

# Request for Proposal 09-X-20681

## For: Cardiac Surgery Medical Records Review, DHSS

Event	Date	Time
<b>Bidder's Electronic Question Due Date</b> (Refer to <a href="#">RFP Section 1.3.1</a> for more information.)	December 23, 2008	5:00 PM
<b>Mandatory Pre-bid Conference</b>	Not Applicable	
<b>Mandatory Site Visit</b>	Not Applicable	
<b>Bid Submission Due Date</b> (Refer to <a href="#">RFP Section 1.3.2</a> for more information.)	January 23, 2009	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.

<b>Small Business Set-Aside</b> (Refer to <a href="#">RFP Section 4.4.3.6</a> for more information.)	<b>Status</b> <input type="checkbox"/> Not Applicable	<b>Category</b> <input checked="" type="checkbox"/> I <input checked="" type="checkbox"/> II <input checked="" type="checkbox"/> III
	<input type="checkbox"/> Entire Contract	
	<input type="checkbox"/> Partial Contract	
	<input checked="" type="checkbox"/> 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

State of New Jersey  
 Department of Health and Senior Services  
 Division of Health Care Quality and Oversight  
 Trenton, New Jersey 08625-0360

Date: December 4, 2008

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## EXECUTIVE ORDER NO. 117

### IMPORTANT NOTICE NEW "PAY-TO-PLAY" RESTRICTIONS EFFECTIVE NOVEMBER 15, 2008

**Note: This is for informational purposes only. Certification is to be completed upon award.**

Governor Jon S. Corzine recently signed Executive Order No. 117, which is designed to enhance New Jersey's efforts to protect the integrity of government contractual decisions and increase the public's confidence in government. The Executive Order builds on the provisions of P.L. 2005, c. 51 ("Chapter 51"), which limits contributions to certain political candidates and committees by for-profit business entities that are, or seek to become, State government vendors.

Executive Order No. 117 extends the provisions of Chapter 51 in two ways:

1. The definition of "business entity" is revised and expanded so that contributions by the following individuals also are considered contributions attributable to the business entity:
  - Officers of corporations and professional services corporations, with the term "officer" being defined in the same manner as in the regulations of the Election Law Enforcement Commission regarding vendor disclosure requirements (N.J.A.C. 19:25-26.1), with the exception of officers of non-profit entities;
  - Partners of general partnerships, limited partnerships, and limited liability partnerships and members of limited liability companies (LLCs), with the term "partner" being defined in the same manner as in the regulations of the Election Law Enforcement Commission regarding vendor disclosure requirements (N.J.A.C. 19:25-26.1); and
  - Spouses, civil union partners, and resident children of officers, partners, LLC members and persons owning or controlling ten percent (10%) or more of a corporation's stock are included within the new definition, except for contributions by spouses, civil union partners, or resident children to a candidate for whom the contributor is eligible to vote or to a political party committee within whose jurisdiction the contributor resides.
2. Reportable contributions (those over \$300.00 in the aggregate) to legislative leadership committees, municipal political party committees, and candidate committees or election funds for Lieutenant Governor are disqualifying contributions in the same manner as reportable contributions to State and county political party committees and candidate committees or election funds for Governor have been disqualifying contributions under Chapter 51.

***Executive Order No. 117 applies only to contributions made on or after November 15, 2008, and to contracts executed on or after November 15, 2008.***

Updated forms and materials are currently being developed and will be made available on the website as soon as they are available. In the meantime, beginning November 15, 2008, prospective vendors are required to submit, in addition to the currently required Chapter 51 and Chapter 271 forms, the Certification of Compliance with Executive Order No. 117. The Certification of Compliance form for Executive Order No. 117 can be found here: [http://www.state.nj.us/treasury/purchase/forms/EO\\_117\\_NOTICE.doc](http://www.state.nj.us/treasury/purchase/forms/EO_117_NOTICE.doc).

## **NOTICE TO BIDDERS**

### **SET-ASIDE SUBCONTRACTING GOALS FOR REGISTERED SMALL BUSINESSES N.J.S.A. 52:32-17 and N.J.A.C. 17:13, 12A:10**

This is a contract with set-aside subcontracting goals for Small Businesses that are qualified as New Jersey Small Businesses by the Division of Small, Minority and Women Business Development. Bidders seeking qualified New Jersey Small Businesses as subcontractors should contact the Division of Small, Minority and Women Business Development. 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, is independently owned and operated, and has no more than 100 full-time employees.

The 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.

The bidder, for each proposed subcontractor, should provide, as part of its response to this solicitation, proof of each qualified subcontractor's current registration as a qualified Small Business with the Division of Small, Minority and Women Business Development. The subcontracting set-aside goal does not prevent bidders from proposing to perform work without subcontractors or from proposing to perform work with subcontractors that are not qualified Small Businesses, however it is one factor, among many, used to determine the most advantageous bid to the State, price and other factors considered.

Any business that seeks to register as a Small Business is required to submit a fee along with its application to Division of Small, Minority and Women Business Development.

All necessary forms, additional information concerning registration, and information regarding registered small businesses for subcontracting set-asides may be obtained by contacting the Division of Small, Minority and Women Business Development 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:

**DIVISION OF SMALL, MINORITY AND WOMEN BUSINESS DEVELOPMENT  
33 WEST STATE STREET - FIRST FLOOR  
PO BOX 026, TRENTON, NJ 08625-0026**

**TELEPHONE: 609-292-2146**

Checks to pay for the certification fee should be sent to:  
Division of Revenue  
Business Support Services Bureau  
PO Box 455  
Trenton, NJ 08646

## **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, Department of the Treasury, on behalf of the Department of Health and Senior Services (DHSS), Office of Health Care Quality Assessment. The purpose of this RFP is to solicit bid proposals to engage a contractor to provide independent and objective medical record audit reviews on a sample of patients who have undergone open heart surgeries at centers licensed to perform open heart surgery in New Jersey.

The intent of this RFP is to award a contract to that responsible bidder whose bid proposal, conforming to this RFP, is most advantageous to the State, price and other factors considered. The State, however, 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 and Conditions version 07/27/07 will apply to all contracts or purchase agreements made with the State. These terms are in addition to the terms and conditions set forth in this RFP and should be read in conjunction with same unless the RFP specifically indicates otherwise.

### **1.2 BACKGROUND AND OBJECTIVES**

#### **1.2.1 BACKGROUND**

This is a reprourement of the Medical Consulting: Cardiac Surgery Medical Records Review, DHSS that expires on June 6, 2009. Bidders interested in the current contract specifications and pricing information may review the current contract, T-1999, at <http://www.state.nj.us/treasury/purchase/contracts.htm>.

The New Jersey Open Heart Surgery (OHS) Risk Stratification project is an ongoing research program that collects patient level data from acute care centers licensed to perform OHS in the State and analyzes the data to assess the facilities' quality of health care. OHS data are submitted by these open heart surgery centers (OHSC) to DHSS on a quarterly basis and form the basis of a medical records review. The OHS project is not mandated by either the federal or State government, however the Certificate of Need and Healthcare Licensure office uses the project to monitor license compliance by carefully examining patient outcomes obtained from the data.

Eighteen (18) State-licensed, acute care facilities presently participate in this program:

- AtlantiCare Medical Center
- Cooper Hospital/University Medical Center
- Deborah Heart and Lung Center
- Englewood Hospital and Medical Center
- Hackensack University Medical Center
- Jersey City Medical Center
- Jersey Shore University Medical Center
- Morristown Memorial Hospital
- Newark Beth Israel Medical Center
- Our Lady of Lourdes Medical Center
- Robert Wood Johnson University Hospital

- Saint Barnabas Medical Center
- St. Francis Medical Center
- St. Joseph's Hospital and Medical Center
- St. Mary's Hospital (Passaic)
- St. Michael's Medical Center
- UMDNJ/University Hospital
- The Valley Hospital

It is anticipated that each hospital will be audited once per calendar year. Approximately one hundred (100) medical records will be audited per hospital, resulting currently in approximately 1,800 cardiac surgery medical records audited annually.

The OHS project is designed to collect data regarding socio-demographic characteristics of patients, pre-surgery risk factors, post-surgery health conditions, and complications arising from surgery. These data elements are used to assess the performances of hospitals and surgeons by studying patient outcomes such as mortality attributable to coronary artery bypass graft (CABG) surgery and post CABG surgery complications.

New Jersey is one of five (5) states that issues cardiac surgery reports and among many that collects data for quality assessment and monitoring purposes. The Data Collection Form ([Appendix 1](#)) used in the State consists of a standard instrument developed by The Society of Thoracic Surgeons with minor revisions to meet the State's needs. The actual number of items included in the data collection instrument may change depending on revisions made as a result of advances in clinical practice or because of new items that are deemed informative for outcomes assessment.

DHSS has been conducting this cardiac surgery medical record review starting with 1994 data.

## 1.2.2 OBJECTIVES

The objectives of the medical records review are twofold:

1. To establish a means by which samples of medical records of patients selected from the OHS data submitted to DHSS are reviewed and validated by a qualified contractor. These medical record reviews (audits) may include laboratory reports, electrocardiogram reports, physician's notes, nurse's notes, discharge abstracts, and other clinical information. The audit may involve using paper copies, electronic files, or a combination of both. Audit findings are reviewed by OHSC according to protocols and revised data are submitted to DHSS. All data resulting from the reviews remain the property of DHSS.
2. To ensure the integrity of the OHS data used for the annual Cardiac Surgery report, which assesses OHSC and surgeon performance.

## 1.3 KEY EVENTS

### 1.3.1 ELECTRONIC QUESTION AND ANSWER PERIOD

The Purchase Bureau will accept from all potential bidders electronic questions and inquiries submitted via the Current Bid Opportunities webpage or via <http://ebid.nj.gov/QA.aspx>.

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

Bidders shall not contact the Department of Health and Senior Services, Office of Health Care Quality Assessment directly, in person, by telephone, or by e-mail 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. Further information is in [Section 1.4.1](#).

### 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 ARE INDICATED ON THE COVER SHEET. THE LOCATION IS AS FOLLOWS:**

BID RECEIVING ROOM - 9TH FLOOR  
DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND PROPERTY  
PURCHASE BUREAU  
33 WEST STATE STREET  
P.O. BOX 230  
TRENTON, NJ 08625-02309

Directions to the Purchase Bureau are at the following web address:  
<http://www.state.nj.us/treasury/purchase/directions.htm>.

Bidders using U.S. Postal Service regular or express mail service should allow additional time since these services do not deliver directly to the Purchase Bureau.

Procedural inquiries concerning this RFP may be directed to [RFP.procedures@treas.state.nj.us](mailto:RFP.procedures@treas.state.nj.us). The Purchase Bureau will not respond to substantive questions related to the RFP or any contract via this e-mail address.

To submit an RFP or contract related question, the bidder may use the Current Bidding Opportunities webpage or <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, THE BIDDER SHOULD 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 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 (OPRA), 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.**

To assist the State's determination on a claim of confidentiality or protection under OPRA and/or the common law, a bidder shall clearly identify such information and address the following points to substantiate the confidentiality claim on the information: (1) the extent to which the information is known outside the owner's business, (2) the extent to which it is known by employees and others involved within the business, (3) the extent of the measures taken by the firm to guard the secrecy of the information, (4) the value of the information to the firm and its competitors, (5) the amount of effort or money expended by the firm in developing the information, and (6) the ease or difficulty with which the information could be properly acquired or duplicated by others. Also, the bidder shall commit in writing to assist the State's effort to protect the confidentiality of the documents and/or information should there be an OPRA request for disclosure or a challenge to the confidentiality of the documents/information determined to be confidential by the State. A claim for confidentiality should be separate from the bid proposal and should accompany the bidder's submission of the bid 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 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, shall 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 a 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. A PB-36 complaint form may be filed and forwarded to the Division's Contract Compliance and Audit Unit 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 be sent to the following address:

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

During a bid evaluation process, if 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 (5) 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** – A rate comprised of all direct and indirect costs including, but not limited to, overhead, fee or profit, clerical support, travel expenses, 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** – As set forth in Sections 8.0, the individual responsible for the approval of all deliverables in the Scope of Work.

**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, whereby 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 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

**Abstraction Form** – A document that records the discrepancy between reported data elements and patient medical records.

**Patient Medical Record** – The patient record, whether in hard copy or electronic format, maintained by an OHSC as part of the patient file.

**Sample Database** – An electronic file that contains sampled patient records drawn from data submitted by OHSCs to DHSS. The term is sometimes used to indicate a collection of patient records in print form or electronic format.

### **3.0 SCOPE OF WORK**

#### **3.1 CARDIAC SURGERY MEDICAL RECORD REVIEWS: PROCESS OVERVIEW**

The purpose of the reviews (audits) is to match the accuracy of the data that the hospital sends to DHSS to the medical record in the patient file.

The contractor, under the direction of DHSS, shall conduct three (3) annual reviews during a three (3) year period.

a) DHSS shall:

- 1) Randomly draw patient medical records (Appendix 2) upon receipt of all final OHS data from the OHSCs.
- 2) Notify the OHSCs of the impending audits.
- 3) Send copies of the randomly selected patient records (sample data base) to the contractor in an electronic file such as Excel, Text or other mutually agreeable format.

b) The contractor shall:

- 4) Conduct its audits with people experienced with the understanding of medical records.
- 5) Submit its audit findings to the State Contract Manager for approval.

#### **3.2 TASKS PERFORMED BY THE CONTRACTOR**

The contractor shall review and compare the sample database, which is selected from the annual data submitted by the OHSC to DHSS, and the medical records of individual patients. The sample database consists of data from approximately one hundred (100) patients from each of the eighteen (18) OHSCs.

The contractor shall conduct medical record reviews in accordance with the protocol found in Appendix 2.

The contractor shall develop report formats and data organization to facilitate analysis and use of audit reports.

The contractor shall report its findings in one (1) of the following three (3) possible outcomes for each data element of the sampled record:

- 1) The audit indicates agreement between the patient medical record and the sample database. The file that contains the sampled records will be provided electronically in Excel or dBase format or another format to be determined with the contractor.
- 2) The audit indicates disagreement between what is reported in the sample database but not documented in the patient medical record (over-coded).
- 3) The audit indicates disagreement between what is documented in the patient medical record but not reported in the sample database (under-coded).

If the contractor identifies more than fifty percent (50%) over-coding of any of the sampled data elements at an OHSC during the course of a review, the contractor immediately shall contact DHSS. DHSS may supply the contractor with additional samples to review in the same facility drawn from the rest of the patients having the same risk factor.

### 3.3 DELIVERABLE PRODUCTS AND SCHEDULE

- a) The contractor shall make arrangements for the audit including scheduling the audit at the OHSC, obtaining sampled patient medical records for the OHSC, and validating the accuracy of information supplied to DHSS by the OHSC. The contractor shall send the audit schedule and weekly progress reports by e-mail to the State Contract Manager. The audits shall take place at the OHSC site to assure confidentiality of patient data. The weekly progress reports should include problems encountered, how the problems were resolved, the centers' cooperation, and compliance with the medical record review process. The contractor shall be responsible for costs related to duplication and submission of medical records to be reviewed (selected for audit) to the OHSC.
- b) Upon notification by the contractor that an OHSC is non-compliant regarding request for documentation, DHSS shall use its regulatory authority to compel submission of all documentation/information from the center.
- c) The contractor shall complete approximately one hundred (100) medical record reviews per OHSC per audit year as determined by the State Contract Manager. This number of records may vary based on the number of samples per OHSC needed to be audited in any given year. The number of facilities to be reviewed may vary from year to year. Any additional reviews required by the State Contract Manager shall be paid on a unit price basis as reported in the Price Schedule.
- d) Within two (2) weeks of receipt of the sample of records, the contractor shall schedule onsite reviews with each OHSC for the initial audit. The onsite reviews shall begin no later than four (4) weeks upon receipt of the sampled records. The contractor should perform all medical record reviews within twelve (12) weeks of receipt of the sample.
- e) The contractor shall follow the audit protocol and identify discrepancies between reported data elements and patient medical records. The contractor shall make a good faith effort to resolve any discrepancies in data reporting by working closely with the facility designee.
- f) The contractor shall express mail an initial summary of audit findings to the OHSC within five (5) days of the completion of the OHSC audit. Within fifteen (15) working days of receipt of the summary report, the OHSC shall satisfactorily resolve the discrepancies with DHSS. The contractor shall notify the State Contract Manager of the audit at that facility if the OHSC is not responsive to its request to resolve data reporting discrepancies.
- g) In consultation with the State Contract Manger, the contractor shall develop a format for reporting its findings.
- h) For each sampled record, the contractor shall supply to the State Contract Manager in electronic format (e.g., Excel or MS Access data files) all audit findings according to a reporting format established in consultation with the State Contract Manager. The contractor shall submit audit findings within two (2) weeks of the completion of the audit for a facility. A copy of the audit findings shall be sent to the OHSC in order for it to review and revise its data, as needed, and submit its post audit data to DHSS.

- i) The contractor shall submit a data file in electronic format to the State Contract Manager that contains its findings following the OHS database format established in consultation with the State Contract Manager. If no inconsistencies are found, the field will be assigned the same value (data element) as supplied in the sample file.
- j) The contractor shall provide two (2) summary reports to the State Contract Manager relating to each OHSC: a patient level discrepancy report and an OHSC level risk-factor report.
  - 1) The patient level discrepancy report shall include all patients for whom discrepancies exist in any of the risk factors. The report shall detail the patient's name, medical record number, data element with the discrepancy, nature of the discrepancy (over-coding or under-coding), and a brief comment. Any code used in this report shall be fully defined. The report shall indicate whether the facility has agreed or disagreed with the contractor's findings.
  - 2) The OHSC level risk-factor report shall summarize for each OHSC and each of the approximately twenty-five (25) risk factors the number of cases, percentage of cases that are over-coded, and percentage of cases that are under-coded. Any code used in the OHSC report shall be fully defined.
- k) If funds are available, the medical records audit will take place between July and October of each year.

### 3.4 FILINGS

- a) If the list of personnel identified in the bid proposal as specified in Section 4.4.5.3 Resumes changes, the contractor shall notify DHSS of the change and provide new or replacement resumes within two (2) weeks following contract award and whenever personnel changes occur during the term of the contract.
- b) For each of the eighteen (18) State-licensed, acute care facilities participating in this program the contractor shall submit to the State Contract Manager a list of all health care facilities and health care providers with whom the contractor maintains any health related business arrangement. This list shall include a brief description of the nature of any such arrangement and shall be updated by the contractor when changes occur.
- c) The contractor shall report to the State Contract Manager its intention to compete for contracts or other arrangements or any other action by the contractor that may result in the contractor becoming a competitor of an OHSC as this may be considered a possible conflict.

### 3.5 QUALIFICATIONS OF REVIEWING STAFF

The contractor shall ensure that personnel who review medical records are experienced in medical record documentation and maintenance of medical records. Such personnel may include, but are not limited to, certified medical records reviewers, registered nurses certified in utilization review, or medical doctors.

An eligible reviewer is one who is not currently employed by any of the eighteen (18) OHSCs in the State and has had no business relationship with any such facility during the last two (2) years.

## 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.

Bid proposals shall not contain uniform resource locators (URLs), 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 found at <http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.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 IS 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 **ten (10) full, complete, and exact copies and one (1) unbound, complete and exact copy** of the original proposal.

In addition, the bidder should submit **one (1) full, complete, and exact ELECTRONIC copy** 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 one (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 (1) volume and that volume divided into four (4) sections with tabs (separators). The contents should be located behind each tab as follows:

- Section 1 - Forms (Sections 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 - Price Schedule (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 found at <http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.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**

Whether the bidder is a corporation, partnership, or sole proprietorship, the bidder must complete an Ownership Disclosure Form. A current completed Ownership Disclosure Form must be received prior to or accompany the bid proposal. Failure to comply 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/09x20681.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 (5) 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/09x20681.shtml>.

#### **4.4.2 PROOF OF REGISTRATION THAT MUST BE SUBMITTED WITH THE BID PROPOSAL**

##### **4.4.2.1 BUSINESS REGISTRATION CERTIFICATE**

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 register with the Division of Revenue at [www.nj.gov/njbgs](http://www.nj.gov/njbgs) or to obtain a copy of an existing Business Registration Certificate.

Section 1.1 of the Standard Terms and Conditions version 07/27/07 located on the Advertised Solicitation, Current Bid Opportunities webpage at <http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.shtml> contains additional information.

#### **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 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/09x20681.shtml>.

##### **4.4.3.2 AFFIRMATIVE ACTION**

The bidder is required to submit a copy of Certificate of Employee Information Report 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, the bidder must complete the Affirmative Action Employee Information Report (AA-302). This requirement is a precondition to entering into a State contract. Report AA-302 is located on the Advertised Solicitation, Current Bid Opportunities webpage:

<http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.shtml>.

##### **4.4.3.3 SOURCE DISCLOSURE CERTIFICATION 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 Certification Form located on the Advertised Solicitation, Current Bid Opportunities webpage:

<http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.shtml>. Section 7.1.2 of this RFP contains additional information.

##### **4.4.3.4 NOTICE OF INTENT TO SUBCONTRACT FORM**

All bidders should complete the Notice of Intent to Subcontract Form <http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.shtml> to advise the State whether a subcontractor will be used to provide any goods or services under the contract. If this is a Small Business Subcontracting set-aside contract, the bidder must comply with the Procedures for Small Business Participation as Subcontractors set forth in <http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.shtml>.

##### **4.4.3.5 SUBCONTRACTOR UTILIZATION FORM**

If the bidder intends to use a subcontractor, the Subcontractor Utilization Form found at <http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.shtml> should be completed and submitted with the bid proposal.

If requested by the State, the bidder must submit the Form within seven (7) business days of the initial request.

#### 4.4.3.6 SMALL BUSINESS SET-ASIDE CONTRACTS

EVEN INCUMBENT CONTRACTORS AND/OR THOSE THAT HAVE BEEN PREVIOUSLY REGISTERED OR CERTIFIED UNDER THE FORMER SBE/MBE/WBE PROGRAM NEED TO BE SURE OF REGISTRATION WITH THE DIVISION OF SMALL, MINORITY AND WOMEN BUSINESS DEVELOPMENT ON THE DAY OF BID RECEIPT AND OPENING UNDER THE SMALL BUSINESS PROGRAM TO BE ELIGIBLE FOR AWARD. THE BIDDER MAY CONTACT THE DIVISION OF SMALL, MINORITY AND WOMEN BUSINESS DEVELOPMENT TO DETERMINE REGISTRATION STATUS ([NOTICE TO BIDDERS](#)).

This is a contract with set aside subcontracting goals for small businesses. All bidders 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/09x20681.shtml>. Bidders intending to use subcontractors also should include 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/09x20681.shtml>. Failure to submit the Forms within seven (7) days of the State's request may result in a determination that the bid is materially non-responsive. Bidders seeking eligible small businesses should telephone the Division of Small, Minority and Women Business Development 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 Section 3.0 Scope of Work. The bidder shall set forth its understanding of the requirements of this RFP and its ability to successfully complete the contract. This Section of the bid proposal should contain at least the following information:

##### 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.

For each of the eighteen (18) State-licensed, acute care facilities participating in this program the contractor should submit to the State Contract Manager a list of all health care facilities and health care providers with whom the contractor maintains any health related business arrangement.

The contractor should report its intention to compete for contracts or other arrangements or any other action by the contractor that may result in the contractor becoming a competitor of an OHSC as this may be considered a possible conflict.

The contractor should ensure that personnel who review medical records are experienced in medical record documentation and maintenance of medical records. Such personnel may include, but are not limited to, certified medical records reviewers, registered nurses certified in utilization review, or medical doctors.

An eligible reviewer is one who is not currently employed by any of the eighteen (18) OHSCs in the State and has had no business relationship with any such facility during the last two (2) years.

#### **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 should 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. The schedule also should identify the associated deliverable item(s) to be submitted as evidence of completion of each task and/or subtask.

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**

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 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 address of the bidder's office where responsibility for managing the contract will take place. The bidder also should include the telephone number and name of the contact individual.

#### 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-contractor's management, supervisory, and/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

See RFP Section 3.5 Qualifications of Reviewing Staff.

Detailed resumes should be submitted for all management, supervisory, and key personnel (including lead audit personnel) to be assigned to the contract. Resumes should include the professional licensing state (if applicable), license number (if applicable), and license expiration date (if applicable). Conducting medical reviews with personnel who have recent working relationships with OHSCs or personnel currently employed by an OHSC are strongly discouraged to avoid possible conflicts of interest. Resumes should be structured in accordance with the attached format ([Attachment](#)) to emphasize the relevant qualifications and experience of these individuals in successfully completing contracts of a similar size and scope to those required in this RFP. Resumes should:

- Clearly identify the individual's previous experience in completing similar contracts.
- Record beginning and ending dates for each similar contract.
- Offer a description of the similar contract and demonstrate how the individual's work on the completed contract relates to the individual's ability to successfully contribute in providing the services required by this RFP.
- Include the name, address, and telephone number of each reference with respect to each similar contract.

In the event the bidder must hire or otherwise engage management, supervisory, and/or key personnel if awarded the contract, the bidder shall include a recruitment plan for such personnel. This plan must demonstrate that the bidder will be able to initiate and complete the contract within the time frame required by this RFP.

#### 4.4.5.4 BACKUP STAFF

The bidder should include a list of backup staff who 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 term of the contract.

#### 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 (2) 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 including a balance sheet, income statement, statement of cash flow, and all applicable notes for the two (2) most recent calendar years or the bidder's two (2) most recent fiscal years. 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. The 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)

Should the bidder choose to use a subcontractor(s) and fail to meet the small business subcontracting targets ([Notice to Bidders](#)), 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 use 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 who 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 Price Schedule is attached to this RFP; the bidder shall complete it and not alter it.

The estimated numbers of reviews per year provided on the Price Schedule are estimates only. There are no guaranteed minimum or maximum numbers.

Failure to submit all requested pricing information may result in the bidder's proposal being considered materially non-responsive. Each bidder must hold its prices firm through issuance of contract to permit the completion of the evaluation of bid proposals received and the contract award process.

## **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, addenda to this RFP, the contractor's bid proposal, any best and final offer, 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 07/27/07 located on the Advertised Solicitation, Current Bid Opportunities webpage:

<http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.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 07/27/07, 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/09x20681.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 two (2) additional periods of up to one (1) year each, 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.

Purchase orders may be placed against the contract up to and including the end of business on the last day of the contract for delivery no more than forty-five (45) days after contract expiration.

### **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 ninety (90) 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 shall 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 supersede Section 3.11 of the NJ Standard Terms and Conditions version 07/27/07 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 and shall be delivered in electronic format to the State upon thirty (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, the 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 the contractor fails to comply with any material contract requirements, the Director may take steps to terminate the contract for cause in accordance with Section 3.5 of the Standard Terms and Conditions. If the contractor fails to perform any service or provide any commodity required under this contract, the Director may acquire such services or commodities from another source by any available means. The contractor shall be liable for any such additional cost. The contractor shall remit any such additional cost to the State within thirty (30) days of notice from the State.

## 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.

## 5.15 RETAINAGE

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)

Not applicable to this procurement.

### 5.20 PUBLIC WORKS CONTRACT-ADDITIONAL AFFIRMATIVE ACTION REQUIREMENT

N.J.S.A. 10:5-33 requires that:

"During the performance of this contract, the contractor agrees as follows:

- a) The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality, or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality, or sex. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause;
- b) The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality, or sex;
- c) The contractor or subcontractor, where applicable, will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment."

## 5.21 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 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 price 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 it 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's Office of Management and Budget and Office of Information and Technology.

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.

## 5.22 FORM OF COMPENSATION AND PAYMENT

This Section supplements Section 4.5 of the NJ Standard Terms and Conditions version 07/27/07, located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.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, an accounting in accordance with the budget submitted, of all monies paid to any small business subcontractor(s). This accounting shall be sent to the Purchase Bureau Business Unit, Set-Aside Coordinator.

Invoices also must 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.

#### 5.22.1 PAYMENT TO CONTRACTOR - OPTIONAL METHOD

Not applicable to this procurement.

#### 5.23 MODIFICATIONS AND CHANGES TO THE NJ STANDARD TERMS AND CONDITIONS VERSION 07/27/07

NJ Standard Terms and Conditions version 07/27/07 are located on the Advertised Solicitation, Current Bid Opportunities webpage:  
<http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.shtml>.

#### 5.23.1 PATENT AND COPYRIGHT INDEMNITY

Section 2.1 of the NJ Standard Terms and Conditions version 07/27/07 is deleted and replaced with the following:

##### 2.1 Patent and Copyright Indemnity

a) The contractor shall hold and save the State, 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 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 the legal right to continue the use of the product or (2) replace or modify the product to provide a non-infringing product that is the functional equivalent.

#### 5.23.2 INDEMNIFICATION

Section 2.2 of the NJ Standard Terms and Conditions version 07/27/07, 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 100 % 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 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. The 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 07/27/07.

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

#### **5.23.3 INSURANCE - PROFESSIONAL LIABILITY INSURANCE**

Not applicable to this procurement.

#### **5.24 CONTRACT ACTIVITY REPORT**

Not applicable to this procurement.

## **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, bidder 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 Procurement Specialist will be the sole point of contact regarding any request for an oral presentation or clarification.

### **6.3 EVALUATION CRITERIA**

The following evaluation criteria, 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.

- E) The overall ability of the bidder to mobilize, 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.

### **6.3.2 BIDDER'S PRICE SCHEDULE**

For evaluation purposes, bidders will be ranked according to the total bid price located on the Price Schedule located on the Advertised Solicitation, Current Bid Opportunities webpage, <http://www.state.nj.us/treasury/purchase/bid/summary/09x20681.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 BID PROPOSALS**

The Evaluation Committee will complete its evaluation and recommend to the Director an award to the responsible bidder 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, pursuant to N.J.S.A. 52:34-12(f), shall negotiate one (1) or more of the following contractual issues: the technical services offered, the terms and conditions, the price of a proposed contract award with any bidder, and/or a BAFO from one (1) or more bidders.

Initially, the Evaluation Committee shall 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. Any revised technical proposal that does not continue to satisfy all mandatory requirements shall be rejected as non-responsive and the original technical proposal shall 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 shall 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 shall complete its evaluation and recommend to the Director for award that responsible bidder whose bid proposal, conforming to this RFP, is most advantageous to the State, price and other factors considered.

All contacts, records of initial evaluations, correspondence with bidders related to any request for negotiation or BAFO, revised technical and/or price proposals, the Evaluation Committee Report, and the Award Recommendation shall 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 - 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 - 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 ten (10) percent of the profits or assets of a business entity or ten (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) that person's spouse or child, residing in the same household if a business entity is a natural person.

##### **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 (4) 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 Procurement Specialist, the Certification and Disclosure Form within five (5) business days of the State’s request. Failure to submit the required Forms shall 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 designee shall review the disclosures submitted by the contractor 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. 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

The 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 whether 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](http://www.elec.state.nj.us).

## 7.1.2 SOURCE DISCLOSURE CERTIFICATION 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 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/09x20681.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 07/27/07 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(those) 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

Not applicable to this procurement.

## **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 number, and e-mail 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 whom 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**

A contract user 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.

# ATTACHMENT

## 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, or conversion planning. For each type of experience, the number of years of 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:

**APPENDIX 1: DATA COLLECTION FORM**  
**New Jersey Department of Health and Senior Services**  
**OPEN HEART SURGERY RISK STRATIFICATION PROJECT**  
**DATA COLLECTION FORM, VERSION 4.0**

**A. DEMOGRAPHICS**

Patient: Last Name (1): \_\_\_\_\_ First Name (2): \_\_\_\_\_ MI(3): \_\_\_\_\_  
 Date of Birth (mm/dd/yyyy)(4): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Gender (5): Male = 0 Female = 1 \_\_\_\_\_  
 SS# (6): \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Medical Record # (7): \_\_\_\_\_ Patient Zip Code (8): \_\_\_\_\_  
 Race (9): White=1 Black=2 Asian=3 Native American/Alaska Native=4 Hawaiian/Other Pacific Islander=5 Other=6 \_\_\_\_\_  
 Hispanic or Latino (10): No=0 Yes=1 \_\_\_\_\_  
 Referring Cardiologist: Last Name (11): \_\_\_\_\_ First Name (12): \_\_\_\_\_ MI(13): \_\_\_\_\_  
 Referring Physician: Last Name (15): \_\_\_\_\_ First Name (16): \_\_\_\_\_ MI(17): \_\_\_\_\_

**B. HOSPITALIZATION**

Hospital Code (18): \_\_\_\_\_ Medical Facility Transferred From Code (19): \_\_\_\_\_  
 Payor (20): Blue Cross/Blue Shield=1 Commercial=2 HMO=3 Medicaid=4 Medicare=5 Self-Pay=6 Tricare (CHAMPUS)=7  
 Uninsured/Indigent=8 Other=9 \_\_\_\_\_  
 Date of Admission (mm/dd/yyyy)(21): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Date of Surgery (mm/dd/yyyy)(22): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
 Date of Discharge (mm/dd/yyyy)(23): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
 Discharged Where (24): Not Discharged=0 Home=1 Other Acute Care Hosp=2 Rehab/Sub-Acute=3 Nursing Home=4  
 Other=5 Deceased=6 Unknown=9 \_\_\_\_\_

**C. PREOPERATIVE RISK FACTORS**

Weight (25): \_\_\_\_\_ (kg) Height (26): \_\_\_\_\_ (cm)  
 Ever Smoker (27): No=0 Yes=1 \_\_\_\_\_ If Yes, Current Smoker (28): No=0 Yes=1 \_\_\_\_\_  
 Diabetes (29): No=0 Yes=1 \_\_\_\_\_ If Yes, Control Type (30): None=0 Diet=1 Oral=2 Insulin=3 \_\_\_\_\_  
 Dyslipidemia (31): No=0 Yes=1 \_\_\_\_\_ If Yes, Control Type (32): None=0 Statin=1 Non-Statins=2 \_\_\_\_\_  
 Last Creatinine Level Preop (33): \_\_\_\_\_  
 Renal Failure (34): No=0 Yes=1 \_\_\_\_\_ If Yes, Dialysis (35): No=0 Yes=1 \_\_\_\_\_  
 Hypertension (36): No=0 Yes=1 \_\_\_\_\_  
 Cerebrovascular Accident (37): No=0 Yes=1 \_\_\_\_\_  
 If Yes, When (38): Recent <=2 Weeks=1 Remote >2 Weeks=2 \_\_\_\_\_  
 Cerebrovascular Disease (CVD) (39): No=0 Yes=1 \_\_\_\_\_  
 If Yes, Type of CVD (40): Coma=1 CVA=2 RIND=3 TIA=4 Non-Invasive >75%=5 Prior Carotid Surgery=6 \_\_\_\_\_  
 Infectious Endocarditis (41): No=0 Yes=1 \_\_\_\_\_ If Yes, Type (42): Treated=1 Active=2 \_\_\_\_\_  
 Chronic Lung Disease (43): No=0 Mild=1 Moderate=2 Severe=3 \_\_\_\_\_  
 Immunosuppressive Therapy (44): No=0 Yes=1 \_\_\_\_\_  
 Peripheral Vascular Disease (45): No=0 Yes=1 \_\_\_\_\_

**D. PREVIOUS CV INTERVENTIONS**

Incidence (46): First CV Surgery=1 First reop=2 Second reop=3 Third reop=4 Four or more reops=5 \_\_\_\_\_  
 Prior PCI (47): No=0 Yes=1 \_\_\_\_\_  
 If Yes, Prior PCI-Interval (48): <=6 Hours=1 >6 Hours=2 \_\_\_\_\_

**E. PREOPERATIVE CARDIAC STATUS**

Myocardial Infarction (49): No=0 Yes=1 \_\_\_\_\_  
 If Yes, When (50): <=6 Hours=1 >6 Hours but <24 Hours=2 1-7 Days=3 8-21 Days=4 >21 Days=5 \_\_\_\_\_  
 Congestive Heart Failure (51): No=0 Yes=1 \_\_\_\_\_  
 Angina (52): No=0 Yes=1 \_\_\_\_\_ If Yes, Angina Type (53): Stable=1 Unstable=2 \_\_\_\_\_  
 Cardiogenic Shock (54): No=0 Yes=1 \_\_\_\_\_  
 If Yes, Cardiogenic Shock Type (55): Refractory Shock=1 Hemodynamic Instability=2 \_\_\_\_\_  
 Resuscitation (56): No=0 Yes=1 \_\_\_\_\_  
 Arrhythmia (57): No=0 Yes=1 \_\_\_\_\_  
 If Yes, Arrhythmia Type (58): None=0 Sust VT/VF=1 Heart Block=2 AFib/Flutter=3 \_\_\_\_\_  
 NYHA Classification (59): I = 1 II = 2 III = 3 IV = 4 \_\_\_\_\_

**New Jersey Department of Health and Senior Services  
OPEN HEART SURGERY RISK STRATIFICATION PROJECT  
DATA COLLECTION FORM, VERSION 4.0 (Continued)**

**F. PREOPERATIVE MEDICATIONS**

Beta Blockers (60):	No=0	Yes=1	_____	ACE Inhibitors (61):	No=0	Yes=1	_____
Nitrates-IV (62):	No=0	Yes=1	_____	Anticoagulants (63):	No=0	Yes=1	_____
If Yes, Anticoagulant Medication Name (64):				Heparin (Unfractionated)=1	Heparin (Low molecular)=2	Thrombin Inhibitors=3	_____
Coumadin (65):	No=0	Yes=1	_____	Inotropes (66):	No=0	Yes=1	_____
Steroids (67):	No=0	Yes=1	_____	Aspirin (68):	No=0	Yes=1	_____
ADP Inhibitor (69):	No=0	Yes=1	_____	Glyco IIB IIIA (70):	No=0	Yes=1	_____
Other (71):	No=0	Yes=1	_____				

**G. PREOPERATIVE HEMODYNAMICS AND CATH**

Number of Diseased Coronary Vessels (Left Main Counts as Two) (72):	None=0	One=1	Two=2	Three=3	_____
Left Main Disease (> 50% Occlusion) (73):	No=0	Yes=1	_____		
Ejection Fraction Done (74):	No=0	Yes=1	_____	If Yes, Ejection Fraction % (75):	_____
Ejection Fraction Method (76):	LVgram=1	Radionuclide=2	Estimate=3	Echo=4	MRI=5

**H. OPERATIVE PROCEDURE**

Surgery: Last Name (77):	_____	First Name (78):	_____	MI(79):	_____	License #(80):	_____
Status of Procedure (81):	Elective=1	Urgent=2	Emergent=3	Emergent Salvage=4	_____		
If Urgent, Reason (82): AMI=1 IABP=2 Worsening CP=3 CHF=4 Anatomy=5 USA=6							
Rest Angina=7 Valve Dysfunction=8 Aortic Dissection=9 Angiographic Accident=10							
If Emergent, Reason (83): Shock Circ Supp=1 Shock No Circ Supp=2 Pulmonary Edema=3 AEMI=4							
Ongoing Ischemia=5 Valve Dysfunction=6 Aortic Dissection=7 Angiographic Accident=8							
Operative Category (84):	CAB=1	CAB+Valve=2	CAB+Other=3	CAB+Valve+Other=4	Valve=5	Valve+Other=6	Other=7
Robotic Technology used (85):	No=0	Yes=1	_____				
Minimally Invasive Proc Attempted(86):	No=0	Yes=1	_____				
If Yes, Conversion to Standard Incision (87): No=0 Yes=1 _____							
CPB Utilization (88):	None=0	Combination=1	Full=2	_____	If Combination or Full, Perfusion Time (min) (89):	_____	
Aortic Occlusion (90):	None=0	Aortic Crossclamp=1	Balloon Occlusion=2	Partial Crossclamp=3	_____		
If Aortic Crossclamp or Balloon Occlusion, Cross Clamp Time (min) (91): _____							
Cardioplegia (92):	No=0	Yes=1	_____				
IABP (93):	No=0	Yes=1	_____				
If Yes, When Inserted (94): Preoperatively=1 Intraoperatively=2 Postoperatively=3							
Indication (95): Hemodynamic Instability=1 PTCA Support=2 Unstable Angina=3 CPB Wean=4 Prophylactic=5							
Blood Products Used During Surgery (96):	No=0	Yes=1	_____				

**I. CORONARY BYPASS**

Number of Distal Anastomoses With Arterial Conduits (97):	_____
Number of Distal Anastomoses With Venous Conduits (98):	_____
Number of IMA Distal Anastomoses (99):	_____
Number of Radial Artery Distal Anastomoses (100):	_____
Number of Gastro-Epiploic Artery (GEPA) Distal Anastomoses (101):	_____
Other Arterial Anastomoses (102):	_____

**J. VALVE SURGERY**

Aortic (103):	No=0	Replacement=1	Repair/Reconstruct=2	Root Reconstruction with Valve Conduit=3	Replacement + Aortic Graft Conduit (not a valve conduit)=4	Root Reconstruction with Valve Sparing=5	Resuspension Aortic Valve with Replacement of Ascending Aorta=6	Resuspension Aortic Valve without Replacement of Ascending Aorta=7	Resection Sub-Aortic Stenosis=8	_____
Mitral (104):	No=0	Annuloplasty Only=1	Replacement=2	Reconstruction with Annuloplasty=3	Reconstruction without Annuloplasty=4	_____				
Tricuspid (105):	No=0	Annuloplasty Only=1	Replacement=2	Reconstruction with Annuloplasty=3	Reconstruction without Annuloplasty=4	Valvectomy=5	_____			
Pulmonic (106):	No=0	Replacement=1	Reconstruction=2	_____						

**New Jersey Department of Health and Senior Services  
OPEN HEART SURGERY RISK STRATIFICATION PROJECT  
DATA COLLECTION FORM, VERSION 4.0 (Continued)**

**K. OTHER PROCEDURES**

Left Vent Aneurysm Repair (107):	No=0 Yes=1	_____	Vent. Septal Defect Repair (108):	No=0 Yes=1	_____
Atrial Septal Defect Repair (109):	No=0 Yes=1	_____	Surgical Ventricular Restoration (110):	No=0 Yes=1	_____
Congenital Defect Repair (111):	No=0 Yes=1	_____	TMR (112):	No=0 Yes=1	_____
Cardiac Trauma Repair (113):	No=0 Yes=1	_____	Cardiac Transplant (114):	No=0 Yes=1	_____
Pacemaker (115):	No=0 Yes=1	_____	AICD (116):	No=0 Yes=1	_____
Atrial Fib Correction (117):	None=0 MAZE=1 Other=2	_____	Combination=3		_____
Aortic Aneurysm Repair (118):	No=0 Yes=1	_____	Other Cardiac (119):	No=0 Yes=1	_____
Carotid Endarterectomy (120):	No=0 Yes=1	_____	Other Vascular (121):	No=0 Yes=1	_____
Other Thoracic (122):	No=0 Yes=1	_____	VAD (123):	None=0 LVAD=1 RVAD=2 BiVAD=3	_____
Other non-Cardiac (124)	No=0 Yes=1	_____			

**L. IN HOSPITAL COMPLICATIONS**

<u>OPERATIVE:</u>			<u>INFECTION:</u>		
Reop-Bleeding/Tamponade (125):	No=0 Yes=1	_____	Sternal-Deep (131):	No=0 Yes=1	_____
Reop-Valvular Dysfunction (126):	No=0 Yes=1	_____	Thoracotomy (132):	No=0 Yes=1	_____
Reop-Graft Occlusion(127):	No=0 Yes=1	_____	Leg (133):	No=0 Yes=1	_____
Reop-Other Cardiac Problem (128):	No=0 Yes=1	_____	Septicemia (134):	No=0 Yes=1	_____
Reop-Other Non-Cardiac Problem (129):	No=0 Yes=1	_____	UTI (135):	No=0 Yes=1	_____
Perioperative MI (130):	No=0 Yes=1	_____			
<u>NEUROLOGIC:</u>			<u>PULMONARY:</u>		
Postoperative Stroke For >72 Hrs (136):	No=0 Yes=1	_____	Prolonged Ventilation (139):	No=0 Yes=1	_____
Transient Neurologic Deficit (137):	No=0 Yes=1	_____	Pulmonary Embolism (140):	No=0 Yes=1	_____
Continuous Coma $\geq$ 24 Hours (138):	No=0 Yes=1	_____	Pneumonia (141):	No=0 Yes=1	_____
<u>RENAL:</u>					
Renal Failure (142):	No=0 Yes=1	_____			
If Yes, Dialysis (143):	No=0 Yes=1	_____			
<u>VASCULAR:</u>					
Iliac/Femoral Dissection (144):	No=0 Yes=1	_____			
Acute Limb Ischemia (145):	No=0 Yes=1	_____			
<u>OTHER:</u>					
Heart Block (146):	No=0 Yes=1	_____	Cardiac Arrest (147):	No=0 Yes=1	_____
Anticoagulant (148):	No=0 Yes=1	_____	Tamponade (149):	No=0 Yes=1	_____
GI Complication (150):	No=0 Yes=1	_____	Multi System Failure (151):	No=0 Yes=1	_____
A-Fib/Flutter (152):	No=0 Yes=1	_____	Aortic Dissection (153):	No=0 Yes=1	_____
Other (154):	No=0 Yes=1	_____			
If Yes, Specify (155):	_____				

**M. MORTALITY**

Discharge Status (156): Alive=1 Dead=2 \_\_\_\_\_ Status at 30 Days after Surgery (160): Alive=1 Dead=2 Unknown=3 \_\_\_\_\_

    If Dead, Date of Death (mm/dd/yyyy) (157): \_\_\_\_\_ / / \_\_\_\_\_

        Location of Death (158): OR During Initial Surgery=1 Hospital=2 Home=3 \_\_\_\_\_

  Other Care Facility=4 OR During Reoperation=5 Unknown=6 \_\_\_\_\_

        Primary Cause of Death (Select Only One) (159):

  Cardiac=1 Neurologic=2 Renal=3 Vascular=4 \_\_\_\_\_

  Infection=5 Pulmonary=6 Valvular=7 Other=8 Unknown=9 \_\_\_\_\_

## APPENDIX 2: OPEN HEART SURGERY DATABASE MEDICAL RECORDS REVIEW PROTOCOL

The medical records review (audit) involves a partnership between the facility, the auditor (contractor), and the Department of Health and Senior Services (DHSS). In order for this partnership to work, transparency in the process to be taken is important. The list of items below summarizes the tasks involved during the audit process. Please review each item carefully and follow it in order for the audit to be conducted as planned.

### The Sample

1. On behalf of DHSS, the contractor will provide the sampled patient records to the hospital. In a typical instance, DHSS samples 100 cases from each hospital. If the number sampled is less than 100 from a particular hospital, then that will be the number which will be reviewed. The sample is drawn from the database that contains the annual Open Heart Surgery (OHS) procedures.

**Upon receipt of the sample cases, the hospital will make the records for the sampled cases available for the auditor on the scheduled date.**

*In general, a case is selected if it has a risk factor which is substantially higher than the statewide average. Special effort is also made to sample from risk factors that are associated with significant CABG surgery mortality. In addition, all procedures that resulted in a fatality are included in the sample.*

Each sample is flagged to indicate the reason for the case's selection in a field name called FLAGFLD and alerts the reviewer to pay special attention to that risk factor of that case. The alert is to ensure that there is sufficient supporting documentation in the patient's medical record for that report (response).

If the FLAGFLD has a value denoted by "OPERCAT", special attention should be paid to the coding of the operative category. Operative category coding should be based on all add-on procedures that were indicated in the consent form BEFORE the surgery. Any procedures performed in addition to CABG surgery should follow the CABG Surgery Procedure Guide ([Appendix 3](#)) for proper operative category designation.

2. DHSS will supply the contractor with an electronic file containing the sampled cases. The contractor will use this file to design a data abstraction program, which will be utilized to compare the reported data against the patient's medical record.
3. DHSS will provide the contractor with data definitions in the database that are consistent with the Society of Thoracic Surgeons National Cardiac Surgery Database as well as other materials needed for the review. The contractor follows the data definitions provided to validate the data reported to DHSS.

### Examples of the sampling process:

- If renal disease is a risk factor that is associated with significant mortality, then a random sample of cases with renal failure will be drawn from each facility to ensure that such cases are adequately reviewed to assure that facilities are not over-coding this risk factor.
- If a facility reports a substantially higher proportion of a risk factor than the state average, additional samples will be drawn from that risk factor.
- If a facility has no risk factor flagged as higher than the state average, then the balance of the sampled cases for that facility will be drawn at random and is flagged as “random” and is reported in the filed name called “flagfld”.
- The total of sampled cases drawn will be 100 except for when the facility may not have an adequate number of cases to sample from.

### Auditor

4. In the event that the sampled medical record is not available for review, the contractor should notify DHSS immediately so that staff will work with the facility to facilitate the review.
5. The contractor’s validation process may have three outcomes:
  - a) The database and the medical record agree for a particular risk factor.
  - b) A risk factor is reported in the database but is not documented in the medical record (risk factor is over coded).
  - c) A risk factor is not reported in the database but is documented in the medical record (risk factor is under coded).
6. **The contractor will review the patient consent form for planned cardiac surgery vs. actual surgery performed and note it in abstraction form.**
7. Discrepancies between the database and the medical record will be noted in the contractor’s abstraction program and identified in the medical record by the contractor in a format approved by DHSS. ***A good-faith effort must be made by the contractor to resolve discrepancies in order to minimize unnecessary submission of buck-slips.***

## After Audit

8. The contractor will supply the hospital with a hard copy of the audit (an abstraction) report upon completion of the review. These audit report will be express-mailed (or e-mailed in a secure manner) by the contractor to the hospital on the first working day after the audit is completed.
9. Within 15 working days of receipt of the abstraction report, the medical facility must satisfactorily resolve any discrepancies with DHSS.
10. ***The contractor will submit an electronic data file of the audit report and a summary report of each hospital's audit findings to DHSS upon completion of all hospital reviews. At the conclusion of the audit, the contractor will submit an electronic summary report of errors classified by risk factors for each facility to DHSS.***
11. During the course of a hospital's review, if the contractor identifies more than 50% over-coding of a risk factor, the contractor will notify DHSS immediately. DHSS will contact the hospital to initiate the recoding of all cases of that risk factor. DHSS will supply the hospital with a list of records to be re-coded, and the hospital may be required to provide documentation substantiating its coding of the identified risk factor.

*For Example:* Hospital A has 20 of the 100 sampled cases selected because of renal failure, and 11 (over 50%) of those 20 cases could not be substantiated as having renal disease based on the audit. The contractor will contact DHSS immediately. DHSS will then compile a list of all renal disease cases in that facility. The facility will be required to review all renal failure cases and provide documentation in support of the renal failure cases to DHSS. In the absence of that documentation the hospital will be required to recode the risk factor as suggested by the auditor.

12. DHSS will supply the contractor with a Sign-Off Form ([Appendix 4](#)) that will be signed at the end of each hospital review. This sign-off form attests to whether the hospital agrees or disagrees with the audit findings. The form must be signed by the hospital designated person as the contact for the audit.
13. A copy of the signed copy will be sent to DHSS along with the summary report for the facility.
14. If the hospital does not agree with the contractor's findings, the hospital is required to submit a rationale for the disagreement on form called *Buck Slip* ([Appendix 5](#)) (one per case) with supporting medical record documentation. The hospital should submit buck slips only for those contested risk factors and should include the risk factor field name and field number in the OHS data dictionary. DHSS with the advice of its consultants will determine whether the documentation is acceptable. ***DHSS strongly encourages the facility and the auditor (contractor) to resolve the discrepancies during the audit period.***
15. If the facility disagrees with the contractor's findings but is unable to provide supporting documentation, DHSS will require the hospital to recode the risk factor following the auditor's finding.

**16. Hospital Responsibility:**

- All database corrections identified through by the auditor must be corrected by the hospital and sent to DHSS within 20 days after the completion of the audit.
- Any contested audit findings must be sent to DHSS for review with accompanying buck-slips and documentation within 10 days after the audit.
- Any hospital with contested cases is required to submit its revised data within one week after dispute reconciliation notice is sent to the hospital by DHSS.

17. DHSS verifies the open heart surgery database against hospital discharge records and death records to ensure that all deaths have been reported. In the event that a medical facility reports a significant number of Coronary Artery Bypass Graft (CABG) surgery cases coded as CAB+OTHER, DHSS may require additional reviews at the hospital's expense.

18. Inquiries on the medical records review (audit) should be sent to:

Open Heart Surgery Data Coordinator  
Office of Health Care Quality Assessment  
New Jersey Department of Health and Senior Services  
240 West State Street, 11<sup>th</sup> Floor  
Trenton, NJ 08608

Phone: 609-984-7334  
Fax: 609-984-7735

## APPENDIX 3: CABG SURGERY PROCEDURE GUIDE FOR OPEN HEART SURGERY DATA REPORTING

To provide clarification on Isolated CABG (CABG) procedure reporting, the Department of Health and Senior Services (Department), in consultation with the Clinical Review Panel, has come up with the following guideline. This guide refers to the operative category (field name OPERCAT) and has no impact on the rest of the data elements.

***If a CABG surgery is performed in conjunction with a procedure listed below, the operative procedure will be reported as follows:*** (The number in parenthesis refers to the item number on the OHS data collection form.)

If CABG and the Following Procedure is Performed (see <b>Section G on Form</b> )➤	Procedure is Reported as ↓	Comments
Left Vent. Aneurysm Repair (107)	CABG+Other	
Vent. Septal Defect Repair (108)	CABG+Other	
Atrial Septal Defect Repair (109)	CABG	May submit as a salvage case exclusion if patient dies
Surgical Ventricular Restoration (110)	CABG+Other	
Congenital Defect Repair (111)	CABG	May submit as a salvage case exclusion if patient dies
TMR (112)	CABG	May submit as a salvage case exclusion if patient dies
Cardiac Trauma Repair (113)	CABG+Other	
Cardiac Transplant (114)	CABG+Other	
Pacemaker (115)	CABG	May submit as a salvage case exclusion if patient dies
AICD (116)	CABG	May submit as a salvage case exclusion if patient dies
Atrial Fib Correction (117): <b>MAZE</b>	CABG	May submit as a salvage case exclusion if patient dies
Atrial Fib Correction (117): <b>Combination</b>	CABG	May submit as a salvage case exclusion if patient dies
Aortic Aneurysm Repair (118)	CABG+Other	
Other Cardiac (119)	CABG+Other	
Carotid Endarterectomy (120)	CABG+Other	
Other Vascular (121)	CABG	May submit as a salvage case exclusion if patient dies
Other Thoracic (122)	CABG	May submit as a salvage case exclusion if patient dies
VAD (123): <b>LVAD</b>	CABG	May submit as a salvage case exclusion if patient dies
VAD (123): <b>RVAD</b>	CABG	May submit as a salvage case exclusion if patient dies
VAD (123): <b>BiVAD</b>	CABG	May submit as a salvage case exclusion if patient dies
Other non-Cardiac (124)	CABG	May submit as a salvage case exclusion if patient dies

Please contact the Open Heart Surgery Data Coordinator at 609-984-7334 for questions.

## APPENDIX 4: OPEN HEART SURGERY REGISTRY AUDIT SIGN-OFF FORM

### TO BE COMPLETED BY THE REVIEWER

Hospital Name: \_\_\_\_\_  
Year of Data Reviewed: \_\_\_\_\_  
Hospital Contact Name: \_\_\_\_\_  
Date Audit Completed: \_\_\_\_/\_\_\_\_/\_\_\_\_  
MM / DD / YYYY

Name of Reviewer: \_\_\_\_\_ Title: \_\_\_\_\_  
Signature of Reviewer: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_  
MM / DD / YYYY

---

### TO BE COMPLETED BY THE HOSPITAL REPRESENTATIVE

\_\_\_\_\_ I **agree** with all the findings of the reviewer. I have enclosed the revised data file with this *Signoff Form* to reflect corrections on all errors identified by the reviewer. I understand that the revised data set is due to the Department of Health and Senior Services (DHSS) within **20 business days** from the date the review was completed.

\_\_\_\_\_ I **disagree** with all or some of the findings of the reviewer. With this *Signoff Form*, a buck slip for each contested case, details for the disagreement and supporting documentation from the patient's medical record are enclosed. The reviewer was also provided with these same documents at the time of the onsite review. I understand that the due date to submit all supporting documentation and the Signoff Form to the Department of Health and Senior Services (DHSS) is **20 business days** from the date the review was completed as indicated above.

I understand that failure to respond to medical reviewer findings **within 20 business days** will constitute a violation of licensure requirements.

Hospital Representative:

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_  
MM / DD / YYYY

---

Please Mail Revised Data and Documents to:

Open Heart Surgery Data Coordinator  
Office of Health Care Quality Assessment  
NJ Department of Health and Senior Services  
240 West State Street, 11<sup>th</sup> Floor  
Trenton, NJ 08608

## APPENDIX 5: OPEN HEART SURGERY REGISTRY MEDICAL RECORD REVIEW BUCK SLIP

**INSTRUCTIONS:** Complete one buck slip for each patient where you have disagreement with the reviewer's findings. **Highlight** all pertinent information in the attached documentation. Submit the **buck slip form** to the Department of Health and Senior Services along with the medical record review sign off form.

**Supporting documentation for any disagreement must be submitted with this form.**

Hospital Name: \_\_\_\_\_

Procedure Year of Data Reviewed: \_\_\_\_\_

Patient's First Name: \_\_\_\_\_ Patient's Last Name: \_\_\_\_\_

Medical Record Number: \_\_\_\_\_

Date of Surgery: \_\_\_\_/\_\_\_\_/\_\_\_\_ MM / DD /YYYY

FIELD NUMBER & NAME	<i>REASON FOR DISAGREEMENT</i>
	<input type="checkbox"/> Supporting documentation was unavailable at the time of review. <input type="checkbox"/> Supporting documentation is available in the medical chart. <input type="checkbox"/> Error was found and has been corrected. <input type="checkbox"/> Discrepancy between reports/progress notes. <input type="checkbox"/> Disagree for the reason(s) attached to this form
	<input type="checkbox"/> Supporting documentation was unavailable at the time of review. <input type="checkbox"/> Supporting documentation is available in the medical chart. <input type="checkbox"/> Error was found and has been corrected. <input type="checkbox"/> Discrepancy between reports/progress notes. <input type="checkbox"/> Disagree for the reason(s) attached to this form
	<input type="checkbox"/> Supporting documentation was unavailable at the time of review <input type="checkbox"/> Supporting documentation is available in the medical chart <input type="checkbox"/> Error was found and has been corrected <input type="checkbox"/> Discrepancy between reports/progress notes <input type="checkbox"/> Disagree for the reason(s) attached to this form
	<input type="checkbox"/> Supporting documentation was unavailable at the time of review <input type="checkbox"/> Supporting documentation is available in the medical chart <input type="checkbox"/> Error was found and has been corrected <input type="checkbox"/> Discrepancy between reports/progress notes <input type="checkbox"/> Disagree for the reason(s) attached to this form

YOU MAY COPY THIS FORM FOR ADDITIONAL DATA FIELDS AS NEEDED.

**PRICE SCHEDULE**

**Cardiac Surgery Medical Records Review, DHSS  
Bid Number 09-X-20681**

Refer to RFP Section 3.0 (Scope of Work) for task requirements and deliverables, Section 2.0 (Definitions) for a definition of "Firm, Fixed Price", and Section 4.4.6 (Price Schedule) for additional information regarding this Price Schedule.

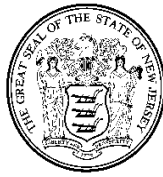
Bidder's Name: \_\_\_\_\_

	Contract Year 1			Contract Year 2			Contract Year 3		
	Estimated Number of Reviews* (a)	All-Inclusive Unit Price (b)	Total (a)(b)	Estimated Number of Reviews* (c)	All-Inclusive Unit Price (d)	Total (c)(d)	Estimated Number of Reviews* (e)	All-Inclusive Unit Price (f)	Total (e)(f)
<b>Firm, Fixed Price Per Completed and Accepted Cardiac Surgery Medical Record</b>	<b>1,800</b>	\$	\$	<b>1,800</b>	\$	\$	<b>1,800</b>	\$	\$

\* Only for purpose of bidding. Contractors will be paid based on the actual number of reviews performed.

<b>Total Price**</b>	
<b>Total of Contract Years 1, 2, and 3</b>	\$

\*\* Price used to rank bids.



# State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND PROPERTY  
PURCHASE BUREAU  
P.O. Box 230  
TRENTON, NEW JERSEY 08625-0230

JON S. CORZINE  
*Governor*

R. DAVID ROUSSEAU  
*State Treasurer*

To: All Interested Bidders  
Date: January 5, 2009

Re: RFP # 09-X-20681  
Cardiac Surgery Medical Records Review, DHSS  
Bid Submission Due Date: January 23, 2009 (2:00 P.M.)

## ADDENDUM #1

The following constitutes Addendum #1 to the above referenced solicitation. This addendum is divided into the following parts:

Part 1: Answers to questions

Part 2: Additions, deletions, clarifications, and modifications to the RFP

It is the bidder's responsibility to ensure that all changes are incorporated into the original RFP.

All other instructions, terms, and conditions of the RFP shall remain the same.

PART 1

Cardiac Surgery Medical Records Review, DHSS  
Bid Number 09-X-20681

Answers to Questions

#	Page #	RFP Section Reference	Question	Answer
1.			How do I know whether I am registered?	There are two (2) types of registration: "Business Registration" and "Small Business". A. If your firm is registered to conduct business in the State, it will have been issued a "Business Registration Certificate" by the State. To determine whether the business is already registered, check the online registration inquiry at <a href="https://www1.state.nj.us/TYTR_BRC/jsp/BRCLoginJsp.jsp">https://www1.state.nj.us/TYTR_BRC/jsp/BRCLoginJsp.jsp</a> and follow the instructions. To register to conduct business with the State, visit the Purchase Bureau website, <a href="http://www.state.nj.us/treasury/purchase/index.shtml">http://www.state.nj.us/treasury/purchase/index.shtml</a> , and click on the drop-down box "Vendor Information" in the upper left corner. Click on "Doing Business" and further instructions for registering are listed there. B. To be registered as a small business, see the description and instructions on page 5 of the RFP, Notice to Bidders.
2.			What is the State's expectation concerning the frequency of meeting with the contractor?	The State expects to meet with a contractor between two (2) and four (4) times within an audit year depending on how the audit is proceeding. There will be a meeting at the beginning of every audit. There will be frequent contacts by e-mail and by phone throughout the contract period.
3.			Will the State require any analysis of review results from the contractor?	The deliverables are outlined in the three (3) - page Scope of Work in the RFP. Some explanation of the data and results will be necessary.
4.	14	3.2	How many staff members does the current vendor use to review the medical records for the eighteen (18) acute care facilities?	The number varies from four (4) to eight (8) auditors not all of whom perform the audits at the same time.
5.	15 & 16	3.2 & 3.3	A. There are several references mentioning "coding". What is coding? B. Are they ICD-9 codes?	A. "Coding" in the context of the RFP means assigning a code to risk factor, clinical condition, or outcome of a clinical test by using numeric values. B. No ICD-9 codes are involved in this audit.

6.	15	3.3 a	<p>A. Does the State have a preferred format for the audit schedule and weekly progress reports?</p> <p>B. If so, please describe this format.</p>	<p>A. There is no preferred format as long as the protocol is followed as outlined in the appendix. Nonetheless, the audit will have to be completed within the specified period from the date of start. The schedule can be worked out with the hospital after the sample is drawn. Progress reports are made every Monday or Friday preferably in the morning.</p> <p>B. The progress report will provide the date of audit, facility audited, number of cases audited, problems encountered, measures taken to solve problems, and suggestions or comments.</p>
7.	15	3.3 b	<p>A. Is there any penalty assessed to an OHSC if it does not produce a medical record?</p> <p>B. If so, what is the penalty?</p> <p>C. What action will DHSS take to complete the submission of a record?</p>	<p>A. This will be handled by the Department of Health and Senior Services, Office of Health Care Quality Assessment. The contractor only will need to document the problem and immediately contact the State Contract Manager of the problem. The State Contract Manager will handle the problem using State means.</p> <p>B. The measures taken by the State range from resolving the problem to declaring the facility noncompliant and referring the case to licensing for administrative measures to be taken following the licensing rules and regulations.</p> <p>C. No such problem has surfaced; the audit is performed in the spirit of partnership between the State and the hospital.</p>
8.	15	3.3 c	<p>What has been the frequency of additional reviews for the current vendor or previous vendors?</p>	<p>During the last five (5) years, no facility has had an additional review performed.</p>
9.	15	3.3 d	<p>We have significant experience with off-site reviews and maintaining HIPAA confidentiality guidelines, and doing reviews off-site would decrease travel and set up time for reviewers, as well as allow more backup reviewer options. If the contractor can assure confidentiality of records and data submitted by the OHSCs, may the audits be done off-site for efficiency purposes?</p>	<p>The State does not encourage off-site review work since the audit usually involves interacting with the data manager to obtain additional documentation and answering questions. Nevertheless, this option may be discussed with the individual open heart surgery center (OHSC). If the OHSC does not agree to an off-site review, the contractor must perform the review on-site.</p>
10.	15	3.3 f	<p>A. Will the State consider other options besides express mail to receive the initial summary of audit findings?</p> <p>B. As an example to the above question, could a HIPAA secure web-based application be used to post the report?</p>	<p>A. Yes.</p> <p>B. Yes.</p>
11.	15	3.3 h & i	<p>What is the State's electronic format preference for receiving audit findings?</p>	<p>The RFP offers examples of options that the contractor may use. The State does not wish to dictate one format over another.</p>

12.	16	3.3 k	This states that audits will take place between July and October. Due to the number of total audits this timeframe would prevent many small businesses from bidding.	July through October refers to the actual period of auditing. Preparation or communication with the contractor usually starts in May to give enough time for planning. The State does not understand how the timeframe will prevent small businesses from bidding.
13.	16	3.3 k	Is it anticipated that funds will be available to conduct these audits between July and October 2009?	Yes.
14.	16	3.4 b	Please clarify what constitutes a "health related business arrangement." As an oversight organization for CMS and NJ our agreements are not with the providers.	A "health related business arrangement" refers to the bidder providing service for the hospital or having a direct or indirect financial stake in the hospital. If the bidder audits or serves as an oversight agency for NJ or CMS on health care issues, that is not a referred to business arrangement.
15.	18	4.4.2.1	Information retrieved concerning New Jersey registration indicates that the Business Registration Certificate is applicable to for-profit corporations. As a 501(c) 3 nonprofit corporation, information obtained indicates that a Public Records Filing is required instead of the Business Registration Certificate, which is how the nonprofit corporation obtains legal authority to do business in New Jersey. Please clarify which would be required.	All businesses must obtain a Business Registration Certificate from the Department of the Treasury, Division of Revenue prior to conducting business in the State of New Jersey and submitting a bid proposal. Refer to the registration procedure in question #1.
16.	20	4.4.3.6	This is a contract with set-aside subcontracting goals for small businesses. What is the designated revenue classification for this contract?	Small business revenue classifications are defined in the third paragraph on page five (5) of the RFP. All classifications of NJ registered small businesses will satisfy the small business subcontracting set-aside requirements for this RFP.
17.	20	4.4.3.6	Has an evaluation point value or percentage been assigned to the inclusion of a small business subcontractor in a contractor's bid?	No evaluation point value or percentage has been assigned or will be assigned specifically for complying with the small business set-aside requirements. Complying with this requirement is one factor among many that will be considered when an Evaluation Committee recommends a contract award based on price and other factors.
18.	33	6.3.1	A. Is there a point value assigned to each of the technical evaluation criteria? B. If so, what is the point value?	A. A point value will be created. B. The point value will not be made public prior to bid submission. It will become public, upon request, when the State mails its Letter of Intent to Award.
19.	47	Appendix 2, 16	Will any assistance be required of the contractor after an OHSC has submitted contested audit findings?	Yes. The contractor may be asked to clarify or explain some of the contested audit findings on an "as needed" basis.

20.	51	Price Schedule	It appears that the current contract is paid on a Labor Rate. Is 'Labor Rate" an hourly rate that would be reimbursed based on the number of hours to complete and accept a cardiac surgery medical record, or is it the rate paid per record to the current contract per completed and accepted cardiac surgery medical record?	The current contract is not paid on a labor rate; it is paid on a firm, fixed price per completed and accepted cardiac surgery medical record. The Price Schedule in this RFP requests the same information. The definition of "Firm, Fixed Price" may be found in Section 2.0 Definitions on page twelve (12) of the RFP.
21.			What is the current funding allocated for this contract?	The amount of funding will be established after receipt of bid proposals.

**PART 2**

**Cardiac Surgery Medical Records Review, DHSS  
Bid Number 09-X-20681**

**Additions, Deletions, Clarifications, and Modifications to the RFP**

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# 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.10:5-1 et seq. and N.J.S.A.10:5-31 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/lss/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.

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- 1.5 THE WORKER AND COMMUNITY RIGHT TO KNOW ACT** - The provisions of N.J.S.A. 34:5A-1 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

# State of New Jersey

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\$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

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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

# State of New Jersey

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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.

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- 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.

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**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.

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**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.

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**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.

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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.