpicd9/ftpicd9.htm#guidelines

- Unique coding schemes and systems used by FDA, CDC, CMS and AHRQ.
  http://www.fda.gov/cdrh/humanfactors/index.html
  http://www.cdc.gov/
  http://www.iom.edu/CMS/8089.aspx
  http://www.ahrq.gov/qual/errorsix.htm

- Veterans Administration risk assessment decision tree and classification scheme.
  http://www.va.gov/NCPS/CogAids/HFMEA/index.html

- Institute of Medicine's guidance for developing a schema defining the nature and structure of patient safety data.
  Aspden P, Corrigan JM, Wolcott J, Erickson SM eds. Patient safety: achieving a new standard of care. Washington, DC: The National Academies Press, 2004.

- Health Insurance Portability and Accountability Act of 1996 (HIPAA) requirements for privacy and security.
  http://www.hhs.gov/ocr/hipaa/

- Eindhoven Classification Model (ECM - medical version) for describing and categorizing root causes.
  Aspden P, Corrigan JM, Wolcott J, Erickson SM eds. Patient safety: achieving a new standard of care. Washington, DC: The National Academies Press, 2004.

- Medical Event Reporting System (MERS-TM), which provides a coding scheme for describing events, causes and a causal tree framework for conducting root cause analyses.
  http://www.mers-tm.net/

In consultation with DHSS and representative health care facilities selected and convened by DHSS, the contractor shall develop a system with quantitative and qualitative methods for analyzing, evaluating, and presenting the data gathered through the descriptive process. The contractor shall incorporate national models of patient safety and quality improvement processes including the reporting requirements of national and regional accreditation bodies and other health care organizations, as well as standard data reduction, statistical methods and process modeling techniques in the system.

3.2.2 CUSTOM HARDWARE AND SOFTWARE

The contractor, drawing on its own resources and information technology ("IT") infrastructure, shall develop a robust, secure, patient safety adverse event reporting web application system. This requirement entails the development, coding, testing, piloting, and documenting of a web-enabled application to implement the frameworks, coding schemes, analytical methods and data

presentation formats described in RFP Section 3.2.1. In addition to the system's data intake function, an advanced, web-enabled query and data presentation subsystem shall provide feedback to DHSS and individual reporting entities. This second web application must provide a toolset to enable health care professionals to view data trends (e.g., frequency distributions) by event type, event location, primary root cause, facility type, etc., within the framework of a fully-developed querying agent. A workflow and correspondence tracking subsystem must be incorporated to facilitate administrative oversight of compliance in the mandatory (see RFP Section 1.2) system with timeliness and completeness requirements. The workflow and correspondence subsystem must allow for and track Email and paper correspondence between facilities and DHSS and must seamlessly integrate with current DHSS technology in use for Email (Lotus Notes) and workflow management (Microsoft Access).

System architecture must allow for separate data access, data management and data analysis, and presentation functions for the following:

- mandatory event reports
- voluntary event reports, and
- all reports submitted by nursing homes in accordance with N.J.A.C. 8:39-9.4(e)3i.

The mandatory system (see RFP Section 1.2) requires extensive administrative oversight because of the need to review submitted reports, determine their acceptability, assign RCA due dates and review and accept RCAs. Since both event reports and RCAs may be modified under certain conditions, the system must be capable of linking updates and RCAs to original reports, as well as preventing modifications under specified conditions. Oversight of the voluntary system is less restrictive but general tracking functions are required. RCAs will not be required for voluntary reporting. Although all reports submitted by nursing homes in accordance with N.J.A.C. 8:39-9.4(e)3i shall be collected, only those reports of events meeting the reporting requirements under The Act shall be identified and utilized in the patient safety adverse event reporting system's analyses and report-generation functions. All reports of events submitted by nursing homes, however, must be available to DHSS for proper disposition. Separate management, aggregation and reporting functions must be provided for this purpose. Nursing homes must be able to access their own submitted event reports through this separate system as well as through the data management, aggregation, analysis and reporting functions that are part of the patient safety adverse event reporting system.

The patient safety adverse event reporting web application system must be designed to allow DHSS full access to all collected and processed data at all times (i.e., in "real time"), excluding scheduled down times for system maintenance or repairs. Down times must not be scheduled during standard business days (Monday-Friday) and operating hours (8:00 am to 4:00 pm EDT).

The patient safety adverse event reporting web application system must conform to the IT standards and criteria established by the State of New Jersey's Office of Information Technology (OIT), see Attachment 1. Where applicable and upon prior approval by DHSS and the Director, additional standards and criteria may be provided by the contractor, and may be hosted by either the contractor (Option 1) or by the State (Option 2), as defined in RFP Section 3.2.4.

The system shall include and must provide:

Security:

- A secure login with user name, date and time recording. If the State hosts the system (Option 2; see RFP Section 3.2.4) the State's portal and identity management infrastructure must be utilized to provide authentication and high-level authorization services for user access controls.

- The ability to specify user permissions and levels of system access for facility data entry, data management and the creation of summary reports.

- The ability to specify user permissions and levels of system access for the DHSS staff managing data, generating reports and performing system administration tasks. These permissions will allow for separate access to and management of nursing home reports.

- A facility workstation security feature(s) (e.g., warns user and resets form after a set period of inactivity).

- An auditing feature for tracking event/RCA changes (facility) and system management functions (DHSS).

Data Entry and Program Navigation:

- Data entry through multiple screens that divide the data entry operation into manageable segments through dropdown, drilldown, checkbox and write-in fields.

- A drop down and expandable questions for each event type based on current health care research and clinical practice guidelines (e.g., specific medication questions appear for medication events).

- A facility identification section (e.g., facility name, address, etc.) where items are populated through user name at login.

- The ability to code specific facility locations in common use by the facility (e.g., 3 West) with mapping to standard designations (e.g., medical-surgical). Facilities must be able to easily modify these location names. Dropdown menus must be designed to vary by type of facility (e.g., event location possibilities will be different for hospitals, ambulatory care facilities, and assisted living facilities).

- A data limiting/verification features (e.g., incident date must proceed discovery date); system must allow for upfront edits.

- An optional calendar functions for the entry of dates.

- The ability to designate select fields as “required”.

- Simple, user-friendly menus.

- Online, contextual help resources for completing forms (e.g., directions, definitions of data elements).

- Edit, save, submit and resubmit record functions that allow for review/modification of records and/or the addition of greater detail.

- The ability to attach existing documents to the event/RCA record during and after submission.

Sorting (Query) Capacity:

- A hierarchical structure for sorting data for display allowing for several simultaneous fields.

- A listing of events by report number with hyperlink to the selected report form (read only).

- A brief note/flagging capability to highlight progress of event or RCA review and submission process for facility and DHSS use.

- Sorting criteria for facility and DHSS use.

- The sorting of displayed event/RCA reports by column (e.g., clicking report number, event type, location, etc., resorts the data ascending or descending by that criterion – similar to features commonly found in Email programs).

Preformatted Reports:

- The selection of standardized tabular or graphic displays (e.g., top ten occurrences by facility type) that allow for management and summary reports for both facilities and DHSS.

- For each facility, the comparison of current and prior performance to State and peer averages by various fields selected by sorting criteria (custom reports).

- State and peer averages are calculated in real time following DHSS approval of the acceptability of a report.

RCA Preparation Features:

- Quantitative and qualitative (narrative) data elements to capture event details.

- Graphical representation of causal elements through Eindhoven and Veterans Administration causation flow charts (e.g., fish bone, Pareto chart) – this may be through an integrated drawing program or the ability to import graphics from standard graphing/charting programs. If import ability is chosen, standard templates for causation mapping shall be provided for commonly available programs.

Data Input/Management and Integration Toolset:

- Data management tools that allow DHSS staff to track the submission and processing of reports/RCAs (including due dates), to review events and RCAs for accuracy of coding, and to approve the addition of reports/RCAs to the database.

- Data management tools for the facility to allow tracking of event preparation and submission, and additional administrative oversight necessary within the facility.

- The ability to separate data into predefined datasets (data mart) and to apply rules-based criteria to trigger specific events, such as notification of a pattern of substandard performance or abuse.

- Logging of identified/potential system errors.

- The capability for facilities and DHSS to communicate through an integrated Email program operating under SMTP (DHSS uses Lotus Notes).

- The ability to notify DHSS system operators of pre-defined system errors/failures through an integrated Email program operating under SMTP (DHSS uses Lotus Notes).

- Correspondence management tools including correspondence tracking, form letters with mail merge capability, address and contact information database, and standardized correspondence templates.

- The ability to export data to other applications (e.g., SAS, SPSS) for analysis and for facilities to download their own data in several data transfer formats (e.g., XML, Microsoft Access, Excel).

- The ability to import data from existing event reporting systems (e.g., DHSS, Long-term Care and the Department of Human Services) in several data transfer formats (e.g., XML, Microsoft Access, Excel).

- A provision for future automated faxed and paper form scanning ability with intelligent character recognition, data management and data reduction functionality.

3.2.3 ON-GOING SUPPORT, TRAINING, SYSTEM MANAGEMENT AND SYSTEM ENHANCEMENTS

After successful design, development, testing and piloting of the patient safety reporting system the contractor shall be responsible for production of final training materials, on-going technical support, system management, and the addition of system enhancements in accordance with RFP Section 5.20, Additional Work. The contractor shall:

- Develop hard-copy and web-based instructional materials for duplication by DHSS, including Microsoft PowerPoint presentations for training DHSS and facility staff. Hard-copy instructional materials shall not be copyrighted.

- Develop written hard-copy and web-based user's guides for use by DHSS and facility staff. User's guides must be available on-line and in a downloadable format for user-initiated printing. Ten (10) user guides (hard copy) must be provided for DHSS staff training and ten (10) user guides (hard copy) must be provided for select facility staff training. Copy masters also must be developed to support future duplication of manuals by DHSS.

- Provide technical support for DHSS-initiated and hosted training sessions for facility personnel. The contractor, or its representative, must be present for all training sessions to manage and operate the system, and answer questions about the operation and maintenance of the complete system. These DHSS-facilitated training sessions shall not exceed 15 sessions per year. If additional training sessions are required, the contractor must provide the additional training at the cost provided in its bid proposal. The contractor must be present at these additional sessions to operate the system and answer questions about the operation and maintenance of the complete system.

- Provide ongoing technical support, throughout the contract period, for the hardware and software installed at the contractor's hosting facility (Option 1) or at the State server farm (Option 2); (see RFP Section 3.2.4), including the elimination, at no extra cost to DHSS, of design and coding errors (bugs).

- Provide telephone and web-based (i.e., Email and "on-line") help desk support throughout the contract period for DHSS and facilities during standard business days and operating hours (i.e., 8:00 am to 4:00 pm EDT Monday – Friday, excluding State holidays). The nature and extent of the help desk support required will be different under Option 1 and Option 2 for system hosting, as defined in RFP Section 3.2.4.

- Provide direct access for DHSS to all collected and processed data at all times (i.e., in "real time"), excluding scheduled down times for system maintenance or repairs. Down times

must not be scheduled during standard business days (Monday-Friday) and operating hours (8:00 am to 4:00 pm EDT).

- Instructional materials and user's guides shall be tailored to the reporting requirements and provide examples appropriate for the following classes of facilities: general acute care hospitals; all other hospitals; nursing homes; all other long term care facilities; ambulatory surgical centers; all other ambulatory care facilities; home health agencies and hospice.

After completion of Phases 1 and 2 of the contract (see RFP Section 4.4.4), DHSS may request system enhancements not provided for in this RFP (see RFP Section 5.20). The contractor, upon receipt of a request from DHSS for a system enhancement, shall prepare a detailed cost proposal consisting of the applicable service unit prices multiplied by the number of service units required to accomplish the proposed enhancement. The contractor shall not design, develop or implement a system enhancement without express written DPP approval. This restriction does not apply to enhancement of the hosting infrastructure under Option 1 initiated by the contractor, at no cost to DHSS, in order to keep pace with advances in IT technology, as required in the below Technical Requirements section.

3.2.4 TECHNICAL REQUIREMENTS

Help Desk Support

The contractor shall provide help desk support for installed software and hardware to DHSS and facility staff by telephone, website and Email during standard business days (Monday-Friday) and operating hours (8:00 am to 4:00 pm EDT). Help desk support shall consist of information and assistance resources that support DHSS and facility staff in basic system operation and maintenance tasks and to troubleshoot problems in the installed software and hardware. Questions of an operational nature, such as whether an incident is reportable or how an incident should be coded, shall be logged and forwarded to DHSS for disposition. The contractor must utilize an incident tracking system to track user requests, monitor their disposition, and to collect, analyze and summarize incident data for monthly progress reports (see RFP Section 3.3).

System Hosting - Option 1

The contractor shall host the system under its own IT infrastructure and utilizing its own IT staff. The contractor must provide sufficient, professionally-trained staff assigned on a regular, ongoing basis to manage the system and to maintain an infrastructure designed for scalability, security, high availability and reliability. Maintenance of the infrastructure must include, at a minimum, providing an upgrade road map for third party software and keeping the servers up to date with the latest security patches.

System Hosting - Option 2

The State shall host the system under its current IT infrastructure and the contractor must provide management and operational support. Under this option, the contractor must specify a co-management model of services hosting that conforms to one of the following:

- Facilities support to be supplied by the State (i.e., floor-space, electricity, HVAC, network connectivity); or

- Facilities and Server Administration support to be supplied by the State (i.e., floor-space, electricity, HVAC, network connectivity, hardware support, operating system support, version control, and data backup and recovery services).

Under a co-management model of services hosting, the contractor must design and configure the patient safety adverse event reporting system web applications to meet, at a minimum, the IT standards and criteria established by the State of New Jersey Office of Information Technology (OIT) and to work within the existing State IT architecture (see Attachment 1). In consultation with State OIT staff, the contractor must also provide a list of additional hardware and software products and/or specifications, if any, required to meet the specific operational requirements of the system. Additional information on the State IT architecture can be obtained from: http://www.state.nj.us/it/ps/it_architecture.pdf.

Data Import Specifications

When requested by the State, the contractor must provide system specifications for other vendors and/or software applications to interface with the patient safety adverse event reporting system web applications developed for this project. These specifications must allow for existing and/or future applications utilized by facilities or other State agencies to export/import data to and from the developed patient safety adverse event reporting system web applications. The specifications must be designed to restrict the transmission of data to only authorized persons and to limit the data received by an individual facility to only that facility's data.

Alternative Method of Data Submission (Data Collection Forms)

The system developed by the contractor must provide template paper forms for DHSS to make available to health care facilities without internet access, in order for such facilities to report serious preventable adverse events to DHSS. The forms must be designed in a way that they collect the same data as the web site. The forms must be designed to be keyed-in by DHSS staff in a way that anticipates automated scanning and data reduction using intelligent character recognition.

3.2.5 HIPAA AND BBA COMPLIANCE

The contractor shall, at all times, in performance of this contract, ensure that it maintains compliance with the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and the Balanced Budget Act (BBA) of 1997 governing the protection of patient information. See federal regulations, 45 CFR Part 160, 162 and 164 or Center for Medicare and Medicaid Services (CMS) website at: http://www.cms.hhs.gov/HIPAAGenInfo for HIPAA requirements and additional information.

Such regulatory compliance shall include the erasure and deletion of all personal, confidential information that may be contained on all personal computers and their drives prior to disposal, or any other disposition that may be required, of such informational technology equipment as per requirements as set forth by the US Department of Defense (DoD) 5220.22-M Standard. See http://www.hipaadvisory.com/tech/data_removal.htm for additional information.

The contractor shall submit an original signed copy of the HIPAA Memorandum of Understanding Agreement (see Attachment 3) to the State Contract Manager upon contract award.

3.3 PHASE-IN PROCESS

There are three phases for the design, development, piloting, and implementation of support services to the patient safety adverse event reporting system. These phases refer to the requirements in RFP Section 3.2.

Both phases 1 and 2 address the creation of the patient safety adverse event reporting system. Phase 1 defines the system requirements and phase 2 defines the system testing and piloting requirements. Phase 3 defines the operational procedures and policies that govern how the contractor is to provide ongoing services to DHSS and requires ongoing operational services throughout the duration of the contract period. However, the requirements for operational services (i.e., how the contractor shall provide the operational services, how the contractor's performance will be measured, and the types of periodic reports the contractor shall provide) are provided in Phase 1.

During all phases of system development, the contractor must regularly meet with DHSS (at least bi-weekly). The meetings shall be held either face-to-face or by teleconference at the discretion of and prior arrangement with DHSS. DHSS staff will be available to meet with the contractor during normal business hours (Monday-Friday, 8:00 am – 4:00 pm EDT), excluding State holidays. During these meetings, the contractor must submit to DHSS a written review of the system development process/progress to date including a review of scheduled deliverables. These reports must be delivered to DHSS via courier or Email at least three (3) business days prior to the scheduled meeting.

The contractor shall be responsible for completing each of the following phases:

Phase 1 – System definition including system design, operating rules, frameworks, coding schemes, procedures, analytical methods and data presentation formats that must support DHSS responsibilities under The Act.

Schedule: Must be completed within the timeframe the contractor provided in its bid proposal.

Phase 2 - Development, testing and successful piloting of the patient safety adverse event reporting system in a sample that includes general acute care hospitals; other hospitals; nursing homes; other types of long term care facilities; ambulatory surgical centers; other types of ambulatory care facilities; and home health agencies or hospice.

The contractor must secure DHSS approval of all menus, forms, reports, messages, routines and their underlying logic, before progressing to the next system development stage and before final integration and piloting of the system.

Schedule: The contractor must successfully complete a test pilot of the reporting system no later than fourteen (14) months from the contract start date.

Phase 3 - Initial training and rollout of the patient safety adverse event reporting system on a pre-determined basis to each major category of health care facility; on-going support, training, system management and, if requested and approved by DHSS and the Director, system enhancements.

Schedule:
Training and rollout to all hospitals: Must be completed no later than eighteen (18) months from the contract start date;

Training and rollout to other acute care facilities having appropriate computer and internet capability: Must be completed no later than twenty-four (24) months from the contract start date;

Training and rollout to long-term care facilities having appropriate computer and internet capability: Must be completed no later than thirty (30) months from the contract start date; and

On-going support, training, system management and approved system enhancements: extends from the completion of Phase 2 over the remainder of the contract period.

Upon completion of each phase, the contractor must obtain approval from the contract manager before receiving payment.

Phase 1 - Deliverables

The purpose of the Phase 1 deliverables is to design and document the operating rules, frameworks, coding schemes, procedures, analytical methods and data presentation formats used to collect, describe, process, evaluate, analyze and present reportable adverse events for both the mandatory serious preventable adverse event and the anonymous less serious preventable adverse event and near-miss interfaces and the operating rules, frameworks, coding schemes, procedures, analytical methods and data presentation formats used to collect, describe, process, evaluate, analyze and present event reports received from nursing homes in accordance with N.J.A.C. 8:39-9.4(e)3i (see RFP Section 1.2).

The following two (2) deliverables comprise specific tasks/subtasks (see chart below):

1. Patient Safety Adverse Event Reporting System - Specifications – a requirement package for the patient safety adverse event reporting system web application. This, at a minimum, must include:

    - Project calendar and scheduled meeting times between the contractor and DHSS staff.

    - Definitions of the patient safety adverse event reporting system business rules, data structures, procedures and analytical methods.

2. Patient Safety Adverse Event Reporting System - Operational Procedures and Policies – the detailed procedures and policies that shall guide DHSS staff and the contractor on the use and maintenance of the system.

The primary input into Phase 1 will be knowledge of the Institute of Medicine's (IOM) report, *To Err is Human*, documenting the serious problem of medical errors and, in accordance with the New Jersey "Patient Safety Act," the National Quality Forum's (NQF) "never events" list for mandatory reporting, the requirements from the rules developed by AHRQ for the Federal Patient Safety and Quality Improvement Act of 2005/Patient Safety Organizations along with ideas and standards from the following sources:

- *National Quality Forum/Joint Commission on the Accreditation of Healthcare Organizations' (JCAHO) patient safety event/root cause analysis taxonomy*

- *International Code of Diseases (ICD-9/10)*

- *Unique coding schemes and systems used by FDA, CDC, CMS and AHRQ*

- *Veterans Administration risk assessment decision tree and classification scheme*

- *Institute of Medicine's guidance for developing a schema defining the nature and structure of patient safety data*

- *Health Insurance Portability and Accountability Act of 1996 (HIPAA) requirements for privacy and security*

- *Eindhoven Classification Model (ECM - medical version) for describing and categorizing root causes*

- *Medical Event Reporting System (MERS-TM), which provides a coding scheme for describing events, causes and a causal tree framework for conducting root cause analyses*

- *Other sources that may be introduced by the contractor.*

In addition, the contractor is expected to bring its own knowledge and experience in patient safety reporting, including specific knowledge of and experience with medical error reporting methods and web-based reporting systems, as well as determining the applicability of the standards discussed above.

Phase 1 – Tasks/Subtasks

Phase # / Task #	Task Description	Subtasks
1 / 1.0	Orientation and planning	• Introduction to DHSS patient safety project staff and management • Project calendar and scheduled meeting times • Formal project kickoff meeting
1 / 2.0	Define patient safety adverse event reporting system business rules, data structures, procedures and analytical methods.	• See subtasks listed below:
1 / 2.1	Identify data elements to be captured through mandatory and voluntary adverse event reporting and nursing home event reports submitted in accordance with N.J.A.C. 8:39-9.4(e)3i (see RFP Section 1.2) and publish fully attributed patient safety reporting logical data models. These models will reflect the distinct data collection requirements as defined under the Patient Safety Act and enabling regulations (see http://www.nj.gov/health/hcqo/ps/)	• Patient safety reporting data models for mandatory and voluntary event reporting systems fully attributed with all entities, attributes, domains and relationships defined • Data model for collecting reports from nursing homes in accordance with N.J.A.C. 8:39-9.4(e)3i fully attributed with all entities, attributes, domains and relationships defined
1 / 2.2	Define rules for encoding and classifying data to be collected in patient safety reports for mandatory and voluntary systems. Define rules for encoding, classifying, and separating reports from nursing homes meeting the reporting requirements under the Patient Safety Act from all other reports submitted by nursing homes in accordance with N.J.A.C. 8:39-9.4(e)3i (see RFP Section 1.2).	• Taxonomies for mandatory and voluntary reporting • Rules for separating nursing home reports meeting the reporting requirements under the Patient Safety Act from all other reports from nursing homes submitted in accordance with N.J.A.C. 8:39-9.4(e)3i • Confidentiality/privacy rules by data element

Phase # / Task #	Task Description	Subtasks
1 / 2.3	Define rules for classifying the severity of patient safety reports.	• Decision table(s) and data parameters used to classify severity of patient safety reports
1 / 2.4	Define policies and procedures for the disposition of each patient safety report severity classification.	• Definitions of policy and procedure actions, timeframes and responsibilities • Detailed flowchart of patient safety report disposition • Workflow diagram for reports by patient safety report classification
1 / 2.5	Define methodology and taxonomy for capturing and encoding root cause analyses to support analyses of "why" adverse events occur.	• Root Cause Analysis encoding methodology and data model • Root Cause Analysis taxonomy
1 / 2.6	Define response policy rules and trigger events that shall cause the patient safety adverse event reporting system to notify DHSS and/or another predefined entity to take specific action. For example, the submission of a serious event may trigger notification due to a pattern of substandard performance by a facility.	• Correspondence list and triggering events • Correspondence template specifications • Periodic and event-driven report layouts
1 / 2.7	Using the specifications developed in tasks/subtasks 1 / 2.1 - 2.6, specify the structure, content, summary, and analytical reporting requirements	• Patient safety reporting requirements • Event counting and aggregation reporting requirements • Event analytical requirements • Data analysis dimensions (i.e., how events should be counted)
1 / 2.8	Define audit and workflow requirements to track the internal actions taken by the patient safety adverse event reporting system. These requirements define the data structures and reporting tools needed to reconstruct how patient safety reported cases are handled from the time they are first submitted to the time they are completed.	• Data element audit and history specifications • Audit reporting specifications
1 / 2.9	Consult with select DHSS staff on an ongoing basis. Phase 1 requires a close working relationship between the contractor and DHSS staff to finalize the requirements developed in Phase 1.	• Meetings (either face-to-face or by teleconference), meeting notes and Emails with select DHSS staff, comments, questions and decisions

Phase # / Task #	Task Description	Subtasks
1 / 2.10	Define data access and security requirements. These requirements will vary based on the system hosting selection (Option 1 or Option 2 - see RFP Section 3.2.4). If Option 2 is selected, applications must be designed and configured to work within the State's portal and identity management infrastructure for authentication and high-level authorization services.	• Confidentiality policy that shall at a minimum satisfy HIPAA Privacy Rule and security standards • User roles and authority for patient safety reporting • User identification and authentication requirements
1 / 2.11	Consolidate tasks/subtasks into a final patient safety adverse event reporting system report intake specification package.	• Patient safety adverse event reporting system report intake specification package (bundling and packaging from earlier task/subtasks in 1 / 2.0 for input to Phase 2)
1 / 2.12	Develop a responsibility, authority, expertise, work (RAEW) matrix for the Phase 3 ongoing delivery of services part of this project.	• RAEW matrix
1 / 2.13	Develop operating procedures and policies for patient reporting services.	• Patient safety report operational procedures and policies (bundling and packaging from earlier task/subtasks 1 / 2.0 for input to Phase 3)
1 / 2.14	Submit specifications package for review and comments.	• Patient safety adverse event reporting system report intake specifications package
1 / 2.15	Incorporate changes from comments from task/subtasks 1 / 2.14.	• Additions and changes to tasks/subtasks in Phase 1 based on feedback from DHSS staff
1 / 2.16	Submit final specifications package to DHSS for approval.	• Final patient safety adverse event reporting system report intake specifications package • Final DHSS approval

Phase # / Task #	Task Description	Subtasks
1 / 3.0	Prepare draft Phase 1 report and PowerPoint presentation of Phase 1 accomplishments and submit to DHSS for comments. The report must: • Summarize the work completed by task • Recap problems encountered and lessons learned that might be used to improve performance of subsequent tasks • Describe the contractor's approach to meeting the business and technical requirements posed by each task • Recommend procedural and organizational changes to improve project performance.	• Phase 1 report • PowerPoint presentation
1 / 3.1	Incorporate comments from DHSS into Phase 1 report and PowerPoint presentation. Submit final Phase 1 report.	• Final Phase 1 report • Final PowerPoint presentation
1 / 3.2	Deliver a PowerPoint presentation of Phase 1 accomplishments.	• PowerPoint presentation of Phase 1 accomplishments
1 / 3.3	Release updated specifications package to web application development project.	• Release Phase 1 specifications package and documentation to Phase 2

Phase 2 - Deliverables

The purpose of Phase 2 deliverables is to develop, code, test, and pilot the patient safety adverse event reporting system. This web-based tool, once fully rolled-out, will be used by health care facilities, health care professionals, and facility employees to report mandatory serious preventable adverse events, and voluntary less serious preventable adverse events and near-misses (see RFP Section 1.2). The system shall allow DHSS to exercise its responsibilities under The Act including the management of patient safety data and the internal procedures to ensure that each event report and RCA submitted are completely and correctly processed. The system shall serve to integrate the data collection function required of nursing homes in accordance with N.J.A.C. 8:39-9.4(e)3i with the requirements of The Act. Although all reports submitted by nursing homes in accordance with N.J.A.C. 8:39-9.4(e)3i will be collected, only those reports of events meeting the reporting requirements under The Act shall be identified and utilized in the patient safety adverse event reporting system's analyses and report-generation functions. All reports of events submitted by nursing homes, however, must be available to DHSS for proper disposition. Separate management, aggregation and reporting functions must be provided for this purpose. Nursing homes must also be able to access their own submitted event reports through this separate system as well as through the data management, aggregation, analysis and reporting functions that shall be a part of the patient safety adverse event reporting system.

The following five (5) deliverables comprise tasks/subtasks (see chart below):

1. Patient safety adverse event reporting system hardware specifications;

2. Patient safety adverse event reporting system intake subsystem;

3. Patient safety adverse event reporting system workflow and correspondence management subsystem;

4. Patient safety adverse event reporting system query and presentation subsystem; and

5. Patient safety adverse event reporting system application support subsystem.

The basic design, development and implementation of the deliverables listed above will be different under Option 1 or Option 2 for system hosting. If Option 2 is selected (see RFP Section 3.2.4), the components listed above must be designed and configured to work within the State's existing IT system architecture. Additional information can be obtained from the attached IT standards document and from: http://www.state.nj.us/it/ps/it_architecture.pdf.

Phase 2 deliverables require the following inputs:

- The patient safety adverse event reporting system specification package (see Phase 1 tasks/subtask provided in RFP Section 4.4.4). This specification package, at a minimum, must include:

    o Project calendar and scheduled meeting times between the contractor and DHSS staff.

    o Definitions of the patient safety adverse event reporting system business rules, data structures, procedures, analytical methods and data presentation formats.

- Feedback from test scenarios/cases, training sessions with select DHSS staff and a fully-operational pilot with select DHSS and facility personnel.

- If Option 2 is selected (see RFP Section 3.2.4), the contractor must design and configure the applications to meet the State's IT architectural standards including the State's portal and identity management infrastructure for authentication and high-level authorization services. Basic IT standards are attached (see Attachment 1); additional information can be obtained from: http://www.state.nj.us/it/ps/it_architecture.pdf.

The contractor must successfully test and pilot all deliverables before Phase 2 will be considered complete. Tests must include data dumps (conversion) to and from Microsoft Access and Excel using DHSS test data. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the various subsystems to verify their functional completeness and correctness.

Phase 2 – Tasks/Subtasks

Phase # / Task #	Task Description	Subtasks
2 / 1.0	Design, build, test and user-test a patient safety adverse event system event intake subsystem. This subsystem must be designed to be an internet application.	• See subtasks listed below:
2 / 1.1	Meet with State IT staff to develop a detailed plan for designing, developing and hosting the patient safety adverse event reporting system on the contractor's hosting system (Option 1) or at the State server farm (Option 2).	• Joint plan and calendar • Individual assignments of work to be completed and dates

Phase # / Task #	Task Description	Subtasks
2 / 1.2	Design system architecture and operating procedures for hosting web applications. This task must include either providing specifications of the contractor's hosting system (Option 1) or the hardware and connectivity requirements for hosting the web applications within the current State IT architecture (Option 2). For Option 1, the bidder must demonstrate that it has the necessary IT architecture, storage and bandwidth capacity to support the web applications developed for this project, or provide a detailed plan for how these requirements will be met.	• System hardware specifications • System operating procedures
2 / 1.3	Design and build a development database for the patient safety adverse event reporting system event intake subsystem using the logical data models completed in earlier task/subtasks 1 / 2.1.	• Server DDL and development database
2 / 1.4	Build prototype web forms and form flows for the patient safety adverse event reporting system event intake interfaces (mandatory system, voluntary system, nursing homes; see RFP Section 1.2). This task must include facilitated meetings to secure DHSS and, by means of an advisory group convened by DHSS, facility input. These meetings are to ensure that the intake web application represents the right balance of detail, ease of use, capacity to support analytical functions, and safeguards to prevent data loss/corruption.	• Web forms (linked to the database) but with minimal business logic • Web form walk-through with select DHSS and facility staff • Revisions to web forms and web form flows based on facilitated sessions
2 / 1.5	Design and code stored procedures and network protocols required to handle the data access for the web forms developed in task/subtasks 2 / 1.4.	• Stored procedure code • Network code
2 / 1.6	Design web application infrastructure (session management, access control, user login, user identification and authentication, and audit services). If the State hosts the system (Option 2; see RFP Section 3.2.4) the State's portal and identity management infrastructure must be utilized to provide authentication and high-level authorization services for user access controls.	• Internal design specification for control processing behind the web pages • Data structure transformation program specifications (mostly for encoding data) • Specifications for identity management, authentication and user access controls
2 / 1.7	Write code for the patient safety adverse event system event intake subsystem.	• Program code • Stored procedure code
2 / 1.8	Load master code and reference files.	• Updated codes tables • Updated health care facility descriptive data tables

Phase # / Task #	Task Description	Subtasks
2 / 1.9	Design test scripts/scenarios and test cases to validate the patient safety adverse event system event intake subsystem. The testing must verify the functional completeness and correctness of the data intake subsystem. The testing also must include user acceptance testing utilizing select DHSS staff. A second round of testing is required to test the application's performance under different workloads. This stress testing is important for verifying the sizing and capacity of the hardware and software used to host the web application. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the subsystem to verify its functional completeness and correctness.	• Test plan • Test scenarios • Test scripts and sample (dummy) reports • Assignment of select DHSS staff to participate in the test • Hardware, programming and/or procedural corrections and modifications • Final DHSS approval
2 / 1.10	Execute test scripts/scenarios developed in task/subtasks 2 / 1.9 to include, at a minimum, unit (local), integrated (global), user and stress testing with select DHSS staff. Results of this testing must be used to make corrections/adjustments to the application hardware and/or software to ensure the functional completeness and correctness of the application subsystems. This process must be repeated until the results are acceptable to DHSS.	• Task/subtasks from 2 / 1.9 • Final DHSS approval
2 / 1.11	Design and build written and web-based patient safety adverse event reporting system intake subsystem user's guides for health care workers and other users. This guide should provide sufficient information to allow a health care worker who has not been trained to successfully navigate the patient safety adverse event reporting system event intake web application and complete an adverse event report.	• Web-based patient safety adverse event reporting system event intake user's guide • Written (hard copy) patient safety adverse event reporting system event intake user's guide • Final DHSS approval
2 / 2.0	Design, build, test and user-test a patient safety adverse event reporting system reporting workflow and correspondence management subsystem.	•See subtasks listed below:

Phase # / Task #	Task Description	Subtasks
2 / 2.1	Meet with select OIT and DHSS staff to develop a detailed plan for designing and developing the patient safety adverse event reporting system event workflow and correspondence management subsystem. Whichever hosting Option was selected for the event intake subsystem for task/subtasks in 2 / 1.1 must also be selected for the workflow and correspondence management subsystem.	• Joint plan and calendar • Individual assignment of work to be completed and dates • Define technical approach to implementing work queues (i.e., using Email or a true workflow management package)
2 / 2.2	Extend the patient safety adverse event reporting system event intake database to incorporate internal DHSS tasks, parties, roles, standard correspondence, procedures and rules governing how different kinds of patient safety reports are to be processed, the kind of correspondence that needs to be created and disseminated.	• Database DDL and development database extensions to support patient safety reporting workflow
2 / 2.3	Design internal DHSS workflow processing services for patient safety adverse event reporting system event workflow and correspondence management subsystem. This is a technical design for how event reports are to be processed, tracked and aged.	• Workflow models (flow charts) • Workflow activity specifications • Specified roles • Pre and post conditions for event reports to be processed by and subsequently output from an activity • Data structures used to pass event report work from one activity to the next
2 / 2.4	Develop a detailed technical design for implementing the design created in the prior task/subtasks 2 / 2.3. Along with the detailed technical design, specify the development and implementation tools that will be used to code and deliver the workflow and correspondence management services for patient safety reporting.	• Detailed technical design • Specification of the programming languages, Microsoft tools, and third party controls that might be required • Coding specifications for the workflow and correspondence management subsystem
2 / 2.5	Design workflow test scenarios and test scripts based on requirements defined in task/subtasks 2 / 2.3 to include unit, integrated, user and stress testing. This test design will be used to verify that the technical design and coding meet the functional requirements defined in task/subtasks 2 / 2.3. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the subsystem to verify its functional completeness and correctness.	• Workflow and correspondence management test scenarios • Workflow and correspondence management test scripts • Test data • Final DHSS approval

Phase # / Task #	Task Description	Subtasks
2 / 2.6	Write form letters and standardized correspondence templates. These documents must incorporate mail merge fields so they can be printed or rendered with the recipient's name and address. All form letters and standardized correspondence must be approved by DHSS.	• Form letter and standardized correspondence templates (must be in Microsoft Word or another format that will easily integrate into the workflow management) • Media specifications for each letter, including delivery format • Final approval by DHSS
2 / 2.7	Code the patient safety adverse event reporting system event workflow and correspondence management subsystem. This requirement includes setting up and configuring all software to work with the custom application code written for the workflow management services.	• Program code • Microsoft Word, Lotus Notes and other software configured to support the application
2 / 2.8	Schedule, plan and execute the test scenarios and scripts developed in task/subtasks 2 / 2.5. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the subsystem to verify its functional completeness and correctness.	• Test plan and schedule • Executed test scenarios and test scripts • Final DHSS approval
2 / 2.9	Design and deliver a one day training course for select DHSS staff that will use the patient safety adverse event reporting system event workflow and correspondence management subsystem on a daily basis. The training course must feature hands-on training using sample patient safety reports. This training session also will serve as a facilitated user-test to verify not only the operation and functional completeness of the subsystem, but to assess its acceptance and ease of use.	• Training materials • Sample patient safety reporting for hands-on exercises • Lectures to explain the application design and functions for end users • Feedback from user-testing • Final modifications to the subsystem based on user feedback • Final DHSS approval
2 / 3.0	Design, build, test, and user-test the patient safety adverse event reporting system query and data presentation subsystem. This subsystem must be an internet application.	• See subtasks listed below:
2 / 3.1	Meet with select OIT and DHSS staff to develop a detailed plan for designing and developing the patient safety adverse event reporting system query and data presentation subsystem. Whichever hosting option was selected for the event intake subsystem in task/subtasks 2 / 1.1 must also be selected for the query and data presentation subsystem.	• Joint plan and calendar • Individual assignment of work to be completed and dates

Phase # / Task #	Task Description	Subtasks
2 / 3.2	Develop external detailed design specifications for the data visualization, reporting and query services to be provided in the patient safety adverse event reporting system query and data presentation subsystem. This task will use the requirements defined in task/subtasks 1 / 2.7.	• Detailed report layouts with calculation and data input specifications • Detailed charting requirements with calculation and data input specifications • Standard presentation formats and layouts for patient safety reports • Define end-user accessible parameter queries
2 / 3.3	Design and implement a data mart to support patient safety adverse event reporting system query and presentation subsystem.	• Data mart logical data model • Data mart database • Data mart data replication procedure to extract and load data from the patient safety reporting production database
2 / 3.4	Develop a detailed technical design to implement the external design developed in task/subtasks 2 / 3.2. A key part of this task involves defining how reports will be rendered and delivered to internet and intranet users. The design must also address how data are to be downloaded into client-based tools such as Microsoft Excel and other desktop applications.	• Design interface structure required to render reports • Design and code parameter queries • Design and code charting parameters • Develop data transfer protocols
2 / 3.5	Generate and test report generation code. This task involves generating the code required to produce the reports and to verify the accuracy of the calculations, aggregation and summary operations involved in each report. The accuracy and appropriateness of the charts used to visually present patient safety data must also be verified in this task. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the subsystem to verify its functional completeness and correctness.	• Report generation code • Test reports • Test XML/XSL generated HTML • Test download data for use in Microsoft Excel • Final DHSS approval
2 / 3.6	Design and create written and web-based user's guides for individuals using the patient safety adverse event reporting system query and data presentation services.	• Web-based patient safety adverse event reporting system and query and data presentation services user's guide • Written patient safety adverse event reporting system query and data presentation services user's guide • Final DHSS approval

Phase # / Task #	Task Description	Subtasks
2 / 3.7	Design test scripts/scenarios and test cases to validate the patient safety adverse event reporting system query and data presentation subsystem. The testing must verify the functional completeness and correctness of the query and data presentation subsystem. The testing also must include user acceptance testing with select DHSS staff. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the subsystem to verify its functional completeness and correctness.	• Test plan • Test scenarios • Test scripts and sample data • Assignment of select DHSS staff to participate in the test. • Hardware, programming and/or procedural corrections and modifications • Final DHSS approval
2 / 3.8	Execute test scripts/scenarios developed in task/subtasks 2 / 3.7 to include, at a minimum, unit (local), integrated (global), user and stress testing with select DHSS staff. Results of this testing must be used to make corrections/adjustments to application hardware and/or software to ensure the functional completeness and correctness of the application subsystems. This process must be repeated until the results are acceptable to DHSS.	• Tasks/subtasks from 2 / 3.7 • Final DHSS approval
2 / 4.0	Design, build, test, and user-test the patient safety adverse event reporting system application support subsystem. This task deals with designing and coding the infrastructure services required to deliver a publicly-accessible web application system. The specific subtasks for this task will vary depending on the technical design developed by the contractor.	• See subtasks listed below:
2 / 4.1	Design, build, test and user-test supporting services, i.e., file maintenance, access control and other background application services which are essential to delivering working web applications.	• Design and code supporting services to support the patient safety adverse event reporting system in compliance with the contractor's hosting system (Option 1) or the hardware and connectivity requirements for hosting the web applications within the current State IT architecture (Option 2)

Phase # / Task #	Task Description	Subtasks
2 / 4.2	Design test scripts/scenarios and test cases to validate the functional completeness and correctness of the completed patient safety adverse event reporting system. The testing plan must include stress testing for verifying the sizing and capacity of the hardware and software used to host the web application. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the completed system to verify its functional completeness and correctness before proceeding to the pilot.	• Test plan • Test scenarios • Test scripts and sample (dummy) reports • Assignment of select DHSS staff to participate in the test • Hardware, programming and/or procedural corrections and modifications • Final DHSS approval
2 / 4.3	Design and create paper forms for the alternative method of data submission. The forms must be designed in a way that they collect the same data as the web-enabled system. The forms must also be designed in a way that anticipates automated scanning and data reduction using intelligent character recognition.	• Alternative method of data submission reporting forms • Final DHSS approval
2 / 4.4	Finalize written and web-based user's guides for use by DHSS and facility staff to include the sections on event intake and reporting and query services (include the workflow and correspondence management subsystem documentation in DHSS manuals).	• Completed web-based user's guides for DHSS and facilities • Completed written user's guides for DHSS and facilities • Final DHSS approval
2 / 5.0	Develop training materials, conduct training sessions and pilot test.	• See subtasks listed below:
2 / 5.1	Design and create a one-day classroom-based training session featuring hands-on exercises for training facility staff.	• Training guide • Training handouts • Training cases and examples • Training course • Final DHSS approval
2 / 5.2	Select up to twenty (20) facilities for pilot testing of the complete patient safety adverse event reporting system. A list of voluntary participants shall be provided by DHSS. This list must include, at a minimum, representatives from hospitals, nursing homes, other long term care facilities, ambulatory care facilities, and home health agencies.	• List of selected facilities for piloting of the system

Phase # / Task #	Task Description	Subtasks
2 / 5.3	Design, plan and coordinate, in conjunction with and with the approval of DHSS, a training session for preparation of the pilot test. Train up to ten (10) select DHSS staff and forty (40) facility staff (select staff from the 20 piloting facilities).	• Training guide • Hands-on training • Evaluation of training materials and presentation (to be used in designing improved training sessions) • Final DHSS approval
2 / 5.4	Schedule, plan and execute a pilot test of the complete patient safety adverse event reporting system. DHSS must approve the schedule, plan and pilot test materials in advance. Problems experienced by pilot testers must be corrected and the system must be immediately retested, so that system problems have been fixed by the conclusion of the pilot test and DHSS accepts the final system for operational implementation.	• Pilot test of complete patient safety adverse event reporting system • Hardware, programming and/or procedural corrections and modifications • Final DHSS approval
2 / 6.0	Prepare draft Phase 2 report and PowerPoint presentation of Phase 2 accomplishments and submit to DHSS for comments. That report must: • Summarize the work completed by task • Recap problems encountered and lessons learned that might be used to improve performance of subsequent tasks • Describe the contractor's approach to meeting the business and technical requirements posed by each task • Recommend procedural and organizational changes to improve project performance.	• Phase 2 report • PowerPoint presentation
2 / 6.1	Incorporate comments from DHSS into Phase 2 report and PowerPoint presentation. Submit final Phase 2 report.	• Final Phase 2 report • Final PowerPoint presentation
2 / 6.2	Deliver a PowerPoint presentation of Phase 2 accomplishments.	• PowerPoint presentation of Phase 2 accomplishments

Phase 3 - Deliverables

The purpose of Phase 3 deliverables is to conduct the scheduled rollout of the system to all users, as well as to provide a collection of ongoing supporting services to DHSS during the remainder of the contract period.

Phase 3 requires completion of the deliverables from Phases 1 and 2 and provides ongoing operational support for the software installed at the contractor's hosting facility (Option 1) or at the State server farm (Option 2), including the elimination of design and coding errors (bugs).

Phase 3 also allows for future system enhancements, at DHSS request, based on unit prices for enhancements the contractor provided in its bid proposal submitted in response to this RFP.

The rollout of the patient safety adverse event reporting system must be approved and coordinated with DHSS in advance after final approval of the system's functional completeness and correctness as documented in the pilot test conducted in Phase 2. The specific details of the rollout process must be specified in the initial planning meetings between DHSS and the contractor.

The following five (5) deliverables comprise of tasks/subtasks (see chart below):

1. Planning for and coordinating with DHSS in the scheduled rollout of the patient safety adverse event reporting system.

2. Ongoing patient safety adverse event reporting system web application maintenance and support services for the applications platform and all of the subsystems developed in Phase 2.

3. Technical and operational support to DHSS and facilities during regular business days and operating hours (help desk functions). This set of services must be provided in a flexible, responsive manner based on the selection of Option 1 or Option 2 for system hosting and the business rules and procedures developed in Phase 1.

4. Monthly project status reports.

5. Technical support for DHSS-initiated and hosted training sessions for facility personnel as defined in RFP Section 3.2.3.

Phase 3 deliverables require the following inputs:

- Patient safety adverse event reporting system operational procedures and policies – the detailed procedures and policies that will guide the contractor's delivery of ongoing professional services from Phase 1.

- Patient safety adverse event reporting system hardware specifications.

- Patient safety adverse event reporting system intake subsystem from Phase 2.

- Patient safety adverse event reporting system workflow and correspondence management subsystem from Phase 2.

- Patient safety adverse event reporting system query and data presentation subsystem from Phase 2.

- Patient safety adverse event reporting system application support subsystem from Phase 2.

Phase 3 – Tasks/Subtasks

Phase # / Task #	Task Description	Subtasks
3 / 1.0	Training and rollout of the patient safety adverse event reporting system. Rollout schedule and method must be approved and coordinated with DHSS as specified in the initial planning meetings between DHSS and the contractor in Phase 1.	• Training materials and schedule • Rollout schedule • Participation in DHSS-sponsored training sessions Ongoing: • Application maintenance and support including working with select DHSS and State IT staff to ensure that web access and web application performance is secure, reliable and responsive to users • Maintenance of application code (to fix problems and make incremental improvements to the application) • Telephone, web-based and Email support (help desk) **NOTE: these services will be different under Option 1 or Option 2 for system hosting**
3 / 1.1	Training and rollout to hospitals.	• Training materials and schedule • Participation in DHSS-sponsored training sessions • Rollout management and technical support
3 / 1.2	Training and rollout to other acute care facilities having appropriate computer and internet capability.	• Training materials and schedule • Participation in DHSS-sponsored training sessions • Rollout management and technical support
3 / 1.3	Training and rollout to long-term care facilities having appropriate computer and internet capability. Separate training sessions will be provided for nursing home personnel for those facilities utilizing the nursing home-specific capabilities of the patient safety adverse event reporting system.	• Training materials and schedule • Participation in DHSS-sponsored training sessions • Rollout management and technical support
3 / 2.0	Prepare draft Phase 3 report and PowerPoint presentation of Phase 3 accomplishments and submit to DHSS for comments. That report will: • Summarize the work completed by task • Recap problems encountered and lessons learned that might be used to improve performance of subsequent tasks • Describe the contractor's approach to meeting the business and technical requirements posed by each task • Recommend procedural and organizational changes to improve project performance.	• Phase 3 report • PowerPoint presentation

Phase # / Task #	Task Description	Subtasks
3 / 2.1	Incorporate comments from DHSS into Phase 3 report and PowerPoint presentation. Submit final Phase 3 report and PowerPoint presentation.	• Final Phase 3 report • Final PowerPoint presentation
3 / 2.2	Deliver a PowerPoint presentation of Phase 3 accomplishments.	• PowerPoint presentation of Phase 3 accomplishments
3 / 3.0	Ongoing maintenance, support, troubleshooting, progress notes, training and system enhancements	• See subtasks listed below:
3 / 3.1	Maintain and support the patient safety adverse event reporting system web applications including the four subsystems defined in Phase 2 during the term of the contract. Prepare a monthly progress report and submit to DHSS by the fifth day of each month following the month covered in the report. The report must include an accounting and explanation of the type and amount of technical assistance provided.	• Application maintenance and support • Maintenance of application code • Monthly progress report **NOTE: these services will be different under Option 1 or Option 2 for system hosting (see RFP Section 3.2.4)**
3 / 3.2	Only if Option 1 is selected, transmit patient safety event data (RFP Section 3.2.4). The specifics of this activity are defined in Phase 1 and the supporting automated tools are defined in Phase 2. Regardless of option selected, prepare a monthly progress report and submit to DHSS by the fifth day of each month following the month covered in the report. The report must include an accounting and explanation of the type and amount of technical assistance provided.	• Periodic reporting of patient safety adverse events to DHSS (period to be defined in Phase 1) • Monthly progress report

Phase # / Task #	Task Description	Subtasks
3 / 3.3	Provide telephone, web-based and Email support (help desk) for the patient safety adverse event reporting system during standard business days (Monday-Friday) and operating hours (8:00 am to 4:00 pm EDT) during the term of the contract period. Prepare a monthly progress report and submit to DHSS by the fifth day of each month following the month covered in the report. The report must include an accounting and explanation of the type and amount of technical assistance provided.	• Telephone, web-based and Email support (help desk) • Monthly progress report **NOTE: these services will be different under Option 1 or Option 2 for system hosting (see RFP Section 3.2.4)**
3 / 3.4	Technical support for DHSS-initiated and hosted training sessions. Fifteen sessions are included in the project budget. If additional training sessions are required, the contractor must provide technical support at an agreed upon price.	• Participation in DHSS-sponsored training sessions
3 / 3.5	After completion of Phases 1 and 2 of the contract, DHSS may request system enhancements not provided for in this RFP. Upon receipt of a request from DHSS for a system enhancement, the contractor shall prepare a detailed cost proposal consisting of the applicable service unit prices (specified in RFP Section 3.2.3) multiplied by the number of service units required to accomplish the proposed enhancement. The contractor shall not design, develop or implement a system enhancement without express written DPP approval. This restriction does not apply to enhancements of the hosting infrastructure under Option 1 (see RFP Section 3.2.4) initiated by the contractor, at no cost to DHSS, in order to keep pace with advances in IT technology, as required under RFP Section 3.2.4.	• Detailed plan and cost proposal • Review and approval by DHSS and DPP. • Development and implementation of the enhancement • Complete testing of the system with the enhancement installed • Final approval by DHSS

3.4 CONTINUING IT HARDWARE AND SOFTWARE SUPPORT

During the term of the contract, the contractor shall provide reasonable notice to the Director and State Contract Manager on all IT hardware and software that will no longer be manufactured and supported. Reasonable notice shall be within 30 days after the manufacturer's announcement that it will discontinue manufacture and support of such IT Hardware and software. In such instances, the contractor will immediately discontinue selling such IT hardware and software to the State and others agencies using the contract, and provide the Director with a plan to support and service any existing installed based of such IT hardware and software. If the Director is satisfied with the support and continued service plan offered by the contractor, the Director shall take no further action against the contractor and may permit the contractor to sell the IT hardware and software under specified terms and conditions established by the Director. If the contractor fails to provide reasonable notice to the Director and/or continues to sell IT hardware and software to the State or its Using Agencies after the manufacturer has announced it will discontinue the manufacture and support of the IT hardware and software, all such purchases shall be deemed voidable by the Director and; (a) outstanding purchase orders may be cancelled without charge; (b) the IT hardware and/or software returned to the contractor; and the Director may employ all means to seek restitution of the purchase price from the contractor unless the State has had the use of and support of the IT hardware and/or software for a minimum of three (3) years prior to the announcement of discontinuation.

4.0 BID PROPOSAL PREPARATION AND SUBMISSION

4.1 GENERAL

The bidder is advised to thoroughly read and follow all instructions contained in this RFP, including the instructions on the RFP's signatory page, in preparing and submitting its bid proposal.

> Note: Bid proposals shall not contain URLs (Uniform Resource Locators, i.e., the global address of documents and other resources on the world wide web) or web addresses. Inasmuch as the web contains dynamically changing content, inclusion of a URL or web address in a bid response is indicative of potentially changing information. Inclusion of a URL or web address in a bid response implies that the bid's content changes as the referenced web pages change.

4.2 BID PROPOSAL DELIVERY AND IDENTIFICATION

In order to be considered, a bid proposal must arrive at the Purchase Bureau in accordance with the instructions on the RFP signatory page http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml. Bidders are cautioned to allow adequate delivery time to ensure timely delivery of bid proposals. **State regulation mandates that late bid proposals are ineligible for consideration**. **THE EXTERIOR OF ALL BID PROPOSAL PACKAGES ARE TO BE LABELED WITH THE BID IDENTIFICATION NUMBER AND THE FINAL BID OPENING DATE OR RISK NOT BEING RECEIVED IN TIME.**

4.3 NUMBER OF BID PROPOSAL COPIES

The bidder must submit one **(1) complete ORIGINAL bid proposal**, clearly marked as the "ORIGINAL" bid proposal. The bidder should submit **seven (7) full, complete, and exact copies and one (1) unbound, complete and exact copy** of the original proposal.

In addition, the bidder must submit **two (2) full, complete, and exact ELECTRONIC copies** of the original proposal in PDF file format to be viewable and "read only" by State evaluators using Adobe Acrobat Reader software on compact disc (CD). The bidder should also submit **(1) full, complete, and exact ELECTRONIC copy** of the original proposal in an editable and "writable" PDF file format on CD for redaction.

A bidder failing to provide the requested number of copies will be charged the cost incurred by the State in producing the requested number of copies. It is suggested that the bidder make and retain a copy of its bid proposal.

4.4 BID PROPOSAL CONTENT

The bid proposal should be submitted in one volume and that volume divided into four (4) sections with tabs (separators), and the content of the material located behind each tab, as follows:

- Section 1 - Forms (Section 4.4.1 – 4.4.3)
- Section 2 - Technical Proposal (Section 4.4.4)
- Section 3 - Organizational Support and Experience (Section 4.4.5)
- Section 4 - Cost Proposal (Section 4.4.6)

4.4.1 FORMS THAT MUST BE SUBMITTED WITH BID PROPOSAL

4.4.1.1 SIGNATORY PAGE

The bidder shall complete and submit the Signatory page provided on the Advertised Solicitation, Current Bid Opportunities webpage http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml. The Signatory page shall be signed by an authorized representative of the bidder. If the bidder is a limited partnership, the Signatory page must be signed by a general partner. If the bidder is a joint venture, the Signatory page must be signed by a principal of each party to the joint venture. Failure to comply will result in rejection of the bid proposal.

4.4.1.2 OWNERSHIP DISCLOSURE FORM

In the event the bidder is a corporation, partnership or sole proprietorship, the bidder must complete the attached Ownership Disclosure Form. A current completed Ownership Disclosure Form must be received prior to or accompany the bid proposal. Failure to do so will preclude the award of a contract.

The Ownership Disclosure Form is located on the Advertised Solicitation, Current Bid Opportunities webpage http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml.

4.4.1.3 DISCLOSURE OF INVESTIGATIONS/ACTIONS INVOLVING BIDDER

The bidder shall provide a detailed description of any investigation, litigation, including administrative complaints or other administrative proceedings, involving any public sector clients during the past five years including the nature and status of the investigation, and, for any litigation, the caption of the action, a brief description of the action, the date of inception, current status, and, if applicable, disposition. The bidder shall use the Disclosure of Investigations and Actions Involving Bidder form located on the Advertised Solicitation, Current Bid Opportunities webpage http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml.

4.4.2 PROOFS OF REGISTRATION THAT MUST BE SUBMITTED WITH THE BID PROPOSAL

4.4.2.1 BUSINESS REGISTRATION CERTIFICATE FROM THE DIVISION OF REVENUE

FAILURE TO SUBMIT A COPY OF THE BIDDER'S BUSINESS REGISTRATION CERTIFICATE (OR INTERIM REGISTRATION) FROM THE DIVISION OF REVENUE WITH THE BID PROPOSAL MAY BE CAUSE FOR REJECTION OF THE BID PROPOSAL.

The bidder may go to **www.nj.gov/njbgs** to register with the New Jersey Division of Revenue or to obtain a copy of an existing Business Registration Certificate.

Refer to Section 1.1. of the NJ Standard Terms and Conditions version 05 09 06 located on the Advertised Solicitation, Current Bid Opportunities webpage http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml.

4.4.3 FORMS THAT MUST BE SUBMITTED BEFORE CONTRACT AWARD AND SHOULD BE SUBMITTED WITH THE BID PROPOSAL.

4.4.3.1 MACBRIDE PRINCIPLES CERTIFICATION

The bidder is required to complete the attached MacBride Principles Certification evidencing compliance with the MacBride Principles. The requirement is a precondition to entering into a State contract. The MacBride Principles Certification Form is located on the Advertised Solicitation, Current Bid Opportunities webpage: http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml.

4.4.3.2 AFFIRMATIVE ACTION

The bidder is required to submit a copy of Certificate of Employee Information or a copy of Federal Letter of Approval verifying that the bidder is operating under a federally approved or sanctioned Affirmative Action program. If the bidder has neither document of Affirmative Action evidence, then the bidder must complete the attached Affirmative Action Employee Information Report (AA-302). This requirement is a precondition to entering into a State contract. The Affirmative Action Employee Information Report (AA-302) is located on the Advertised Solicitation, Current Bid Opportunities webpage: http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml.

4.4.3.3 SERVICES SOURCE DISCLOSURE FORM

Pursuant to N.J.S.A. 52:34-13.2, the bidder is required to submit with its bid proposal a completed source disclosure form. The Services Source Disclosure Form is located on the Advertised Solicitation, Current Bid Opportunities webpage http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml. Refer to section 7.1.2 of this RFP.

4.4.3.4 NOTICE OF INTENT TO SUBCONTRACT FORM

The Notice of Intent to Subcontract Form must be completed before contract award and should be submitted with the bid proposal. Bidders proposing to use subcontractors should complete the attached Notice of Intent to Subcontract Form http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml to advise the State that a subcontractor will be utilized to provide any goods or services under the contract. This is a Small Business Subcontracting set-aside contract and bidders proposing to use subcontractors should comply with the Procedures for Small Business Participation as Subcontractors set forth in http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml.

4.4.3.5 SUBCONTRACTOR UTILIZATION FORM

If the bidder intends to utilize a subcontractor, the Subcontractor Utilization Form http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml must be completed before contract award and should be submitted with the bid proposal.

4.4.3.5.1 SMALL BUSINESS SET-ASIDE CONTRACTS

This is a contract with set aside subcontracting goals for Small Businesses. All bidders intending to utilize subcontractor(s) should include in their bid proposal a completed and signed **Notice of Intent to Subcontract** form located on the Advertised Solicitation, Current Bid Opportunities webpage http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml. Bidders intending to utilize subcontractors should also submit a completed and signed **Subcontractor**

Utilization Plan form located on the Advertised Solicitation, Current Bid Opportunities webpage http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml. Bidders seeking eligible small businesses should contact the New Jersey Commerce, Economic Growth and Tourism Commission at (609) 292-2146.

4.4.4 TECHNICAL PROPOSAL

In this Section, the bidder shall describe its approach and plans for accomplishing the work outlined in the Scope of Work Section, i.e., Section 3.0. The bidder must set forth its understanding of the requirements of this RFP and its ability to successfully complete the contract. The bidder must demonstrate that it possesses or has sufficient access to the requisite clinical, administrative and technical knowledge and experience necessary to design, build, and operate a web-enabled data collection, management, analysis and presentation system. This Section of the bid proposal must contain a response to each item that states "must" or "shall" and should contain a response to all other items.

SYSTEM SPECIFICATIONS

The bidder must address in detail the specific design features and deliverables listed below.

SYSTEM HOSTING OPTIONS

The bidder must submit a bid proposal for either or both of the following options for hosting the adverse event reporting system:

Option 1: the contractor must host the system under its own IT infrastructure and utilizing its own IT staff.

Option 2: the State must host the system under its current IT infrastructure and the contractor must provide management and operational support.

The bidder must specify the co-management model proposed in accordance with RFP Section 3.2.4 Option 2.

The selection of Option 1 or Option 2 for hosting the adverse event reporting system must be stated in the bid proposal. The bid proposal must contain the specifications, requirements and cost projections for the option(s) selected. A bid proposal submitted for both Option 1 and Option 2 must also address the differences between these two options in the design of the web application and supporting services (see RFP Section 3.2.4).

PHASES

The bidder must organize its project plans and cost proposals in accordance with each of the three (3) phases.

This RFP requires successful completion of the test pilot of the reporting system no later than fourteen (14) months from the contract start date. The bidder must construct its development and implementation plan around this date and explain in detail how it will satisfy this requirement.

Phase 1

The bidder must demonstrate how all deliverables shall reflect input from clinical professionals, including, at a minimum, physicians, nurses and pharmacists in the development process as well as the documents and standards listed in RFP Section 3.3.

The bidder must specify the projected time frame for completion of Phase 1.

The bidder must describe in narrative form how it will satisfy the following tasks and subtasks. The bidder must provide enough information to demonstrate a clear understanding of the requirement and scope of work required by this RFP. Failure to provide enough information may result in the proposal being deemed non-responsive.

Phase 1 – Tasks/Subtasks

Phase # / Task #	Task Description	Subtasks
1 / 1.0	Orientation and planning	• Introduction to DHSS patient safety project staff and management • Project calendar and scheduled meeting times • Formal project kickoff meeting
1 / 2.0	Define patient safety adverse event reporting system business rules, data structures, procedures and analytical methods.	• See subtasks listed below:
1 / 2.1	Identify data elements to be captured through mandatory and voluntary adverse event reporting and nursing home event reports submitted in accordance with N.J.A.C. 8:39-9.4(e)3i (see RFP Section 1.2) and publish fully attributed patient safety reporting logical data models. These models will reflect the distinct data collection requirements as defined under the Patient Safety Act and enabling regulations (see http://www.nj.gov/health/hcqo/ps/)	• Patient safety reporting data models for mandatory and voluntary event reporting systems fully attributed with all entities, attributes, domains and relationships defined • Data model for collecting reports from nursing homes in accordance with N.J.A.C. 8:39-9.4(e)3i fully attributed with all entities, attributes, domains and relationships defined
1 / 2.2	Define rules for encoding and classifying data to be collected in patient safety reports for mandatory and voluntary systems. Define rules for encoding, classifying, and separating reports from nursing homes meeting the reporting requirements under the Patient Safety Act from all other reports submitted by nursing homes in accordance with N.J.A.C. 8:39-9.4(e)3i (see RFP Section 1.2).	• Taxonomies for mandatory and voluntary reporting • Rules for separating nursing home reports meeting the reporting requirements under the Patient Safety Act from all other reports from nursing homes submitted in accordance with N.J.A.C. 8:39-9.4(e)3i • Confidentiality/privacy rules by data element
1 / 2.3	Define rules for classifying the severity of patient safety reports.	• Decision table(s) and data parameters used to classify severity of patient safety reports

Phase # / Task #	Task Description	Subtasks
1 / 2.4	Define policies and procedures for the disposition of each patient safety report severity classification.	• Definitions of policy and procedure actions, timeframes and responsibilities • Detailed flowchart of patient safety report disposition • Workflow diagram for reports by patient safety report classification
1 / 2.5	Define methodology and taxonomy for capturing and encoding root cause analyses to support analyses of "why" adverse events occur.	• Root Cause Analysis encoding methodology and data model • Root Cause Analysis taxonomy
1 / 2.6	Define response policy rules and trigger events that shall cause the patient safety adverse event reporting system to notify DHSS and/or another predefined entity to take specific action. For example, the submission of a serious event may trigger notification due to a pattern of substandard performance by a facility.	• Correspondence list and triggering events • Correspondence template specifications • Periodic and event-driven report layouts
1 / 2.7	Using the specifications developed in tasks/subtasks 1 / 2.1 - 2.6, specify the structure, content, summary, and analytical reporting requirements	• Patient safety reporting requirements • Event counting and aggregation reporting requirements • Event analytical requirements • Data analysis dimensions (i.e., how events should be counted)
1 / 2.8	Define audit and workflow requirements to track the internal actions taken by the patient safety adverse event reporting system. These requirements define the data structures and reporting tools needed to reconstruct how patient safety reported cases are handled from the time they are first submitted to the time they are completed.	• Data element audit and history specifications • Audit reporting specifications
1 / 2.9	Consult with select DHSS staff on an ongoing basis. Phase 1 requires a close working relationship between the contractor and DHSS staff to finalize the requirements developed in Phase 1.	• Meetings (either face-to-face or by teleconference), meeting notes and Emails with select DHSS staff, comments, questions and decisions

Phase # / Task #	Task Description	Subtasks
1 / 2.10	Define data access and security requirements. These requirements will vary based on the system hosting selection (Option 1 or Option 2 - see RFP Section 3.2.4). If Option 2 is selected, applications must be designed and configured to work within the State's portal and identity management infrastructure for authentication and high-level authorization services.	• Confidentiality policy that shall at a minimum satisfy HIPAA Privacy Rule and security standards • User roles and authority for patient safety reporting • User identification and authentication requirements
1 / 2.11	Consolidate tasks/subtasks into a final patient safety adverse event reporting system report intake specification package.	• Patient safety adverse event reporting system report intake specification package (bundling and packaging from earlier task/subtasks in 1 / 2.0 for input to Phase 2)
1 / 2.12	Develop a responsibility, authority, expertise, work (RAEW) matrix for the Phase 3 ongoing delivery of services part of this project.	• RAEW matrix
1 / 2.13	Develop operating procedures and policies for patient reporting services.	• Patient safety report operational procedures and policies (bundling and packaging from earlier task/subtasks 1 / 2.0 for input to Phase 3)
1 / 2.14	Submit specifications package for review and comments.	• Patient safety adverse event reporting system report intake specifications package
1 / 2.15	Incorporate changes from comments from task/subtasks 1 / 2.14.	• Additions and changes to tasks/subtasks in Phase 1 based on feedback from DHSS staff
1 / 2.16	Submit final specifications package to DHSS for approval.	• Final patient safety adverse event reporting system report intake specifications package • Final DHSS approval

Phase # / Task #	Task Description	Subtasks
1 / 3.0	Prepare draft Phase 1 report and PowerPoint presentation of Phase 1 accomplishments and submit to DHSS for comments. The report must: • Summarize the work completed by task • Recap problems encountered and lessons learned that might be used to improve performance of subsequent tasks • Describe the contractor's approach to meeting the business and technical requirements posed by each task • Recommend procedural and organizational changes to improve project performance.	• Phase 1 report • PowerPoint presentation
1 / 3.1	Incorporate comments from DHSS into Phase 1 report and PowerPoint presentation. Submit final Phase 1 report.	• Final Phase 1 report • Final PowerPoint presentation
1 / 3.2	Deliver a PowerPoint presentation of Phase 1 accomplishments.	• PowerPoint presentation of Phase 1 accomplishments
1 / 3.3	Release updated specifications package to web application development project.	• Release Phase 1 specifications package and documentation to Phase 2

Phase 2

The bidder must provide a detailed work plan for the development, testing, and piloting of the web application system, including an explicit proposed approval process, subject to final mutual agreement between the contractor and DHSS.

The bidder must specify the projected time frame for completion of each task and subtask.

The bidder must explain in detail how they will validate the functional completeness and correctness of the application subsystems to include, at a minimum, unit, integrated, user and stress testing with select DHSS and DHSS-convened facility staff to ensure secure, reliable, analytically-sophisticated, user-friendly operation with an acceptable session response time before system rollout.

The bidder must explain in detail how they will test the application subsystems' performance under different patient safety reporting workloads. The description must define how data dumps (conversion) to and from Microsoft Access and Excel using DHSS test data shall be completed.

The bidder must describe in narrative form how it will satisfy the following tasks and subtasks. The bidder must provide enough information to demonstrate a clear understanding of the requirement and scope of work required by this RFP. Failure to provide enough information may result in the proposal being deemed non-responsive.

Phase 2 – Tasks/Subtasks

Phase # / Task #	Task Description	Subtasks
2 / 1.0	Design, build, test and user-test a patient safety adverse event system event intake subsystem. This subsystem must be designed to be an internet application.	• See subtasks listed below:
2 / 1.1	Meet with State IT staff to develop a detailed plan for designing, developing and hosting the patient safety adverse event reporting system on the contractor's hosting system (Option 1) or at the State server farm (Option 2).	• Joint plan and calendar • Individual assignments of work to be completed and dates
2 / 1.2	Design system architecture and operating procedures for hosting web applications. This task must include either providing specifications of the contractor's hosting system (Option 1) or the hardware and connectivity requirements for hosting the web applications within the current State IT architecture (Option 2). For Option 1, the bidder must demonstrate that it has the necessary IT architecture, storage and bandwidth capacity to support the web applications developed for this project, or provide a detailed plan for how these requirements will be met.	• System hardware specifications • System operating procedures
2 / 1.3	Design and build a development database for the patient safety adverse event reporting system event intake subsystem using the logical data models completed in earlier task/subtasks 1 / 2.1.	• Server DDL and development database
2 / 1.4	Build prototype web forms and form flows for the patient safety adverse event reporting system event intake interfaces (mandatory system, voluntary system, nursing homes; see RFP Section 1.2). This task must include facilitated meetings to secure DHSS and, by means of an advisory group convened by DHSS, facility input. These meetings are to ensure that the intake web application represents the right balance of detail, ease of use, capacity to support analytical functions, and safeguards to prevent data loss/corruption.	• Web forms (linked to the database) but with minimal business logic • Web form walk-through with select DHSS and facility staff • Revisions to web forms and web form flows based on facilitated sessions
2 / 1.5	Design and code stored procedures and network protocols required to handle the data access for the web forms developed in task/subtasks 2 / 1.4.	• Stored procedure code • Network code

Phase # / Task #	Task Description	Subtasks
2 / 1.6	Design web application infrastructure (session management, access control, user login, user identification and authentication, and audit services). If the State hosts the system (Option 2; see RFP Section 3.2.4) the State's portal and identity management infrastructure must be utilized to provide authentication and high-level authorization services for user access controls.	• Internal design specification for control processing behind the web pages • Data structure transformation program specifications (mostly for encoding data) • Specifications for identity management, authentication and user access controls
2 / 1.7	Write code for the patient safety adverse event system event intake subsystem.	• Program code • Stored procedure code
2 / 1.8	Load master code and reference files.	• Updated codes tables • Updated health care facility descriptive data tables
2 / 1.9	Design test scripts/scenarios and test cases to validate the patient safety adverse event system event intake subsystem. The testing must verify the functional completeness and correctness of the data intake subsystem. The testing also must include user acceptance testing utilizing select DHSS staff. A second round of testing is required to test the application's performance under different workloads. This stress testing is important for verifying the sizing and capacity of the hardware and software used to host the web application. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the subsystem to verify its functional completeness and correctness.	• Test plan • Test scenarios • Test scripts and sample (dummy) reports • Assignment of select DHSS staff to participate in the test • Hardware, programming and/or procedural corrections and modifications • Final DHSS approval
2 / 1.10	Execute test scripts/scenarios developed in task/subtasks 2 / 1.9 to include, at a minimum, unit (local), integrated (global), user and stress testing with select DHSS staff. Results of this testing must be used to make corrections/adjustments to the application hardware and/or software to ensure the functional completeness and correctness of the application subsystems. This process must be repeated until the results are acceptable to DHSS.	• Task/subtasks from 2 / 1.9 • Final DHSS approval

Phase # / Task #	Task Description	Subtasks
2 / 1.11	Design and build written and web-based patient safety adverse event reporting system intake subsystem user's guides for health care workers and other users. This guide should provide sufficient information to allow a health care worker who has not been trained to successfully navigate the patient safety adverse event reporting system event intake web application and complete an adverse event report.	• Web-based patient safety adverse event reporting system event intake user's guide • Written (hard copy) patient safety adverse event reporting system event intake user's guide • Final DHSS approval
2 / 2.0	Design, build, test and user-test a patient safety adverse event reporting system reporting workflow and correspondence management subsystem.	•See subtasks listed below:
2 / 2.1	Meet with select OIT and DHSS staff to develop a detailed plan for designing and developing the patient safety adverse event reporting system event workflow and correspondence management subsystem. Whichever hosting Option was selected for the event intake subsystem for task/subtasks in 2 / 1.1 must also be selected for the workflow and correspondence management subsystem.	• Joint plan and calendar • Individual assignment of work to be completed and dates • Define technical approach to implementing work queues (i.e., using Email or a true workflow management package)
2 / 2.2	Extend the patient safety adverse event reporting system event intake database to incorporate internal DHSS tasks, parties, roles, standard correspondence, procedures and rules governing how different kinds of patient safety reports are to be processed, the kind of correspondence that needs to be created and disseminated.	• Database DDL and development database extensions to support patient safety reporting workflow
2 / 2.3	Design internal DHSS workflow processing services for patient safety adverse event reporting system event workflow and correspondence management subsystem. This is a technical design for how event reports are to be processed, tracked and aged.	• Workflow models (flow charts) • Workflow activity specifications • Specified roles • Pre and post conditions for event reports to be processed by and subsequently output from an activity • Data structures used to pass event report work from one activity to the next

Phase # / Task #	Task Description	Subtasks
2 / 2.4	Develop a detailed technical design for implementing the design created in the prior task/subtasks 2 / 2.3. Along with the detailed technical design, specify the development and implementation tools that will be used to code and deliver the workflow and correspondence management services for patient safety reporting.	• Detailed technical design • Specification of the programming languages, Microsoft tools, and third party controls that might be required • Coding specifications for the workflow and correspondence management subsystem
2 / 2.5	Design workflow test scenarios and test scripts based on requirements defined in task/subtasks 2 / 2.3 to include unit, integrated, user and stress testing. This test design will be used to verify that the technical design and coding meet the functional requirements defined in task/subtasks 2 / 2.3. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the subsystem to verify its functional completeness and correctness.	• Workflow and correspondence management test scenarios • Workflow and correspondence management test scripts • Test data • Final DHSS approval
2 / 2.6	Write form letters and standardized correspondence templates. These documents must incorporate mail merge fields so they can be printed or rendered with the recipient's name and address. All form letters and standardized correspondence must be approved by DHSS.	• Form letter and standardized correspondence templates (must be in Microsoft Word or another format that will easily integrate into the workflow management) • Media specifications for each letter, including delivery format • Final approval by DHSS
2 / 2.7	Code the patient safety adverse event reporting system event workflow and correspondence management subsystem. This requirement includes setting up and configuring all software to work with the custom application code written for the workflow management services.	• Program code • Microsoft Word, Lotus Notes and other software configured to support the application
2 / 2.8	Schedule, plan and execute the test scenarios and scripts developed in task/subtasks 2 / 2.5. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the subsystem to verify its functional completeness and correctness.	• Test plan and schedule • Executed test scenarios and test scripts • Final DHSS approval

Phase # / Task #	Task Description	Subtasks
2 / 2.9	Design and deliver a one day training course for select DHSS staff that will use the patient safety adverse event reporting system event workflow and correspondence management subsystem on a daily basis. The training course must feature hands-on training using sample patient safety reports. This training session also will serve as a facilitated user-test to verify not only the operation and functional completeness of the subsystem, but to assess its acceptance and ease of use.	• Training materials • Sample patient safety reporting for hands-on exercises • Lectures to explain the application design and functions for end users • Feedback from user-testing • Final modifications to the subsystem based on user feedback • Final DHSS approval
2 / 3.0	Design, build, test, and user-test the patient safety adverse event reporting system query and data presentation subsystem. This subsystem must be an internet application.	• See subtasks listed below:
2 / 3.1	Meet with select OIT and DHSS staff to develop a detailed plan for designing and developing the patient safety adverse event reporting system query and data presentation subsystem. Whichever hosting option was selected for the event intake subsystem in task/subtasks 2 / 1.1 must also be selected for the query and data presentation subsystem.	• Joint plan and calendar • Individual assignment of work to be completed and dates
2 / 3.2	Develop external detailed design specifications for the data visualization, reporting and query services to be provided in the patient safety adverse event reporting system query and data presentation subsystem. This task will use the requirements defined in task/subtasks 1 / 2.7.	• Detailed report layouts with calculation and data input specifications • Detailed charting requirements with calculation and data input specifications • Standard presentation formats and layouts for patient safety reports • Define end-user accessible parameter queries
2 / 3.3	Design and implement a data mart to support patient safety adverse event reporting system query and presentation subsystem.	• Data mart logical data model • Data mart database • Data mart data replication procedure to extract and load data from the patient safety reporting production database

Phase # / Task #	Task Description	Subtasks
2 / 3.4	Develop a detailed technical design to implement the external design developed in task/subtasks 2 / 3.2. A key part of this task involves defining how reports will be rendered and delivered to internet and intranet users. The design must also address how data are to be downloaded into client-based tools such as Microsoft Excel and other desktop applications.	• Design interface structure required to render reports • Design and code parameter queries • Design and code charting parameters • Develop data transfer protocols
2 / 3.5	Generate and test report generation code. This task involves generating the code required to produce the reports and to verify the accuracy of the calculations, aggregation and summary operations involved in each report. The accuracy and appropriateness of the charts used to visually present patient safety data must also be verified in this task. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the subsystem to verify its functional completeness and correctness.	• Report generation code • Test reports • Test XML/XSL generated HTML • Test download data for use in Microsoft Excel • Final DHSS approval
2 / 3.6	Design and create written and web-based user's guides for individuals using the patient safety adverse event reporting system query and data presentation services.	• Web-based patient safety adverse event reporting system and query and data presentation services user's guide • Written patient safety adverse event reporting system query and data presentation services user's guide • Final DHSS approval
2 / 3.7	Design test scripts/scenarios and test cases to validate the patient safety adverse event reporting system query and data presentation subsystem. The testing must verify the functional completeness and correctness of the query and data presentation subsystem. The testing also must include user acceptance testing with select DHSS staff. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the subsystem to verify its functional completeness and correctness.	• Test plan • Test scenarios • Test scripts and sample data • Assignment of select DHSS staff to participate in the test. • Hardware, programming and/or procedural corrections and modifications • Final DHSS approval

Phase # / Task #	Task Description	Subtasks
2 / 3.8	Execute test scripts/scenarios developed in task/subtasks 2 / 3.7 to include, at a minimum, unit (local), integrated (global), user and stress testing with select DHSS staff. Results of this testing must be used to make corrections/adjustments to application hardware and/or software to ensure the functional completeness and correctness of the application subsystems. This process must be repeated until the results are acceptable to DHSS.	• Tasks/subtasks from 2 / 3.7 • Final DHSS approval
2 / 4.0	Design, build, test, and user-test the patient safety adverse event reporting system application support subsystem. This task deals with designing and coding the infrastructure services required to deliver a publicly-accessible web application system. The specific subtasks for this task will vary depending on the technical design developed by the contractor.	• See subtasks listed below:
2 / 4.1	Design, build, test and user-test supporting services, i.e., file maintenance, access control and other background application services which are essential to delivering working web applications.	• Design and code supporting services to support the patient safety adverse event reporting system in compliance with the contractor's hosting system (Option 1) or the hardware and connectivity requirements for hosting the web applications within the current State IT architecture (Option 2)
2 / 4.2	Design test scripts/scenarios and test cases to validate the functional completeness and correctness of the completed patient safety adverse event reporting system. The testing plan must include stress testing for verifying the sizing and capacity of the hardware and software used to host the web application. DHSS must approve the final test scripts/scenarios and may, at its option, choose to observe and/or retest the completed system to verify its functional completeness and correctness before proceeding to the pilot.	• Test plan • Test scenarios • Test scripts and sample (dummy) reports • Assignment of select DHSS staff to participate in the test • Hardware, programming and/or procedural corrections and modifications • Final DHSS approval

Phase # / Task #	Task Description	Subtasks
2 / 4.3	Design and create paper forms for the alternative method of data submission. The forms must be designed in a way that they collect the same data as the web-enabled system. The forms must also be designed in a way that anticipates automated scanning and data reduction using intelligent character recognition.	• Alternative method of data submission reporting forms • Final DHSS approval
2 / 4.4	Finalize written and web-based user's guides for use by DHSS and facility staff to include the sections on event intake and reporting and query services (include the workflow and correspondence management subsystem documentation in DHSS manuals).	• Completed web-based user's guides for DHSS and facilities • Completed written user's guides for DHSS and facilities • Final DHSS approval
2 / 5.0	Develop training materials, conduct training sessions and pilot test.	• See subtasks listed below:
2 / 5.1	Design and create a one-day classroom-based training session featuring hands-on exercises for training facility staff.	• Training guide • Training handouts • Training cases and examples • Training course • Final DHSS approval
2 / 5.2	Select up to twenty (20) facilities for pilot testing of the complete patient safety adverse event reporting system. A list of voluntary participants shall be provided by DHSS. This list must include, at a minimum, representatives from hospitals, nursing homes, other long term care facilities, ambulatory care facilities, and home health agencies.	• List of selected facilities for piloting of the system
2 / 5.3	Design, plan and coordinate, in conjunction with and with the approval of DHSS, a training session for preparation of the pilot test. Train up to ten (10) select DHSS staff and forty (40) facility staff (select staff from the 20 piloting facilities).	• Training guide • Hands-on training • Evaluation of training materials and presentation (to be used in designing improved training sessions) • Final DHSS approval

Phase # / Task #	Task Description	Subtasks
2 / 5.4	Schedule, plan and execute a pilot test of the complete patient safety adverse event reporting system. DHSS must approve the schedule, plan and pilot test materials in advance. Problems experienced by pilot testers must be corrected and the system must be immediately retested, so that system problems have been fixed by the conclusion of the pilot test and DHSS accepts the final system for operational implementation.	• Pilot test of complete patient safety adverse event reporting system • Hardware, programming and/or procedural corrections and modifications • Final DHSS approval
2 / 6.0	Prepare draft Phase 2 report and PowerPoint presentation of Phase 2 accomplishments and submit to DHSS for comments. That report must: • Summarize the work completed by task • Recap problems encountered and lessons learned that might be used to improve performance of subsequent tasks • Describe the contractor's approach to meeting the business and technical requirements posed by each task • Recommend procedural and organizational changes to improve project performance.	• Phase 2 report • PowerPoint presentation
2 / 6.1	Incorporate comments from DHSS into Phase 2 report and PowerPoint presentation. Submit final Phase 2 report.	• Final Phase 2 report • Final PowerPoint presentation
2 / 6.2	Deliver a PowerPoint presentation of Phase 2 accomplishments.	• PowerPoint presentation of Phase 2 accomplishments

Phase 3

Although Phases 1 and 2 are tied to creating new systems, Phase 3 requires delivering on-going operational services over the contract period. These services will be different under Option 1 and Option 2 for system hosting (see RFP Section 3.2.4).

The bidder must describe in narrative form how it will satisfy the following tasks and subtasks. The bidder must provide enough information to demonstrate a clear understanding of the requirement and scope of work required by this RFP. Failure to provide enough information may result in the proposal being deemed non-responsive.

Phase 3 – Tasks/Subtasks

Phase # / Task #	Task Description	Subtasks
3 / 1.0	Training and rollout of the patient safety adverse event reporting system. Rollout schedule and method must be approved and coordinated with DHSS as specified in the initial planning meetings between DHSS and the contractor in Phase 1.	• Training materials and schedule • Rollout schedule • Participation in DHSS-sponsored training sessions Ongoing: • Application maintenance and support including working with select DHSS and State IT staff to ensure that web access and web application performance is secure, reliable and responsive to users • Maintenance of application code (to fix problems and make incremental improvements to the application) • Telephone, web-based and Email support (help desk) **NOTE: these services will be different under Option 1 or Option 2 for system hosting**
3 / 1.1	Training and rollout to hospitals.	• Training materials and schedule • Participation in DHSS-sponsored training sessions • Rollout management and technical support
3 / 1.2	Training and rollout to other acute care facilities having appropriate computer and internet capability.	• Training materials and schedule • Participation in DHSS-sponsored training sessions • Rollout management and technical support
3 / 1.3	Training and rollout to long-term care facilities having appropriate computer and internet capability. Separate training sessions will be provided for nursing home personnel for those facilities utilizing the nursing home-specific capabilities of the patient safety adverse event reporting system.	• Training materials and schedule • Participation in DHSS-sponsored training sessions • Rollout management and technical support

Phase # / Task #	Task Description	Subtasks
3 / 2.0	Prepare draft Phase 3 report and PowerPoint presentation of Phase 3 accomplishments and submit to DHSS for comments. That report will: • Summarize the work completed by task • Recap problems encountered and lessons learned that might be used to improve performance of subsequent tasks • Describe the contractor's approach to meeting the business and technical requirements posed by each task • Recommend procedural and organizational changes to improve project performance.	• Phase 3 report • PowerPoint presentation
3 / 2.1	Incorporate comments from DHSS into Phase 3 report and PowerPoint presentation. Submit final Phase 3 report and PowerPoint presentation.	• Final Phase 3 report • Final PowerPoint presentation
3 / 2.2	Deliver a PowerPoint presentation of Phase 3 accomplishments.	• PowerPoint presentation of Phase 3 accomplishments
3 / 3.0	Ongoing maintenance, support, troubleshooting, progress notes, training and system enhancements	• See subtasks listed below:
3 / 3.1	Maintain and support the patient safety adverse event reporting system web applications including the four subsystems defined in Phase 2 during the term of the contract. Prepare a monthly progress report and submit to DHSS by the fifth day of each month following the month covered in the report. The report must include an accounting and explanation of the type and amount of technical assistance provided.	• Application maintenance and support • Maintenance of application code • Monthly progress report **NOTE: these services will be different under Option 1 or Option 2 for system hosting (see RFP Section 3.2.4)**

Phase # / Task #	Task Description	Subtasks
3 / 3.2	Only if Option 1 is selected, transmit patient safety event data (RFP Section 3.2.4). The specifics of this activity are defined in Phase 1 and the supporting automated tools are defined in Phase 2. (Null for Option 2). Regardless of option selected, prepare a monthly progress report and submit to DHSS by the fifth day of each month following the month covered in the report. The report must include an accounting and explanation of the type and amount of technical assistance provided.	• Periodic reporting of patient safety adverse events to DHSS (period to be defined in Phase 1) • Monthly progress report
3 / 3.3	Provide telephone, web-based and Email support (help desk) for the patient safety adverse event reporting system during standard business days (Monday-Friday) and operating hours (8:00 am to 4:00 pm EDT) during the term of the contract period. Prepare a monthly progress report and submit to DHSS by the fifth day of each month following the month covered in the report. The report must include an accounting and explanation of the type and amount of technical assistance provided.	• Telephone, web-based and Email support (help desk) • Monthly progress report **NOTE: these services will be different under Option 1 or Option 2 for system hosting (see RFP Section 3.2.4)**
3 / 3.4	Technical support for DHSS-initiated and hosted training sessions. Fifteen sessions are included in the project budget. If additional training sessions are required, the contractor must provide technical support at an agreed upon price.	• Participation in DHSS-sponsored training sessions
3 / 3.5	After completion of Phases 1 and 2 of the contract, DHSS may request system enhancements not provided for in this RFP. Upon receipt of a request from DHSS for a system enhancement, the contractor shall prepare a detailed cost proposal consisting of the applicable service unit prices (specified in RFP Section 3.2.3) multiplied by the number of service units required to accomplish the proposed enhancement. The contractor shall not design, develop or implement a system enhancement without express written DPP approval. This restriction does not apply to enhancements of the hosting infrastructure under Option 1 (see RFP Section 3.2.4) initiated by the contractor, at no cost to DHSS, in order to keep pace with advances in IT technology, as required under RFP Section 3.2.4.	• Detailed plan and cost proposal • Review and approval by DHSS and DPP. • Development and implementation of the enhancement • Complete testing of the system with the enhancement installed • Final approval by DHSS

4.4.4.1 MANAGEMENT OVERVIEW

The bidder shall set forth its overall technical approach and plans to meet the requirements of the RFP in a narrative format. This narrative should convince the State that the bidder understands the objectives that the contract is intended to meet, the nature of the required work and the level of effort necessary to successfully complete the contract. This narrative should convince the State that the bidder's general approach and plans to undertake and complete the contract are appropriate to the tasks and subtasks involved.

Mere reiterations of RFP tasks and subtasks are strongly discouraged, as they do not provide insight into the bidder's ability to complete the contract. The bidder's response to this section should be designed to convince the State that the bidder's detailed plans and approach proposed to complete the Scope of Work are realistic, attainable and appropriate and that the bidder's bid proposal will lead to successful contract completion.

4.4.4.2 CONTRACT MANAGEMENT

The bidder should describe its specific plans to manage, control and supervise the contract to ensure satisfactory contract completion according to the required schedule. The plan should include the bidder's approach to communicate with the State Contract Manager including, but not limited to, status meetings and status reports.

4.4.4.3 CONTRACT SCHEDULE

The bidder shall include a contract schedule. If key dates are a part of this RFP, the bidder's schedule should incorporate such key dates and should identify the completion date for each task and sub-task required by the Scope of Work. Such schedule should also identify the associated deliverable item(s) to be submitted as evidence of completion of each task and/or subtask.

The bidder must specify the projected time frame for completion of Phases 1, 2 and 3. The bidder must also specify the projected time frame for completion of all tasks and subtasks in Phase 2.

The bidder should identify the contract scheduling and control methodology to be used and should provide the rationale for choosing such methodology. The use of Gantt, PERT or other charts is at the option of the bidder.

4.4.4.4 MOBILIZATION AND IMPLEMENTATION PLAN

This is not applicable to this procurement.

4.4.4.5 POTENTIAL PROBLEMS

The bidder should set forth a summary of any and all problems that the bidder anticipates during the term of the contract. For each problem identified, the bidder should provide its proposed solution.

4.4.5 ORGANIZATIONAL SUPPORT AND EXPERIENCE

The bidder should include information relating to its organization, personnel, and experience, including, but not limited to, references, together with contact names and telephone numbers, evidencing the bidder's qualifications, and capabilities to perform the services required by this RFP.

4.4.5.1 LOCATION

The bidder should include the location of the bidder's office that will be responsible for managing the contract. The bidder should include the telephone number and name of the individual to contact.

4.4.5.2 ORGANIZATION CHART (CONTRACT SPECIFIC)

The bidder should include a contract organization chart, with names showing management, supervisory and other key personnel (including sub-vendor's management, supervisory or other key personnel) to be assigned to the contract. The chart should include the labor category and title of each such individual.

4.4.5.3 RESUMES

Detailed resumes should be submitted for all management, supervisory and key personnel to be assigned to the contract. Resumes shall be structured in accordance with the attached format (see Attachment 2) to emphasize relevant qualifications and experience of these individuals in successfully completing contracts of a similar size and scope to those required by this RFP. Resumes should include the following:

- Clearly identify the individual's previous experience in completing similar contracts.
- Beginning and ending dates should be given for each similar contract.
- A description of the contract should be given and should demonstrate how the individual's work on the completed contract relates to the individual's ability to contribute to successfully providing the services required by this RFP.
- With respect to each similar contract, the bidder should include the name and address of each reference together with a person to contact for a reference check and a telephone number.

4.4.5.4 BACKUP STAFF

The bidder should include a list of backup staff that may be called upon to assist or replace primary individuals assigned. Backup staff must be clearly identified as backup staff.

In the event the bidder must hire management, supervisory and/or key personnel if awarded the contract, the bidder should include, as part of its recruitment plan, a plan to secure backup staff in the event personnel initially recruited need assistance or need to be replaced during the contract term.

4.4.5.5 ORGANIZATION CHART (ENTIRE FIRM)

The bidder should include an organization chart showing the bidder’s entire organizational structure. This chart should show the relationship of the individuals assigned to the contract to the bidder's overall organizational structure.

4.4.5.6 EXPERIENCE OF BIDDER ON CONTRACTS OF SIMILAR SIZE AND SCOPE

The bidder should provide a comprehensive listing of contracts of similar size and scope that it has successfully completed, as evidence of the bidder’s ability to successfully complete the services required by this RFP. Emphasis should be placed on contracts that are similar in size and scope to the work required by this RFP. A description of all such contracts should be included and should show how such contracts relate to the ability of the firm to complete the

services required by this RFP. For each such contract, the bidder should provide two names and telephone numbers of individuals for the other contract party. Beginning and ending dates should also be given for each contract.

4.4.5.7 FINANCIAL CAPABILITY OF THE BIDDER

In order to provide the State with the ability to judge the bidder's financial capacity and capabilities to undertake and successfully complete the contract, the bidder should submit certified financial statements to include a balance sheet, income statement and statement of cash flow, and all applicable notes for the most recent calendar year or the bidder's most recent fiscal year. If certified financial statements are not available, the bidder should provide either a reviewed or compiled statement from an independent accountant setting forth the same information required for the certified financial statements, together with a certification from the Chief Executive Officer and the Chief Financial Officer, that the financial statements and other information included in the statements fairly present in all material respects the financial condition, results of operations and cash flows of the bidder as of, and for, the periods presented in the statements. In addition, the bidder should submit a bank reference.

If the information is not supplied with the bid proposal, the State may still require the bidder to submit it. If the bidder fails to comply with the request within seven (7) business days, the State may deem the proposal non-responsive.

A bidder may designate specific financial information as not subject to disclosure when the bidder has a good faith legal/factual basis for such assertion. Bidder may submit specific financial documents in a separate, sealed package clearly marked "Confidential-Financial Information" along with the Bid Proposal.

The State reserves the right to make the determination to accept the assertion and shall so advise the bidder.

4.4.5.8 SUBCONTRACTOR(S)

Bidders should complete the Notice of Intent to Subcontract Form if they intend to utilize subcontractors in connection with the work set forth in this RFP. If the bidder intends to utilize subcontractor(s), then the Subcontractor Utilization Plan should also be submitted with the bid, but must be submitted prior to contract award.

N.J.A.C. 17:13-4 and Executive Order 71 mandate that if the bidder proposes to utilize a subcontractor, the bidder must make a good faith effort to meet the set-aside subcontracting targets of awarding a total of twenty-five percent (25%) of the value of the contract to New Jersey-based, New Jersey Commerce, Economic Growth & Tourism Commission registered small businesses, with a minimum of five (5) percent awarded to each of the three categories set forth below, and the balance of ten (10) percent spread across the three annual gross revenue categories: Category I – $1 to $500,000; Category II - $500,001 to $5,000,000; Category III - $5,000,001 to $12,000,000.

Should the bidder choose to use subcontractors and fail to meet the Small Business Subcontracting targets set forth above, the bidder must submit documentation demonstrating its good faith effort to meet the targets with its bid proposal or within seven (7) business days upon request.

Should the bidder propose to utilize a subcontractor(s) to fulfill any of its obligations, the bidder shall be responsible for the subcontractor's(s): (a) performance; (b) compliance with all of the

terms and conditions of the contract; and (c) compliance with the requirements of all applicable laws.

The bidder must provide a detailed description of services to be provided by each subcontractor, referencing the applicable Section or Subsection of this RFP.

The bidder should provide detailed resumes for each subcontractor's management, supervisory and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work which the subcontractor is designated to perform.

The bidder should provide documented experience to demonstrate that each subcontractor has successfully performed work on contracts of a similar size and scope to the work that the subcontractor is designated to perform in the bidder's proposal.

4.4.6 PRICE SCHEDULE

The bidder must submit its pricing using the format set forth in the State supplied price sheet(s) attached to this RFP. Failure to submit all information required will result in the bid being considered non-responsive. Each bidder is required to hold its prices firm through issuance of contract.

5.0 SPECIAL CONTRACTUAL TERMS AND CONDITIONS

5.1 PRECEDENCE OF SPECIAL CONTRACTUAL TERMS AND CONDITIONS

The contract awarded as a result of this RFP shall consist of this RFP, addendum to this RFP, the contractor's bid proposal and the Division's Notice of Award.

Unless specifically stated within this RFP, the Special Contractual Terms and Conditions of the RFP take precedence over the NJ Standard Terms and Conditions version 05 09 06 located on the Advertised Solicitation, Current Bid Opportunities webpage: http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml.

In the event of a conflict between the provisions of this RFP, including the Special Contractual Terms and Conditions and the NJ Standard Terms and Conditions version 05 09 06, and any Addendum to this RFP, the Addendum shall govern.

In the event of a conflict between the provisions of this RFP, including any Addendum to this RFP, and the bidder's bid proposal, the RFP and/or the Addendum shall govern.

5.2 CONTRACT TERM AND EXTENSION OPTION

The term of the contract shall be for a period of **three (3) years**. The anticipated "Contract Effective Date" is provided on the signatory page of this RFP located on the Advertised Solicitation, Current Bid Opportunities webpage, http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml. If delays in the bid process result in an adjustment of the anticipated Contract Effective Date, the bidder agrees to accept a contract for the full term of the contract.

The contract may be extended for **all or part of two (2) one-year (1) periods** additional periods of up to one (1) year, by mutual written consent of the contractor and the Director at the same terms, conditions and pricing. The length of each extension shall be determined when the extension request is processed.

Should the contract be extended, the contractor shall be paid at the rates in effect in the last year of the contract.

5.3 CONTRACT TRANSITION

In the event that a new contract has not been awarded prior to the contract expiration date, as may be extended herein, it shall be incumbent upon the contractor to continue the contract under the same terms and conditions until a new contract can be completely operational. At no time shall this transition period extend more than thirty (30) days beyond the expiration date of the contract.

5.4 CONTRACT AMENDMENT

Any changes or modifications to the terms of the contract shall be valid only when they have been reduced to writing and signed by the contractor and the Director.

5.5 CONTRACTOR RESPONSIBILITIES

The contractor shall have sole responsibility for the complete effort specified in the contract. Payment will be made only to the contractor. The contractor shall have sole responsibility for all payments due any subcontractor.

The contractor is responsible for the professional quality, technical accuracy and timely completion and submission of all deliverables, services or commodities required to be provided under the contract. The contractor shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in its deliverables and other services. The approval of deliverables furnished under this contract shall not in any way relieve the contractor of responsibility for the technical adequacy of its work. The review, approval, acceptance or payment for any of the services shall not be construed as a waiver of any rights that the State may have arising out of the contractor's performance of this contract.

5.6 SUBSTITUTION OF STAFF

If it becomes necessary for the contractor to substitute any management, supervisory or key personnel, the contractor will identify the substitute personnel and the work to be performed.

The contractor must provide detailed justification documenting the necessity for the substitution. Resumes must be submitted evidencing that the individual(s) proposed as substitution(s) have qualifications and experience equal to or better than the individual(s) originally proposed or currently assigned.

The contractor shall forward a request to substitute staff to the State Contract Manager for consideration and approval. No substitute personnel are authorized to begin work until the contractor has received written approval to proceed from the State Contract Manager.

5.7 SUBSTITUTION OR ADDITION OF SUBCONTRACTOR(S)

This Subsection serves to supplement but not to supersede Section 3.11 of the NJ Standard Terms and Conditions version 05 09 06 located on the Advertised Solicitation, Current Bid Opportunities webpage.

If it becomes necessary for the contractor to substitute a subcontractor, add a subcontractor or substitute its own staff for a subcontractor, the contractor will identify the proposed new subcontractor or staff member(s) and the work to be performed. The contractor must provide detailed justification documenting the necessity for the substitution or addition.

The contractor must provide detailed resumes of its proposed replacement staff or of the proposed subcontractor's management, supervisory and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work which the subcontractor is to undertake.

The qualifications and experience of the replacement(s) must equal or exceed those of similar personnel proposed by the contractor in its bid proposal.

The contractor shall forward a written request to substitute or add a subcontractor or to substitute its own staff for a subcontractor to the State Contract Manager for consideration. If the State Contract Manager approves the request, the State Contract Manager will forward the request to the Director for final approval.

No substituted or additional subcontractors are authorized to begin work until the contractor has received written approval from the Director.

5.8 OWNERSHIP OF MATERIAL

All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract, including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings,

analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be and remain the property of the State of New Jersey and shall be delivered to the State of New Jersey upon 30 days notice by the State. With respect to software computer programs and/or source codes developed for the State, the work shall be considered “work for hire”, i.e., the State, not the contractor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed. To the extent that any of such materials may not, by operation of the law, be a work made for hire in accordance with the terms of this Agreement, contractor or subcontractor hereby assigns to the State all right, title and interest in and to any such material, and the State shall have the right to obtain and hold in its own name and copyrights, registrations and any other proprietary rights that may be available.

Should the bidder anticipate bringing pre-existing intellectual property into the project, the intellectual property must be identified in the bid proposal. Otherwise, the language in the first paragraph of this section prevails. If the bidder identifies such intellectual property ("Background IP") in its bid proposal, then the Background IP owned by the bidder on the date of the contract, as well as any modifications or adaptations thereto, remain the property of the bidder. Upon contract award, the bidder or contractor shall grant the State a non-exclusive, perpetual royalty free license to use any of the bidder/contractor's Background IP delivered to the State for the purposes contemplated by the Contract.

5.9 DATA CONFIDENTIALITY

All financial, statistical, personnel and/or technical data supplied by the State to the contractor are confidential. The contractor is required to use reasonable care to protect the confidentiality of such data. Any use, sale or offering of this data in any form by the contractor, or any individual or entity in the contractor’s charge or employ, will be considered a violation of this contract and may result in contract termination and the contractor’s suspension or debarment from State contracting. In addition, such conduct may be reported to the State Attorney General for possible criminal prosecution.

5.10 NEWS RELEASES

The contractor is not permitted to issue news releases pertaining to any aspect of the services being provided under this contract without the prior written consent of the Director.

5.11 ADVERTISING

The contractor shall not use the State’s name, logos, images, or any data or results arising from this contract as a part of any commercial advertising without first obtaining the prior written consent of the Director.

5.12 LICENSES AND PERMITS

The contractor shall obtain and maintain in full force and effect all required licenses, permits, and authorizations necessary to perform this contract. The contractor shall supply the State Contract Manager with evidence of all such licenses, permits and authorizations. This evidence shall be submitted subsequent to the contract award. All costs associated with any such licenses, permits and authorizations must be considered by the bidder in its bid proposal.

5.13 CLAIMS AND REMEDIES

5.13.1 CLAIMS

All claims asserted against the State by the contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

5.13.2 REMEDIES

Nothing in the contract shall be construed to be a waiver by the State of any warranty, expressed or implied, of any remedy at law or equity, except as specifically and expressly stated in a writing executed by the Director.

5.13.3 REMEDIES FOR FAILURE TO COMPLY WITH MATERIAL CONTRACT REQUIREMENTS

In the event that the contractor fails to comply with any material contract requirements, the Director may take steps to terminate the contract in accordance with the State administrative code and/or authorize the delivery of contract items by any available means, with the difference between the price paid and the defaulting contractor's price either being deducted from any monies due the defaulting contractor or being an obligation owed the State by the defaulting contractor.

5.14 LATE DELIVERY

The contractor must immediately advise the State Contract Manager of any circumstance or event that could result in late completion of any task or subtask called for to be completed on a date certain. Notification must also be provided to the Director at the address below:

The State of New Jersey
Director, Division of Purchase and Property
Purchase Bureau
PO Box 230
33 West State St.
Trenton, New Jersey 08625-0230

5.15 RETAINAGE

This is not applicable to this procurement.

5.16 STATE'S OPTION TO REDUCE SCOPE OF WORK

The State has the option, in its sole discretion, to reduce the scope of work for any task or subtask called for under this contract. In such an event, the Director shall provide advance written notice to the contractor.

Upon receipt of such written notice, the contractor will submit, within five (5) working days to the Director and the State Contract Manager, an itemization of the work effort already completed by task or subtask. The contractor shall be compensated for such work effort according to the applicable portions of its price schedule.

5.17 SUSPENSION OF WORK

The State Contract Manager may, for valid reason, issue a stop order directing the contractor to suspend work under the contract for a specific time. The contractor shall be paid until the effective date of the stop order. The contractor shall resume work upon the date specified in the stop order or upon such other date as the State Contract Manager may thereafter direct in writing. The period of suspension shall be deemed added to the contractor's approved schedule of performance. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

5.18 CHANGE IN LAW

Whenever an unforeseen change in applicable law or regulation affects the services that are the subject of this contract, the contractor shall advise the State Contract Manager and the Director in writing and include in such written transmittal any estimated increase or decrease in the cost of its performance of the services as a result of such change in law or regulation. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

5.19 CONTRACT PRICE INCREASE (PREVAILING WAGE)

If the Prevailing Wage Act (N.J.S.A. 34:11-56 et seq.) is applicable to the contract, the contractor may apply to the Director, on the anniversary of the effective date of the contract, for a contract price increase. The contract price increase will be available only for an increase in the prevailing wages of trades and occupations covered under this contract during the prior year. The contractor must substantiate with documentation the need for the increase and submit it to the Director for review and determination of the amount, if any, of the requested increase, which shall be available for the upcoming contract year. No retroactive increases will be approved by the Director.

5.20 ADDITIONAL WORK AND/OR SPECIAL PROJECTS

The contractor shall not begin performing any additional work or special projects without first obtaining written approval from both the State Contract Manager and the Director.

In the event of additional work and/or special projects, the contractor must present a written proposal to perform the additional work to the State Contract Manager. The proposal should provide justification for the necessity of the additional work. The relationship between the additional work and the base contract work must be clearly established by the contractor in its proposal.

The contractor’s written proposal must provide a detailed description of the work to be performed broken down by task and subtask. The proposal should also contain details on the level of effort, including hours, labor categories, etc., necessary to complete the additional work.

The written proposal must detail the cost necessary to complete the additional work in a manner consistent with the contract. The written price schedule must be based upon the hourly rates, unit costs or other cost elements submitted by the contractor in the contractor’s original bid proposal submitted in response to this RFP. Whenever possible, the price schedule should be a firm, fixed cost to perform the required work. The firm fixed price should specifically reference and be tied directly to costs submitted by the contractor in its original bid proposal. A payment schedule, tied to successful completion of tasks and subtasks, must be included.

Upon receipt and approval of the contractor’s written proposal, the State Contract Manager shall forward same to the Director for the Director’s written approval. Complete documentation from

the Using Agency, confirming the need for the additional work, must be submitted. Documentation forwarded by the State Contract Manager to the Director must include all other required State approvals, such as those that may be required from the State of New Jersey's Office of Management and Budget (OMB) and Office of Information and Technology (OIT).

No additional work and/or special project may commence without the Director's written approval. In the event the contractor proceeds with additional work and/or special projects without the Director's written approval, it shall be at the contractor's sole risk. The State shall be under no obligation to pay for work performed without the Director's written approval.

5.21 FORM OF COMPENSATION AND PAYMENT

This Section supplements Section 4.5 of the NJ Standard Terms and Conditions version 05 09 06, located on the Advertised Solicitation, Current Bid Opportunities webpage http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml. The contractor must submit official State invoice forms to the Using Agency with supporting documentation evidencing that work for which payment is sought has been satisfactorily completed. Invoices must reference the tasks or subtasks detailed in the Scope of Work section of the RFP and must be in strict accordance with the firm, fixed prices submitted for each task or subtask on the RFP pricing sheets. When applicable, invoices should reference the appropriate RFP price sheet line number from the contractor's bid proposal. All invoices must be approved by the State Contract Manager before payment will be authorized.

In addition, primary contractors must provide, on a monthly and cumulative basis, a breakdown in accordance with the budget submitted, of all monies paid to any small business subcontractor(s). This breakdown shall be sent to the Purchase Bureau Business Unit, Set-Aside Coordinator.

Invoices must also be submitted for any special projects, additional work or other items properly authorized and satisfactorily completed under the contract. Invoices shall be submitted according to the payment schedule agreed upon when the work was authorized and approved. Payment can only be made for work when it has received all required written approvals and has been satisfactorily completed.

5.21.1 PAYMENT TO CONTRACTOR - OPTIONAL METHOD

The State of New Jersey now offers State contractors the opportunity to be paid through the MasterCard procurement card (p-card). A contractor's acceptance and a State agency's use of the p-card, however, is optional.

P-card transactions do not require the submission of either a contractor invoice or a State payment voucher. Purchasing transactions using the p-card will usually result in payment to a contractor in three days.

A contractor should take note that there will be a transaction-processing fee for each p-card transaction. To participate, a contractor must be capable of accepting the MasterCard. Additional information can be obtained from banks or merchant service companies.

5.22 MODIFICATIONS AND CHANGES TO THE NJ STANDARD TERMS AND CONDITIONS VERSION 05 09 06

NJ Standard Terms and Conditions version 05 09 06 are located on the Advertised Solicitation, Current Bid Opportunities webpage
http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml.

5.22.1 PATENT AND COPYRIGHT INDEMNITY

Section 2.1 of the NJ Standard Terms and Conditions version 05 09 06 is deleted and replaced with the following:

2.1 Patent and Copyright Indemnity

a. The Contractor shall hold and save the State of New Jersey, its officers, agents, servants and employees, harmless from liability of any nature or kind for or on account of the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of the contract.

b. The State of New Jersey agrees: (1) to promptly notify the Contractor in writing of such claim or suit; (2) that the Contractor shall have control of the defense of settlement of such claim or suit; and (3) to cooperate with the Contractor in the defense of such claim or suit, to the extent that the interests of the Contractor and the State are consistent.

c. In the event of such claim or suit, the Contractor, at its option, may: (1) procure for the State of New Jersey the legal right to continue the use of the product; (2) replace or modify the product to provide a non-infringing product that is the functional equivalent; or (3) refund the purchase price less a reasonable allowance for use that is agreed to by both parties.

5.22.2 INDEMNIFICATION

Section 2.2 of the NJ Standard Terms and Conditions version 05 09 06, is deleted and replaced with the following:

2.2 Indemnification

The contractor's liability to the State for actual, direct damages resulting from the contractor's performance or non-performance, or in any manner related to the contract, for any and all claims, shall be limited in the aggregate to 200 % of the value of the contract, except that such limitation of liability shall not apply to the following:

1. The contractor's obligation to indemnify the State of New Jersey and its employees from and against any claim, demand, loss, damage or expense relating to bodily injury or the death of any person or damage to real property or tangible personal property, incurred from the work or materials supplied by the contractor under the contract caused by negligence or willful misconduct of the contractor;

2. The contractor's breach of its obligations of confidentiality; and,

3. Contractor's liability with respect to copyright indemnification.

The contractor's indemnification obligation is not limited by but is in addition to the insurance obligations contained in Section 2.3 of the NJ Standard Terms and Conditions version 05 09 06.

The contractor shall not be liable for special, consequential, or incidental damages.

5.22.3 INSURANCE - PROFESSIONAL LIABILITY INSURANCE

Section 2.3 of the NJ Standard Terms and Conditions version 05 09 06 regarding insurance is modified with the addition of the following section regarding Professional Liability Insurance.

d) Professional Liability Insurance: The Contractor shall carry Errors and Omissions, Professional Liability Insurance and/or Professional Liability Malpractice Insurance sufficient to protect the Contractor from any liability arising out the professional obligations performed pursuant to the requirements of the Contract. The insurance shall be in the amount of not less than $5,000,000 and in such policy forms as shall be approved by the State. If the Contractor has claims-made coverage and subsequently changes carriers during the term of the Contract, it shall obtain from its new Errors and Omissions, Professional Liability Insurance and/or Professional Malpractice Insurance carrier an endorsement for retroactive coverage.

5.23 CONTRACT ACTIVITY REPORT

In conjunction with the standard record keeping requirements of this contract, as required by in paragraph 3.19 of the NJ Standard Terms and Conditions version 05 09 06, located on the Advertised Solicitation, Current Bid Opportunities webpage http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml, contractor(s) must provide, on a calendar quarter basis, to the Purchase Bureau buyer assigned, a record of all purchases made under their contract award resulting for this Request for Proposal. This includes purchases made by all using agencies including the State and political sub-divisions thereof. This reporting requirement includes sales to State using agencies and, if permitted under the terms of the contract, sales to counties, municipalities, school districts, volunteer fire departments, first aid squads and rescue squads, and independent institutions of higher education. The requirement also includes sales to State and County Colleges and Quasi-State Agencies. Quasi-State Agencies include any agency, commission, board, authority or other such governmental entity which is established and is allocated to a State department or any bi-state governmental entity of which the State of New Jersey is a member.

This information must be provided in a tabular format such that an analysis can be made to determine the following:

- Contractor's total sales volume to each purchaser under the contract, subtotaled by product, including, if applicable, catalog number and description, price list with appropriate page reference and/or contract discount applied.
- Total dollars paid to subcontractors.

Submission of purchase orders, confirmations, and/or invoices do not fulfill this contract requirement for information.

Contractors are strongly encouraged to submit the required information in electronic spreadsheet format. The Purchase Bureau uses Microsoft Excel.

Failure to report this mandated information will be a factor in future award decisions.

6.0 PROPOSAL EVALUATION

6.1 PROPOSAL EVALUATION COMMITTEE

Bid proposals may be evaluated by an Evaluation Committee composed of members of affected departments and agencies together with representative(s) from the Purchase Bureau. Representatives from other governmental agencies may also serve on the Evaluation Committee. On occasion, the Evaluation Committee may choose to make use of the expertise of outside consultant in an advisory role.

6.2 ORAL PRESENTATION AND/OR CLARIFICATION OF BID PROPOSAL

After the submission of bid proposals, unless requested by the State as noted below, vendor contact with the State is still not permitted.

A bidder may be required to give an oral presentation to the Evaluation Committee concerning its bid proposal. The Evaluation Committee may also require a bidder to submit written responses to questions regarding its bid proposal.

The purpose of such communication with a bidder, either through an oral presentation or a letter of clarification, is to provide an opportunity for the bidder to clarify or elaborate on its bid proposal. Original bid proposals submitted, however, cannot be supplemented, changed, or corrected in any way. No comments regarding other bid proposals are permitted. Bidders may not attend presentations made by their competitors.

It is within the Evaluation Committee's discretion whether to require a bidder to give an oral presentation or require a bidder to submit written responses to questions regarding its bid proposal. Action by the Evaluation Committee in this regard should not be construed to imply acceptance or rejection of a bid proposal.

The Purchase Bureau buyer will be the sole point of contact regarding any request for an oral presentation or clarification.

6.3 EVALUATION CRITERIA

The following evaluation criteria categories, not necessarily listed in order of significance, will be used to evaluate bid proposals received in response to this RFP. The evaluation criteria categories may be used to develop more detailed evaluation criteria to be used in the evaluation process:

6.3.1 TECHNICAL EVALUATION CRITERIA

A) The bidder's general approach and plans in meeting the requirements of this RFP.

B) The bidder's detailed approach and plans to perform the services required by the Scope of Work of this RFP.

C) The bidder's documented experience in successfully completing contracts of a similar size and scope to the work required by this RFP.

D) The qualifications and experience of the bidder's management, supervisory or other key personnel assigned to the contract, with emphasis on documented experience in successfully completing work on contracts of similar size and scope to the work required by this RFP. Specifically, bidders must demonstrate that they have access to the medical,

nursing, administrative and technical knowledge and expertise that can address the different phases of this project.

E) The overall ability of the bidder to undertake and successfully complete the contract. This judgment will include, but not be limited to, the following factors: the number and qualifications of management, supervisory and other staff proposed by the bidder to complete the contract, the availability and commitment to the contract of the bidder's management, supervisory and other staff proposed and the bidder's contract management plan, including the bidder's contract organizational chart.

F) The completeness of the bidder's price sheets.

6.3.2 BIDDER'S PRICE SCHEDULE

Bidders must bid on all tasks/subtasks within all three (3) phases for either system hosting options 1, 2 or both.

For evaluation purposes, bidders will be ranked according to the total bid price located on the Price Sheet located on the Advertised Solicitation, Current Bid Opportunities webpage, http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml.

6.3.3 BID DISCREPANCIES

In evaluating bids, discrepancies between words and figures will be resolved in favor of words. Discrepancies between unit prices and totals of unit prices will be resolved in favor of unit prices. Discrepancies in the multiplication of units of work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated total of multiplied unit prices and units of work and the actual total will be resolved in favor of the actual total. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the corrected sum of the column of figures.

6.3.4 EVALUATION OF THE BID PROPOSALS

The Evaluation Committee will complete its evaluation and recommend to the Director for award the responsible bidder(s) whose bid proposal, conforming to this RFP, is most advantageous to the State, price and other factors considered. The Evaluation Committee considers and assesses price, technical criteria, and other factors during the evaluation process.

6.4 NEGOTIATION AND BEST AND FINAL OFFER (BAFO)

Following the opening of bid proposals, the State shall, pursuant to N.J.S.A. 52:34-12(f), negotiate one or more of the following contractual issues: the technical services offered, the terms and conditions and/or the price of a proposed contract award with any bidder, and/or solicit a Best and Final Offer (BAFO) from one or more bidders.

Initially, the Evaluation Committee will conduct a review of all the bids and select bidders to contact to negotiate and/or conduct a BAFO based on its evaluation and determination of the bid proposals that best satisfy the evaluation criteria and RFP requirements, and that are most advantageous to the State, price and other factors considered. The Committee may not contact all bidders to negotiate and/or to submit a BAFO.

In response to the State's request to negotiate, bidders must continue to satisfy all mandatory RFP requirements but may improve upon their original technical proposal in any revised technical proposal. However, any revised technical proposal that does not continue to satisfy all

mandatory requirements will be rejected as non-responsive and the original technical proposal will be used for any further evaluation purposes in accordance with the following procedure.

In response to the State's request for a BAFO, bidders may submit a revised price proposal that is equal to or lower in price than their original submission, but must continue to satisfy all mandatory requirements. Any revised price proposal that is higher in price than the original will be rejected as non-responsive and the original bid will be used for any further evaluation purposes.

After receipt of the results of the negotiation and/or the BAFO(s), the Evaluation Committee will complete its evaluation and recommend to the Director for award that responsible bidder(s) whose bid proposal, conforming to this RFP, is most advantageous to the State, price and other factors considered.

All contacts, records of initial evaluations, any correspondence with bidders related to any request for negotiation or BAFO, any revised technical and/or price proposals, the Evaluation Committee Report and the Award Recommendation, will remain confidential until a Notice of Intent to Award a contract is issued.

7.0 CONTRACT AWARD

7.1 DOCUMENTS REQUIRED BEFORE CONTRACT AWARD

7.1.1 REQUIREMENTS OF N.J.S.A. 19:44A-20.13-25 (FORMERLY EXECUTIVE ORDER 134)

In order to safeguard the integrity of State government procurement by imposing restrictions to insulate the negotiation and award of State contracts from political contributions that pose the risk of improper influence, purchase of access, or the appearance thereof, the Legislature enacted N.J.S.A. 19:44A-20.13 – 25 on March 22, 2005 the "Legislation"), retroactive to October 15, 2004, superseding the terms of Executive Order 134. Pursuant to the requirements of the Legislation, the terms and conditions set forth in this section are material terms of any contract resulting from this RFP:

7.1.1.1 DEFINITIONS

For the purpose of this section, the following shall be defined as follows:

a) Contribution – means a contribution reportable as a recipient under "The New Jersey Campaign Contributions and Expenditures Reporting Act." P.L. 1973, c. 83 (C.19:44A-1 et seq.), and implementing regulations set forth at N.J.A.C. 19:25-7 and N.J.A.C. 19:25-10.1 et seq. Through December 31, 2004, contributions in excess of $400 during a reporting period were deemed "reportable" under these laws. As of January 1, 2005, that threshold was reduced to contributions in excess of $300.

b) Business Entity – means any natural or legal person, business corporation, professional services corporation, Limited Liability Company, partnership, limited partnership, business trust, association or any other legal commercial entity organized under the laws of New Jersey or any other state or foreign jurisdiction. The definition of a business entity includes (i)all principals who own or control more than 10 percent of the profits or assets of a business entity or 10 percent of the stock in the case of a business entity that is a corporation for profit, as appropriate; (ii)any subsidiaries directly or indirectly controlled by the business entity; (iii)any political organization organized under section 527 of the Internal Revenue Code that is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee; and (iv)if a business entity is a natural person, that person's spouse or child, residing in the same household.

7.1.1.2 BREACH OF TERMS OF THE LEGISLATION

It shall be a breach of the terms of the contract for the Business Entity to (i)make or solicit a contribution in violation of the Legislation, (ii)knowingly conceal or misrepresent a contribution given or received; (iii)make or solicit contributions through intermediaries for the purpose of concealing or misrepresenting the source of the contribution; (iv)make or solicit any contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate of holder of the public office of Governor, or to any State or county party committee; (v)engage or employ a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any contribution, which if made or solicited by the business entity itself, would subject that entity to the restrictions of the Legislation; (vi)fund contributions made by third parties, including consultants, attorneys, family members, and employees; (vii)engage in any exchange of contributions to circumvent the intent of the Legislation; or (viii)directly or indirectly through or by any other person or means, do any act which would subject that entity to the restrictions of the Legislation.

7.1.1.3 CERTIFICATION AND DISCLOSURE REQUIREMENTS

a) The State shall not enter into a contract to procure from any Business Entity services or any material, supplies or equipment, or to acquire, sell or lease any land or building, where the value of the transaction exceeds $17,500, if that Business Entity has solicited or made any contribution of money, or pledge of contribution, including in-kind contributions to a candidate committee and/or election fund of any candidate for or holder of the public office of Governor, or to any State or county political party committee during certain specified time periods

b) Prior to awarding any contract or agreement to any Business Entity, the Business Entity proposed as the intended awardee of the contract shall submit the Certification and Disclosure form, certifying that no contributions prohibited by the Legislation have been made by the Business Entity and reporting all contributions the Business Entity made during the preceding four years to any political organization organized under 26 U.S.C.527 of the Internal Revenue Code that also meets the definition of a "continuing political committee" within the mean of N.J.S.A. 19:44A-3(n) and N.J.A.C. 19:25-1.7. The required form and instructions, available for review on the Purchase Bureau website at http://www.state.nj.us/treasury/purchase/forms.htm#eo134 shall be provided to the intended awardee for completion and submission to the Purchase Bureau with the Notice of Intent to Award. Upon receipt of a Notice of Intent to Award a Contract, the intended awardee shall submit to the Division, in care of the Purchase Bureau Buyer, the Certification and Disclosure(s) within five (5) business days of the State's request. Failure to submit the required forms will preclude award of a contract under this RFP, as well as future contract opportunities.

c) Further, the Contractor is required, on a continuing basis, to report any contributions it makes during the term of the contract, and any extension(s) thereof, at the time any such contribution is made. The required form and instructions, available for review on the Purchase Bureau website at http://www.state.nj.us/treasury/purchase/forms.htm#eo134, shall be provided to the intended awardee with the Notice of Intent to Award.

7.1.1.4 STATE TREASURER REVIEW

The State Treasurer or his designee shall review the Disclosures submitted pursuant to this section, as well as any other pertinent information concerning the contributions or reports thereof by the intended awardee, prior to award, or during the term of the contract, by the contractor. If the State Treasurer determines that any contribution or action by the contractor constitutes a breach of contract that poses a conflict of interest in the awarding of the contract under this solicitation, the State Treasurer shall disqualify the Business Entity from award of such contract.

7.1.1.5 ADDITIONAL DISCLOSURE REQUIREMENT OF P.L. 2005, C. 271

Contractor is advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (ELEC), pursuant to P.L. 2005, c. 271, section 3 if the contractor receives contracts in excess of $50,000 from a public entity in a calendar year. It is the contractor's responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at www.elec.state.nj.us.

7.1.2 SOURCE DISCLOSURE REQUIREMENTS

7.1.2.1 REQUIREMENTS OF N.J.S.A. 52:34-13.2

Under the referenced statute, effective August 3, 2005, all contracts primarily for services awarded by the Director shall be performed within the United States, except when the Director certifies in writing a finding that a required service cannot be provided by a contractor or subcontractor within the United States and the certification is approved by the State Treasurer.

7.1.2.2 SOURCE DISCLOSURE REQUIREMENTS

Pursuant to the statutory requirements, the intended awardee of a contract primarily for services with the State of New Jersey must disclose the location by country where services under the contract, including subcontracted services, will be performed. The Source Disclosure Certification form is located on the Advertised Solicitation, Current Bid Opportunities webpage http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml.

FAILURE TO SUBMIT SOURCING INFORMATION WHEN REQUESTED BY THE STATE SHALL PRECLUDE AWARD OF A CONTRACT TO THE BIDDER.

If any of the services cannot be performed within the United States, the bidder shall state with specificity the reasons why the services cannot be so performed. The Director shall determine whether sufficient justification has been provided by the bidder to form the basis of his certification that the services cannot be performed in the United States and whether to seek the approval of the Treasurer.

7.1.2.3 BREACH OF CONTRACT OF EXECUTIVE ORDER 129

A SHIFT TO PROVISION OF SERVICES OUTSIDE THE UNITED STATES DURING THE TERM OF THE CONTRACT SHALL BE DEEMED A BREACH OF CONTRACT.

If, during the term of the contract, the contractor or subcontractor, who had on contract award declared that services would be performed in the United States, proceeds to shift the performance of any of the services outside the United States, the contractor shall be deemed to be in breach of its contract, which contract shall be subject to termination for cause pursuant to Section 3.5b.1 of the Standard Terms and Conditions version 05 09 06 of the RFP, unless previously approved by the Director and the Treasurer.

7.2 FINAL CONTRACT AWARD

Contract award[s] shall be made with reasonable promptness by written notice to that responsible bidder(s), whose bid proposal(s), conforming to this RFP, is(are) most advantageous to the State, price, and other factors considered. Any or all bid proposals may be rejected when the State Treasurer or the Director determines that it is in the public interest to do so.

7.3 INSURANCE CERTIFICATES

The contractor shall provide the State with current certificates of insurance for all coverages required by the terms of this contract, naming the State as an Additional Insured.

7.4 PERFORMANCE BOND

This section supplements Section 3.3b of the NJ Standard Terms and Conditions version 05 09 06, located on the Advertised Solicitation, Current Bid Opportunities webpage

http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml. A performance bond is required. The amount of the performance bond is noted on the RFP signatory page located on the Advertised Solicitation, Current Bid Opportunities webpage http://www.state.nj.us/treasury/purchase/bid/summary/08x39615.shtml. The contractor must provide the performance bond within thirty (30) days of the effective date of the contract award. The performance bond must remain in full force and effect for the term of the contract and any extension thereof. Within thirty (30) days of the anniversary of the contract effective date, the contractor shall provide proof to the Director that the performance bond in the required amount is in effect. Failure to provide such proof may result in the suspension of payment to the contractor until such time the contractor complies with this requirement.

Although the performance bond is required for the full term of the contract, the Director recognizes that the industry practice of sureties is to issue a one year performance bond for goods and services contracts. Thus, the contractor is required to submit a one year performance bond for the amount required under the contract and, on each succeeding anniversary date of the contract, provide a continuation or renewal certificate to evidence that the bond is in effect for the next year of the contract. This procedure will remain in place for each year of the contract thereafter until the termination of the contract. Failure to provide such proof on the anniversary date of the contract shall result in suspension of the contract, and possibly, termination of the contract.

For performance bonds based on a percentage of the total estimated contract price, the performance bond requirement is calculated as follows. For the first year of the contract, the performance bond percentage on the RFP signatory page is applied to the estimated total contract amount for the full term of the contract. On each anniversary of the effective date of the contract, the amount of the required performance bond, unless otherwise noted, is calculated by applying the established RFP performance bond percentage to the outstanding balance of the estimated amount of the contract price to be paid to the contractor.

In the event that the contract price is increased by amendment to the contract, the contractor may be required to provide, within thirty (30) days of the effective date of the amendment, performance bond coverage for the increase in contract price. The required increase in the performance bond amount is calculated by applying the established bond percentage set forth on RFP signatory page to the increase in contract price. Failure to provide such proof to the Director of this required coverage may result in the suspension of payment to the contractor until such time the contractor complies with this requirement.

8.0 CONTRACT ADMINISTRATION

8.1 CONTRACT MANAGER

The State Contract Manager is the State employee responsible for the overall management and administration of the contract.

The State Contract Manager for this project will be identified at the time of execution of contract. At that time, the contractor will be provided with the State Contract Manager's name, department, division, agency, address, telephone number, fax phone number, and email address.

8.1.1 STATE CONTRACT MANAGER RESPONSIBILITIES

For an agency contract where only one State office uses the contract, the State Contract Manager will be responsible for engaging the contractor, assuring that Purchase Orders are issued to the contractor, directing the contractor to perform the work of the contract, approving the deliverables and approving payment vouchers. The State Contract Manager is the person that the contractor will contact **after the contract is executed** for answers to any questions and concerns about any aspect of the contract. The State Contract Manager is responsible for coordinating the use and resolving minor disputes between the contractor and any component part of the State Contract Manager's Department.

If the contract has multiple users, then the State Contract Manager shall be the central coordinator of the use of the contract for all Using Agencies, while other State employees engage and pay the contractor. All persons and agencies that use the contract must notify and coordinate the use of the contract with the State Contract Manager.

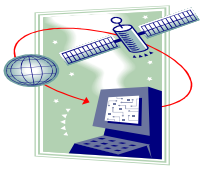
8.1.2 COORDINATION WITH THE STATE CONTRACT MANAGER

Any contract user that is unable to resolve disputes with a contractor shall refer those disputes to the State Contract Manager for resolution. Any questions related to performance of the work of the contract by contract users shall be directed to the State Contract Manager. The contractor may contact the State Contract Manager if the contractor can not resolve a dispute with contract users.

NEW JERSEY DEPARTMENT of HEALTH and SENIOR SERVICES

ATTACHMENT 1

IT Architectural Standards



Office of Information Technology Services

Version 10 – August 2005

Initial DHSS IT Standards Issued approx. April 2000

Technology Component	Recommended DHSS Standard	Notes
Desktop PC (General Purpose)	*Dell GX280, 2.4+GHz, 512 MB RAM, 40GB disk, 17" display*	• *Price/performance "sweet spot" will shift in future volume offerings from Dell/OIT/Purchasing* • *The audio and video cards built into the motherboard should be adequate for most needs.* • *LCD Flat Panel Displays may be ordered ONLY:* - *If cost is no more than $100 above cost of **same size** CRT display, or* - *Is needed for an imaging application, or* - *There is a "true space" problem in office/desk* *NOTE: Even under these exceptions, POs for Flat Panel Displays require the signature of the Division's appropriate Deputy Commissioner in the approval section on the "IT PO Transmittal" (OITS-8) form.* • *Small form factor is usable where internal expandability is not required (no PCI slots)*
Desktop PC (Power User)	*Dell GX280, 3+GHz, 1 GB RAM, 40GB disk, 17+" display*	
Desktop PC (Developer)	*Dell Precision 470 3+GHz w/ 1+MB L3 cache (*or *Precision 360 3.2 GHz w/2MB L3 cache), 1+GB RAM, 80+ GB 10K+RPM SCSI or SATA disk, 19" display*	
Desktop Operating System	• *Windows 2000 Professional* • *Windows XP Professional*	*Windows 98 machines should be upgraded to our current standards as soon as possible.*
Laptop/Notebook PC	• *Dell (preferred)* • *IBM* Important: *Must be ordered with Zone Alarm Pro firewall. Also, terms and duration of service agreements are vital for mobile PCs. Please check carefully! Note that ultraportables such as Dell X300/600m/700m and IBM*	*Specific usage should determine choices. Factors to consider include:* • *Weight/size* • *Internal vs. external drives needed* • *Reliability history* • *Display quality* • *Docking options/cost/connectors* • *Battery life (if used)*

Technology Component	Recommended DHSS Standard	Notes
	Thinkpad X series are available.	• *Keyboard/pointing device usability* • *Wireless LAN compatibility*
Tablet PC	*HP Compaq Tablet PC tc1100* *Toshiba Protégé M200 BTO*	• *HP State Contract 81249* • *ISS State Contract 81229*
Handheld Mobile Email Device	*Research in Motion (RIM) BlackBerry*	• *Standard provider for cellular voice/data service is Verizon*
Printers	*Hewlett-Packard or Dell* *(Note: Before ordering, contact OITS help desk for printer repair or available spares)*	• *Alternative brands will be considered only when HP does not offer required functionality*
Email and Groupware	*Lotus Notes 6.5.2*	
Office Automation Software	*MS Office 2000 - 2003*	
Terminal Emulation and FTP Client	*Zephyr Passport 2004 (OITS Enterprise License)*	
Compression	*WinZip 9.0 (OITS Ent. License)*	
Application Development	• *Visual Basic* • *PC – SAS* • *MS Access* • *Crystal Reports* *Web Tools:* • *Rational Suite* • *Dreamweaver* • *Crystal Enterprise*	• *Consider potential needs for mobile/Web access, XML support and spatial data integration when planning new DHSS applications.*
Database	• *Access 2000/2002* • *SQL Server 2000* • *Oracle 8i and 9i*	• *SQL Server 2005 will be evaluated upon release* • *Oracle 10g under review*
Data Warehouse Tools	*Data warehouse tools should match application-specific requirements. MicroStrategy and SAS have users in DHSS.*	
Data Warehouse RDBMS	• *Oracle 8i and 9i* • *SQL Server 2000*	• *Leading relational databases are gaining stronger analytical tools.*
GIS (Geographic Info. System)	*ESRI ArcGIS server and client products*	
Server and Network Management	• *Dell OpenManage* • *CiscoWorks 2.2*	
Personal Firewall for Non-Office PC	*Zone Alarm Pro*	• *OITS supports Zone Alarm.*
Virus Protection:	*McAfee Antivirus (OITS*	• *Electronic Policy Orchestrator (ePO)*

Technology Component	Recommended DHSS Standard	Notes
Servers and PCs	*Enterprise License)*	*is being implemented for auto-updates.* • *Windows 98 support ends July 2005*
Spyware Protection	*Lavasoft Ad-Aware SE Pro (OITS Enterprise License)*	•
Network Operating System (File/Print)	• *Windows 2000 Server* • *Windows 2003 Server*	

Wired Network Routers, Switches and Firewalls	*Cisco*	*Cisco devices in "production infrastructure data network"*
Wired Networking Technology	• *Desktop: Fast Ethernet (100 Mbps)* • *Backbone and Some Servers: Gigabit Ethernet (1000 Mbps)* • *WAN: T1/DS1, T3/DS3, OC-3 ATM*	
Wireless Networking	• *WLAN: 802.11b/g* • *Cell: CDMA/ EV-DO /1xRTT*	*Enterprise WPA and WPA2 recommended for WLAN security*
LAN Protocol	*TCP/IP*	
LAN Cabling	• *UTP Category 5e* • *Fiber (WANs and backbones)*	
Internet/Intranet Web Browser	• *Internet Explorer 6+* • *Netscape 6+*	
Internet/Intranet Proxy Server	• *Dell/Inktomi PowerApp.Cache*	
Intranet/Intranet Web Server	• *Microsoft IIS 5.0* • *BEA WebLogic HTTP Server* • *Apache*	• *Use of Perl/ASP for Intranet pages increasing*
Internet/Intranet Application Server	• *BEA WebLogic 8.1*	
Document Management and Imaging	• *Custom apps e.g. CoCoMats* • *Filenet and Xerox on short list*	• *Trend is to decrease reliance on optical storage except for archives*
Video Conferencing	*LAN/Internet Transmissions* • *H.323* *Telephone Transmissions* • *H.320 ISDN* • *H.324 POTS* *Data Conferencing* • *T.120* *Match technology choice to*	• *H.264/MPEG-4 compression will provide higher quality at lower bit rates*

	specific application needs.	
Project Management	*Microsoft Project 2000 - 2003*	
Telephone Systems (PBX)	*NEC*	

ATTACHMENT 2

(RFP Section 4.4.5.3)

The resumes should be formatted as depicted below.

Resume Format

Name:
Present Title:
Role for this Project: *Proposed role for the subject contract.*

Experience Summary: *Types of experience the proposed staff has that are applicable to the proposed project, e.g., requirements analysis, project management, training, conversion planning, etc. For each type of experience, the number of years of said experience must be identified.*

Job A:
Employed from (month/year) to (month/year):
Title:
Employer name, phone number, fax number and/or e-mail address:
Employer address:

Specific Project A:
Customer name:
Current telephone number, fax number and/or e-mail address:
Brief project description:
Time period individual assigned to project:
Percentage of time on specific project (based on full days, five days per week):

Continue with Projects B, C, etc., as needed.

Continue with Jobs B, C, etc., as needed.

Educational Background
School name (post-secondary education):
Location:
Type and date of degree received:

Specialized Training
Type of training and dates attended (months/year):

References:
Provide the following information for each of two (2) references.
Name:
Position:
Current telephone number, fax number and/or e-mail address:
Relationship:

ATTACHMENT 3

(RFP Section 3.0)

STATE OF NEW JERSEY
Business Associate
Memorandum of Understanding
between
New Jersey Department of [Enter the Covered Entity's name]
New Jersey Department of [insert Business Associate's name]

Preamble -- This Business Associate Memorandum of Understanding (MOU) covering Business Associate activities as those terms are defined by the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C.A. §1301 et seq. ("HIPAA"), and the regulations promulgated thereunder by the U.S. Department of Health and Human Services, 45 CFR §160-164 (the "HIPAA Regulations") is made effective the ___ Day of ____, 2004 by and between _____, the covered entity-state agency (Covered Entity), and the _____(___ or Business Associate), (collectively referred to as the "Parties").

Background

Whereas, the Covered Entity, pursuant to **[cite the agencies enabling statute]** is constituted as an instrumentality of the State exercising public and essential governmental functions**;** and

Whereas, in accordance with the laws of New Jersey, Business Associate provides **[describe services]** for the Covered Entity and its components; and

Whereas, some of the information disclosed by the Covered Entity to the Business Associate may constitute Protected Health Information (PHI); and

Whereas, the relationship between Covered Entity and Business Associate is such that the Business Associate is or may be a "business associate" within the meaning of HIPAA Privacy Rule; and

Whereas, the Covered Entity and Business Associate must protect the privacy and provide for the security of PHI disclosed to Business Associate in compliance with HIPAA, the HIPAA Regulations, and other applicable laws; and

Whereas, the purpose of this MOU is to satisfy certain standards and requirements of HIPAA and the HIPAA Regulations, including but not limited to those contained in Title 45, §164.504(e) of the Code of Federal Regulations ("CFR"), as the same may be amended from time to time.

NOW, THEREFORE, the Parties enter into this MOU with the intention of complying with the HIPAA Privacy Rule provision that a covered entity may disclose protected

health information to a business associate, and may allow a business associate to create or receive protected health information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

Article I - Definitions

Terms used, but not otherwise defined, in this MOU shall have the same meaning as those terms in the HIPAA Regulations.

"Individual" shall have the meaning given to such term in 45 CFR §164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g)

"Privacy Rule" shall mean the HIPAA Regulation that is codified at 45 CFR Parts 160 and part 164, sub parts A and E.

"Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 CFR §160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

"Secretary" shall mean the Secretary of the federal Department of Health and Human Services or the secretary's designee.

Article II - Obligations of Business Associate

A. *Permitted Uses and Disclosures.* Except as otherwise limited in this MOU or by applicable law, Business Associate may use or disclose PHI received by Business Associate pursuant to this MOU, provided that such use or disclosure would not violate the Privacy Rule if caused by the Covered Entity; and is limited to the minimum necessary to accomplish the intended purpose of the use or disclosure.

B. *Nondisclosure.* Business Associate shall not use or further disclose the Covered Entity's PHI except as permitted or required by this MOU or as Required by Law.

C. *Safeguards.* Business Associate shall implement the appropriate safeguards necessary to prevent the use or disclosure of Protected Health Information, except as permitted by this MOU. Business Associate shall maintain a comprehensive written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Business Associate's operations and the nature and scope of its activities.

D. *Duty to Mitigate.* Business Associate shall mitigate, to the extent practicable, any harmful effect known to Business Associate that results from a use or disclosure of PHI by Business Associate in violation of this MOU.

E. *Reporting of Improper Use or Disclosure.* Business Associate shall report to the Covered Entity any use or disclosure of the Covered Entity's PHI, except as permitted by this MOU, of which Business Associate becomes aware.

F. *Business Associate's Agents.* Business Associate shall ensure that all agents and subcontractors to whom it provides PHI agree in writing to the same restrictions and conditions that apply to Business Associate with respect to such PHI.

G. *Availability of Information to Covered Entity.* Upon the request of an Individual, or as directed by the Covered Entity, Business Associate shall provide access to PHI to an Individual in a manner consistent with 45 CFR §164.524, unless a denial pursuant to 45 CFR §164.524(a)(2) or (a)(3) has been issued..

H. *Amendment of PHI.* Upon the request of an Individual, or the Covered Entity, Business Associate shall make amendments to PHI in a Designated Record Set, in a manner consistent with 45 CFR §164.526, unless a denial pursuant to 45 CFR §164.526(2) has been issued.

I. *Internal Practices.* Business Associate shall make its internal practices, books and records, including policies and procedures, relating to the use and disclosure of PHI received from, created or received by the Business Associate on behalf of the Covered Entity available to the Secretary for purposes of determining the Business Associate's compliance with the Privacy Rule.

J. *Minimum Necessary.* Business Associate and its agents and subcontractors shall only request, use and disclose the minimum amount of PHI necessary to accomplish the purpose of the request, use or disclosure.

K. *Notification of Breach.* Business Associate shall notify the Covered Entity of any suspected or actual breach of security, intrusion or unauthorized use or disclosure of PHI in violation of any applicable federal or state law or regulation. Business Associate shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal or state law and regulation.

L. *Audits, Inspection and Enforcement.* Upon notice of a material breach of any of the terms of this MOU, the Covered Entity, or its authorized agents or contractors, has the right, upon reasonable notice to the Business Associate, to inspect the facilities, systems, books and records of the Business Associate. Business Associate shall promptly remedy any breach of any term of this MOU. The fact that the Covered Entity or its designee, inspects, or fails to inspect, or

has the right to inspect the Business Associate's facilities, systems and procedures does not relieve the Business Associate of its responsibility to comply with this MOU, nor does the Covered Entity's (i) failure to detect or (ii) detection, but failure to notify the Business Associate or require the Business Associate's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of the Covered Entity's enforcement rights under this MOU.

M*. Use for Management and Administration*. Business Associate may use PHI received by the Business Associate in its capacity as a Business Associate of the Covered Entity for the proper management and administration of the Business Associate, if such disclosure is necessary (i) for the proper management and administration of the Business Associate, or (ii) to carry out the legal responsibilities of the Business Associate.

N. *Disclosure for Management and Administration*. Business Associate may disclose PHI received by the Business Associate in its capacity as a Business Associate of the Covered Entity for the proper management and administration of the Business Associate if (i) the disclosure is required or permitted by law or (ii) Business Associate (a) obtains reasonable assurances from the person to whom the PHI is disclosed that it will be held confidentially and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person and (b) the person notifies the Business Associate of any instances of which it becomes aware in which the confidentiality of the PHI has been breached.

O. *Data Aggregation Services*. Business Associate may perform data aggregation services if requested by the Covered Entity. For purposes of this Section "Data Aggregation" means, with respect to the Covered Entity's PHI, the combining of such PHI by Business Associate with PHI received by it in its capacity as a business associate of another Covered Entity in order to permit data analyses that relate to the health care operations of the respective Covered Entities.

Article III- Obligations of Covered Entity

A. *Safeguards.* The Covered Entity shall be responsible for using appropriate safeguards to maintain and ensure the confidentiality, privacy and security of PHI transmitted to the Business Associate, in accordance with the standards and requirements of the Privacy Rule, until such PHI is received by Business Associate.

B. *Limitations in Privacy Notice.* The Covered Entity shall notify Business Associate of any limitations(s) in its notice of privacy practices in accordance with 45 CFR §164.520(2)(i), to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

C. *Revocation of Permissions.* The Covered Entity shall notify the Business Associate of any change in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such change may affect Business Associate's use or disclosure of PHI.

D. *Request for Restrictions.* Covered Entity shall notify Business Associate of any restriction onto the use or disclosure of PHI that the Covered Entity has agreed to, in accordance with 45 CFR §164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

Article IV - No Third Party Beneficiaries.

Nothing express or implied in this MOU is intended to confer, nor shall anything herein confer, upon any person other than the Covered Entity, Business Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

Article V - Interpretation

This MOU shall be interpreted as broadly as necessary to implement and comply with HIPAA, the Privacy Rule and applicable state law.

The Parties agree that any ambiguity in this MOU shall be resolved in favor of a meaning that complies and is consistent with HIPAA and the Privacy Rule.

The Parties agree that a reference in this MOU to a section in the HIPAA Regulations means the section in effect or as amended.

Article VI - Notices

Whenever, under the terms of this MOU, written notice is required to be given, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give written notice of a change to the other party. All notices and submissions, except as otherwise expressly provided herein, shall be sent by certified or registered mail, return receipt requested. Said notice may be delivered by overnight delivery**.** Notices required under Article III may be sent by regular mail.

As to [insert CE agency name]:

New Jersey

Trenton, NJ 08625-0212
Attn.:_____

As to _____:

Trenton, New Jersey 08625-0295

Article VII - Term

A. *Term.* This MOU shall be effective as of the date of the last signature and shall remain in effect until (a) terminated upon thirty-days written notice by a party; or (b) superseded.

B. *Effect of Termination.* Upon termination of this MOU for any reason, Business Associate shall return or destroy all PHI that Business Associate or its agents or subcontractors still maintain in any form, and shall retain no copies of such PHI.

(i) In the event that Business Associate determines that return or destruction is not feasible, Business Associate shall provide the Covered Entity with notification of the conditions that make return or destruction infeasible. Business Associate shall continue to extend the protections of this MOU, which protections shall survive termination of the MOU, to such PHI and limit further use and disclosure of such PHI to those purposes that make the return or destruction infeasible, for so long as the Business Associate maintains such PHI.

(ii) If Business Associate elects to destroy the PHI, the Business Associate shall certify in writing to the Covered Entity that such PHI has been destroyed.

Article VIII - Signatures

The Parties each understand and agree to the terms of this MOU.

NEW JERSEY **[Insert CE name]**

BY:_____

DATED:

BY: _____

NAME:
TITLE:
DATED:

State of New Jersey
Standard Terms and Conditions

Applicable to all advertised DPP Procurements unless otherwise indicated

STANDARD TERMS AND CONDITIONS:

I. Unless the bidder is specifically instructed otherwise In the Request for Proposal, the following terms and conditions will apply to all contracts or purchase agreements made with the State of New Jersey. These terms are in addition to the terms and conditions set forth in the Request for Proposal (RFP) and should be read in conjunction with same unless the RFP specifically indicates otherwise. If a bidder proposes changes or modifications or takes exception to any of the State's terms and conditions, the bidder must so state specifically in writing in the bid proposal. Any proposed change, modification or exception in the State's terms and conditions by a bidder will be a factor in the determination of an award of a contractor purchase agreement.

II. All of the State's terms and conditions will become a part of any contract(s) or order(s} awarded as a result of the Request for Proposal, whether stated in part, in summary or by reference. In the event the bidder's terms and conditions conflict with the State's, the State's terms and conditions will prevail, unless the bidder is notified in writing of the State's acceptance of the bidder's terms and conditions.

III. The statutes, laws or codes cited are available for review at the New Jersey State Library, 185 West State Street, Trenton, New Jersey 08625.

IV. If awarded a contract or purchase agreement, the bidder's status shall be that of any independent principal and not as an employee of the State.

1. STATE LAW REQUIRING MANDATORY COMPLIANCE BY ALL CONTRACTORS

1.1 BUSINESS REGISTRATION –Effective September 1, 2004, pursuant to an amendment to N.J.S.A. 52:32-44, State and local entities (including the Division of Purchase and Property) are prohibited from entering into a contract with an entity unless the contractor has provided a copy of its business registration certificate (or interim registration) as part of its bid submission. Failure to submit a copy of the Business Registration Certificate within the bid proposal may be cause for rejection of the bid proposal.

The contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the "Sales and Use Tax Act, P.L. 1966, c. 30 (N.J.S.A. 54:32B-1 et seq.) on all their sales of tangible personal property delivered into the State. This requirement shall apply to all contracts awarded on and after September 1, 2004. Any questions in this regard can be directed to the Division of Revenue at (609) 292-1730. Form NJ-REG can be filed online at http://www.state.nj.us/treasury/revenue/busregcert.htm

1.2 ANTI-DISCRIMINATION - All parties to any contract with the State of New Jersey agree not to discriminate in employment and agree to abide by all anti-discrimination laws including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A.l0:5-1 et seq. and N.J.S.A.l0:5-31 through 10:5-38, and all rules and regulations issued there under.

1.3 PREVAILING WAGE ACT - The New Jersey Prevailing Wage Act, N.J.S.A. 34: 11-56.26 et seq. is hereby made part of every contract entered into on behalf of the State of New Jersey through the Division of Purchase and Property, except those contracts which are not within the contemplation of the Act. The bidder's signature on this proposal is his guarantee that neither he nor any subcontractors he might employ to perform the work covered by this proposal has been suspended or debarred by the Commissioner, Department of Labor for violation of the provisions of the Prevailing Wage Act and/or the Public Works Contractor Registration Acts; the bidder's signature on the proposal is also his guarantee that he and any subcontractors he might employ to perform the work covered by this proposal will comply with the provisions of the Prevailing Wage and Public Works Contractor Registration Acts, where required.

1.3(a) PUBLIC WORKS CONTRACTOR REGISTRATION ACT - The New Jersey Public Works Contractor Registration Act requires all contractors, subcontractors and lower tier subcontractors who bid on or engage in any contract for public work as defined in N.J.S.A. 34:11-56.26 be first registered with the New Jersey Department of Labor and Workforce Development. Any questions regarding the registration process should be directed to the Division of Wage and Hour Compliance at (609) 292-9464 or http://www.nj.gov/labor/lsse/lspubcon.html.

1.4 AMERICANS WITH DISABILITIES ACT - The contractor must comply with all provisions of the Americans With Disabilities Act (ADA), P.L 101-336, in accordance with 42 U.S.C. 12101 et seq.

1.5 THE WORKER AND COMMUNITY RIGHT TO KNOW ACT - The provisions of N.J.S.A. 34:5A-l et seq. which require the labeling of all containers of hazardous substances are applicable to this contract. Therefore, all goods offered for purchase to the State must be labeled by the contractor in compliance with the provisions of the Act.

1.6 OWNERSHIP DISCLOSURE - Contracts for any work, goods or services cannot be issued to any corporation or partnership unless prior to or at the time of bid submission the bidder has disclosed the names and addresses of all its owners holding 10% or more of the corporation or partnership's stock or interest. Refer to N.J.S.A. 52:25-24.2.

1.7 COMPLIANCE - LAWS - The contractor must comply with all local, state and federal laws, rules and regulations applicable to this contract and to the goods delivered and/or services performed hereunder.

1.8 COMPLIANCE - STATE LAWS - It is agreed and understood that any contracts and/or orders placed as a result of this proposal shall be governed and construed and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the STATE OF NEW JERSEY.

1.9 COMPLIANCE - CODES - The contractor must comply with NJUCC and the latest NEC70, B.O.C.A. Basic Building code, OSHA and all applicable codes for this requirement. The contractor will be responsible for securing and paying all necessary permits, where applicable.

2. LIABILITIES

2.1 LIABILITY - COPYRIGHT - The contractor shall hold and save the State of New Jersey, its officers, agents, servants and employees, harmless from liability of any nature or kind for or on account of the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of his contract.

2.2 INDEMNIFICATION - The contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State of New Jersey and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith on account of the loss of life, property or injury or damage to the person, body or property of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or materials supplied under this contract. This indemnification obligation is not limited by, but is in addition to the insurance obligations contained in this agreement.

2.3 INSURANCE - The contractor shall secure and maintain in force for the term of the contract liability insurance as provided herein. The Contractor shall provide the State with current certificates of insurance for all coverages and renewals thereof, naming the State as an Additional Insured and shall contain the provision that the insurance provided in the certificate shall not be canceled for any reason except after thirty days written notice to:

STATE OF NEW JERSEY
Purchase Bureau – Bid Ref. #

The insurance to be provided by the contractor shall be as follows:

a. Comprehensive General Liability Insurance or its equivalent: The minimum limit of liability shall be $1,000,000 per occurrence as a combined single limit for bodily injury and property damage. The above required Comprehensive General Liability Insurance policy or its equivalent shall name the State, its officers, and employees as Additional Insureds. The coverage to be provided under these policies shall be at least as broad as that provided by the standard basic, unamended, and unendorsed Comprehensive General Liability Insurance occurrence coverage forms or its equivalent currently in use in the State of New Jersey, which shall not be circumscribed by any endorsement limiting the breadth of coverage.

b. Automobile liability insurance which shall be written to cover any automobile used by the insured. Limits of liability for bodily injury and property damage shall not be less than $1 million per occurrence as a combined single limit.

c. Worker's Compensation Insurance applicable to the laws of the State of New Jersey and Employers Liability Insurance with limits not less than:

$1,000,000 BODILY INJURY, EACH OCCURRENCE

$1,000,000 DISEASE EACH EMPLOYEE
$1,000,000 DISEASE AGGREGATE LIMIT

3. TERMS GOVERNING ALL PROPOSALS TO NEW JERSEY PURCHASE BUREAU

3.1 CONTRACT AMOUNT - The estimated amount of the contract(s), when stated on the Advertised Request for Proposal form, shall not be construed as either the maximum or minimum amount which the State shall be obliged to order as the result of this Request for Proposal or any contract entered into as a result of this Request for Proposal.

3.2 CONTRACT PERIOD AND EXTENSION OPTION - If, in the opinion of the Director of the Division of Purchase and Property, it is in the best interest of the State to extend a contract entered into as a result of this Request for Proposal, the contractor will be so notified of the Director's Intent at least 30 days prior to the expiration date of the existing contract. The contractor shall have 15 calendar days to respond to the Director's request to extend the contract. If the contractor agrees to the extension, all terms and conditions of the original contract, including price, will be applicable.

3.3 BID AND PERFORMANCE SECURITY

a. Bid Security - If bid security is required, such security must be submitted with the bid in the amount listed in the Request for Proposal, see N.J.A.C. 17: 12- 2.4. Acceptable forms of bid security are as follows:

1. A properly executed individual or annual bid bond issued by an insurance or security company authorized to do business in the State of New Jersey, a certified or cashier's check drawn to the order of the Treasurer, State of New Jersey, or an irrevocable letter of credit drawn naming the Treasurer, State of New Jersey as beneficiary issued by a federally insured financial institution.

2. The State will hold all bid security during the evaluation process. As soon as is practicable after the completion of the evaluation, the State will:

   a. Issue an award notice for those offers accepted by the State;

   b. Return all bond securities to those who have not been issued an award notice.

   All bid security from contractors who have been issued an award notice shall be held until the successful execution of all required contractual documents and bonds (performance bond, insurance, etc. If the contractor fails to execute the required contractual documents and bonds within thirty (30) calendar days after receipt of award notice, the contractor may be found in default and the contract terminated by the State. In case of default, the State reserves all rights inclusive of, but not limited to, the right to purchase material and/or to complete the required work in accordance with the New Jersey Administrative Code and to recover any actual excess costs from the contractor. Collection against the bid security shall be one of the measures available toward the recovery of any excess costs.

b. Performance Security - If performance security is required, the successful bidder shall furnish performance security in such amount on any award of a term contractor line item purchase, see N.J.A.C. 17: 12- 2.5. Acceptable forms of performance security are as follows:

1. The contractor shall be required to furnish an irrevocable security in the amount listed in the Request for Proposal payable to the Treasurer, State of New Jersey, binding the contractor to provide faithful performance of the contract.

2. The performance security shall be in the form of a properly executed individual or annual performance bond issued by an insurance or security company authorized to do business in the State of New Jersey, a certified or cashier's check drawn to the order of the Treasurer, State of New Jersey, or an irrevocable letter of credit drawn naming the Treasurer, State of New Jersey as beneficiary issued by a federally insured financial institution.

   The Performance Security must be submitted to the State within 30 days of the effective date of the contract award and cover the period of the contract and any extensions thereof. Failure to submit

performance security may result in cancellation of contract for cause pursuant to provision 3.5b,1, and nonpayment for work performed.

3.4 VENDOR RIGHT TO PROTEST - INTENT TO AWARD - Except in cases of emergency, bidders have the right to protest the Director's proposed award of the contract as announced in the Notice of Intent to Award, see N.J.A.C. 17:12-3.3. Unless otherwise stated, a bidder's protest must be submitted to the Director within 10 working days after receipt of written notification that its bid has not been accepted or that an award of contract has been made. In the public interest, the Director may shorten this protest period, but shall provide at least 48 hours for bidders to respond to a proposed award. In cases of emergency, stated in the record, the Director may waive the appeal period. *See* N.J.A.C. 17: 12- 3 et seq.

3.5 TERMINATION OF CONTRACT

a. For Convenience

Notwithstanding any provision or language in this contract to the contrary, the Director may terminate at any time, in whole or in part, any contract entered into as a result of this Request for Proposal for the convenience of the State, upon no less than 30 days written notice to the contractor.

b. For cause:

1. Where a contractor fails to perform or comply with a contract, and/or fails to comply with the complaints procedure in N.J.A.C. 17: 12-4.2 et seq., the Director may terminate the contract upon 10 days notice to the contractor with an opportunity to respond.

2. Where a contractor continues to perform a contract poorly as demonstrated by formal complaints, late delivery, poor performance of service, short-shipping etc., so that the Director is repeatedly required to use the complaints procedure in N.J.A.C. 17:12-4.2 et seq. the Director may terminate the contract upon 10 days notice to the contractor with an opportunity to respond.

c. In cases of emergency the Director may shorten the time periods of notification and may dispense with an opportunity to respond.

d. In the event of termination under this section, the contractor will be compensated for work performed in accordance with the contract, up to the date of termination. Such compensation may be subject to adjustments.

3.6 COMPLAINTS - Where a bidder has a history of performance problems as demonstrated by formal complaints and/or contract cancellations for cause pursuant to 3.5b a bidder may be bypassed for this award. See N.J.A.C. 17:12-2.8.

3.7 EXTENSION OF CONTRACT QUASI-STATE AGENCIES - It is understood and agreed that in addition to State Agencies, Quasi-State Agencies may also participate in this contract. Quasi-State Agencies are defined in N.J.S.A. 52:27B-56.1 as any agency, commission, board, authority or other such governmental entity which is established and is allocated to a State department or any bi-state governmental entity of which the State of New Jersey is a member.

3.8 EXTENSION OF CONTRACTS TO POLITICAL SUBDIVISIONS, VOLUNTEER FIRE DEPARTMENTS AND FIRST AID SQUADS, AND INDEPENDENT INSTITUTIONS OF HIGHER EDUCATION - N.J.S.A. 52:25-16.1 permits counties, municipalities and school districts to participate in any term contract{s), that may be established as a result of this proposal.

N.J.S.A. 52:25-16.2 permits volunteer fire departments, volunteer first aid squads and rescue squads to participate in any term contract(s) that may be established as a result of this proposal.

N.J.S.A. 52:25-16.5 permits independent institutions of higher education to participate in any term contract(s) that may be established as a result of this proposal, provided that each purchase by the Independent Institution of higher education shall have a minimum cost of $500.

In order for the State contract to be extended to counties, municipalities, school districts, volunteer fire departments, first aid squads and independent institutions of higher education the bidder must agree to the extension and so state in his bid. proposal. The extension to counties municipalities, school districts, volunteer fire

departments, first aid squads and Independent Institutions of higher education must 'be under the same terms and conditions, including price, applicable to the State.

3.9 EXTENSIONS OF CONTRACTS TO COUNTY COLLEGES - N.J.S.A. 18A:64A - 25. 9 permits any college to participate in any term contract(s) that may be established as a result of this proposal.

3.10 EXTENSIONS OF CONTRACTS TO STATE COLLEGES - N.J.S.A. 18A:64- 60 permits any State College to participate in any term contract{s) that may be established as a result of this proposal.

3.11 SUBCONTRACTING OR ASSIGNMENT - The contract may not be subcontracted or assigned by the contractor, in whole or in part, without the prior written consent of the Director of the Division of Purchase and Property. Such consent, if granted, shall not relieve the contractor of any of his responsibilities under the contract.

In the event the bidder proposes to subcontract for the services to be performed under the terms of the contract award, he shall state so in his bid and attach for approval a list of said subcontractors and an Itemization of the products and/or services to be supplied by them.

Nothing contained in the specifications shall be construed as creating any contractual relationship between any subcontractor and the State.

3.12 MERGERS, ACQUISITIONS - If, subsequent to the award of any contract resulting from this Request for Proposal, the contractor shall merge with or be acquired by another firm, the following documents must be submitted to the Director, Division of Purchase & Property.

a. Corporate resolutions prepared by the awarded contractor and new entity ratifying acceptance of the original contract, terms, conditions and prices.

b. State of New Jersey Bidders Application reflecting all updated information including ownership disclosure, pursuant to provision 1.5.

c. Vendor Federal Employer Identification Number.

The documents must be submitted within thirty (30) days of completion of the merger or acquisition. Failure to do so may result in termination of contract pursuant to provision 3.5b.

If subsequent to the award of any contract resulting from this Request for Proposal, the contractor's partnership or corporation shall dissolve, the Director, Division of Purchase & Property must be so notified. All responsible parties of the dissolved partnership or corporation must submit to the Director in writing, the names of the parties proposed to perform the contract, and the names of the parties to whom payment should be made. No payment should be made until all parties to the dissolved partnership or corporation submit the required documents to the Director.

3.13 PERFORMANCE GUARANTEE OF BIDDER - The bidder hereby certifies that:

a. The equipment offered is standard new equipment, and is the manufacturer's latest model in production, with parts regularly used for the type of equipment offered; that such parts are all in production and not likely to be discontinued; and that no attachment or part has been substituted or applied contrary to manufacturer's recommendations and standard practice.

b. All equipment supplied to the State and operated by electrical current is UL listed where applicable.

c. All new machines are to be guaranteed as fully operational for the period stated in the Request For Proposal from time of written acceptance by the State. The bidder will render prompt service without charge, regardless of geographic location.

d. Sufficient quantities of parts necessary for proper service to equipment will be maintained at distribution points and service headquarters.

e. Trained mechanics are regularly employed to make necessary repairs to equipment in the territory from which the service request might emanate within a 48-hour period or within the time accepted as industry practice.

f. During the warranty period the contractor shall replace immediately any material which is rejected for failure to meet the requirements of the contract.

g. All services rendered to the State shall be performed in strict and full accordance with the specifications stated in the contract. The contract shall not be considered complete until final approval by the State's using agency is rendered.

3.14 DELIVERY GUARANTEES - Deliveries shall be made at such time and in such quantities as ordered in strict accordance with conditions contained in the Request for Proposal.

The contractor shall be responsible for the delivery of material in first class condition to the State's using agency or the purchaser under this contract and in accordance with good commercial practice.

Items delivered must be strictly in accordance with the Request for Proposal.

In the event delivery of goods or services is not made within the number of days stipulated or under the schedule defined in the Request for Proposal, the using agency may be authorized to obtain the material or service from any available source, the difference in price, if any, to be paid by the contractor failing to meet his commitments.

3.15 DIRECTOR'S RIGHT OF FINAL BID ACCEPTANCE - The Director reserves the right to reject any or all bids, or to award in whole or in part if deemed to be in the best interest of the State to do so. The Director shall have authority to award orders or contracts to the vendor or vendors best meeting all specifications and conditions in accordance with N.J.S.A. 52:34-12. Tie bids will be awarded by the Director in accordance with N.J.A.C.17:12-2.1D.

3.16 BID ACCEPTANCES AND REJECTIONS - The provisions of N.J.A.C. 17:12-2.9, relating to the Director's right, to waive minor elements of non-compliance with bid specifications and N.J.A.C. 17: 12- 2.2 which defines causes for automatic bid rejection, apply to all proposals and bids.

3.17 STATE'S RIGHT TO INSPECT BIDDER'S FACILITIES - The State reserves the right to inspect the bidder's establishment before making an award, for the purposes of ascertaining whether the bidder has the necessary facilities for performing the contract.

The State may also consult with clients of the bidder during the evaluation of bids. Such consultation is intended to assist the State in making a contract award which is most advantageous to the State.

3.18 STATE'S RIGHT TO REQUEST FURTHER INFORMATION - The Director reserves the right to request all information which may assist him or her in making a contract award, including factors necessary to evaluate the bidder’s financial capabilities to perform the contract. Further, the Director reserves the right to request a bidder to explain, in detail, how the bid price was determined.

3.19 MAINTENANCE OF RECORDS - The contractor shall maintain records for products and/or services delivered against the contract for a period of three (3) years from the date of final payment. Such records shall be made available to the State upon request for purposes of conducting an audit or for ascertaining information regarding dollar volume or number of transactions.

3.20 ASSIGNMENT OF ANTITRUST CLAIM(S) - The contractor recognizes that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the ultimate purchaser. Therefore, and as consideration for executing this contract, the contractor, acting herein by and through its duly authorized agent, hereby conveys, sells, assigns, and transfers to the State of New Jersey, for itself and on behalf of its political subdivisions and public agencies, all right, title and interest to all claims and causes of action it may now or hereafter acquire under the antitrust laws of the United States or the State of New Jersey, relating to the particular goods and services purchased or acquired by the State of New Jersey or any of its political subdivisions or public agencies pursuant to this contract.

In connection with this assignment, the following are the express obligations of the contractor;

a. It will take no action which will in any way diminish the value of the rights conveyed or assigned hereunder.

b. It will advise the Attorney General of New Jersey:

   1. in advance of its intention to commence any action on its own behalf regarding any such claim or cause(s) of action;

   2. immediately upon becoming aware of the fact that an action has been commenced on its behalf by some other person(s) of the pendency of such action.

c. It will notify the defendants in any antitrust suit of the fact of the within assignment at the earliest practicable opportunity after the contractor has initiated an action on its own behalf or becomes aware that such an action has been filed on its behalf by another person. A copy of such notice will be sent to the Attorney General of New Jersey.

Furthermore, it is understood and agreed that in the event any payment under any such claim or cause of action is made to the contractor, it shall promptly pay over to the State of New Jersey the allotted share thereof, if any, assigned to the State hereunder.

4. TERMS RELATING TO PRICE QUOTATION

4.1 PRICE FLUCTUATION DURING CONTRACT - Unless otherwise noted by the State, all prices quoted shall be firm through issuance of contract or purchase order and shall not be subject to increase during the period of the contract.

In the event of a manufacturer's or contractor's price decrease during the contract period, the State shall receive the full benefit of such price reduction on any undelivered purchase order and on any subsequent order placed during the contract period. The Director of Purchase and Property must be notified, in writing, of any price reduction within five (5) days of the effective date.

Failure to report price reductions will result in cancellation of contract for cause, pursuant to provision 3.5b.1.

4.2 DELIVERY COSTS - Unless otherwise noted in the Request for Proposal, all prices for items in bid proposals are to be submitted F.O.B. Destination. Proposals submitted other than F.O.B. Destination may not be considered. Regardless of the method of quoting shipments, the contractor shall assume all costs, liability and responsibility for the delivery of merchandise in good condition to the State's using agency or designated purchaser.

F.O.B. Destination does not cover "spotting" but does include delivery on the receiving platform of the ordering agency at any destination in the State of New Jersey unless otherwise specified. No additional charges will be allowed for any additional transportation costs resulting from partial shipments made at contractor's convenience when a single shipment is ordered. The weights and measures of the State's using agency receiving the shipment shall govern.

4.3 C.O.D. TERMS - C.O.D. terms are not acceptable as part of a bid proposal and will be cause for rejection of a bid.

4.4 TAX CHARGES - The State of New Jersey is exempt from State sales or use taxes and Federal excise taxes. Therefore, price quotations must not include such taxes. The State's Federal Excise Tax Exemption number is 22-75-0050K.

4.5 PAYMENT TO VENDORS - Payment for goods and/or services purchased by the State will only be made against State Payment Vouchers. The State bill form in duplicate together with the original Bill of Lading, express receipt and other related papers must be sent to the consignee on the date of each delivery. Responsibility for payment rests with the using agency which will ascertain that the contractor has performed in a proper and satisfactory manner in accordance with the terms and conditions of the award. Payment will not be made until the using agency has approved payment.

For every contract the term of which spans more than one fiscal year, the State's obligation to make payment beyond the current fiscal year is contingent upon legislative appropriation and availability of funds.

The State of New Jersey now offers State contractors the opportunity to be paid through the MasterCard procurement card (p-card). A contractor's acceptance and a State Agency's use of the p-card, however, is optional. P-card transactions do not require the submission of either a contractor invoice or a State payment voucher. Purchasing transactions utilizing the p-card will usually result in payment to a contractor in three days. A Contractor should take note that there will be a transaction processing fee for each p-card transaction. To participate, a contractor must be capable of accepting MasterCard. For more information, call your bank or any merchant services company.

4.6 NEW JERSEY PROMPT PAYMENT ACT - The New Jersey Prompt Payment Act N.J.S.A. 52:32-32 et seq. requires state agencies to pay for goods and services within sixty (60) days of the agency's receipt of a properly executed State Payment Voucher or within sixty (60) days of receipt and acceptance of goods and services, whichever is later. Properly executed performance security, when required, must be received by the state prior to processing any payments for goods and services accepted by state agencies. Interest will be paid on delinquent accounts at a rate established by the State Treasurer. Interest will not be paid until it exceeds $5.00 per properly executed invoice.

Cash discounts and other payment terms included as part of the original agreement are not affected by the Prompt Payment Act.

4.7 RECIPROCITY - In accordance with N.J.S.A. 52:32-1.4 and N.J.A.C. 17: 12- 2. 13, the State of New Jersey will invoke reciprocal action against an out-of-State bidder whose state or locality maintains a preference practice for their bidders.

5. CASH DISCOUNTS - Bidders are encouraged to offer cash discounts based on expedited payment by the State. The State will make efforts to take advantage of discounts, but discounts will not be considered in determining the lowest bid.

a. Discount periods shall be calculated starting from the next business day after the recipient has accepted the goods or services received a properly signed and executed State Payment Voucher form and, when required, a properly executed performance security, whichever is latest.

b. The date on the check issued by the State in payment of that Voucher shall be deemed the date of the State's response to that Voucher.

6. STANDARDS PROHIBITING CONFLICTS OF INTEREST - The following prohibitions on vendor activities shall apply to all contracts or purchase agreements made with the State of New Jersey, pursuant to Executive Order No. 189 (1988).

a. No vendor shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any State officer or employee or special State officer or employee, as defined by N.J.S.A. 52:13D-13b and e., in the Department of the Treasury or any other agency with which such vendor transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13i., of any such officer or employee, or partnership, firm or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52: 13D-13g.

b. The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any State officer or employee or special State officer or employee from any State vendor shall be reported in writing forthwith by the vendor to the Attorney General and the Executive Commission on Ethical Standards.

c. No vendor may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such vendor to, any State officer or employee or special State officer or employee or special State officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to any State agency or any instrumentality thereof, or with any person, firm or entity with which he is employed or associated or in which he has an interest within the meaning of N.J.S.A. 52: 130-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.

d. No vendor shall influence, or attempt to influence or cause to be influenced, any State officer or employee or special State officer or employee in his official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee.

e. No vendor shall cause or influence, or attempt to cause or influence, any State officer or employee or special State officer or employee to use, or attempt to use, his official position to secure unwarranted privileges or advantages for the vendor or any other person.

f. The provisions cited above in paragraph 6a through 6e shall not be construed to prohibit a State officer or employee or Special State officer or employee from receiving gifts from or contracting with vendors under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines the Executive Commission on Ethical Standards may promulgate under paragraph 6c.

7. NOTICE TO ALL BIDDERS SET-OFF FOR STATE TAX NOTICE

Please be advised that, pursuant to P.L 1995, c. 159, effective January 1, 1996, and notwithstanding any provision of the law to the contrary, whenever any taxpayer, partnership or S corporation under contract to provide goods or services or construction projects to the State of New Jersey or its agencies or instrumentalities, including the legislative and judicial branches of State government, is entitled to payment for those goods or services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax, the Director of the Division of Taxation shall seek to set off that taxpayer's or shareholder's share of the payment due the taxpayer, partnership, or S corporation. The amount set off shall not allow for the deduction of any expenses or other deductions which might be attributable to the taxpayer, partner or shareholder subject to set-off under this act.

The Director of the Division of Taxation shall give notice to the set-off to the taxpayer and provide an opportunity for a hearing within 30 days of such notice under the procedures for protests established under R.S. 54:49-18. No requests for conference, protest, or subsequent appeal to the Tax Court from any protest under this section shall stay the collection of the indebtedness. Interest that may be payable by the State, pursuant to P.L. 1987, c.184 (c.52:32-32 et seq.), to the taxpayer shall be stayed.

8. APPLICABLE LAW - This contract and any and all litigation arising therefrom or related thereto shall be governed by the applicable laws, regulations and rules of evidence of the State of New Jersey without reference to conflict of laws principles.