

ADDENDUM 1

REQUEST FOR PROPOSAL No. SSO-2 (the “RFP”) for MEDICAL BILLING COMPLIANCE SOFTWARE TOOLS AND SERVICES

Addendum Issue Date: December 11, 2015

Direct any questions about this Addendum to Paul Steinkraus
(psteinkraus@utsystem.edu)

PLEASE NOTE: ACKNOWLEDGEMENT OF THIS ADDENDUM 1 IS REQUIRED BY SECTION 1.2 OF APPENDIX ONE TO THE RFP. THIS RFP ADDENDUM IS IN FURTHERANCE OF RFP NO. SSO-2 AND IS NOT A CONTRACT OR OFFER TO CONTRACT.

RFP NO. SSO-2 IS AMENDED AS FOLLOWS:

1. **Revised Submittal Deadline.** Section 2.1 of the RFP is deleted and replaced with the following:

“UT System will accept proposals submitted in response to this RFP until **3:00 pm**, Central Standard Time, on **January 5, 2016** (the “**Submittal Deadline**”).

Other references to the Submittal Deadline elsewhere in the RFP (*e.g.*, in Section 2.4) are also amended to conform to this revised Submittal Deadline.

All other terms, conditions and requirements set forth in RFP No. SSO-2 remain unchanged and in effect.

END OF ADDENDUM 1

REQUEST FOR PROPOSAL

by

The University of Texas System

for

Selection of Contractor(s) to Provide

Medical Billing Compliance Software Tools and Services

RFP No. SSO-2

**Submittal Deadline: December 14, 2015,
@ 3:00 PM, CDT**

Issued: November 13, 2015

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SECTION 1 **INTRODUCTION**

1.1 Description of The University of Texas System

The University of Texas System is comprised of System Administration and 14 institutions of higher education with campuses across the State of Texas whose missions are devoted to world class healthcare, teaching, research, and public service (collectively, "**UT System**"). UT System is one of the larger education systems in the United States. With an operating budget of \$16.9 billion, UT System has a current student enrollment exceeding 217,000. UT System employs about 91,000 faculty and staff, making UT System one of the largest employers in the State of Texas.

UT System is comprised of the following institutions:

- The University of Texas Southwestern Medical Center (UTSW)
- The University of Texas Medical Branch at Galveston (UTMB)
- The University of Texas Health Science Center at Houston (UTHSCH)
- The University of Texas Health Science Center at San Antonio (UTHSCSA)
- The University of Texas MD Anderson Cancer Center (UTMDACC)
- The University of Texas Health Science Center at Tyler (UTHSCT)
- The University of Texas at Arlington (UTA)
- The University of Texas at Austin (UT Austin)
- The University of Texas at Dallas (UTD)
- The University of Texas at El Paso (UTEP)
- The University of Texas of the Permian Basin (UTPB)
- The University of Texas at San Antonio (UTSA)
- The University of Texas at Tyler (UTT)
- The University of Texas Rio Grande Valley (UTRGV)

UT System has established a Shared Services Office (the "**Shared Services Office**") to evaluate potential strategic purchasing initiatives across UT System and help procure related products and services. The Shared Services Office assembles a team of subject matter experts ("**SMEs**") from participating institutions to assist in developing each sourcing event and evaluating suppliers during the procurement process. SMEs are involved from the sourcing event's inception and work with the Shared Services Office to select the best value supplier(s). Any agreement resulting from this Request for Proposal No. SSO-2 (this "**RFP**") will be made available to all UT System institutions for which it may be appropriate.

1.2 Background

UT System wishes to acquire, from one or more contractors ("**Proposers**"), software tools and services for medical billing compliance, for use by UT System's six health institutions, as further described in the Scope of Work (ref. **Section 5.4** of this RFP) below. UT System is looking to enhance the institutions' existing capabilities to audit medical services bills, including professional charges and technical/hospital charges, for compliance purposes. It is likely that the two new medical schools being established at UT Austin and UTRGV will consider using some or all of the software, tools and services.

The UT System Office of Health Affairs has primary responsibility for oversight of the six health institutions of UT System. Through the presidents of the institutions, the Office of Health Affairs has responsibility for the budgets, academic planning and programs, health care delivery, facilities planning and construction, and personnel (both academic and non-academic) of these institutions. The Office of Health Affairs and its six health institutions share a mission of education, clinical care, research, and community service.

An important part of the mission of UT System is to provide excellent, affordable and compassionate patient care through hospitals and clinics that are of central importance to programs of teaching, scholarship, research and service associated with medicine and related health sciences.

Within UT System's six health institutions, there are four medical schools, two dental schools, three nursing schools, four biomedical science graduate schools, four schools of health professions, as well as schools of biomedical informatics and a school of public health with five regional campuses. (Two new medical schools are being established at UT System's academic institutions.)

The health institutions include The University of Texas MD Anderson Cancer Center in Houston, currently ranked as a top cancer center in the world, and The University of Texas Health Science Center at Tyler, whose mission includes a mandate from the Texas legislature to lead the state's fight against tuberculosis. UT System is the only system in the country to have four Clinical and Translational Science Awards (CTSA) from the National Institutes of Health.

Through teaching hospitals owned by UT System institutions and numerous affiliations with other teaching hospitals, as well as a network of community clinics, the health institutions are major providers of health care. UT System-owned and -affiliated hospitals and clinics have more than 6.78 million outpatient visits annually, and the hospitals account for more than 1.38 million hospital days annually.

All four UT System medical schools are ranked in the top 10 of the Hispanic Business ranking of medical schools for Hispanic students. The health institutions also operate four extension campuses in South Texas, and four regional teaching and research programs in public health.

UT System's six health institutions were responsible for \$1.65 billion in research expenditures in the fiscal year ended August 31, 2014. In addition, Texas invested \$1.11 billion in state funding in the six UT System health institutions in the same fiscal year, which the institutions leveraged to secure additional financial resources for an annual budget of \$9.4 billion to produce:

- Nearly 4,200 degrees awarded
- More than 880 graduates of medical schools
- More than 190 graduates of dental schools
- Nearly 400 doctoral degrees
- Nearly 1,500 graduates from nursing schools (25% are graduate level degrees)
- 880 graduates from health profession schools (more than 60% at graduate level)
- More than 360 public health scientists

1.3 Objective of this Request for Proposal

UT System is soliciting proposals in response to this RFP for Proposers to provide software tools and services for medical billing compliance (collectively the “**Services**”) more specifically described in **Section 5.4** (Scope of Work) of this RFP.

UT System ideally would like to contract with a single Proposer that could provide all the required software tools and services. However, proposals for only a portion of the required tools and services will be considered, provided each portion is compatible with software tools and services provided by other successful Proposers.

SECTION 2 **NOTICE TO PROPOSER**

2.1 Submittal Deadline

UT System will accept proposals submitted in response to this RFP until **3:00 pm**, Central Standard Time on **December 14, 2015** (the “**Submittal Deadline**”).

2.2 UT System Contact Person

Proposers will direct all questions or concerns regarding this RFP to the following UT System contact (“**UT System Contact**”):

Paul Steinkraus
Assistant General Counsel and Business Strategy Advisor
201 West 7th Street
Austin, Texas 78701
email: psteinkraus@utsystem.edu

UT System specifically instructs all interested parties to restrict all contact and questions regarding this RFP to written communications forwarded to the UT System Contact. The UT System Contact must receive all questions or concerns **no later than November 25, 2015**. UT System will have a reasonable amount of time to respond to questions or concerns. It is UT System’s intent to respond to all appropriate questions and concerns; however, UT System reserves the right to decline to respond to any question or concern.

2.3 Criteria for Selection

The successful Proposer(s), if any, selected by UT System in accordance with the requirements and specifications set forth in this RFP will be the Proposer that submits a proposal in response to this RFP on or before the Submittal Deadline that is the most advantageous to UT System. The successful Proposer is sometimes referred to as the “**Contractor**.”

Proposer is encouraged to propose terms and conditions offering the maximum benefit to UT System in terms of (1) services to UT System, (2) total overall cost to UT System, and (3) project management expertise. Proposers should describe all educational, state and local government discounts, as well as any other applicable discounts that may be available to UT System in a contract for the Services.

An evaluation team from UT System will evaluate proposals. The evaluation of proposals and the selection of Contractor will be based on the information provided by Proposer in its proposal. UT System may give consideration to additional information if UT System deems such information relevant.

The criteria to be considered by UT System in evaluating proposals and selecting Contractor, will be those factors listed below:

2.3.1 Threshold Criteria Not Scored

- 2.3.1.1 Ability of UT System to comply with laws regarding Historically Underutilized Businesses; and
- 2.3.1.2 Ability of UT System to comply with laws regarding purchases from persons with disabilities.

2.3.2 Scored Criteria

- 2.3.2.1 The cost of goods and services;
- 2.3.2.2 The reputation of the Proposer and of the Proposer's goods or services;
- 2.3.2.3 The quality of the Proposer's goods or services;
- 2.3.2.4 The extent to which the goods or services meet UT System's needs;
- 2.3.2.5 The Proposer's past relationship with UT System; and
- 2.3.2.6 The total long-term cost to UT System of acquiring the Proposer's goods or services

2.4 Key Events Schedule

Issuance of RFP	November 13, 2015
Pre-Proposal Conference Call (ref. Section 2.6 of this RFP)	November 23, 2015, 1:00 p.m., Central Standard Time
Deadline for Questions/Concerns (ref. Section 2.2 of this RFP)	November 25, 2015, 5:00 p.m., Central Standard Time
Submittal Deadline (ref. Section 2.1 of this RFP)	December 14, 2015, 3:00 p.m., Central Standard Time

2.5 Historically Underutilized Businesses

2.5.1 All agencies of the State of Texas are required to make a good faith effort to assist historically underutilized businesses (each a “**HUB**”) in receiving contract awards. The goal of the HUB program is to promote full and equal business opportunity for all businesses in contracting with state agencies. The HUB participation goal for this RFP is 26%. Pursuant to the HUB program, if under the terms of any agreement or contractual arrangement resulting from this RFP, Contractor subcontracts any of the Services, then Contractor must make a good faith effort to utilize HUBs certified by the Procurement and Support Services Division of the Texas Comptroller of Public Accounts. Proposals that fail to comply with the requirements contained in this **Section 2.5** will constitute a material failure to comply with advertised specifications and will be rejected by UT System as non-responsive. Additionally, compliance with good faith effort guidelines is a condition precedent to awarding any agreement or contractual arrangement resulting from this RFP. Proposer acknowledges that, if selected by UT System, its obligation to make a good faith effort to utilize HUBs when subcontracting any of the Services will continue throughout the term of all

agreements and contractual arrangements resulting from this RFP. Furthermore, any subcontracting of the Services by the Proposer is subject to review by UT System to ensure compliance with the HUB program.

- 2.5.2 UT System has reviewed this RFP in accordance with Title 34, Texas Administrative Code, Section 20.13 (a), and has determined that subcontracting opportunities are probable under this RFP.
- 2.5.3 A HUB Subcontracting Plan (“**HSP**”) is required as part of Proposer’s proposal. The HSP will be developed and administered in accordance with UT System’s Policy on Utilization of Historically Underutilized Businesses attached as **APPENDIX TWO** and incorporated for all purposes.

*Each Proposer must complete and return the HSP in accordance with the terms and conditions of this RFP, including **APPENDIX TWO**. Proposers that fail to do so will be considered non-responsive to this RFP in accordance with Section 2161.252, Government Code.*

Questions regarding the HSP may be directed to:

Stephanie Park
 Office of HUB Development
 The University of Texas System
 Austin, Texas 78701
 Office: 512-499-4378
 Fax: 512-499-4311
spark@utsystem.edu

Contractor will not be permitted to change its HSP unless: (1) Contractor completes a newly modified version of the HSP in accordance with the terms of **APPENDIX TWO** that sets forth all changes requested by Contractor, (2) Contractor provides UT System with such a modified version of the HSP, (3) UT System approves the modified HSP in writing, and (4) all agreements or contractual arrangements resulting from this RFP are amended in writing by UT System and Contractor to conform to the modified HSP.

- 2.5.4 Proposer must submit three (3) hard-copy originals of the HSP to UT System at the same time it submits its proposal to UT System (ref. **Section 3.2** of this RFP.) The three (3) originals of the HSP must be submitted under separate cover and in a separate envelope (the “**HSP Envelope**”). Proposer must ensure that the top outside surface of its HSP Envelope clearly shows and makes visible:
- 2.5.4.1 The RFP No. (ref. **Section 1.3** of this RFP) and the Submittal Deadline (ref. **Section 2.1** of this RFP), both located in the lower left hand corner of the top surface of the envelope,
- 2.5.4.2 The name and the return address of the Proposer, and
- 2.5.4.3 The phrase “HUB Subcontracting Plan.”

Any proposal submitted in response to this RFP that is not accompanied by a separate HSP Envelope meeting the above requirements will be rejected by UT System and returned to the Proposer unopened as that proposal will be considered non-responsive due to material failure to comply with advertised

specifications. Furthermore, UT System will open a Proposer's HSP Envelope prior to opening the proposal submitted by the Proposer, in order to ensure that the Proposer has submitted the number of completed and signed originals of the Proposer's HUB Subcontracting Plan that are required by this RFP. A Proposer's failure to submit the number of completed and signed originals of the HSP that are required by this RFP will result in UT System's rejection of the proposal submitted by that Proposer as non-responsive due to material failure to comply with advertised specifications; such a proposal will be returned to the Proposer unopened (ref. **Section 1.5** of **APPENDIX ONE** to this RFP). **Note:** The requirement that Proposer provide three originals of the HSP under this **Section 2.5.4** is separate from and does not affect Proposer's obligation to provide UT System with the number of copies of its proposal as specified in **Section 3.1** of this RFP.

- 2.5.5 UT System may offer Proposer the opportunity to seek an informal review of its draft HSP by the UT System Office of HUB Development. If so, details regarding this opportunity will be provided in the Pre-Proposal Conference (ref. **Section 2.6** of this RFP) or by other means. This process of informal review is designed to help address questions Proposer may have about how to complete its HSP properly. Any concurrence in or comments on the draft HSP by the UT System Office of HUB Development will NOT constitute formal approval of the HSP, and will NOT eliminate the need for Proposer to submit its final HSP to UT System, concurrently with its proposal, in accordance with the detailed instructions in this **Section 2.5**.

2.6 Pre-Proposal Conference Call

UT System will hold a pre-proposal conference call at **1:00 PM**, Central Standard Time on **November 23, 2015**. The pre-proposal conference call will allow all Proposers an opportunity to ask UT System's representatives relevant questions and clarify provisions of this RFP. Proposer should notify the UT System Contact by no later than **November 20, 2015**, whether it will attend the Pre-Proposal Conference Call, by emailing the UT System Contact at psteinkraus@utsystem.edu. UT System will provide dial-in details to all Proposers wishing to attend the call.

SECTION 3 **SUBMISSION OF PROPOSAL**

3.1 Number of Copies

Proposer must submit two (2) complete and identical paper copies of its *entire* proposal, as well as one (1) complete electronic version of the proposal, contained on a memory stick or card. An *original* signature by an authorized officer of Proposer must appear on the Execution of Offer (ref. **Section 2** of **APPENDIX ONE**) of at least one (1) copy of the submitted proposal. The copy of the Proposer's proposal bearing an original signature should contain the mark "original" on the front cover of the proposal.

3.2 Submission

Proposals must be received by UT System on or before the Submittal Deadline (ref. **Section 2.1** of this RFP) and should be delivered to:

Jenny Murphy
Accounting & Purchasing Services
The University of Texas System Administration
210 West 6th Street
Room B.140E
Austin, TX 78701

3.3 Proposal Validity Period

Each proposal must state that it will remain valid for UT System's acceptance for a minimum of **one hundred eighty (180) days** after the Submittal Deadline, to allow time for evaluation, selection, and any unforeseen delays.

3.4 Terms and Conditions

3.4.1 Proposer must comply with the requirements and specifications contained in this RFP, including the Agreement (ref. **APPENDIX THREE**), the Notice to Proposer (ref. **Section 2** of this RFP), Proposal Requirements (ref. **APPENDIX ONE**) and the Specifications and Additional Questions (ref. **Section 5** of this RFP). If there is a conflict among the provisions in this RFP, the provision requiring Proposer to supply the better quality or greater quantity of services will prevail, or if such conflict does not involve quality or quantity, then interpretation will be in the following order of precedence:

3.4.1.1. Specifications and Additional Questions (ref. **Section 5** of this RFP);

3.4.1.2. Agreement (ref. **APPENDIX THREE**);

3.4.1.3. Proposal Requirements (ref. **APPENDIX ONE**);

3.4.1.4. Notice to Proposers (ref. **Section 2** of this RFP).

3.5 Submittal Checklist

Proposer is instructed to complete, sign, and return the following documents as a part of its proposal. If Proposer fails to return each of the following items with its proposal, then UT System may reject the proposal:

3.5.1 Signed and Completed Execution of Offer (ref. **Section 2** of **APPENDIX ONE**)

3.5.2 Signed and Completed Pricing and Delivery Schedule (ref. **Section 6** of this RFP)

3.5.3 Responses to Proposer's General Questionnaire (ref. **Section 3** of **APPENDIX ONE**)

3.5.4 Signed and Completed Addenda Checklist (ref. Section 4 of **APPENDIX ONE**)

3.5.5 Responses to questions and requests for information in the Specifications, Additional Questions and Scope of Work Section (ref. **Section 5** of this RFP)

3.5.6 Signed and completed originals of the HUB Subcontracting Plan or other applicable documents (ref. **Section 2.5** of this RFP and **APPENDIX TWO**).

SECTION 4

GENERAL TERMS AND CONDITIONS

The structure of the transaction UT System intends to enter into as a result of this RFP will be substantially similar to the following: (1) one master agreement between UT System and Contractor; and (2) several Institutional Participation Agreements (each an “**IPA**”) signed by participating UT System institutions (“**Institutional Participants**”), confirming their concurrence in and obligations under the master agreement (collectively, the “**Agreement**”).

It is anticipated that the term of the Agreement will be five years, consisting of an initial term of three years, with UT System having the option to renew for an additional two-year period.

The terms and conditions contained in the attached form of Agreement (ref. **APPENDIX THREE**) or, in the sole discretion of UT System, terms and conditions substantially similar to those contained in the Agreement, will constitute and govern any agreement that results from this RFP. UT System also anticipates that UT System and the successful Proposer will agree on a mutually acceptable version of Proposer’s standard terms applicable to software licensing and related services, which would be incorporated into and made part of the Agreement. In responding to this RFP, Proposer should provide a copy of these proposed standard terms.

If Proposer takes exception to any terms or conditions set forth in the attached form of Agreement, Proposer must submit a list of the exceptions as part of its proposal in accordance with **Section 5.3.1** of this RFP. Proposer’s exceptions will be reviewed by UT System and may result in disqualification of Proposer’s proposal as non-responsive to this RFP. If Proposer’s exceptions do not result in disqualification of Proposer’s proposal, then UT System may consider Proposer’s exceptions when UT System evaluates the Proposer’s proposal.

SECTION 5

SPECIFICATIONS, ADDITIONAL QUESTIONS AND SCOPE OF WORK

5.1 General

The minimum requirements and the specifications for the Services, as well as certain requests for information to be provided by Proposer as part of its proposal, are set forth below. As indicated in **Section 2.3** of this RFP, the successful Proposer is sometimes referred to as the “**Contractor**.”

5.2 Minimum Qualification Requirements

Each Proposal must include information that clearly indicates Proposer meets each of the following minimum qualification requirements:

5.2.1 Proposer must pay to the UT System Shared Services Office a quarterly administrative fee of 2.0% of the Total Net Sales made under the Agreement during such quarter (ref. **Section 6.2** of this RFP), which will be used to defray the costs of implementing, sustaining and optimizing collaborations among UT System institutions, and particularly the project that is the subject of this RFP.

5.3 Additional Questions Specific to this RFP

Proposer must submit the following information as part of Proposer's proposal:

- 5.3.1 If Proposer takes exception to any terms or conditions set forth in the Agreement (ref. **APPENDIX THREE**), Proposer must submit a list of the exceptions.
- 5.3.2 In its proposal, Proposer must indicate whether it will consent to include in the Agreement the "Access by Individuals with Disabilities" language that is set forth in **APPENDIX FOUR**. If Proposer objects to the inclusion of the "Access by Individuals with Disabilities" language in the Agreement, Proposer must, as part of its proposal, specifically identify and describe in detail all of the reasons for Proposer's objection. **NOTE THAT A GENERAL OBJECTION IS NOT AN ACCEPTABLE RESPONSE TO THIS QUESTION.**
- 5.3.3 In its proposal, Proposer must respond to each item listed in **APPENDIX FIVE**, Electronic and Information Resources ("EIR") Environment Specifications. **APPENDIX FIVE** will establish specifications, representations, warranties and agreements related to the EIR that Proposer is offering to provide. Responses to **APPENDIX FIVE** will be incorporated into the Agreement and will be binding on Contractor.
- 5.3.4 In its proposal, Proposer must respond to each item listed in **APPENDIX SIX**, Security Characteristics and Functionality of Proposer's Information Resources. **APPENDIX SIX** will establish specifications, representations, warranties and agreements related to the EIR that Proposer is offering to provide. Responses to **APPENDIX SIX** will be incorporated into the Agreement and will be binding on Contractor.
- 5.3.5 Proposer must answer the questions for Proposer that are listed in **APPENDIX SEVEN** (ref. **Section 5.5** of this RFP) to the best of Proposer's knowledge, as responses may be incorporated into the Agreement.

5.4 Scope of Work

UT System intends to identify one or more Contractors to provide the software tools and services for medical billing compliance that are the subject of this RFP. As noted earlier (ref. **Section 1.3** of this RFP), proposals for only a portion of the required software tools and services will be considered, if each portion is compatible with software tools and services provided by other successful Proposers.

The details noted below will form the basis for the Scope of Work to be included in the Agreement to be concluded between UT System and Contractor. The following outlines the essential requirements for the provision of Services. The Proposer acknowledges and understands that this RFP provides a general description of the work to be performed and is not intended to be all inclusive. Proposer must be familiar with the requirements and general conditions that are essential to provide the Services consistent with industry best practices and in accordance with all licensing, regulations, and professional standards. Services within the scope of this RFP include, but are not limited to, those described below.

UT System is seeking to acquire software tools and related services that would help its health institutions manage internal audits of medical billings to ensure that coding and documentation are correct and billable in compliance with applicable law and institution

policies. At present, all six UT System health institutions participate in a UT System agreement with a supplier that licenses medical billing compliance management software to the institutions. The existing software is used by all six health institutions to audit billings by physician practices (involving about 5,850 billing providers in total), and by four institutions to audit billings by their hospitals. These existing licensing arrangements are due to expire on September 30, 2016.

UT System wishes to acquire software tools that will:

- Automate and simplify audit-related administrative tasks, including, but not limited to, audit case selection, the timing of conducting audits, services to be included in audit cases, etc.;
- Permit auditing of professional, technical and research charges, including the ability to capture professional, hospital, research services and entire hospital stays in a single audit, generate audits by billing area (e.g., division, department) or internal service code, and capture all universal modifiers for professional, hospital and research services;
- Allow seamless and effective data integration from the involved institutions' billing software systems to the auditing software tool(s), including the ability to generate dashboards;
- Allow UT System, with the input of the various health institutions, to establish the timing (e.g., 12:00 a.m. each Sunday morning) and frequency (e.g., weekly) of data transfers from the involved institutions' billing software systems to the auditing software tool(s), as well as provide electronic notices (through e-mail) of the success or failure of the scheduled data transfers;
- Permit real-time monitoring of the status of pending and/or active audits;
- Capture audit data/results/findings in a central repository;
- Offer the capability to produce detailed audit reports, including the options to extract/export reports to other Microsoft Office-based programs (e.g., Excel) and to produce graphs/charts/tables;
- Employ a risk-based scheduling methodology, configurable by each institution, that allows for higher-risk individuals, units and/or departments to be reviewed more often than individuals, units and/or departments with better audit results;
- Allow flexibility to customize audit selection based on payer(s), high-risk areas, high volume, and/or high reimbursement/top dollar services;
- Use a consistent audit-scoring and audit-finding methodology and, thus, provide more uniform responses and analyses of results across the health institutions;
- Offer the ability to extract both retrospective and prospective charge data, permitting a comprehensive view of billing risks;
- Offer a comprehensive package of audit-result reporting templates/customizable management, and audit reports that can be manipulated easily by the end-user;

- Permit findings to be reported in detail (individually) and in the aggregate (by divisions, departments, units, or institution) and allow for billing and coding trends to be easily identified;
- Maintain or increase the consistency of how medical billing compliance issues are monitored across the health institutions;
- Have the capability to store and retrieve both ICD-9 and ICD-10 codes for purposes of retrospective audits;
- Permit the end-user to upload files/spreadsheets from the other reporting tools;
- Achieve compatibility with ICD-10 coding, including audit findings specific to ICD-10 coding issues;
- Offer easy-to-use workflows in managing and conducting audits;
- Offer a means to record, extract, monitor and store external audit data and assist with responses to such external audit requests (e.g. RAC, MAC, OIG);
- Enable interfaces with institution-specific electronic health record technology;
- Be compatible with Windows-based functionality for report-writing capability.
- Enable bell-curve reporting functionality in software;
- Enable retention of provider education dates completed;
- Enable tracking of refunds processed based on the audit findings.

UT System also is interested in learning whether any proposed software includes the capability to monitor and analyze the health institutions' billing data to identify billing and/or coding issues that appear to present significant compliance risks.

5.5 Questions for Proposer

Proposer must complete the Questions for Proposer – see **APPENDIX SEVEN**.

The Questions for Proposer contains a list of additional questions the Proposer must answer when responding to this RFP. If Proposer needs to submit additional supporting information, refer to the supporting information in responses to the Questions for Proposer and attach supporting materials in a logical and clear manner.

Finally, it is crucial that Proposer have extensive expertise and experience in furnishing services comparable to those that are the subject of this RFP. Proposer is encouraged to specify any special certifications, awards, or other industry recognizable achievements that might set it apart from its competitors, and to provide information on Proposer's credentials and references.

SECTION 6
PRICING AND DELIVERY SCHEDULE

Proposal of: _____
(Proposer Company Name)

To: The University of Texas System

Ref.: Software Tools and Services for Medical Billing Compliance

RFP No.: SSO-2

Ladies and Gentlemen:

Having carefully examined all the specifications and requirements of this RFP and any attachments thereto, the undersigned proposes to furnish the consulting and implementation services required pursuant to the above-referenced Request for Proposal, upon the terms quoted below.

6.1 Pricing for Services Offered

6.2 Administrative Fee

Proposer agrees that if Proposer is awarded an agreement under this RFP, it will pay to the UT System Shared Services Office a quarterly administrative fee of 2.0% of the Total Net Sales made by Proposer under the Agreement during such quarter. *[Note to Proposer: this will be addressed in the Agreement's Scope of Work.]* **“Total Net Sales”** means the total dollar amount of all sales of services that are made by Proposer to UT System, less credits, returns, taxes, and unpaid invoices. The administrative fee will be used by UT System to defray the costs of implementing, sustaining and optimizing collaborations among UT System institutions, and particularly the project that is the subject of this RFP

6.3 Delivery Schedule of Events and Time Periods

6.4 Payment Terms

Standard payment terms by UT System Institutional Participants for services are "Net 30 days." Indicate below the prompt payment discount that Proposer will provide to UT System:

Prompt Payment Discount: _____%_____days/net 30 days.

Respectfully submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

Date: _____

**APPENDIX ONE
PROPOSAL REQUIREMENTS**

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SECTION 1

GENERAL INFORMATION

1.1 Purpose

UT System is soliciting competitive sealed proposals from Proposers having suitable qualifications and experience providing services in accordance with the terms, conditions and requirements set forth in this RFP. This RFP provides sufficient information for interested parties to prepare and submit proposals for consideration by UT System.

By submitting a proposal, Proposer certifies that it understands this RFP and has full knowledge of the scope, nature, quality, and quantity of the services to be performed, the detailed requirements of the services to be provided, and the conditions under which such services are to be performed. Proposer also certifies that it understands that all costs relating to preparing a response to this RFP will be the sole responsibility of the Proposer.

PROPOSER IS CAUTIONED TO READ THE INFORMATION CONTAINED IN THIS RFP CAREFULLY AND TO SUBMIT A COMPLETE RESPONSE TO ALL REQUIREMENTS AND QUESTIONS AS DIRECTED.

1.2 Inquiries and Interpretations

UT System may in its sole discretion respond in writing to written inquiries concerning this RFP and mail its response as an Addendum to all parties recorded by UT System as having received a copy of this RFP. Only UT System's responses that are made by formal written Addenda will be binding on UT System. Any verbal responses, written interpretations or clarifications other than Addenda to this RFP will be without legal effect. All Addenda issued by UT System prior to the Submittal Deadline will be and are hereby incorporated as a part of this RFP for all purposes.

Proposers are required to acknowledge receipt of each Addendum as specified in this Section. The Proposer must acknowledge all Addenda by completing, signing and returning the Addenda Checklist (ref. **Section 4 of APPENDIX ONE**). The Addenda Checklist must be received by UT System prior to the Submittal Deadline and should accompany the Proposer's proposal.

Any interested party that receives this RFP by means other than directly from UT System is responsible for notifying UT System that it has received an RFP package, and should provide its name, address, telephone number and FAX number to UT System, so that if UT System issues Addenda to this RFP or provides written answers to questions, that information can be provided to such party.

1.3 Public Information

Proposer is hereby notified that UT System strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information.

UT System may seek to protect from disclosure all information submitted in response to this RFP until such time as a final agreement is executed.

Upon execution of a final agreement, UT System will consider all information, documentation, and other materials requested to be submitted in response to this RFP, to be of a non-confidential and non-proprietary nature and, therefore, subject to public disclosure under the *Texas Public Information Act* (*Government Code*, Chapter 552.001, et seq.). Proposer will be advised of a request for public information that implicates their materials and will have the opportunity to raise any objections to disclosure to the Texas Attorney General. Certain information may be protected from release under Sections 552.101, 552.110, 552.113, and 552.131, *Government Code*.

1.4 Type of Agreement

Contractor, if any, will be required to enter into a contract with UT System in a form substantially similar to the Agreement between UT System and Contractor (the "**Agreement**") attached to this RFP as **APPENDIX TWO** and incorporated for all purposes.

1.5 Proposal Evaluation Process

UT System will select Contractor by using the competitive sealed proposal process described in this Section. UT System will open the HSP Envelope submitted by a Proposer prior to opening the Proposer's proposal in order to ensure that the Proposer has submitted the number of completed and signed originals of the Proposer's HUB Subcontracting Plan (also called the HSP) that are required by this RFP (ref. **Section 2.5.4** of the RFP.) All proposals submitted by the Submittal Deadline accompanied by the number of completed and signed originals of the HSP that are required by this RFP will be opened publicly to identify the name of each Proposer submitting a proposal. Any proposals that are not submitted by the Submittal Date or that are not accompanied by the number of completed and signed originals of the HSP that are required by this RFP will be rejected by UT System as non-responsive due to material failure to comply with advertised specifications. After the opening of the proposals and upon completion of the initial review and evaluation of the proposals, UT System may invite one or more selected Proposers to participate in oral presentations. UT System will use commercially reasonable efforts to avoid public disclosure of the contents of a proposal prior to selection of Contractor.

UT System may make the selection of Contractor on the basis of the proposals initially submitted, without discussion, clarification or modification. In the alternative, UT System may make the selection of Contractor on the basis of

negotiation with any of the Proposers. In conducting such negotiations, UT System will use commercially reasonable efforts to avoid disclosing the contents of competing proposals.

At UT System's sole option and discretion, UT System may discuss and negotiate all elements of the proposals submitted by selected Proposers within a specified competitive range. For purposes of negotiation, UT System may establish, after an initial review of the proposals, a competitive range of acceptable or potentially acceptable proposals composed of the highest rated proposal(s). In that event, UT System will defer further action on proposals not included within the competitive range pending the selection of Contractor; provided, however, UT System reserves the right to include additional proposals in the competitive range if deemed to be in the best interests of UT System.

After submission of a proposal but before final selection of Contractor is made, UT System may permit a Proposer to revise its proposal in order to obtain the Proposer's best and final offer. In that event, representations made by Proposer in its revised proposal, including price and fee quotes, will be binding on Proposer. UT System will provide each Proposer within the competitive range with an equal opportunity for discussion and revision of its proposal. UT System is not obligated to select the Proposer offering the most attractive economic terms if that Proposer is not the most advantageous to UT System overall, as determined by UT System.

UT System reserves the right to (a) enter into an agreement for all or any portion of the requirements and specifications set forth in this RFP with one or more Proposers, (b) reject any and all proposals and re-solicit proposals, or (c) reject any and all proposals and temporarily or permanently abandon this selection process, if deemed to be in the best interests of UT System. Proposer is hereby notified that UT System will maintain in its files concerning this RFP a written record of the basis upon which a selection, if any, is made by UT System.

1.6 Proposer's Acceptance of Evaluation Methodology

By submitting a proposal, Proposer acknowledges (1) Proposer's acceptance of [a] the Proposal Evaluation Process (ref. **Section 1.5** of **APPENDIX ONE**), [b] the Criteria for Selection (ref. **2.3** of this RFP), [c] the Specifications and Additional Questions (ref. **Section 5** of this RFP), [d] the terms and conditions of the Agreement (ref. **APPENDIX TWO**), and [e] all other requirements and specifications set forth in this RFP; and (2) Proposer's recognition that some subjective judgments must be made by UT System during this RFP process.

1.7 Solicitation for Proposal and Proposal Preparation Costs

Proposer understands and agrees that (1) this RFP is a solicitation for proposals and UT System has made no representation written or oral that one or more agreements with UT System will be awarded under this RFP; (2) UT System issues this RFP predicated on UT System's anticipated requirements for the Services, and UT System has made no representation, written or oral, that any particular scope of services will actually be required by UT System; and (3) Proposer will bear, as its sole risk and responsibility, any cost that arises from Proposer's preparation of a proposal in response to this RFP.

1.8 Proposal Requirements and General Instructions

- 1.8.1 Proposer should carefully read the information contained herein and submit a complete proposal in response to all requirements and questions as directed.
- 1.8.2 Proposals and any other information submitted by Proposer in response to this RFP will become the property of UT System.
- 1.8.3 UT System will not provide compensation to Proposer for any expenses incurred by the Proposer for proposal preparation or for demonstrations or oral presentations that may be made by Proposer. Proposer submits its proposal at its own risk and expense.
- 1.8.4 Proposals that (i) are qualified with conditional clauses; (ii) alter, modify, or revise this RFP in any way; or (iii) contain irregularities of any kind, are subject to disqualification by UT System, at UT System's sole discretion.
- 1.8.5 Proposals should be prepared simply and economically, providing a straightforward, concise description of Proposer's ability to meet the requirements and specifications of this RFP. Emphasis should be on completeness, clarity of content, and responsiveness to the requirements and specifications of this RFP.
- 1.8.6 UT System makes no warranty or guarantee that an award will be made as a result of this RFP. UT System reserves the right to accept or reject any or all proposals, waive any formalities, procedural requirements, or minor technical inconsistencies, and delete any requirement or specification from this RFP or the Agreement when deemed to be in UT System's best interest. UT System reserves the right to seek clarification from any Proposer concerning any item contained in its proposal prior to final selection. Such clarification may be provided by telephone conference or personal meeting with or writing to UT System, at UT System's sole discretion. Representations made by Proposer within its proposal will be binding on Proposer.
- 1.8.7 Any proposal that fails to comply with the requirements contained in this RFP may be rejected by UT System, in UT System's sole discretion.

1.9 Preparation and Submittal Instructions

1.9.1 Specifications and Additional Questions

Proposals must include responses to the questions in Specifications and Additional Questions (ref. **Section 5** of this RFP). Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N/A (Not Applicable) or N/R (No Response), as appropriate. Proposer should explain the reason when responding N/A or N/R.

1.9.2 Execution of Offer

Proposer must complete, sign and return the attached Execution of Offer (ref. **Section 2** of **APPENDIX ONE**) as part of its proposal. The Execution of Offer must be signed by a representative of Proposer duly authorized to bind the Proposer to its proposal. Any proposal received without a completed and signed Execution of Offer may be rejected by UT System, in its sole discretion.

1.9.3 Pricing and Delivery Schedule

Proposer must complete and return the Pricing and Delivery Schedule (ref. **Section 6** of this RFP), as part of its proposal. In the Pricing and Delivery Schedule, the Proposer should describe in detail (a) the total fees for the entire scope of the Services; and (b) the method by which the fees are calculated. The fees must be inclusive of all associated costs for delivery, labor, insurance, taxes, overhead, and profit.

UT System will not recognize or accept any charges or fees to perform the Services that are not specifically stated in the Pricing and Delivery Schedule.

In the Pricing and Delivery Schedule, Proposer should describe each significant phase in the process of providing the Services to UT System, and the time period within which Proposer proposes to be able to complete each such phase.

1.9.4 Proposer's General Questionnaire

Proposals must include responses to the questions in Proposer's General Questionnaire (ref. **Section 3** of **APPENDIX ONE**). Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N/A (Not Applicable) or N/R (No Response), as appropriate. Proposer should explain the reason when responding N/A or N/R.

1.9.5 Addenda Checklist

Proposer should acknowledge all Addenda to this RFP (if any) by completing, signing and returning the Addenda Checklist (ref. **Section 4** of **APPENDIX ONE**) as part of its proposal. Any proposal received without a completed and signed Addenda Checklist may be rejected by UT System, in its sole discretion.

1.9.6 Submission

Proposer should submit all proposal materials enclosed in a sealed envelope, box, or container. The RFP No. (ref. **Section 1.3** of this RFP) and the Submittal Deadline (ref. **Section 2.1** of this RFP) should be clearly shown in the lower left-hand corner on the top surface of the container. In addition, the name and the return address of the Proposer should be clearly visible.

Proposer must also submit the number of originals of the HUB Subcontracting Plan (also called the HSP) as required by this RFP (ref. **Section 2.5** of the RFP.)

Upon Proposer's request and at Proposer's expense, UT System will return to a Proposer its proposal received after the Submittal Deadline if the proposal is properly identified. UT System will not under any circumstances consider a proposal that is received after the Submittal Deadline or which is not accompanied by the number of completed and signed originals of the HSP that are required by this RFP.

UT System will not accept proposals submitted by telephone, proposals submitted by Facsimile ("FAX") transmission, or proposals submitted by electronic transmission (i.e., e-mail) in response to this RFP.

Except as otherwise provided in this RFP, no proposal may be changed, amended, or modified after it has been submitted to UT System. However, a proposal may be withdrawn and resubmitted at any time prior to the Submittal Deadline. No proposal may be withdrawn after the Submittal Deadline without UT System's consent, which will be based on Proposer's submittal of a written explanation and documentation evidencing a reason acceptable to UT System, in UT System's sole discretion.

By signing the Execution of Offer (ref. **Section 2** of **APPENDIX ONE**) and submitting a proposal, Proposer certifies that any terms, conditions, or documents attached to or referenced in its proposal are applicable to this procurement only to the extent that they (a) do not conflict with the laws of the State of Texas or this RFP and (b) do not place any requirements on UT System that are not set forth in this RFP or in the Appendices to this RFP. Proposer further certifies that the submission of a proposal is Proposer's good faith intent to enter into the

RFP No. SSO-2

Agreement with UT System as specified herein and that such intent is not contingent upon UT System's acceptance or execution of any terms, conditions, or other documents attached to or referenced in Proposer's proposal.

SECTION 2

EXECUTION OF OFFER

THIS EXECUTION OF OFFER MUST BE COMPLETED, SIGNED AND RETURNED WITH PROPOSER'S PROPOSAL. FAILURE TO COMPLETE, SIGN AND RETURN THIS EXECUTION OF OFFER WITH THE PROPOSER'S PROPOSAL MAY RESULT IN THE REJECTION OF THE PROPOSAL.

- 2.1 By signature hereon, Proposer represents and warrants the following:
- 2.1.1 Proposer acknowledges and agrees that (1) this RFP is a solicitation for a proposal and is not a contract or an offer to contract; (2) the submission of a proposal by Proposer in response to this RFP will not create a contract between UT System and Proposer; (3) UT System has made no representation or warranty, written or oral, that one or more contracts with UT System will be awarded under this RFP; and (4) Proposer will bear, as its sole risk and responsibility, any cost arising from Proposer's preparation of a response to this RFP.
 - 2.1.2 Proposer is a reputable company that is lawfully and regularly engaged in providing the Services.
 - 2.1.3 Proposer has the necessary experience, knowledge, abilities, skills, and resources to perform the Services.
 - 2.1.4 Proposer is aware of, is fully informed about, and is in full compliance with all applicable federal, state and local laws, rules, regulations and ordinances.
 - 2.1.5 Proposer understands (i) the requirements and specifications set forth in this RFP and (ii) the terms and conditions set forth in the Agreement under which Proposer will be required to operate.
 - 2.1.6 If selected by UT System, Proposer will not delegate any of its duties or responsibilities under this RFP or the Agreement to any sub-contractor, except as expressly provided in the Agreement.
 - 2.1.7 If selected by UT System, Proposer will maintain any insurance coverage as required by the Agreement during the term thereof.
 - 2.1.8 All statements, information and representations prepared and submitted in response to this RFP are current, complete, true and accurate. Proposer acknowledges that UT System will rely on such statements, information and representations in selecting Contractor. If selected by UT System, Proposer will notify UT System immediately of any material change in any matters with regard to which Proposer has made a statement or representation or provided information.
 - 2.1.9 PROPOSER WILL DEFEND WITH COUNSEL APPROVED BY UT SYSTEM, INDEMNIFY, AND HOLD HARMLESS UT SYSTEM, THE STATE OF TEXAS, AND ALL OF THEIR REGENTS, OFFICERS, AGENTS AND EMPLOYEES, FROM AND AGAINST ALL ACTIONS, SUITS, DEMANDS, COSTS, DAMAGES, LIABILITIES AND OTHER CLAIMS OF ANY NATURE, KIND OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTLING ANY OF THE FOREGOING, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY NEGLIGENT ACTS OR OMISSIONS OR WILLFUL MISCONDUCT OF PROPOSER OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF PROPOSER IN THE EXECUTION OR PERFORMANCE OF ANY CONTRACT OR AGREEMENT RESULTING FROM THIS RFP.
 - 2.1.10 Pursuant to Sections 2107.008 and 2252.903, *Government Code*, any payments owing to Proposer under any contract or agreement resulting from this RFP may be applied directly to any debt or delinquency that Proposer owes the State of Texas or any agency of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.
- 2.2 By signature hereon, Proposer offers and agrees to furnish the Services to UT System and comply with all terms, conditions, requirements and specifications set forth in this RFP.
- 2.3 By signature hereon, Proposer affirms that it has not given or offered to give, nor does Proposer intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with its submitted proposal. Failure to sign this Execution of Offer, or signing with a false statement, may void the submitted proposal or any resulting contracts, and the Proposer may be removed from all proposal lists at UT System.
- 2.4 By signature hereon, Proposer certifies that it is not currently delinquent in the payment of any taxes due under Chapter 171, *Tax Code*, or that Proposer is exempt from the payment of those taxes, or that Proposer is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable. A false certification will be deemed a material breach of any resulting contract or agreement and, at UT System's option, may result in termination of any resulting contract or agreement.
- 2.5 By signature hereon, Proposer hereby certifies that neither Proposer nor any firm, corporation, partnership or institution represented by Proposer, or anyone acting for such firm, corporation or institution, has violated the antitrust laws of the State of Texas, codified in Section 15.01, et seq., *Business and Commerce Code*, or the Federal antitrust laws, nor communicated directly or indirectly the proposal made to any competitor or any other person engaged in such line of business.

2.6 By signature hereon, Proposer certifies that the individual signing this document and the documents made a part of this RFP, is authorized to sign such documents on behalf of Proposer and to bind Proposer under any agreements and other contractual arrangements that may result from the submission of Proposer's proposal.

2.7 By signature hereon, Proposer certifies as follows:

"Under Section 231.006, *Family Code*, relating to child support, Proposer certifies that the individual or business entity named in the Proposer's proposal is not ineligible to receive the specified contract award and acknowledges that any agreements or other contractual arrangements resulting from this RFP may be terminated if this certification is inaccurate."

2.8 By signature hereon, Proposer certifies that (i) no relationship, whether by blood, marriage, business association, capital funding agreement or by any other such kinship or connection exists between the owner of any Proposer that is a sole proprietorship, the officers or directors of any Proposer that is a corporation, the partners of any Proposer that is a partnership, the joint venturers of any Proposer that is a joint venture or the members or managers of any Proposer that is a limited liability company, on one hand, and an employee of any component of The University of Texas System, on the other hand, other than the relationships which have been previously disclosed to UT System in writing; (ii) Proposer has not been an employee of any component institution of The University of Texas System within the immediate twelve (12) months prior to the Submittal Deadline; and (iii) no person who, in the past four (4) years served as an executive of a state agency was involved with or has any interest in Proposer's proposal or any contract resulting from this RFP (ref. Section 669.003, *Government Code*). All disclosures by Proposer in connection with this certification will be subject to administrative review and approval before UT System enters into a contract or agreement with Proposer.

2.9 By signature hereon, Proposer certifies its compliance with all federal laws and regulations pertaining to Equal Employment Opportunities and Affirmative Action.

2.10 By signature hereon, Proposer represents and warrants that all products and services offered to UT System in response to this RFP meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law (Public Law 91-596) and the *Texas Hazard Communication Act*, Chapter 502, *Health and Safety Code*, and all related regulations in effect or proposed as of the date of this RFP.

2.11 Proposer will and has disclosed, as part of its proposal, any exceptions to the certifications stated in this Execution of Offer. All such disclosures will be subject to administrative review and approval prior to the time UT System makes an award or enters into any contract or agreement with Proposer.

2.12 If Proposer will sell or lease computer equipment to the UT System under any agreements or other contractual arrangements that may result from the submission of Proposer's proposal then, pursuant to Section 361.965(c), *Health & Safety Code*, Proposer certifies that it is in compliance with the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act set forth in Chapter 361, Subchapter Y, *Health & Safety Code* and the rules adopted by the Texas Commission on Environmental Quality under that Act as set forth in Title 30, Chapter 328, Subchapter I, *Texas Administrative Code*. Section 361.952(2), *Health & Safety Code*, states that, for purposes of the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act, the term "computer equipment" means a desktop or notebook computer and includes a computer monitor or other display device that does not contain a tuner.

2.13 Proposer should complete the following information:

If Proposer is a Corporation, then State of Incorporation: _____

If Proposer is a Corporation then Proposer's Corporate Charter Number: _____

RFP No.: _____

NOTICE: WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER SECTIONS 552.021 AND 552.023, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER SECTION 559.004, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.

Submitted and Certified By:

(Proposer Institution's Name)

(Signature of Duly Authorized Representative)

(Printed Name/Title)

RFP No. SSO-2

(Date Signed)

(Proposer's Street Address)

(City, State, Zip Code)

(Telephone Number)

(FAX Number)

SECTION 3

PROPOSER'S GENERAL QUESTIONNAIRE

NOTICE: WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER SECTIONS 552.021 AND 552.023, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER SECTION 559.004, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.

Proposals must include responses to the questions contained in this Proposer's General Questionnaire. Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N/A (Not Applicable) or N/R (No Response), as appropriate. Proposer will explain the reason when responding N/A or N/R.

3.1 Proposer Profile

3.1.1 Legal name of Proposer company:

Address of principal place of business:

Address of office that would be providing service under the Agreement:

Number of years in Business: _____

State of incorporation: _____

Number of Employees: _____

Annual Revenues Volume: _____

Name of Parent Corporation, if any _____

NOTE: If Proposer is a subsidiary, UT System prefers to enter into a contract or agreement with the Parent Corporation or to receive assurances of performance from the Parent Corporation.

3.1.2 State whether Proposer will provide a copy of its financial statements for the past two (2) years, if requested by UT System.

3.1.3 Proposer will provide a financial rating of the Proposer entity and any related documentation (such as a Dunn and Bradstreet analysis) that indicates the financial stability of Proposer.

3.1.4 Is Proposer currently for sale or involved in any transaction to expand or to become acquired by another business entity? If yes, Proposer will explain the expected impact, both in organizational and directional terms.

3.1.5 Proposer will provide any details of all past or pending litigation or claims filed against Proposer that would affect its performance under the Agreement with UT System (if any).

3.1.6 Is Proposer currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? If yes, Proposer will specify the pertinent date(s), details, circumstances, and describe the current prospects for resolution.

3.1.7 Proposer will provide to Institutional Participant a reference list of no less than three (3) organizations with which Proposer currently has contracts and/or to which Proposer has previously provided services (within the past five (5) years) of a type and scope similar to those required by UT System's RFP. Proposer will include in

its Institutional Participant reference list the Institutional Participant's company name, contact person, telephone number, project description, length of business relationship, and background of services provided by Proposer.

- 3.1.8 Does any relationship exist (whether by family kinship, business association, capital funding agreement, or any other such relationship) between Proposer and any employee of UT System? If yes, Proposer will explain.
- 3.1.9 Proposer will provide the name and Social Security Number for each person having at least 25% ownership interest in Proposer. This disclosure is mandatory pursuant to Section 231.006, *Family Code*, and will be used for the purpose of determining whether an owner of Proposer with an ownership interest of at least 25% is more than 30 days delinquent in paying child support. Further disclosure of this information is governed by the *Texas Public Information Act*, Chapter 552, *Government Code*, and other applicable law.

3.2 Approach to Project Services

- 3.2.1 Proposer will provide a statement of the Proposer's service approach and will describe any unique benefits to UT System from doing business with Proposer. Proposer will briefly describe its approach for each of the required services identified in **Section 5.4** Scope of Work of this RFP.
- 3.2.2 Proposer will provide an estimate of the earliest starting date for services following execution of the Agreement.
- 3.2.3 Proposer will submit a work plan with key dates and milestones. The work plan should include:
- 3.2.3.1 Identification of tasks to be performed;
 - 3.2.3.2 Time frames to perform the identified tasks;
 - 3.2.3.3 Project management methodology;
 - 3.2.3.4 Implementation strategy; and
 - 3.2.3.5 The expected time frame in which the services would be implemented.
- 3.2.4 Proposer will describe the types of reports or other written documents Proposer will provide (if any) and the frequency of reporting, if more frequent than required in the RFP. Proposer will include samples of reports and documents if appropriate.

3.3 General Requirements

- 3.3.1 Proposer will provide summary resumes for its proposed key personnel who will be providing services under the Agreement with UT System, including their specific experiences with similar service projects, and number of years of employment with Proposer.
- 3.3.2 Proposer will describe any difficulties it anticipates in performing its duties under the Agreement with UT System and how Proposer plans to manage these difficulties. Proposer will describe the assistance it will require from UT System.

3.4 Service Support

Proposer will describe its service support philosophy, how it is implemented, and how Proposer measures its success in maintaining this philosophy. In addition, Proposer will describe the typical timing of and mechanism for implementing necessary software maintenance and other updates.

3.5 Quality Assurance

Proposer will describe its quality assurance program, its quality requirements, and how they are measured.

3.6 Miscellaneous

- 3.6.1 Proposer will provide a list of any additional services or benefits not otherwise identified in this RFP that Proposer would propose to provide to UT System. Additional services or benefits must be directly related to the goods and services solicited under this RFP.
- 3.6.2 Proposer will provide details describing any unique or special services or benefits offered or advantages to be gained by UT System from doing business with Proposer. Additional services or benefits must be directly related to the goods and services solicited under this RFP.
- 3.6.3 Does Proposer have a contingency plan or disaster recovery plan in the event of a disaster? If so, then Proposer will provide a copy of the plan.

SECTION 4
ADDENDA CHECKLIST

Proposal of: _____
(Proposer Company Name)

To: The University of Texas _____

Ref.: _____ Services related to the _____

RFP No.: _____

Ladies and Gentlemen:

The undersigned Proposer hereby acknowledges receipt of the following Addenda to the captioned RFP (initial if applicable).

No. 1 _____ No. 2 _____ No. 3 _____ No. 4 _____ No. 5 _____

Respectfully submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

Date: _____

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION

OCTOBER 2015

APPENDIX TWO

POLICY ON UTILIZATION

HISTORICALLY UNDERUTILIZED BUSINESSES

VENDOR/COMMODITIES



**The University of Texas System
Office of HUB Development
Policy on Utilization of Historically Underutilized Businesses (HUBs)**

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**The University of Texas System
Office of HUB Development**

POLICY ON UTILIZATION OF HISTORICALLY UNDERUTILIZED BUSINESSES (HUBS)

Introduction

In accordance with the Texas Government Code, Sections 2161.181-182 and Title 34, Section 20.13 of the Texas Administrative Code (TAC), the Board of Regents of The University of Texas System, acting through the Office of HUB Development shall make a good faith effort to utilize Historically Underutilized Businesses (HUBs) in contracts for construction services, including professional and consulting services; and commodities contracts. The HUB Rules promulgated by the Texas Comptroller of Public Accounts (the "Texas Comptroller"), set forth in 34 TAC Sections 20.10-20.28, encourage the use of HUBs by implementing these policies through race, ethnic and gender-neutral means.

The purpose of the HUB Program is to promote full and equal business opportunities for all business in State contracting in accordance with the following goals as specified in the State of Texas Disparity Study:

- 11.2% for heavy construction other than building contracts;
- 21.1% for all building construction, including general contractors and operative builders contracts;
- 32.9% for all special trade construction contracts;
- 23.7% for professional services contracts;
- 26% for all other services contracts, and
- 21.1% for commodities contracts.

The University of Texas System shall make a good faith effort to meet or exceed the above stated goals to assist HUBs in receiving a portion of the total contract value of all contracts that UT System expects to award in a fiscal year. The University of Texas System may achieve the annual program goals by contracting directly with HUBs or indirectly through subcontracting opportunities in accordance with the Texas Government Code, chapter 2161, Subchapter F.

NOTE: The goals above are the State of Texas HUB goals. For purposes of this procurement, The University of Texas System goals listed in the Special Instructions on page 11 will apply.

SUMMARY OF REQUIREMENTS
Historically Underutilized Business (HUBs) Subcontracting Plan (HSP)

It is the policy of The University of Texas System and each of its component institutions, to promote and encourage contracting and subcontracting opportunities for Historically Underutilized Businesses (HUBs) in all contracts. Accordingly, UT System has adopted “**EXHIBIT H, Policy on Utilization of Historically Underutilized Businesses**”. The policy applies to all contracts with an expected value of \$100,000 or more. The Board of Regents of The University of Texas System is the contracting authority.

1. In all contracts for professional services, contracting services, and/or commodities with an expected value of \$100,000 or more, The University of Texas System, “UT System” or the “University” will indicate in the purchase solicitation (e.g. RFQ, RFP, or CSP) whether or not subcontracting opportunities are probable in connection with the contract. A HUB Subcontracting Plan is a required element of the architect, contractor or vendor Response to the purchase solicitation. The HUB Subcontracting Plan shall be developed and administered in accordance with the Policy. **Failure to submit a required HUB Subcontracting Plan (HSP) will result in rejection of the Response.**
2. If subcontracting opportunities are probable UT System will declare such probability in its invitations for bids, requests for proposals, or other purchase solicitation documents, and shall require submission of the appropriate HUB Subcontracting Plan with the Response.
 - a. When subcontracting opportunities are probable, and the Respondent proposes to subcontract any part of the work, the Respondent shall submit a **HUB Subcontracting Plan as prescribed by the Texas Comptroller** identifying subcontractors **[34 TAC §20.14 (d) (1)(A)(B)(C)(D) (2) (3)(A)(B)(C)(D)(E)(F) (4)(A)(B)]**.
 - b. When subcontracting opportunities are probable, but the Respondent can perform such opportunities with its employees and resources, the Respondent’s HUB Subcontracting Plan shall include **Section 3 –Self Performance [34 TAC §20.14 (d) (5) (A) (B) (C) (D)]**.
3. If subcontracting opportunities are not probable UT System will declare such probability in its invitations or bids, requests for proposals, or other purchase solicitation documents and shall require submission of the appropriate HUB Subcontracting Plan with the Response.
 - a. When subcontracting opportunities are not probable, and the Respondent proposes to perform all the work with its employees and resources, the Respondent shall submit a HUB Subcontracting Plan that includes **Section 3 – Self Performance Justification**.
 - b. When subcontracting opportunities are not probable, but the Respondent proposes to subcontract any part of the work, the Respondent shall submit a **HUB Subcontracting Plan as prescribed by the Texas Comptroller** identifying subcontractors.
4. Respondents shall follow, but are not limited to, procedures listed in the Policy when developing a HUB Subcontracting Plan.
5. **Competitive Sealed Proposals (CSP):** Respondents shall submit a HUB Subcontracting Plan (packaged separately) twenty-four (24) hours following the Response submission date and time or as prescribed by the project manager.
6. In making a determination whether a good faith effort has been made in the development of the required HUB Subcontracting Plan, UT System shall follow the procedures listed in the Policy. If accepted by the

University, the HUB Subcontracting Plan shall become a provision of the Respondent's contract with UT System. Revisions necessary to clarify and enhance information submitted in the original HUB subcontracting plan may be made in an effort to determine good faith effort. Any revisions after the submission of the HSP shall be approved by the HUB Coordinator.

7. **Design Build (DB) and Construction Manager @ Risk (CM@R) responses:** Respondents to a "design build" or "construction manager-at-risk" purchase solicitation shall include the Letter of HUB Commitment in their Response attesting that the Respondent has read and understands the Policy on Historically Underutilized Businesses (HUBs), and a HUB Subcontracting Plan for all preconstruction and construction services including a HUB Subcontracting Plan as prescribed by the Texas Comptroller specific to construction services identifying first, second and third tier subcontractors. Respondents proposing to perform Part 1 preconstruction services with their own resources and employees shall submit, as part of their HSP, the Self Performance Justification.
8. **DB and CM@R HUB Contract Requirements:** Contractors engaged under design-build and construction manager-at-risk contracts shall submit a HUB Subcontracting Plan for all preconstruction and construction Phase Services, and, must further comply with the requirements of this Policy by developing and submitting a HUB Subcontracting Plan for each bid package issued in buying out the guaranteed maximum or lump sum price of the project. The HSP shall identify first, second and third tier subcontractors.
9. The University of Texas System shall reject any Response that does not include a fully completed HSP as required. **An incomplete HUB Subcontracting Plan is considered a material failure to comply with the solicitation for proposals.**
10. **Changes to the HUB Subcontracting Plan:** Once a Respondent's HSP is accepted by UT System and becomes a provision of the contract between Respondent and UT System, the Respondent can only change that HSP if (a) the Respondent complies with 34 TAC Section 20.14; (b) the Respondent provides its proposed changes to UT System for review; (c) UT System (including UT System's HUB Coordinator) approves Respondent's proposed changes to its HSP; and (d) UT System and the Respondent amend their contract (in writing signed by authorized officials of both parties) in order to replace the contract's existing HSP with a revised HSP containing the changes approved by UT System.
11. **Expansion of Work:** If, after entering into a contract with a Respondent as a result of a purchase solicitation subject to the Policy, UT System wishes to expand the scope of work that the Respondent will perform under that contract through a change order or any other contract amendment (the "additional work"), UT System will determine if the additional work contains probable subcontracting opportunities not identified in the initial purchase solicitation for that contract. If UT System determines that probable subcontracting opportunities exist for the additional work, then the Respondent must submit to UT System an amended HUB Subcontracting Plan covering those opportunities that complies with the provisions of 34 TAC Section 20.14. Such an amended HSP must be approved by UT System and the Respondent (including UT System's HUB Coordinator) before (a) the contract may be amended by UT System and the Respondent to include the additional work and the amended HSP and (b) the Respondent performs the additional work. If a Respondent subcontracts any of the additional subcontracting opportunities identified by UT System for any additional work (i) without complying with 34 TAC Section 20.14 or (ii) before UT System and that Respondent amend their contract to include a revised HSP that authorizes such subcontracting, then the Respondent will be deemed to be in breach of its contract with UT System. As a result of such breach, UT System will be entitled to terminate its contract with the Respondent, and the Respondent will be subject to any remedial actions provided by Texas law, including those set forth in Chapter 2161, Texas Government Code, and 34 TAC Section 20.14. The University may report a Respondent's nonperformance under a

contract between that Respondent and UT System to the Texas Comptroller in accordance with 34 TAC Sections 20.10 through 20.18.

12. A Response may state that the Respondent intends to perform all the subcontracting opportunities with its own employees and resources in accordance with the Policy. However, if such a Respondent enters into a contract with UT System as a result of such a Response but later desires to subcontract any part of the work set forth in that contract, before the Respondent subcontracts such work it must first change its HUB Subcontracting Plan in accordance with the provisions of Section 10 above.
13. The University of Texas System shall require a professional services firm, contractor or vendor to whom a contract has been awarded to report the identity and the amount paid to its subcontractors on a monthly basis using a **HUB Subcontracting Plan (HSP) Prime Contractor Progress Assessment Report (PAR)** as a condition for payment.
14. If the University of Texas System determines that the successful Respondent failed to implement an approved HUB Subcontracting Plan in good faith, UT System, in addition to any other remedies, may report nonperformance to the Texas Comptroller in accordance with 34 TAC Section 20.14, (g) (1) related remedies of nonperformance to professional services firms, contractor and vendor implementation of the HSP.
15. In the event of any conflict between this “Summary of Requirements” and the remainder of the HUB Policy, the remainder of the HUB Policy will control.
16. These requirements, including the attachments referred to above, may be downloaded over the Internet from <http://utsystem.edu/offices/historically-underutilized-business/hub-forms>. For additional information contact:

The Office of HUB Programs
The University of Texas System
210 West 6th Street
Suite B.140E
Austin, Texas 78701
512/499/4530

**Other Services/Vendor/Commodities HSP
Summary of Attachments Required from Respondents**

	Letter of Transmittal Page 8	Letter of HUB Commitment Page 9	HUB Subcontracting Plan (HSP) Pages 11-18	Progress Assessment Report (PAR) Page 19
1. UT SYSTEM DETERMINES THAT SUBCONTRACTING OPPORTUNITIES ARE PROBABLE.				
1. A. Respondent Proposes Subcontractors: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are probable</u> .	X		X	
1.B. Respondent Proposes Self-Performance: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are probable</u> , but the Respondent can perform such opportunities with its employees and resources.	X		X	
2. UT SYSTEM DETERMINES THAT SUBCONTRACTING OPPORTUNITIES ARE NOT PROBABLE.				
2.A. Respondent Proposes Self-Performance: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are not probable</u> , but the Respondent can perform such opportunities with its employees and resources.	X		X	
2. B. Respondent Proposes Subcontractors: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are not probable</u> , but the Respondent proposes to subcontract any part of the work.	X		X	
3. INDEFINITE DURATION/INDEFINITE QUANTITY CONTRACTS: Submit with initial qualifications. Attachments required from the Respondent prior to contract execution for each contract associated with a solicitation for miscellaneous services.		X	X	
4. CHANGES IN THE HUB SUBCONTRACTING PLAN AFTER AWARD: Attachments required from the Respondent to whom a contract has been awarded if it desires to make changes to the approved HUB Subcontracting Plan.			X	
5. REPORTING: Progress Assessment Report (PAR) required with all payment requests. The submittal of this attachment is a condition of payment.				X

(RESPONDENT'S BUSINESS LETTERHEAD)

Date

Regional HUB Coordinator
The Office of HUB Programs
The University of Texas System
201 W. 6th St., Room B.140E
Austin, Texas 78701

RE: Historically Underutilized Business Plan for (Project Title): _____
Project Number: _____ - _____

Dear ,

In accordance with the requirements outlined in the specification section "HUB Participation Program," I am pleased to forward this HUB Subcontracting Plan as an integral part of our response in connection with your invitation for Request for Proposals referencing the above project.

I have read and understand The University of Texas System Policy on Utilization of Historically Underutilized Businesses (HUBs). I also understand the State of Texas Annual Procurement Goal according to 34 Texas Administrative Code Section §20.13, and the goal as stated in the Agency Special Instructions section of the HUB Subcontracting Plan, page 11.

Select one of the following:

- _____ 32.9% for all special trade construction contracts
- _____ 26% for all other services contracts
- _____ 31.04% for commodities contracts

Subcontractors	No. of Subcontractors	Total Subcontract \$ Value	Total Estimated HUB %	% Minority Owned	% Woman Owned	% Service Disabled Veteran
HUB						
NON-HUB						
TOTAL						

I understand the above HUB percentages must represent Texas Comptroller HUB certification standards. For each of the listed HUB firms, I have attached a Texas Comptroller HUB Certification document.

Should we discover additional subcontractors claiming Historically Underutilized Business status during the course of this contract we will notify you of the same. In addition, if for some reason a HUB is unable to fulfill its contract with us, we will notify you immediately in order to take the appropriate steps to amend this contractual obligation.

Sincerely,

(Project Executive)

cc: Contract Administrator

(RESPONDENT'S BUSINESS LETTERHEAD)

Date

Regional HUB Coordinator
The Office of HUB Programs
The University of Texas System
201 W. 6th St., Room B.140E
Austin, TX 78701

RE: Historically Underutilized Business Plan for (Project Title): _____
Project Number: _____ - _____

Dear ,

In accordance with the requirements outlined in the specification section "HUB Participation Program", I am pleased to forward this HUB Subcontracting Plan as an integral part of our proposal in connection with your invitation for request for proposals, referencing Project Number _____.

I have read and understand The University of Texas System Policy on Utilization of Historically Underutilized Businesses (HUBs). I also understand the State of Texas Annual Procurement Goal according to 34 Texas Administrative Code Section §20.13, and the goal as stated in the Agency Special Instructions section of the HUB Subcontracting Plan, page 11.

Good Faith Effort will be documented by a two part HUB Subcontracting Plan (HSP) process. Part one (1) of the HSP submission will reflect self-performance with the appropriate sections completed per the instructions in Option One of the HSP Quick Checklist located on page 10 of The University of Texas Exhibit H Policy on Utilization of Historically Underutilized Businesses (HUBs).

As the scope of work/project is defined under this ID/IQ contract, part two (2) of the process will require a revised HUB Subcontracting Plan (HSP) and the Good Faith Effort will be documented per instructions in Attachment B (page 16-17) and Option Three of the HSP Quick Check List. The revised HUB Subcontracting Plan will be submitted to the HUB Coordinator prior to execution of each contract process. Documentation of subcontracted work will be provided with each pay request.

Sincerely,

(Project Executive)

cc: Contract Administrator



HUB Subcontracting Plan (HSP)

QUICK CHECKLIST

While this HSP Quick Checklist is being provided to merely assist you in readily identifying the sections of the HSP form that you will need to complete, it is very important that you adhere to the instructions in the HSP form and instructions provided by the contracting agency.

Option One -If you will be awarding all of the subcontracting work you have to offer under the contract to only Texas certified HUB vendors, complete:

- Section 1 - Respondent and Requisition Information
- Section 2a. - Yes, I will be subcontracting portions of the contract
- Section 2b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors
- Section 2c. - Yes
- Section 4 - Affirmation
- GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2b.
- Letter of Transmittal

Option Two -If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you have a continuous contract in place for five (5) years or less meets or exceeds the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:

- Section 1 - Respondent and Requisition Information
- Section 2a. - Yes, I will be subcontracting portions of the contract
- Section 2b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors
- Section 2c. - No
- Section 2d. - Yes
- Section 4 - Affirmation
- GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2b.
- Letter of Transmittal

Option Three -If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors or only to Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you have a continuous contract in place for five (5) years or less does not meet or exceed the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:

- Section 1 - Respondent and Requisition Information
- Section 2a. - Yes, I will be subcontracting portions of the contract
- Section 2b. - List all the portions of work you will subcontract, and indicated the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors
- Section 2c. - No
- Section 2d. - No
- Section 4 - Affirmation
- GFE Method B (Attachment B) - Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2b.
- Letter of Transmittal

Option Four - If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources, complete:

- Section 1 - Respondent and Requisition Information
- Section 2a. - No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources
- Section 3 - Self Performing Justification
- Section 4 - Affirmation
- Letter of HUB Commitment

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.



HUB Subcontracting Plan (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.13 are:

- **11.2 percent for heavy construction other than building contracts,**
- **21.1 percent for all building construction, including general contractors and operative builders' contracts,**
- **32.9 percent for all special trade construction contracts,**
- **23.7 percent for professional services contracts,**
- **26.0 percent for all other services contracts, and**
- **21.1 percent for commodities contracts.**

- - Agency Special Instructions/Additional Requirements - -

In accordance with 34 TAC §20.14(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only aggregate percentage of the contract expected to be subcontracted to HUBs with which the respondent does not have a continuous contract* in place for more than five (5) years shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.

In accordance with 34 TAC §20.13 (d)(1)9D)(iii), the goals stated below are the applicable goals for The University of Texas System Administration only.

Commodities HUB Goal – 31.04%

Other Services HUB Goal – 26%

Special Trades HUB Goal – 32.9%

- Responses shall submit a completed HUB Subcontracting Plan (HSP) to be considered responsive. Failure to submit a completed HSP shall result in the bid, proposal or other expression of interest to be considered NON-responsive.
- Respondents who intend to Self-Perform all of their work shall submit an HSP for Self-Performance (pages 11-14).
- HUB Subcontracting Plan (HSP) Prime Contractor Assessment Report (PAR) shall be submitted with each request for payment and is a condition of payment.
- Only fax, email and certified letter are acceptable documentation of the Good Faith Effort.

SECTION-1: RESPONDENT AND REQUISITION INFORM

a. Respondent (Company) Name: _____ State of Texas VID #: _____
 Point of Contact: _____ Phone #: _____
 E-mail Address: _____ Fax #: _____

b. Is your company a State of Texas certified HUB? - Yes - No

c. Requisition #: _____ Bid Open Date: _____

Enter your company's name here: _____ Requisition #: _____

SECTION-2: SUBCONTRACTING INTENTIONS RESPONDENT

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including goods and services, will be subcontracted. Note: In accordance with 34 TAC §20.11., an "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- *Yes*, I will be subcontracting portions of the contract. (If *Yes*, complete Item b, of this SECTION and continue to Item c of this SECTION.)
- *No*, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources. (If *No*, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for five (5) years or less.	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs.
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <http://window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>.)

c. Check the appropriate box (Yes or No) that indicates whether you will be using **only** Texas certified HUBs to perform **all** of the subcontracting opportunities you listed in SECTION 2, Item b.

- *Yes* (If *Yes*, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- *No* (If *No*, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract **with Texas certified** HUBs with which you have a **continuous contract*** in place with for five (5) years or less meets or exceeds the HUB goal the contracting agency identified on page 1 in the "**Agency Special Instructions/Additional Requirements**".

- *Yes* (If *Yes*, continue to SECTION 4 **and** complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)
- *No* (If *No*, continue to SECTION 4 **and** complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed.)

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: _____ Requisition #: _____

SECTION-2: SUBCONTRACTING INTENTIONS RESPONDENT (CONTINUATION SHEET)

a. This page can be used as a continuation sheet to the HSP Form's page 2, Section 2, Item b. Continue listing the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract</u> * in place for five (5) years or less.	Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract</u> * in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs.
16		%	%	%
17		%	%	%
18		%	%	%
19		%	%	%
20		%	%	%
21		%	%	%
22		%	%	%
23		%	%	%
24		%	%	%
25		%	%	%
26		%	%	%
27		%	%	%
28		%	%	%
29		%	%	%
30		%	%	%
31		%	%	%
32		%	%	%
33		%	%	%
34		%	%	%
35		%	%	%
36		%	%	%
37		%	%	%
38		%	%	%
39		%	%	%
40		%	%	%
41		%	%	%
42		%	%	%

**Continuous Contract: Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.*

Enter your company's name here: _____ Requisition #: _____

SECTION-3: SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4)

Check the appropriate box (Yes or No) that indicates whether your response/proposal contains an explanation demonstrating how your company will fulfill the entire contract with its own resources.

- **Yes** (If **Yes**, in the space provided below list the **specific page(s)/section(s)** of your proposal which explains how your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)
- **No** (If **No**, in the space provided below **explain how** your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)

SECTION-4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/progressassessmentrpt.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature	Printed Name	Title	Date <small>(mm/dd/yyyy)</small>
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Reminder:

- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

HSP Good Faith Effort - Method B (Attachment B)

Rev. 10/14

Enter your company's name here: _____ Requisition #: _____

IMPORTANT: If you responded "Yes" to SECTION 2, Items c or d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://window.state.tx.us/procurement/prog/hub/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: _____ Description: _____

SECTION B-2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If *Yes*, to continue to SECTION B-4.)
- No / Not Applicable (If *No* or *Not Applicable*, continue to SECTION B-3 and SECTION B-4.)

SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you MUST comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.

- a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://mycpa.state.tx.us/passcmbsearch/index.jsp>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- b. List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

CompanyName	VID Number	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No

- c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to two (2) or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>.

- d. List two (2) trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

Enter your company's name here: _____ Requisition #: _____

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: _____ Description: _____

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas certified HUB	VID Number (Required if Texas certified HUB)	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is not a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

APPENDIX THREE
SAMPLE AGREEMENT

for

**Software Tools and Services for
Medical Billing Compliance**

between

THE UNIVERSITY OF TEXAS SYSTEM

and

This Agreement, dated effective as of _____, 20__ (“**Effective Date**”), is made by and between **The University of Texas System (“UT System”)**, a state agency and institution of higher education authorized under the laws of the State of Texas, and _____ (“**Contractor**”), a _____ corporation, Federal Tax Identification Number _____, with its principal offices located at _____.

This Agreement specifies the terms and conditions applicable to the supply by Contractor of certain software tools and services to UT System and its institutions, all as further described below.

Now, therefore, the parties, intending to be legally bound, agree as follows:

SECTION 1 – Definitions

“**Institutional Participant**” means a UT System institution, as designated by UT System, that has executed an Institutional Participation Agreement in connection with this Agreement.

“**Institutional Participation Agreement**” or “**IPA**” means the Institutional Participation Agreement attached to this Agreement as **Rider 300** and incorporated for all purposes, to be executed by each Institutional Participant.

“**Services**” means the supply by Contractor of software tools and services for medical billing compliance, as described in **Rider 100**, Scope of Work.

“**UT Party**” means, as applicable, UT System and/or the Institutional Participants.

“**UT System Contract Administrator**” means the UT System Associate Vice Chancellor for Shared Services, who will be the initial contact for all contractual concerns related to this Agreement.

SECTION 2 – Term:

The term of this Agreement will begin on the Effective Date and expire _____ [*initial fixed term of three years*], unless earlier terminated in accordance with the provisions of this Agreement. UT System will have the option to extend the term of this Agreement for an additional two-year period, upon written notice given to Contractor at least 90 days in advance of the renewal term.

The Parties acknowledge that, prior to any scheduled expiration of this Agreement, UT System may conduct a competitive procurement for the purchase of products and services comparable to the Services, for the period following expiration. If Contractor is not selected as the source for the succeeding period, Institutional Participants may need to transition over a period of time to purchasing the products and services primarily from the new source, rather than from Contractor. In such event, in order to allow for an orderly transition, Institutional Participants may wish to continue purchasing from Contractor for a limited period of time after the anticipated expiration of this Agreement. As a result, Contractor agrees that, notwithstanding any other provision of this Agreement:

- Contractor will make the Services available for purchase by Institutional Participants after _____, 20__ (or the anticipated expiration date under any extended term of this Agreement), for a transitional period of six months (the “**Transition Period**”), on the same terms and conditions set forth in this Agreement.
- The Administrative Fee provided for in **Rider 100** (Scope of Work) will apply to all Services purchased hereunder during the Transition Period, and all related obligations of Contractor under this Agreement (such as to report sales volumes to UT System) will continue during such period.
- The Administrative Fee will apply to all future payments made for purchases of Services initiated during this Agreement, including the Transition Period, even if such payments are made following expiration of this Agreement.
- All incentive / rebate trigger amounts that may be established in this Agreement for any calendar year will be pro-rated automatically on a straight-line basis, to account for partial calendar years during which this Agreement exists, including the Transition Period.

SECTION 3 – Amendment:

No change, modification, alteration, or waiver of this Agreement will be effective unless it is set forth in a written agreement that is signed by UT System and Contractor.

SECTION 4 – Performance by Contractor:

Contractor will perform its obligations under this Agreement to the satisfaction of UT Party. Time is of the essence in connection with this Agreement. UT Party will not have any obligation to accept late performance or waive timely performance by Contractor. Contractor will obtain, at its own cost, any and all approvals, licenses, filings, registrations and permits required by federal, state or local laws, regulations or ordinances, for its performance hereunder.

SECTION 5 – Family Code Child Support Certification:

Pursuant to Section 231.006, *Family Code*, Contractor certifies that it is not ineligible to receive the award of or payments under this Agreement and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

SECTION 6 – Eligibility Certifications:

Pursuant to Sections 2155.004 and 2155.006, *Texas Government Code*, Contractor certifies that it has not received compensation for participation in the preparation of the Request for Proposal related to this Agreement and is not ineligible to receive the award of or payments under this Agreement; and acknowledges that this Agreement may be terminated and payment withheld if these certifications are inaccurate.

Pursuant to Section 361.965, Texas Health and Safety Code, Contractor also certifies that it is in full compliance with the State of Texas Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act set forth in Chapter 361, Subchapter Y, Texas Health and Safety Code, and the rules adopted by the Texas Commission on Environmental Quality under that Act as set forth in Title 30, Chapter 328, Subchapter I, Texas Administrative Code. Contractor acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

SECTION 7 – Tax Certification:

If Contractor is a taxable entity as defined by Chapter 171, Texas Tax Code (“**Chapter 171**”), then Contractor certifies that it is not currently delinquent in the payment of any taxes due under Chapter 171, or that Contractor is exempt from the payment of those taxes, or that Contractor is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable.

SECTION 8 – Payment of Debt or Delinquency to the State:

Pursuant to Sections 2107.008 and 2252.903, *Texas Government Code*, Contractor agrees that any payments owing to Contractor under this Agreement may be applied directly toward any debt or delinquency that Contractor owes the State of Texas or any agency of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.

SECTION 9 – Loss of Funding:

Performance by UT Party under this Agreement may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the “**Legislature**”) and/or allocation of funds by the Board of Regents of The University of Texas System (the “**Board**”). If the Legislature fails to appropriate or allot the necessary funds, or the Board fails to allocate the necessary funds, then UT Party will issue written notice to Contractor and UT Party may terminate this Agreement without further duty or obligation hereunder, other than payment for goods and services already delivered or provided to Institutional Participant. Contractor acknowledges that appropriation, allotment, and allocation of funds are beyond the control of UT Party.

SECTION 10 – Force Majeure:

None of the parties to this Agreement will be liable or responsible to another for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control including acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character (“**force majeure occurrence**”). Provided, however, in the event of a force majeure occurrence, Contractor agrees to use its best efforts to mitigate the impact of

the occurrence so that UT Party may continue to provide healthcare services during the occurrence.

SECTION 11 – Notices:

Except as otherwise provided in this Section, all notices, consents, approvals, demands, requests or other communications provided for or permitted to be given under any of the provisions of this Agreement will be in writing and will be sent via registered or certified mail, overnight courier, confirmed facsimile transmission (to the extent a facsimile number is set forth below), or email (to the extent an email address is set forth below), and notice will be deemed given (i) if mailed, when deposited, postage prepaid, in the United States mail, (ii) if sent by overnight courier, one business day after delivery to the courier, (iii) if sent by facsimile (to the extent a facsimile number is set forth below), when transmitted, and (iv) if sent by email (to the extent an email address is set forth below), when received:

If to UT System: Office of Business Affairs
The University of Texas System
201 W. 7th Street
Attn: Executive Vice Chancellor for Business Affairs
Austin, Texas 78701-2982
Fax: 512-499-4289
Email: Lloyd@utsystem.edu

with copy to: The University of Texas System Shared Services Office
Email: richardstonge@utsystem.edu

If to Contractor: _____

Attn: _____
Fax: _____
Email: _____

If to an Institutional Participant: The contact information for Institutional Participant as set forth in its IPA.

with copy to: Office of Business Affairs
The University of Texas System
201 W. 7th Street
Attn: Executive Vice Chancellor for Business Affairs
Austin, Texas 78701-2982
Fax: 512-499-4289
Email: LegalNotices@utsystem.edu

and The University of Texas System Shared Services Office
Email: richardstonge@utsystem.edu

or such other person or address as may be given in writing by either party to the other in accordance with the aforesaid.

SECTION 12 – Contractor's Obligations.

12.1 Contractor represents that it has the knowledge, ability, skills, and resources to perform its obligations hereunder.

12.2 Contractor will maintain a staff of properly trained and experienced personnel to ensure satisfactory performance hereunder. Contractor will cause all persons connected with the Contractor directly in charge of performance hereunder to be duly registered and/or licensed under all applicable federal, state and municipal, laws, regulations, codes, ordinances and orders, including the rules, regulations and procedures promulgated by the Board or Institutional Participants, and those of any other body or authority having jurisdiction (collectively, "**Applicable Law**").

12.3 Contractor represents, warrants and agrees that (a) it will use commercially reasonable efforts to perform hereunder, in a good and workmanlike manner and in accordance with commercially reasonable standards of Contractor's profession or business, and (b) all goods and services provided hereunder will be of the quality that prevails among similar businesses engaged in providing similar products and services in major United States urban areas under the same or similar circumstances.

12.4 Contractor warrants and agrees that all Services supplied under this Agreement will be accurate and free from any material defects. Contractor's performance hereunder will at no time be in any way diminished by reason of any approval by UT Party nor will Contractor be released from any liability by reason of any approval by UT Party, it being agreed that UT Party at all times is relying upon Contractor's skill and knowledge in performing hereunder. Contractor will, at its own cost, correct all material defects in Services supplied under this Agreement, as soon as practical after Contractor becomes aware of the defects. If Contractor fails to correct such material defects within a reasonable time, then UT Party may correct the defect at Contractor's expense. This remedy is in addition to, and not in substitution for, any other remedy for the defect that UT Party may have at law or in equity.

12.5 Contractor will call to the attention of UT Party, in writing, all information in any materials supplied to Contractor (by UT Party or any other party) that Contractor regards as unsuitable, improper or inaccurate in connection with the purposes for which the material is furnished.

12.6 Contractor represents that if (i) it is a corporation or limited liability company, then it is a corporation duly organized, validly existing and in good standing under the laws of the State of Texas, or a foreign corporation or limited liability company duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary corporate power and has received all necessary corporate approvals to execute and deliver this Agreement, and the individual executing this Agreement on behalf of Contractor has been duly authorized to act for and bind Contractor; or (ii) if it is a partnership, limited partnership, limited liability partnership, or limited liability company then it has all necessary power and has secured all necessary approvals to execute and deliver this Agreement and perform all its obligations hereunder, and the individual executing this Agreement on behalf of Contractor has been duly authorized to act for and bind Contractor.

12.7 Contractor will provide the warranties more particularly described in Section ___ of **Rider 100**, Scope of Work.

12.8 Contractor represents and warrants that neither the execution and delivery of this Agreement by Contractor nor Contractor's performance hereunder will (a) result in the violation of any provision [i] if a corporation, of Contractor's articles of incorporation or by-laws, [ii] if a limited liability company, of its articles of organization or regulations, or [iii] if a partnership, of any partnership agreement by which Contractor is bound; (b) result in the violation of any provision of any agreement by which Contractor is bound; or (c) to the best of Contractor's knowledge and belief, conflict with any order or decree of any court or other body or authority having jurisdiction.

SECTION 13 – State Auditor’s Office:

Contractor understands that acceptance of funds under this Agreement constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, “**Auditor**”), to conduct an audit or investigation in connection with those funds pursuant to Sections 51.9335(c), 73.115(c) and 74.008(c), Education Code. Contractor agrees to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation providing all records requested. Contractor will include this provision in all contracts with permitted subcontractors.

SECTION 14 –Governing Law:

Travis County, Texas, will be the proper place of venue for suit on or in respect of this Agreement. This Agreement and all of the rights and obligations of the parties thereto and all of the terms and conditions thereof will be construed, interpreted and applied in accordance with and governed by and enforced under the internal laws of the State of Texas.

SECTION 15 – Breach of Contract Claims:

15.1 To the extent that Chapter 2260, Texas Government Code, as it may be amended from time to time (“**Chapter 2260**”), is applicable to this Agreement and is not preempted by other Applicable Law, the dispute resolution process provided for in Chapter 2260 will be used, as further described herein, by UT Party and Contractor to attempt to resolve any claim for breach of contract made by Contractor:

15.1.1 Contractor’s claims for breach of this Agreement that the parties cannot resolve pursuant to other provisions of this Agreement or in the ordinary course of business will be submitted to the negotiation process provided in subchapter B of Chapter 2260. To initiate the process, Contractor will submit written notice, as required by subchapter B of Chapter 2260, to UT Party in accordance with the notice provisions in this Agreement. Contractor's notice will specifically state that the provisions of subchapter B of Chapter 2260 are being invoked, the date and nature of the event giving rise to the claim, the specific contract provision that UT Party allegedly breached, the amount of damages Contractor seeks, and the method used to calculate the damages. Compliance by Contractor with subchapter B of Chapter 2260 is a required prerequisite to Contractor's filing of a contested case proceeding under subchapter C of Chapter 2260. The UT Party’s chief business officer, or another officer of UT Party as may be designated from time to time by UT Party by written notice thereof to Contractor in accordance with the notice provisions in this Agreement, will examine Contractor's claim and any counterclaim and negotiate with Contractor in an effort to resolve the claims.

15.1.2 If the parties are unable to resolve their disputes under Section 4.11.1.1, the contested case process provided in subchapter C of Chapter 2260 is Contractor’s sole and exclusive process for seeking a remedy for any and all of Contractor's claims for breach of this Agreement by UT Party.

15.1.3 Compliance with the contested case process provided in subchapter C of Chapter 2260 is a required prerequisite to seeking consent to sue from the Legislature under Chapter 107, Civil Practices and Remedies Code. The parties hereto specifically agree that (i) neither the execution of this Agreement by UT Party nor any other conduct, action or inaction of any representative of UT Party relating to this Agreement constitutes or is intended to constitute a waiver of UT Party's or the state's sovereign immunity to suit and (ii) UT Party has not waived its right to seek redress in the courts.

15.2 The submission, processing and resolution of Contractor's claim is governed by the published rules adopted by the Texas Attorney General pursuant to Chapter 2260, as currently effective, thereafter enacted or subsequently amended.

15.3 UT Party and Contractor agree that any periods set forth in this Agreement for notice and cure of defaults are not waived.

SECTION 16 – Compliance with Law:

Contractor will perform hereunder in compliance with all Applicable Law. Contractor represents and warrants that neither Contractor nor any firm, corporation or institution represented by Contractor, nor anyone acting for such firm, corporation or institution, (1) has violated the antitrust laws of the State of Texas, Chapter 15, *Texas Business and Commerce Code*, or federal antitrust laws, or (2) has communicated directly or indirectly the content of Contractor's response to UT System's procurement solicitation to any competitor or any other person engaged in a similar line of business during the procurement process.

SECTION 17 – UT Party's Right to Audit:

At any time during the term of this Agreement and for a period of four (4) years thereafter UT System or a duly authorized audit representative of UT System, or the State of Texas, at its expense and at reasonable times, reserves the right to audit Contractor's records and books directly related to charges paid for all products and services provided under this Agreement. The right will not extend to any fixed fee component of the charges or to any services performed more than one year prior to the date of request for review. In the event such an audit by UT System reveals any errors or overpayments by UT System which error or overpayment is confirmed by Contractor, Contractor will refund UT System the full amount of such overpayments within thirty (30) days of such audit findings, or UT System, at its option, reserves the right to deduct such amounts owing to UT System from any payments due Contractor

SECTION 18 – Access to Documents:

To the extent applicable to this Agreement, in accordance with Section 1861(v)(I)(i) of the Social Security Act (42 U.S.C. 1395x) as amended, and the provisions of 42 CFR Section 420.300, et seq., Contractor agrees to allow, during and for a period of not less than four (4) years after this Agreement term, access to this Agreement and its books, documents, and records; and contracts between Contractor and its subcontractors or related organizations, including books, documents and records relating to same, by the Comptroller General of the United States, the U.S. Department of Health and Human Services and their duly authorized representatives.

SECTION 19 – Insurance:

19.1 Contractor, consistent with its status as an independent contractor, will carry and will cause its subcontractors to carry, at least the following insurance, with companies authorized to do insurance business in the State of Texas or eligible surplus lines insurers operating in accordance with the Texas Insurance Code, having an A.M. Best Rating of A-:VII or better, and in amounts not less than the following minimum limits of coverage:

19.1.1 Workers' Compensation Insurance with statutory limits, and Employer's Liability Insurance with limits of not less than \$1,000,000:

Employers Liability - Each Accident	\$1,000,000
Employers Liability - Each Employee	\$1,000,000

Employers Liability - Policy Limit \$1,000,000

Workers' Compensation policy must include under Item 3.A. on the information page of the workers' compensation policy the state in which services are to be performed for Institutional Participant.

19.1.2 Commercial General Liability Insurance with limits of not less than:

Each Occurrence Limit	\$1,000,000
Damage to Rented Premises	\$ 300,000
Personal & Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products - Completed Operations Aggregate	\$2,000,000

The required Commercial General Liability policy will be issued on a form that insures Contractor's and subcontractor's liability for bodily injury (including death), property damage, personal and advertising injury assumed under the terms of this Agreement.

19.1.3 Business Auto Liability Insurance covering all owned, non-owned or hired automobiles, with limits of not less than \$1,000,000 single limit of liability per accident for Bodily Injury and Property Damage. Contractors transporting hazardous materials must provide the MCS-90 endorsement and CA9948 Broadened Pollution Liability endorsement on the Business Auto Liability policy. Policy limits must be in line with Federal requirements.

19.1.4 Umbrella/Excess Liability Insurance with limits of not less than \$2,000,000 per occurrence and aggregate with a deductible of no more than \$10,000, and will be excess over and at least as broad as the underlying coverage as required under **Sections 19.1.1 Employer's Liability; 19.1.2 Commercial General Liability; and 19.1.3 Business Auto Liability**. Inception and expiration dates will be the same as the underlying policies. Drop-down coverage will be provided for reduction or exhaustion of underlying aggregate limits and will provide a duty to defend for any insured.

19.1.5 Directors' and Officers' Liability Insurance with limits of not less than \$1,000,000 per claim. The coverage will be continuous for the duration of this Agreement and for not less than twenty-four (24) months following the expiration or termination of this Agreement.

19.2 Contractor will deliver to Institutional Participant:

19.2.1 Evidence of insurance on a Texas Department of Insurance approved certificate form verifying the existence and actual limits of all required insurance policies after the execution and delivery of this Agreement and prior to the performance by Contractor under this Agreement. Additional evidence of insurance will be provided verifying the continued existence of all required insurance no later than thirty (30) days after each annual insurance policy renewal.

19.2.2 All insurance policies (with the exception of workers' compensation, employer's liability and professional liability) will be endorsed and name The Board of Regents of The University of Texas System, The University of Texas System, and Institutional Participant as Additional Insureds for liability caused in whole or in part by Contractor's acts or omissions with respect to its on-going and

completed operations up to the actual liability limits of the required insurance policies maintained by Contractor. The Commercial General Liability Additional Insured endorsement including on-going and completed operations coverage will be submitted with the Certificates of Insurance. Commercial General Liability and Business Auto Liability will be endorsed to provide primary and non-contributory coverage.

- 19.2.3** Contractor hereby waives all rights of subrogation against The Board of Regents of The University of Texas System, The University of Texas System and Institutional Participant. **All insurance policies** will be endorsed to provide a waiver of subrogation in favor of The Board of Regents of The University of Texas System, The University of Texas System and Institutional Participant. No policy will be canceled until after thirty (30) days' unconditional written notice to Institutional Participant. **All insurance policies** will be endorsed to require the insurance carrier providing coverage to send notice to Institutional Participant thirty (30) days prior to any cancellation, material change, or non-renewal relating to any insurance policy required in this **Section 19**.
- 19.2.4** Contractor will pay any deductible or self-insured retention for any loss. Any self-insured retention must be declared to and approved by Institutional Participant prior to the performance by Contractor under this Agreement. All deductibles and self-insured retentions will be shown on the Certificates of Insurance.
- 19.2.5** Certificates of Insurance and Additional Insured Endorsements as required by this Agreement will be mailed, faxed, or emailed to the Institutional Participant contact identified in the Institutional Participation Agreement.
- 19.3** Contractor's or subcontractor's insurance will be primary to any insurance carried or self-insurance program established by Institutional Participant or The University of Texas System. Contractor's or subcontractor's insurance will be kept in force until all obligations under this Agreement have been fully performed and accepted by Institutional Participant in writing, except as provided in this **Section 19.3**.
- 19.3.1** Directors and Officers Liability insurance coverage written on a claims-made basis requires Contractor to purchase an Extended Reporting Period Endorsement, effective for 24 months after the expiration or cancellation of this policy.

SECTION 20 – Indemnification:

20.1 TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY UT PARTY, AND HOLD HARMLESS UT PARTY AND ITS AFFILIATED ENTERPRISES, REGENTS, OFFICERS, DIRECTORS, ATTORNEYS, EMPLOYEES, REPRESENTATIVES AND AGENTS (COLLECTIVELY "**INDEMNITEES**") FROM AND AGAINST ALL DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS, EXPENSES, AND OTHER CLAIMS OF ANY NATURE, KIND, OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTLING ANY OF THE FOREGOING (COLLECTIVELY "**CLAIMS**") BY ANY PERSON OR ENTITY, ARISING OUT OF, CAUSED BY, OR RESULTING FROM CONTRACTOR'S PERFORMANCE UNDER OR BREACH OF THIS AGREEMENT, AND THAT ARE CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT, NEGLIGENT OMISSION OR WILLFUL MISCONDUCT OF CONTRACTOR, ANYONE DIRECTLY EMPLOYED BY CONTRACTOR OR ANYONE FOR WHOSE ACTS CONTRACTOR MAY BE LIABLE. THE PROVISIONS OF THIS SECTION WILL

NOT BE CONSTRUED TO ELIMINATE OR REDUCE ANY OTHER INDEMNIFICATION OR RIGHT WHICH ANY INDEMNITEE HAS BY LAW OR EQUITY. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

20.2 IN ADDITION, CONTRACTOR WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY UT PARTY, AND HOLD HARMLESS INDEMNITEES FROM AND AGAINST ALL CLAIMS ARISING FROM INFRINGEMENT OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER PROPRIETARY INTEREST ARISING BY OR OUT OF THE PERFORMANCE OF SERVICES OR THE PROVISION OF GOODS BY CONTRACTOR, OR THE USE BY INDEMNITEES, AT THE DIRECTION OF CONTRACTOR, OF ANY ARTICLE OR MATERIAL; PROVIDED, THAT, UPON BECOMING AWARE OF A SUIT OR THREAT OF SUIT FOR INFRINGEMENT, UT PARTIES WILL PROMPTLY NOTIFY CONTRACTOR AND CONTRACTOR WILL BE GIVEN THE OPPORTUNITY TO NEGOTIATE A SETTLEMENT. IN THE EVENT OF LITIGATION, UT PARTIES AGREE TO REASONABLY COOPERATE WITH CONTRACTOR. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

SECTION 21 – Ethics Matters; No Financial Interest:

Contractor and its employees, agents, representatives and subcontractors have read and understand UT System’s Conflicts of Interest Policy available at <http://www.utsystem.edu/policy/policies/int160.html>, UT System’s Standards of Conduct Guide available at <http://www.utsystem.edu/systemcompliance/>, and applicable state ethics laws and rules available at www.utsystem.edu/ogc/ethics. Neither Contractor nor its employees, agents, representatives or subcontractors will assist or cause UT Party’s employees to violate UT System’s Conflicts of Interest Policy, provisions described by UT System’s Standards of Conduct Guide, or applicable state ethics laws or rules. Contractor represents and warrants that no member of the Board has a direct or indirect financial interest in the transaction that is the subject of this Agreement.

SECTION 22 – Assignment of Overcharge Claims:

Contractor hereby assigns to UT Party any and all claims for overcharges associated with this Agreement arising under the antitrust laws of the United States, 15 U.S.C.A., Sec. 1 et seq., or arising under the antitrust laws of the State of Texas, Business and Commerce Code, Sec. 15.01, et seq.

SECTION 23 – Assignment and Subcontracting:

Except as specifically provided in any Historically Underutilized Business Subcontracting Plan (“HSP”) attached as **Rider 500** and incorporated for all purposes, neither Contractor’s interest in this Agreement, its duties and obligations under this Agreement nor fees due to Contractor under this Agreement may be subcontracted, assigned, delegated or otherwise transferred to a third party, in whole or in part, and any attempt to do so will (1) not be binding on UT Party; and (2) be a breach of this Agreement for which Contractor will be subject to any remedial actions provided by Texas law, including Chapter 2161, Texas Government Code, and 34 Texas Administrative Code (“TAC”) Section 20.14. UT Party may report nonperformance under this Agreement to the Texas Procurement and Support Services Division of the Texas Comptroller of Public Accounts or any successor agency (collectively, “TPSS”) in accordance with 34 TAC Chapter 20, Subchapter F, Vendor Performance and Debarment Program. The benefits and burdens of this Agreement are, however, assignable by UT Party.

SECTION 24 – Historically Underutilized Business Subcontracting Plan:

24.1 If an HSP is attached to this Agreement, Contractor agrees to use good faith efforts to subcontract the scope of work in accordance with the HSP. Contractor agrees to maintain business records documenting its compliance with the HSP and to submit a monthly compliance report to UT Party in the format required by the TPSS. Submission of compliance reports will be required as a condition for payment under this Agreement. If UT Party determines that Contractor has failed to subcontract as set out in the HSP, UT Party will notify Contractor of any deficiencies and give Contractor an opportunity to submit documentation and explain why the failure to comply with the HSP should not be attributed to a lack of good faith effort by Contractor. If UT Party determines that Contractor failed to implement the HSP in good faith, UT Party, in addition to any other remedies, may report nonperformance to the TPSS in accordance with 34 TAC Chapter 20, Subchapter F, Vendor Performance and Debarment Program. UT Party may also revoke this Agreement for breach and make a claim against the Contractor.

24.2 If at any time during the term of this Agreement, Contractor desires to change the HSP, before the proposed changes become effective (1) Contractor must comply with 34 TAC Section 20.14; (2) the changes must be reviewed and approved by UT Party; and (3) if UT Party approves changes to the HSP, this Agreement must be amended in accordance with Section 2.5.3 to replace the HSP with the revised subcontracting plan.

24.3 If UT Party expands the scope of this Agreement through a change order or any other amendment, UT Party will determine if the additional scope of work contains probable subcontracting opportunities not identified in the initial solicitation for the scope of work. If UT Party determines additional probable subcontracting opportunities exist, Contractor will submit an amended subcontracting plan covering those opportunities. The amended subcontracting plan must comply with the provisions of 34 TAC Section 20.14 before (1) this Agreement may be amended to include the additional scope of work; or (2) Contractor may perform the additional scope of work. If Contractor subcontracts any of the additional subcontracting opportunities identified by UT Party without prior authorization and without complying with 34 TAC Section 20.14, Contractor will be deemed to be in breach of this Agreement under Section 4.19 and will be subject to any remedial actions provided by Texas law including Chapter 2161, Texas Government Code, and 34 TAC Section 20.14. UT Party may report nonperformance under this Agreement to the TPSS in accordance with 34 TAC Chapter 20, Subchapter F, Vendor Performance and Debarment Program.

SECTION 25 – Payment and Invoicing:

Institutional Participant agrees to pay fees due under this Agreement in accordance with the Texas Prompt Payment Act (“Act”), Chapter 2251, *Texas Government Code*. Pursuant to the Act, payment will be deemed late on the 31st day after the later of: 1) the date the performance is completed, or 2) the date Institutional Participant receives an invoice for the related goods or services. Institutional Participant will be responsible for interest on overdue payments equal to the sum of: 1) one percent, plus 2) the prime rate as published in the Wall Street Journal on the first day of July of the preceding fiscal year (Institutional Participant’s fiscal year begins September 1) that does not fall on a Saturday or Sunday. Institutional Participant will have the right to verify the details set forth in Contractor’s invoices and supporting documentation, either before or after payment, by (a) inspecting the books and records of Contractor at mutually convenient times; (b) examining any reports with respect to the related goods or services; and (c) other reasonable action.

Contractor will present its invoices in a format / layout agreed upon in advance with Institutional Participant.

Section 51.012, *Texas Education Code*, authorizes UT Party to make any payment through electronic funds transfer methods. Contractor agrees to receive payments from UT Party

through electronic funds transfer methods, including the automated clearing house system (also known as ACH). Prior to the first payment under this Agreement, UT Party will confirm Contractor's banking information. Any changes to Contractor's banking information will be communicated by Contractor to UT Party in writing at least thirty (30) days in advance of the effective date of the change.

SECTION 26 – Limitations:

The parties to this Agreement are aware that there are constitutional and statutory limitations on the authority of UT Party (a state agency) to enter into certain terms and conditions of this Agreement, including, but not limited to, those terms and conditions relating to disclaimers and limitations of warranties; disclaimers and limitations of liability for damages; waivers, disclaimers and limitations of legal rights, remedies, requirements and processes; limitations of periods to bring legal action; granting control of litigation or settlement to another party; liability for acts or omissions of third parties; payment of attorneys' fees; dispute resolution; indemnities; and confidentiality (collectively, the "**Limitations**"), and terms and conditions related to the Limitations will not be binding on UT Party except to the extent authorized by the laws and Constitution of the State of Texas.

SECTION 27 – Affirmative Action:

Contractor agrees that either a written copy of Contractor's Civil Rights "Affirmative Action Compliance Program" or, if Contractor is not required to have such a written program, the reason Contractor is not subject to such requirement, is attached to this Agreement as **Rider 500** and incorporated for all purposes.

SECTION 28 – OSHA Compliance:

Contractor represents and warrants that all products and services furnished under this Agreement meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law (Public Law 91-598) and its regulations in effect or proposed as of the date of this Agreement.

SECTION 29 - Certifications of Nonsegregated Facilities and Equal Employment Opportunities Compliance:

Contractor certifies that, except for restrooms and wash rooms and one (1) or more lactation rooms each of which is segregated on the basis of sex: (1) it does not maintain or provide for its employees any segregated facilities at any of its establishments and that it does not permit its employees to perform their services at any location under its control where segregated facilities are maintained; (2) it will not maintain or provide for its employees any segregated facilities at any of its establishments; and (3) it will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. Contractor agrees that a breach of this certification is a violation of the Equal Opportunity clause in this Agreement. The term "**segregated facilities**" means any waiting rooms, work area, rest rooms and wash rooms, entertainment areas, transportation, or housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin, because of habit, local custom, or otherwise. Contractor further agrees that, except where it has contracts prior to the award with subcontractors exceeding \$10,000.00 which are not exempt from the provisions of the Equal Opportunity clause, Contractor will retain such certifications for each one of its subcontractors in Contractor's files, and that it will forward the following notice to all proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENTS FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES - A Certification on Nonsegregated Facilities must be submitted prior to the award of any subcontract exceeding \$10,000.00 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e. quarterly, semiannually, or annually).

Contractor understands that the penalty for making false statements regarding the subject matters of this Section is prescribed in 18 U.S.C. 1001.

SECTION 30 – Premises Rules:

If this Agreement requires Contractor's presence on UT Party's premises or in UT Party's facilities, Contractor agrees to cause its representatives, agents, employees and permitted subcontractors (if any) to become aware of, fully informed about, and in full compliance with all applicable UT Party rules and policies, including, without limitation, those relative to personal health, security, environmental quality, safety, fire prevention, noise, smoking, and access restrictions; consideration for students, patients and their families as well as employees; parking; and security.

SECTION 31 – Debarment:

Contractor confirms that neither Contractor nor its Principals are suspended, debarred, proposed for debarment, declared ineligible, or voluntarily excluded from the award of contracts from United States ("U.S.") federal government procurement or nonprocurement programs, or are listed in the List of Parties Excluded from Federal Procurement or Nonprocurement Programs issued by the U.S. General Services Administration. "Principals" means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g. general manager, plant manager, head of a subsidiary, division or business segment, and similar positions). Contractor will provide immediate written notification to UT Party if, at any time prior to award, Contractor learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances. This certification is a material representation of fact upon which reliance will be placed when UT Party executes this Agreement. If it is later determined that Contractor knowingly rendered an erroneous certification, in addition to the other remedies available to UT Party, UT Party may terminate this Agreement for default by Contractor.

SECTION 32 – Office of Inspector General Certification:

Contractor acknowledges that UT Party is prohibited by federal regulations from allowing any employee, subcontractor, or agent of Contractor to work on site at UT Party premises or facilities if that individual is not eligible to work on federal healthcare programs such as Medicare, Medicaid, or other similar federal programs. Therefore, Contractor will not assign any employee, subcontractor or agent that appears on the List of Excluded Individuals issued by the United States Office of the Inspector General ("OIG") to work on site at UT Party premises or facilities. Contractor will perform an OIG sanctions check quarterly on each of its employees, subcontractors and agents during the time such employees, subcontractors and agents are assigned to work on site at UT Party premises or facilities. Contractor acknowledges that UT Party will require immediate removal of any employee, subcontractor or agent of Contractor assigned to work at UT Party premises or facilities if such employee, subcontractor or agent is found to be on the OIG's List of Excluded Individuals. The OIG's List of Excluded Individuals may be accessed through the following Internet website: <http://www.dhhs.gov/progorg/oig/cumsan/index.htm>.

SECTION 33 – Termination:

33.1 In the event of a material failure by either party to perform in accordance with the terms of this Agreement (“**default**”), the other, non-defaulting party may terminate this Agreement upon thirty (30) days’ written notice of termination setting forth the nature of the material failure. The termination will not be effective if the material failure is fully cured prior to the end of the 30-day period. No such termination will relieve the defaulting party from liability for the underlying default or breach of this Agreement or any other act or omission.

33.2 UT System may terminate this Agreement, without cause, upon written notice to Contractor; provided, however, this Agreement will not terminate until the later of (1) 90 days after receipt of notice of termination, or (2) the date that performance is complete under all purchase orders issued by Institutional Participant to Contractor prior to receipt of notice of termination. Institutional Participant may not issue any purchase orders after receipt of notice of termination. Termination of this Agreement will not relieve any party from liability for its default under or breach of this Agreement or any other act or omission of that party. In the event that this Agreement is terminated, then within thirty (30) days after termination, Contractor will reimburse UT Party for all fees paid by UT Party to Contractor that were (a) not earned by Contractor prior to termination, or (b) for goods or services that UT Party did not receive from Contractor prior to termination.

33.3 UT System or Institutional Participant may terminate an IPA, without cause, upon written notice to Contractor; provided, however, the IPA will not terminate until the later of (1) thirty (30) days after receipt of notice of termination, or (2) the date that performance is complete under all purchase orders issued by Institutional Participant to Contractor prior to receipt of notice of termination. Institutional Participant may not issue any purchase orders after receipt of notice of termination. Termination of an IPA will not relieve any party from liability for its default under or breach of the IPA or any other act or omission of that party. In the event that an IPA is terminated, then within thirty (30) days after termination, Contractor will reimburse Institutional Participant for all fees paid by Institutional Participant to Contractor that were (a) not earned by Contractor prior to termination, or (b) for goods or services that Institutional Participant did not receive from Contractor prior to termination.

SECTION 34 – Authority:

The individuals executing this Agreement on behalf of each party have been duly authorized to act for and bind the party they represent.

SECTION 35 – Survival of Provisions:

Expiration or termination of this Agreement will not relieve either party of any obligations under this Agreement that by their nature survive such expiration or termination.

SECTION 36 – Confidentiality; Press Releases; Public Information:

36.1 Confidentiality and Safeguarding of UT Party Records. Under this Agreement, Contractor may (1) create, (2) receive from or on behalf of UT Party, or (3) have access to, UT Party’s records or record systems (collectively, “**UT Party Records**”). However, it is expressly agreed that UT Party will not provide to Contractor, and Contractor will never seek to access, any UT Party Records that contain personally identifiable information regarding any individual that is not available to any requestor under the *Texas Public Information Act*, Chapter 552, Texas Government Code, including “directory information” of any student who has opted to prohibit the release of their “directory information” as that term is defined under the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g (“**FERPA**”) and its implementing

regulations. Contractor represents, warrants, and agrees that it will: (1) hold UT Party Records in strict confidence and will not use or disclose UT Party Records except as (a) permitted or required by this Agreement, (b) required by Applicable Laws, or (c) otherwise authorized by UT Party in writing; (2) safeguard UT Party Records according to reasonable administrative, physical and technical standards (such as standards established by the National Institute of Standards and Technology and the Center for Internet Security, as well as Payment Card Industry Data Security Standards) that are no less rigorous than the standards by which Contractor protects its own confidential information; (3) continually monitor its operations and take any action necessary to assure that UT Party Records are safeguarded and the confidentiality of UT Party Records is maintained in accordance with all Applicable Laws and the terms of this Agreement; and (4) comply with UT Party Rules regarding access to and use of UT Party's computer systems, including UTS 165 at <http://www.utsystem.edu/bor/procedures/policy/policies/uts165.html>. At the request of UT Party, Contractor agrees to provide UT Party with a written summary of the procedures Contractor uses to safeguard and maintain the confidentiality of UT Party Records.

36.2 Notice of Impermissible Use. If an impermissible use or disclosure of any UT Party Records occurs, Contractor will provide written notice to UT Party within one (1) business day after Contractor's discovery of that use or disclosure. Contractor will promptly provide UT Party with all information requested by UT Party regarding the impermissible use or disclosure.

36.3 Return of UT Party Records. Contractor agrees that within thirty (30) days after the expiration or termination of this Agreement, for any reason, all UT Party Records created or received from or on behalf of UT Party will be (1) returned to UT Party, with no copies retained by Contractor; or (2) if return is not feasible, destroyed. Twenty (20) days before destruction of any UT Party Records, Contractor will provide UT Party with written notice of Contractor's intent to destroy UT Party Records. Within five (5) days after destruction, Contractor will confirm to UT Party in writing the destruction of UT Party Records.

36.3 Disclosure. If Contractor discloses any UT Party Records to a subcontractor or agent, Contractor will require the subcontractor or agent to comply with the same restrictions and obligations as are imposed on Contractor by this **Section 36**.

36.4 Press Releases. Contractor will not make any press releases, public statements, or advertisement referring to this Agreement, or release any information relative to this Agreement for publication, advertisement or any other purpose, without the prior written approval of UT Party.

36.5 Public Information. UT Party strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information under the *Texas Public Information Act* ("TPIA"), Chapter 552, *Texas Government Code*. In accordance with Section 552.002 of TPIA and Section 2252.907, *Texas Government Code*, and at no additional charge to UT Party, Contractor will make any information created or exchanged with UT Party pursuant to this Agreement (and not otherwise exempt from disclosure under TPIA) available in a format reasonably requested by UT Party that is accessible by the public.

36.6 Termination. In addition to any other termination rights set forth in this Agreement, and any other rights at law or equity, if UT Party reasonably determines that Contractor has breached any of the restrictions or obligations set forth in this Section, UT Party may immediately terminate this Agreement without notice or opportunity to cure.

36.7 Duration. The restrictions and obligations under this Section will survive expiration or termination of this Agreement for any reason.

SECTION 37 – Tax Exemption

UT Party may be an agency of the State of Texas or other non-profit entity and may be exempt from certain state taxes under various exemption statutes, including Texas Sales & Use Tax in accordance with Section 151.309, *Tax Code*, and Title 34 *Texas Administrative Code* (“**TAC**”) Section 3.322. Notwithstanding its exemption from certain state taxes, UT Party will be responsible for any taxes (except corporate income taxes, franchise taxes, and taxes on Contractor’s personnel, including personal income tax and social security taxes) from which UT Party is not exempt. Contractor will provide reasonable cooperation and assistance to UT Party in obtaining any tax exemptions to which UT Party is entitled.

SECTION 38 – Undocumented Workers:

The *Immigration and Nationality Act* (8 *United States Code* 1324a) (“**Immigration Act**”) makes it unlawful for an employer to hire or continue employment of undocumented workers. The United States Immigration and Customs Enforcement Service has established the Form I-9 Employment Eligibility Verification Form (“**I-9 Form**”) as the document to be used for employment eligibility verification (8 *Code of Federal Regulations* 274a). Among other things, Contractor is required to: (1) have all employees complete and sign the I-9 Form certifying that they are eligible for employment; (2) examine verification documents required by the I-9 Form to be presented by the employee and ensure the documents appear to be genuine and related to the individual; (3) record information about the documents on the I-9 Form, and complete the certification portion of the I-9 Form; and (4) retain the I-9 Form as required by law. It is illegal to discriminate against any individual (other than a citizen of another country who is not authorized to work in the United States) in hiring, discharging, or recruiting because of that individual's national origin or citizenship status. If Contractor employs unauthorized workers during performance of this Agreement in violation of the Immigration Act then, in addition to other remedies or penalties prescribed by law, UT Party may terminate this Agreement in accordance with Section 4.31. Contractor represents and warrants that it is in compliance with and agrees that it will remain in compliance with the provisions of the Immigration Act.

SECTION 39 – Non-Exclusivity; No Required Quantities or Minimum Amounts:

Contractor understands that this Agreement is non-exclusive and does not obligate UT Party to purchase from Contractor any or all of its requirements for services that are the same as or similar to the Services provided hereunder. This Agreement does not establish any minimum quantity or minimum dollar amount of goods or services that UT Party must purchase from Contractor during the term of this Agreement.

SECTION 40 – Access by Individuals with Disabilities:

Contractor represents and warrants (“**EIR Accessibility Warranty**”) that the electronic and information resources and all associated information, documentation, and support that it provides under this Agreement (collectively, the “**EIRs**”) comply with the applicable requirements set forth in Title 1, Chapter 213, *Texas Administrative Code*, and Title 1, Chapter 206, Rule §206.70, *Texas Administrative Code* (as authorized by Chapter 2054, Subchapter M, *Government Code*). To the extent Contractor becomes aware that the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Contractor represents and warrants that it will, at no cost to UT Party, either (1) perform all necessary remediation to make the EIRs satisfy the EIR Accessibility Warranty or (2) replace the EIRs with new EIRs that satisfy the EIR Accessibility Warranty. In the event Contractor fails or is unable to do so, UT Party may terminate this Agreement, and Contractor will refund to UT Party all amounts UT Party has paid under this Agreement within thirty (30) days after the termination date.

SECTION 41 – Background Checks:

Contractor will not knowingly assign any individual to provide services on a UT Party's campus if the individual has a history of criminal conduct unacceptable for a university campus or healthcare center, including violent or sexual offenses. If requested by any UT Party to comply with its policy, Contractor will perform appropriate criminal background checks on each individual who will provide such services on the UT Party's campus.

SECTION 42 – Business Associate Agreements:

Contractor acknowledges that some Institutional Participants are subject to the Health Insurance Portability and Accountability Act of 1996, Public 104-191 ("**HIPAA**") as amended by the Health Information Technology for Economic and Clinical Health, Title XII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) ("**HITECH Act**"). UT System and the respective Institutional Participants are separate entities for purposes of HIPAA. Therefore, Contractor will enter into a separate HIPAA Business Associate Agreement ("**BAA**") with each Institutional Participant, if required. If Contractor will be exposed to any Protected Health Information, as that term is defined by HIPAA, as part of the services to be provided under this Agreement, Contractor will work with the Institutional Participant to put in place an appropriate BAA, prior to accessing such Protected Health Information.

SECTION 43 – Agreement Subject to Board of Regents Approval:

The validity and effectiveness of this Agreement is subject to review and approval by The Board of Regents of The University of Texas System (the "**Board**"). UT System will seek such approval promptly and will notify Contractor as soon as feasible regarding the outcome. If the Board does not provide such approval, then this Agreement will be null, void, and of no effect; *provided, however*, that UT System and Institutional Participants collectively will pay Contractor in accordance with this Agreement for all services provided by Contractor hereunder prior to the notice, if any, of the Board's non-approval, **in an aggregate amount not to exceed \$1 million.**

SECTION 44 – Entire Agreement; Modifications:

This Agreement supersedes all prior agreements, written or oral, between Contractor and UT System and will constitute the entire agreement and understanding between the parties with respect to the subject matter of this Agreement. This Agreement and each of its provisions will be binding upon the parties and may not be waived, modified, amended or altered except by a writing signed by UT System and Contractor.

SECTION 45 – Captions:

The captions of sections and subsections in this Agreement are for convenience only and will not be considered or referred to in resolving questions of interpretation or construction.

SECTION 46 – Waivers:

No delay or omission in exercising any right accruing upon a default in performance of this Agreement will impair any right or be construed to be a waiver of any right. A waiver of any default under this Agreement will not be construed to be a waiver of any subsequent default under this Agreement.

SECTION 47 – Binding Effect:

This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective permitted assigns and successors.

SECTION 48 – Limitations of Liability:

Except for UT Party's obligation (if any) to pay Contractor certain fees and expenses, UT Party will have no liability to Contractor or to anyone claiming through or under Contractor by reason of the execution or performance of this Agreement. Notwithstanding any duty or obligation of UT Party to Contractor or to anyone claiming through or under Contractor, no present or future affiliated enterprise, subcontractor, agent, officer, director, employee, representative, attorney or regent of UT Party, or anyone claiming under UT Party has or will have any personal liability to Contractor or to anyone claiming through or under Contractor by reason of the execution or performance of this Agreement.

SECTION 49 – Relationship of the Parties:

For all purposes of this Agreement and notwithstanding any provision of this Agreement to the contrary, Contractor is an independent contractor and is not a state employee, partner, joint venturer, or agent of UT Party. Contractor will not bind nor attempt to bind UT Party to any agreement or contract. As an independent contractor, Contractor is solely responsible for all taxes, withholdings, and other statutory or contractual obligations of any sort, including workers' compensation insurance.

SECTION 50 – Severability:

In case any provision of this Agreement will, for any reason, be held invalid or unenforceable in any respect, the invalidity or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if the invalid or unenforceable provision had not been included.

SECTION 51 – External Terms:

This Agreement completely supplants, replaces, and overrides all other terms and conditions or agreements, written or oral ("**External Terms**"), concerning Contractor's performance under this Agreement. Such External Terms are null and void and will have no effect under this Agreement, regardless of whether UT Party or any of its employees, contractors, or agents consents or agrees to External Terms. External Terms include any shrinkwrap, clickwrap, browsewrap, web-based terms and conditions of use, and any other terms and conditions displayed in any format that UT Party, or its employees, contractors, or agents are required to accept or agree to before or in the course of accessing or using any goods or services provided solely by Contractor.

SECTION 52 – Conflicts:

In the event of a conflict between the terms and conditions of this Agreement and those of an IPA, the terms of this Agreement will control and govern.

SECTION 53 – Attachments:

The Riders listed below are attached to and fully incorporated into this Agreement as substantive parts of this Agreement:

- Rider 100** – Scope of Work
- Rider 200** – Pricing Schedule
- Rider 300** – Institutional Participation Agreement Form
- Rider 400** – HUB Subcontracting Plan
- Rider 500** – Affirmative Action Compliance Program

Having agreed to the foregoing terms, and with the intention of being legally bound, the parties have executed this Agreement on the dates shown below.

THE UNIVERSITY OF TEXAS SYSTEM

[CONTRACTOR]

Signed: _____
Scott C. Kelley, Executive Vice
Chancellor for Business Affairs

Signed: _____
Title: _____

Date: _____

Date: _____

APPENDIX THREE- 300

SAMPLE INSTITUTIONAL PARTICIPATION AGREEMENT

By entering into this Institutional Participation Agreement (“**Institutional Participation Agreement**”), the undersigned institution (“**Institutional Participant**”) agrees to the terms and conditions set forth in the Agreement between The University of Texas System and _____, Agreement Number, dated effective _____, 20__ (the “**Agreement**”). All of the terms and conditions of the Agreement are incorporated into this Institutional Participation Agreement for all purposes. Unless otherwise specified in this Institutional Participation Agreement, all defined terms used in this Institutional Participation Agreement have the same meaning as assigned to those terms in the Agreement.

By entering into this Institutional Participation Agreement, Institutional Participant is authorized to take full advantage of all of the benefits and provisions set forth in the Agreement including, but not limited to, the benefits listed below, which are specified in detail in the Agreement:

Benefits from Agreement:

To obtain software tools and services for medical billing compliance at discounted prices.

Institutional Participant’s Responsibilities

To the extent authorized by applicable law and relevant rules and regulations of UT System and Institutional Participant, Institutional Participant will use commercially reasonable efforts to perform the following responsibilities:

- Identify Contractor to Institutional Participant’s users as the supplier of the subject tools and services.
- [tbd]

Institutional Participant’s notice address and contact information is:

The University of Texas at _____
 Street Address: _____
 Fax: _____
 Email: _____
 Attention: _____

Institutional Participant designates the following contacts who will be responsible for facilitating this Institutional Participation Agreement:

INSTITUTIONAL PARTICIPANT: Primary Contact:

Name: _____
 Title: _____
 Telephone: _____
 Fax: _____
 Email: _____

INSTITUTIONAL PARTICIPANT: HUB Contact:

Name: _____
Title: _____
Telephone: _____
Fax: _____
Email: _____

Contractor designates the following contact who will be responsible for facilitating this Institutional Participation Agreement:

CONTRACTOR Primary Contact:

Name: _____
Title: _____
Telephone: _____
Fax: _____
Email: _____

Insurance Paperwork. The insurance provisions of this Agreement require certain certificates and endorsements to be mailed, faxed, or emailed to Institutional Participant. Contact information for the Institutional Participant's representative authorized to receive such certificates and endorsements is as follows:

Name: _____
Title: _____
Address: _____
Fax: _____
Email: _____

Institutional Participant agrees to the terms of this Institutional Participation Agreement:

The University of Texas _____

By: _____
Printed Name and Title: _____
Signature: _____
Street: _____
City: _____ State: _____ Zip: _____
Date: _____

Upon activation of this Institutional Participation Agreement, Institutional Participant's Primary Contact will receive notification of activation via email. Please return signed completed form to the UT System Shared Services Office at richardstonge@utsystem.edu.

APPENDIX FOUR

ACCESS BY INDIVIDUALS WITH DISABILITIES

Access by Individuals with Disabilities. Contractor represents and warrants (“**EIR Accessibility Warranty**”) that the electronic and information resources and all associated information, documentation, and support that it provides under this Agreement (collectively, the “**EIRs**”) comply with the applicable requirements set forth in Title 1, Chapter 213, *Texas Administrative Code*, and Title 1, Chapter 206, Rule §206.70, *Texas Administrative Code* (as authorized by Chapter 2054, Subchapter M, *Government Code*). To the extent Contractor becomes aware that the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Contractor represents and warrants that it will, at no cost to UT Party, either (1) perform all necessary remediation to make the EIRs satisfy the EIR Accessibility Warranty or (2) replace the EIRs with new EIRs that satisfy the EIR Accessibility Warranty. In the event Contractor fails or is unable to do so, UT Party may terminate this Agreement, and Contractor will refund to UT Party all amounts UT Party has paid under this Agreement within thirty (30) days after the termination date.

APPENDIX FIVE

ELECTRONIC AND INFORMATION RESOURCES ENVIRONMENT SPECIFICATIONS

The specifications, representations, warranties and agreements set forth in Proposer's responses to this **APPENDIX FIVE** will be incorporated into the Agreement.

Basic Specifications

1. If the EIR will be hosted by Institutional Participant, please describe the overall environment requirements for the EIR (size the requirements to support the number of concurrent users, the number of licenses and the input/output generated by the application as requested in the application requirements).
 - A. Hardware: If Proposer will provide hardware, does the hardware have multiple hard drives utilizing a redundant RAID configuration for fault tolerance? Are redundant servers included as well?
 - B. Operating System and Version:
 - C. Web Server: Is a web server required? If so, what web application is required (Apache or IIS)? What version? Are add-ins required?
 - D. Application Server:
 - E. Database:
 - F. Other Requirements: Are any other hardware or software components required?
 - G. Assumptions: List any assumptions made as part of the identification of these environment requirements.
 - H. Storage: What are the space/storage requirements of this implementation?
 - I. Users: What is the maximum number of users this configuration will support?
 - J. Clustering: How does the EIR handle clustering over multiple servers?
 - K. Virtual Server Environment: Can the EIR be run in a virtual server environment? If so, does the Proposer have any specific technical requirements for this type environment?
2. If the EIR will be hosted by Proposer, describe in detail what the hosted solution includes, and address, specifically, the following issues:
 - A. Describe significant (key) controls used to ensure the physical security of the facility;
 - B. Identify any generally recognized industry standards to which the Proposer or data center manager ascribes;
 - C. Describe any types of independent audits or assessments that the Proposer relies upon for assurance of the effectiveness of significant (key) physical security controls;
 - D. Indicate what types of reports or other documentary evidence the Proposer is willing to provide to UT Party on a periodic basis as assurance of the effectiveness of significant (key) physical security controls (e.g., SSAE SOC 2 reports);
 - E. Indicate whether Proposer is willing to allow an audit by UT Party or its representative;

3. If the user and administrative interfaces for the EIR are web-based, do the interfaces support Firefox on Mac as well as Windows and Safari on the Macintosh? What is the standard retention of logs in the EIR?
4. If the EIR requires special client software, what are the environment requirements for that client software?
5. Manpower Requirements: Who will operate and maintain the EIR? Will additional Institutional Participant full time employees (FTEs) be required? Will special training on the EIR be required by Proposer's technical staff? What is the estimated cost of required training.
6. Upgrades and Patches: Describe Proposer's strategy regarding EIR upgrades and patches for both the server and, if applicable, the client software. Included Proposer's typical release schedule, recommended processes, estimated outage and plans for next version/major upgrade.

Security

1. Describe significant aspects or features of the Proposer's Information Security program that will be used to ensure the confidentiality, integrity and availability of UT Party's business systems and data.
2. Which party, Proposer or Institutional Participant, will be responsible for vulnerability management and maintaining critical EIR application security updates?
3. If the EIR is hosted, indicate whether Proposer will permit Institutional Participant to conduct a penetration test on the environment hosting Institutional Participant's instance of the EIR.
4. If confidential data, including HIPAA or FERPA data, is stored in the EIR, will the data be encrypted at rest and in transmittal?
5. Will Proposer agree to be responsible for security information and event monitoring? If so, which SIEM tool(s) are used by the Proposer?
6. Will the Proposer provide downloads of critical log or other security related data to UT Party SIEM systems, if requested? Describe any requirements for this type of request.

Integration

1. Is the EIR authentication Security Assertion Markup Language ("**SAML**") compliant? Has Proposer ever implemented the EIR with Shibboleth authentication? If not, does the EIR integrate with Active Directory? Does the EIR support TLS connections to this directory service?
2. Does the EIR rely on Active Directory for group management and authorization or does the EIR maintain a local authorization/group database?

3. What logging capabilities does the EIR have? If this is a hosted EIR solution, will Institutional Participant have access to implement logging with Institutional Participant's standard logging and monitoring tools, RSA's Envision?
4. Does the EIR have an application programming interface ("**API**") that enables us to incorporate it with other applications run by the Institutional Participant? If so, is the API .Net based? Web Services-based? Other?

Accessibility Information

Proposer must provide the following, as required by Title 1, Rule §213.38(b) of the *Texas Administrative Code*:

1. Accessibility information for the electronic and information resources ("EIR")¹ products or services proposed by Proposer, where applicable, through one of the following methods:
 - (A) the URL to completed Voluntary Product Accessibility Templates ("VPATs")² or equivalent reporting templates;
 - (B) an accessible electronic document that addresses the same accessibility criteria in substantially the same format as VPATs or equivalent reporting templates; or
 - (C) the URL to a web page which explains how to request completed VPATs, or equivalent reporting templates, for any product under contract; and
2. Credible evidence of Proposer's capability or ability to produce accessible EIR products and services. Such evidence may include, but is not limited to, Proposer's internal accessibility policy documents, contractual warranties for accessibility, accessibility testing documents, and examples of prior work results.

¹ Electronic and information resources are defined in Section 2054.451, *Texas Government Code* ([link](#)) and Title 1, Rule §213.1 (6) of the *Texas Administrative Code* ([link](#)).

² Voluntary Product Accessibility Templates are defined in Title 1, Rule §213.1 (19) of the *Texas Administrative Code* ([link](#)). For further information, see this [link](#) to a VPAT document provided by the Information Technology Industry Council.

APPENDIX SIX

SECURITY CHARACTERISTICS AND FUNCTIONALITY OF PROPOSER'S INFORMATION RESOURCES

The specifications, representations, warranties and agreements set forth in Proposer's responses to this **APPENDIX SIX** will be incorporated into the Agreement.

"Information Resources" means any and all computer printouts, online display devices, mass storage media, and all computer-related activities involving any device capable of receiving email, browsing Web sites, or otherwise capable of receiving, storing, managing, or transmitting Data including, but not limited to, mainframes, servers, Network Infrastructure, personal computers, notebook computers, hand-held computers, personal digital assistant (PDA), pagers, distributed processing systems, network attached and computer controlled medical and laboratory equipment (i.e. embedded technology), telecommunication resources, network environments, telephones, fax machines, printers and service bureaus. Additionally, it is the procedures, equipment, facilities, software, and Data that are designed, built, operated, and maintained to create, collect, record, process, store, retrieve, display, and transmit information.

"Institutional Participant Records" means records or record systems that Proposer (1) creates, (2) receives from or on behalf of Institutional Participant, or (3) has access, and which may contain confidential information (including credit card information, social security numbers, and private health information ("**PHI**") subject to Health Insurance Portability and Accountability Act ("**HIPAA**") of 1996 (Public Law 104-191), or education records subject to the Family Educational Rights and Privacy Act ("**FERPA**").

General Protection of Institutional Participant Records

1. Describe the security features incorporated into Information Resources to be provided or used by Proposer pursuant to this RFP.
2. List all products, including imbedded products that are a part of Information Resources and the corresponding owner of each product.
3. Describe any assumptions made by Proposer in its proposal regarding information security outside those already listed in the proposal.

Complete the following additional questions if the Information Resources will be hosted by Proposer:

4. Describe the monitoring procedures and tools used for monitoring the integrity and availability of all products interacting with Information Resources, including procedures and tools used to, detect security incidents and to ensure timely remediation.
5. Describe the physical access controls used to limit access to Proposer's data center and network components.

6. What procedures and best practices does Proposer follow to harden all systems that would interact with Information Resources, including any systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed?
7. What technical security measures does the Proposer take to detect and prevent unintentional, accidental and intentional corruption or loss of Institutional Participant Records?
8. Will the Proposer agree to a vulnerability scan by Institutional Participant of the web portal application that would interact with Information Resources, including any systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed? If Proposer objects, explain basis for the objection to a vulnerability scan.
9. Describe processes Proposer will use to provide Institutional Participant assurance that the web portal and all systems that would hold or process Institutional Participant Records can provide adequate security of Institutional Participant Records.
10. Does Proposer have a data backup and recovery plan supported by policies and procedures, in place for Information Resources? If yes, briefly describe the plan, including scope and frequency of backups, and how often the plan is updated. If no, describe what alternative methodology Proposer uses to ensure the restoration and availability of Institutional Participant Records.
11. Does Proposer encrypt backups of Institutional Participant Records? If yes, describe the methods used by Proposer to encrypt backup data. If no, what alternative safeguards does Proposer use to protect backups against unauthorized access?
12. Describe the security features incorporated into Information Resources to safeguard Institutional Participant Records containing confidential information.

Complete the following additional question if Information Resources will create, receive, or access Institutional Participant Records containing PHI subject to HIPAA:

13. Does Proposer monitor the safeguards required by the HIPAA Security Rule (45 C.F.R. § 164 subpts. A, E (2002)) and Proposer's own information security practices, to ensure continued compliance? If yes, provide a copy of or link to the Proposer's HIPAA Privacy & Security policies and describe the Proposer's monitoring activities and the frequency of those activities with regard to PHI.

Access Control

1. How will users gain access (i.e., log in) to Information Resources?
2. Do Information Resources provide the capability to use local credentials (i.e., federated authentication) for user authentication and login? If yes, describe how Information Resources provide that capability.
3. Do Information Resources allow for multiple security levels of access based on affiliation (e.g., staff, faculty, and student) and roles (e.g., system administrators, analysts, and information consumers), and organizational unit (e.g., college, school, or department)? If yes, describe how Information Resources provide for multiple security levels of access.
4. Do Information Resources provide the capability to limit user activity based on user affiliation, role, and/or organizational unit (i.e., who can create records, delete records, create

and save reports, run reports only, etc.)? If yes, describe how Information Resources provide that capability. If no, describe what alternative functionality is provided to ensure that users have need-to-know based access to Information Resources.

5. Do Information Resources manage administrator access permissions at the virtual system level? If yes, describe how this is done.

6. Describe Proposer's password policy including password strength, password generation procedures, password storage specifications, and frequency of password changes. If passwords are not used for authentication or if multi-factor authentication is used to Information Resources, describe what alternative or additional controls are used to manage user access.

Complete the following additional questions if Information Resources will be hosted by Proposer:

7. What administrative safeguards and best practices does Proposer have in place to vet Proposer's and third-parties' staff members that would have access to the environment hosting Institutional Participant Records to ensure need-to-know-based access?

8. What procedures and best practices does Proposer have in place to ensure that user credentials are updated and terminated as required by changes in role and employment status?

9. Describe Proposer's password policy including password strength, password generation procedures, and frequency of password changes. If passwords are not used for authentication or if multi-factor authentication is used to Information Resources, describe what alternative or additional controls are used to manage user access.

10. Will proposed software support the UT System requirement for two-factor authentication in specific situations involving remote access to resources by employees and individuals working on behalf of Institutional Participants (including the use of contractors, etc.)?

Use of Data

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. What administrative safeguards and best practices does Proposer have in place to vet Proposer's and third-parties' staff members that have access to the environment hosting all systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed, to ensure that Institutional Participant Records will not be accessed or used in an unauthorized manner?

2. What safeguards does Proposer have in place to segregate Institutional Participant Records from system data and other customer data and/or as applicable, to separate specific Institutional Participant data, such as HIPAA and FERPA protected data, from Institutional Participant Records that are not subject to such protection, to prevent accidental and unauthorized access to Institutional Participant Records ?

3. What safeguards does Proposer have in place to prevent the unauthorized use, reuse, distribution, transmission, manipulation, copying, modification, access, or disclosure of Institutional Participant Records?

4. What procedures and safeguards does Proposer have in place for sanitizing and disposing of Institutional Participant Records according to prescribed retention schedules or following the

conclusion of a project or termination of a contract to render Institutional Participant Records unrecoverable and prevent accidental and unauthorized access to Institutional Participant Records? Describe the degree to which sanitizing and disposal processes addresses Institutional Participant data that may be contained within backup systems. If Institutional Participant data contained in backup systems is not fully sanitized, describe processes in place that would prevent subsequent restoration of backed-up Institutional Participant data.

Data Transmission

1. Do Information Resources encrypt all Institutional Participant Records in transit and at rest? If yes, describe how Information Resources provide that security. If no, what alternative methods are used to safeguard Institutional Participant Records in transit and at rest?

Complete the following additional questions if Information Resources will be hosted by Proposer:

2. How does data flow between Institutional Participant and Information Resources? If connecting via a private circuit, describe what security features are incorporated into the private circuit. If connecting via a public network (e.g., the Internet), describe the way Proposer will safeguard Institutional Participant Records.

3. Do Information Resources secure data transmission between Institutional Participant and Proposer? If yes, describe how Proposer provides that security. If no, what alternative safeguards are used to protect Institutional Participant Records in transit?

Notification of Security Incidents

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. Describe Proposer's procedures to isolate or disable all systems that interact with Information Resources in the event a security breach is identified, including any systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed.

2. What procedures, methodology, and timetables does Proposer have in place to detect information security breaches and notify Institutional Participant and other customers? Include Proposer's definition of security breach.

3. Describe the procedures and methodology Proposer has in place to detect information security breaches, including unauthorized access by Proposer's and subcontractor's own employees and agents and provide required notifications in a manner that meets the requirements of relevant federal and State of Texas breach notification laws.

Compliance with Applicable Legal & Regulatory Requirements

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. Describe the procedures and methodology Proposer has in place to retain, preserve, backup, delete, and search data in a manner that meets the requirements of State of Texas and federal electronic discovery rules, including how and in what format Institutional Participant Records are kept and what tools are available to Institutional Participant to access Institutional Participant Records.
2. Describe the safeguards Proposer has in place to ensure that systems (including any systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed) that interact with Information Resources reside within the United States of America. If no such controls, describe Proposer's processes for ensuring that data is protected in compliance with all applicable US federal and state requirements, including export control.
3. List and describe any regulatory or legal actions taken against Proposer for security or privacy violations or security breaches or incidents, including the final outcome.

APPENDIX SEVEN **QUESTIONS FOR PROPOSER**

The following are further questions the Proposer must answer when responding to this RFP. Any supporting materials that may be necessary should be attached in a logical and clear manner.

Proposer should note that the following questions are in addition to those in Section 3 of APPENDIX ONE, to which Proposer also must submit responses.

Note: to the extent that responses to questions in this Appendix would be redundant with responses to questions asked elsewhere in this RFP, please just provide a cross-reference to the other responses.

1.0 Proposer Profile

- 1.1 Provide your company's telephone and fax number.
- 1.2 Provide your company's FEIN.
- 1.3 Provide your company's DUNS number.
- 1.4 Provide your company's main contact for this RFP, including telephone number and email address.
- 1.5 Provide your company's history (limit response to 2 pages).
- 1.6 What is your company's legal structure (corporation, partnership, etc.)?
- 1.7 What is your company's ownership structure? Is your company part of a consolidated group of companies? If so, how long has your company been part of the consolidated group? What proportion of total revenues does your company contribute to the consolidated group?
- 1.8 Within the past three years, have there been any significant developments in your organization, such as changes in ownership, restructuring, or personnel reorganizations? Do you foresee any future significant changes in your organization? If yes, please describe.
- 1.9 Has your company, or any of its parents or subsidiaries, ever had a bankruptcy petition filed in its name, voluntarily or involuntarily? If yes, specify the date, circumstances, and resolution.
- 1.10 Provide details of all instances within the past three (3) years you were cited as noncompliant during a regularity and/or audit review and provide the status of resolution/closure.
- 1.11 Is your company a State of Texas HUB firm and/or a Small Business (as defined by the US Small Business Administration)? If so, please list all HUB/Small Business categories your company is qualified under.

2.0 References

- 2.1 Provide a listing of three (3) customers for which you have provided software and services of the type described in this RFP. Your customer reference list should include the company name; contact person including telephone number; scope and annual volume of services you provided (in \$); and the period of time for which work was performed.
- 2.2 List all new customer accounts for such software and services that your company has established within last 12 months. Your customer reference list should include the company name; contact person including telephone number; and scope of services.
- 2.3 Describe in detail your expertise and experience in providing services of the type described in this RFP.

3.0 Financial

- 3.1 If you did not provide your DUNS number as requested in response to Q.1.3 above, please provide two financial references (one trade reference and one financial institution/bank reference). List should include company name, mailing address, telephone number, FAX number, contact person and length of financial relationship.
- 3.2 Provide the percentage of your company's total revenue that is generated by services relating to software and services similar to that sought in this RFP.

4.0 Staffing, Subcontractors, and Historically Underutilized Businesses

- 4.1 Provide the name, title, office location, and up-to-date resume of the individual who would assume overall responsibility for the work to be performed for UT System. Include a brief description of their unique qualifications as it pertains to this project.
- 4.2 Provide an organization chart that identifies the proposed "key" staff members who will be assigned to this account. Your response must include their resumes, their unique qualification as it pertains to this project, and define their role in the delivery of the services.
- 4.3 Partners, Affiliates, and Subcontractors
 - a. List any partners or affiliates that would be part of delivering the services and describe the nature of your relationship with this entity. Identify the projects on which you are currently utilizing these partners or affiliates or have utilized them within the past two (2) years. Your response must also indicate the location from which each of the partners or affiliates you listed provides their services.
 - b. Describe what opportunities you foresee to utilize subcontractors to perform portions of the work contemplated under this RFP.
 - c. Describe your company's process for the selection of subcontractors and your process for evaluating subcontractors' performance.

- d. Identify the subcontractor resources outside of your company that you typically engage to assist in performing the services contemplated under this RFP and the role they play in performing the services. Identify the projects on which you are currently utilizing these subcontractors or have utilized them within the past two (2) years. Your response must also indicate the location from which each of the subcontractors you listed provides their services.

4.4 Historically Underutilized Businesses

In addition to your completion of the HSP (ref. APPENDIX TWO to this RFP), please respond to the following:

- a. Provide a clear statement of your company's commitment and plan to engage, utilize and partner with Texas certified HUBs in the work under a contract between your company and UT System.
- b. Describe your current subcontracts/partnering arrangements with Texas certified HUB firms and the capacity which they are utilized in the delivery of your services.

5.0 **Services, Project Approach and Implementation Plan**

- 5.1 Provide a detailed description for the full range of services available from your company in relation to the project that is the scope of this RFP, including your tool's ability to assist with audits related to hospital/technical charges, professional charges and research related charges.
- 5.2 Describe whether your software tool has the ability to interface with institution-specific charge masters, fee-schedules or CMS reimbursement data.
- 5.3 Describe your tool's project management reporting capabilities, including how end-users can generate reports based on audit findings and whether your tool includes report templates.
- 5.4 Describe your experience with working in conjunction with different EHR platforms, including any experience with your tool and staff interfacing with Epic.
- 5.5 Does your software tool have the ability to provide denial management functionality or can the tool interface with existing institution-specific denial management systems?
- 5.6 Can your software tool capture reimbursement data received through 835 files (i.e., electronic remittance advice) for all payors?
- 5.7 Describe your software tool's ability to assist with auditing a range of service dates, sequential visits and/or full length of stays when selecting audit parameters.
- 5.8 Explain your tool's data storage capabilities, including limitations with respect to data access for purposes of selecting cases for auditing, length of look-back period capabilities and report storage.

- 5.9 Explain your software tool's ability to perform trend analysis based on audit findings and charging patterns with respect to professional and hospital/technical services.
- 5.10 Describe your project approach and best service delivery model to provide the services described in this RFP. Describe how your approach and service delivery model would meet UT System's objectives as described in this RFP.
- 5.11 Provide a high-level implementation plan identifying the key tasks, milestones, and outcomes commencing date of contract award through the initial twelve (12) months of the contract term. Your response should highlight both your and UT System's responsibilities and resources required during each phase.
- 5.12 Describe the communication models used by your company to keep project personnel and internal Institutional Participants informed during transition/implementation. How would your models support consistent communications across a multi-institution deployment?
- 5.13 Describe the greatest implementation risks and your mitigation strategy.
- 5.14 Explain the ability to "scale" your service delivery solution upward or downward. What component elements of your service delivery solution are not scalable and why?
- 5.15 Do you have active user groups to leverage feedback from current customers?
- 5.16 Describe the expectations that you have from Institutional Participant users, including expectations with respect to software and file updates, testing and loading upgrades and reporting writing.
- 5.17 Are there opportunities for individual institutions to customize the tool and/or add-on modules once your software is installed?

6.0 Competitive Advantage

Note: For all questions in this section, please limit your response to no more than two pages per question.

- 6.1 Projects of this type usually have challenges and/or difficulties along the way. Identify the challenges and/or difficulties you typically have encountered in providing similar services. What suggestions do you have for UT System to avoid or better position itself to manage these challenges?
- 6.2 Briefly describe your company's advantage in the marketplace or special benefits in UT System selecting your company that are not otherwise disclosed in your RFP response.
- 6.3 Please list any industry recognitions and/or rankings your company received during the past three (3) years as a provider of services of the type described in this RFP.
- 6.4 What relevant certifications does your company maintain?

- 6.5 Please indicate any additional "value added" services or programs not otherwise asked or disclosed herein that should be considered during the RFP response evaluation process.

7.0 Fee Model

- 7.1 Please identify and describe the various types of fees and charges that are typically billed to Institutional Participants by your company under a services arrangement of the type described in this RFP.
- 7.2 Provide the criteria used by your company to determine the types and amount of fees to be billed to Institutional Participants for performing the services. Indicate any assumptions or key drivers that would drive the fees upward or downward.
- 7.3 Identify any fee-related factors not discussed in your responses above that UT System should consider when doing business with your company and that could create a more cost effective arrangement for UT System.
- 7.4 Describe how you would keep fees competitive over the contract term.

8.0 Contract Term

- 8.1 Based on your experience, please indicate the length of time you propose for the initial contract term and any renewal periods that you believe would yield the optimal result, in terms of service delivery, risk, and cost management. Explain your response.

9.0 Hosting Services Environment

Provide detailed information about your hosting services environment. Specifically address the following items:

- 9.1 Where are your data centers located? How many do you have?
- 9.2 Describe the data center's physical environment (flooring, AC, generator, etc.)
- 9.3 Do you operate your own data centers or do you outsource? Do you acquire co-location space from a third party for the data center? If you outsource or acquire co-location space from a third party, describe this relationship, including the identity of the third party and where they are located.
- 9.4 Do you outsource outside of the continental United States?
- 9.5 Describe the practices and services available within your data center to prevent unscheduled down time, including system redundancy, power backup, network redundancy, environmental controls, security, etc.
- 9.6 Describe partnerships with hardware and software vendors.
- 9.7 What is your capital investment strategy over the next three years? What is your strategy to keep infrastructure current? How often is hardware refreshed or replaced?

- 9.8 Are your data centers TIER certified? If so, provide copies of relevant certification documentation. If not, what is your assertion regarding the tier level(s) of your data center(s)?
- 9.9 Provide detailed information about your hosting physical security at your data center. Specifically address the following items:
- Describe structure design, practices, and measures taken to secure physical access and protect assets.
 - Describe if and how client servers, storage, and network are isolated from other customers. How are decisions made around clients sharing infrastructure components? Please provide examples.
 - Describe your employee screening procedure including performing background checks for employees or contracted third parties who will have access to confidential information. Does this include screening against the OIG and/or GSA exclusion list?
- 9.10 How does your hosting infrastructure solution accommodate temporary surges in users or transaction volume, to meet expected or unexpected additional peak periods of volume through the year? Please describe how you have done this for current customer demands.
- 9.11 What software do you supply as part of your hosting solution? Do you utilize any third party tools or software to facilitate proactive support? Identify all of your proposed contractual terms and conditions required for such software or tools.
- 9.12 Describe the hardware utilized for your hosting offering. Please address any partnerships with vendors outside of your organization to help you facilitate your proposed service delivery.
- 9.13 How do you ensure proper server provisioning and what level of certification have you attained as an authorized provider of support services for the hardware that you support?
- 9.14 How do you ensure network connectivity and avoid DDoS, degraded ISP service, etc.
- 9.15 What technology do you utilize for data storage? What measures are in place to prevent data loss?
- 9.16 What hardware do you provide for network connectivity in the data center or customer premises?
- 9.17 Describe your process for maintaining current technology levels for hardware and operating systems. What preventive maintenance measures do you provide? What are your hardware repair capabilities? Do you maintain computer and network spare parts inventories onsite?
- 9.18 How do you support interfaces with hosted applications and what inbound/outbound security and communication mechanisms are in place. How do you ensure stability for these interfaces?

- 9.19 Describe your security infrastructure. Please include information on applications, platform, data, etc. What strategies are employed to ensure security? What is your escalation procedure if there is a security failure?
- 9.20 What tools, technologies and procedures do you employ for monitoring, preventing, and correcting for system errors and performance problems with the network, systems, and database?
- 9.21 How would the connections between UT Party and your data center facility established and managed? What is the strategy if this connection fails? How would this be monitored and communicated?
- 9.22 Describe your disaster recovery plan. How does your data center strategy address high-availability and disaster recovery requirements? What are your disaster recovery procedures? Describe your disaster recovery strategy. Do you use another vendor for your back-up for disaster recovery? If so, who is the vendor?
- 9.23 Describe how the hosting services provided are monitored. Are the systems to be available 24 x 7 x 365 except for scheduled maintenance? Describe scheduled maintenance periods. Do you monitor the entire infrastructure including applications, servers, databases, and networks for both performance and fault detection? What is your notification procedure in the event of failure? Would UT Party get real-time visibility into network and application performance and monitoring status? Please explain how this is proposed to be provided.
- 9.24 What specific metrics/targets do you track to measure your performance related to availability?
- 9.25 Describe any external security audit with which you are in good standing (e.g., SSAE 16 or equivalent) and provide a copy of your most recent audit. Describe your procedures for auditing services, any audit standards used for auditing purposes, and the frequency of those audits.

10.0 Management of Hosted Applications

- 10.1 How would you accommodate required access to the hosted application for application management purposes?
- 10.2 If full development level access to the non-production databases is required, how do you propose that this be provided? Describe the level of access that applications programmers will have in each production and non-production environment. Describe your change management methodology and process. Describe your migration/deployment policies and procedures including your proposed roles/responsibilities and the proposed roles/responsibilities of the party requiring access.
- 10.3 How will UT Party staff be able to access the servers to be able to log in and verify configuration settings/files, logs, etc.?
- 10.4 How are restores and refreshes of databases managed for hosted applications?
- 10.5 Please describe your help desk and incident report process and tools completely. Include information on metrics, communication, policies, procedures, etc.

- 10.6 Describe database administration for hosted applications. Include information on staff qualifications, security tools and monitoring tools, remote access, management of upgrades and patches, and change control processes.
- 10.7 How is server administration managed for hosted applications? Include information on staff qualifications, security tools and monitoring tools, remote access, management of upgrades and patches, and change control processes.
- 10.8 Describe your network administration for hosted applications. Please include information on bandwidth, service providers and your contracts with those providers, security, topology, and connectivity for UT Party. Include information on UT Party requirements to work with your services.
- 10.9 Describe how you manage storage including disaster recovery.
- 10.10 Describe how you manage security in relation to all levels of the databases.
- 10.11 Describe your audit procedure, frequency, and monitoring practices.
- 10.12 Describe how often the software is upgraded/updated.
- 10.13 When/how often is the client's data extracted from their billing system and interphase to your proposed system? How is the client notified/alerted if the data refresh/interphase was successful or failed?

11.0 Privacy

- 11.1 In relation to the software and services provided for UT Party, the vendor may be a Covered Entity that is required to comply with all applicable provisions of the Health Insurance Portability and Accountability Act, codified at 42 USC § 1320d through d-8 (HIPAA), and any regulations, rules, and mandates pertaining to the HIPAA privacy and security rules, as well as with any applicable state medical privacy requirements. The vendor will also be required to comply with UT Party's privacy and applicable information technology security policies. The vendor contract will require vendor to sign a Business Associate Agreement with each Institutional Participant, as appropriate. In response to the related interrogatories included in Appendix 6 of this RFP, the vendor must describe in detail its HIPAA privacy and security programs as well as its information security program.
- 11.2 Please provide a detailed description of the vendor's HIPAA privacy and security compliance programs as these would apply to UT Party data. Include information on workforce training and monitoring. Describe all policies and practices implemented to ensure the privacy of all confidential information as defined in the Agreement, including but not limited to protected health information as defined by the HIPAA privacy rule, employee/participant information, or other confidential information about UT Party. Include a link to the vendor's HIPAA policies and notice of privacy practices as well as a brief description of any HIPAA violations alleged against the vendor by consumers or the Department of Health and Human Services, including the outcomes. (See Appendix 6 for additional questions regarding Information Security.)

- 11.3 Confirm that the vendor is currently in compliance with all HIPAA requirements; in particular, confirm compliance with the rules and regulations applicable to data transmission and privacy, and the organization's willingness to comply with future changes.
- 11.4 Provide the name of vendor's HIPAA privacy officer and a description of his or her qualifications.
- 11.5 The software and services provider may be a Covered Entity, with the related database containing information subject to applicable federal, state and local, laws, regulations, and ordinances, including the Gramm-Leach-Bliley Act (Public Law No: 106-102) and the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g ("**FERPA**") as outlined in this RFP. The vendor will also be required to comply with UT Party's privacy and applicable information technology security policies. Please describe in detail your FERPA privacy and security programs as well as your information security program that would apply to UT Party data. Include information on workforce training and monitoring. Describe all policies and practices implemented to ensure the privacy of all confidential information as defined in the Agreement, including but not limited to protected health information as defined by the FERPA privacy rule, employee/participant information, or other confidential information about UT Party. Include a link to the vendor's FERPA policies and notice of privacy practices as well as a brief description of any FERPA violations alleged against the vendor by consumers or governing agencies, including the outcomes. (See Appendix 6 for additional questions regarding Information Security.)
- 11.6 Confirm that the vendor is currently in compliance with all FERPA requirements; in particular, confirm compliance with the rules and regulations applicable to data transmission and privacy, and the organization's willingness to comply with future changes.
- 11.7 Provide the name of vendor's FERPA privacy officer and a description of his or her qualifications.

12.0 Experience and Capabilities

- 12.1 Please provide your experience providing software and services to higher education in general, and health institutions in particular.
- 12.2 Please provide your experience providing software and services for applications similar to that sought under this RFP. For how many years? What size institution(s)?
- 12.3 How many employees do you have dedicated to your software and services business (not including consultants)?
- 12.4 How many clients do you have that are in production and for how long?
- 12.5 How many FTEs are supporting your hosted environments? Are these vendor employees or subcontractors?
- 12.6 How many hosted clients would we be sharing resources with? Describe your staffing ratios per client (for example, number of DBAs or system administrators per client).

- 12.7 Describe your company's setup or transition procedures and related timeline necessary to utilize your services. Is this process documented? If yes, please include an overview of the procedures and time-line.
- 12.8 Describe your roles/responsibilities in the transition and the roles/responsibilities of UT Party.
- 12.9 Provide your proposed service level agreement which should include service level management, help desk, communication, monitoring, reaction levels, performance thresholds and monitoring, change management, disaster recovery, penalties, and reporting.

**Answers to Questions about RFP No. SSO-2 for
Medical Billing Compliance Software and Services**

Q.1 Your RFP states the following: “At present, all six UT System health institutions participate in a UT System agreement with a supplier that licenses medical billing compliance management software to the institutions. The existing software is used by all six health institutions to audit billings by physician practices (involving about 5,850 billing providers in total), and by four institutions to audit billings by their hospitals. These existing licensing arrangements are due to expire on September 30, 2016.”

Can you tell me what vendor/product (assuming one vendor?) holds this contract so I can better understand what you have in place today? Can you share why you are not satisfied with that existing solution and what you are hoping to gain through a new vendor? I’d like to know what audit systems you have in place today, and what the key challenges are today for your staff.

UT System is not dissatisfied with the software tools and services it currently has in place, and the identity of the existing supplier and the tools presently used by UT System are really not relevant (though comments below will help clarify how UT System uses the technology currently in place). UT System’s objective is to ensure it will meet its needs in this area with the best tools and at the best prices after the present arrangements expire. As a result, UT System is engaging in a genuine approach to the marketplace to determine, via a competitive process, what alternatives are available. There is no pre-determined outcome, and UT System will select the winning proposal based solely on what achieves legally required “best value” for UT System.

Q.2 We participated in an RFP with UT System several years ago (out of Houston/MDAnderson) and the RFP was a non-start due to several reasons, but primarily it was not funded. Can you help me understand what is different this time? Has the project been funded and likely to come to fruition once a vendor is selected?

The present procurement is being conducted by UT System centrally, not by any individual campus. Funding is not anticipated to be an issue, and the procurement is highly likely to come to fruition.

Q.3 How has UT System been using the technology presently in place, and what is UT System trying to accomplish with this procurement?

UT System is looking for an electronic system to help UT System institutions conduct medical billing compliance audits. Under the existing arrangements, the institutions have been using the technology to identify cases that deserve more audit attention than others (e.g., a risk-based approach across the varying clinical departments at the UT System health institutions), to assist in performing audits, and to report on audit findings to various committees. This usage applies to professional charges as well as technical/hospital charges. The reporting capabilities of the technology are particularly important.

Q.4 Does UT System prefer software that is hosted locally on the campus’ servers, or software that is hosted externally?

UT System has no preference in this regard. What is important is what the technology’s “total cost of ownership” would be over the life of the resulting contract.

Q.5 Does UT System prefer software that is “off the shelf” or software that would be customized to meet the campus’ needs?

UT System wants to acquire software with minimal variation from one institution to another. Consistency in audit approaches across campuses is crucial, so UT System is looking for one standard software product, with minimal customizations. Some customization will be necessary to link the audit software to differing, local billing systems, but overall, UT System is seeking a software product that is highly consistent across UT System.

Q.6 The RFP mentions the possibility of two additional campuses using the software and services. Please explain.

UT System anticipates the tools and services being used by UT System’s six health institutions. As indicated in the RFP, it is likely that UT Austin and UTRGV will consider using some or all of the software, tools and services after these institutions open their new medical schools in the fall of 2016.

Q.7 Does the software need to permit the rollup of data to UT System centrally?

Each UT System institution is responsible for its own medical billing compliance functions. At present, individual audit findings are not shared among institutions, nor is there a need for individual audit findings to be reported routinely to any central activity within UT System Administration. At the local institution level, however, it is vital that the software facilitate the rollup of the audit results to the institution’s centralized compliance function and the sharing of audit results among the institution’s departments.

Q.8 Could you confirm that a proposer’s HUB status is ‘recommended’ only and not required? We are a large business and handle all of our implementation work in-house, so it is not likely we will bring in a third party HUB for the sole purpose of this RFP.

Please direct all HUB questions to the HUB Office contact referenced in the immediately following answer.

Q.9 May RFP respondents submit preliminary drafts of their HUB subcontracting plans for informal review by the UT System HUB Office, in advance of the RFP Submittal Deadline of 3 pm CST on December 14?

Yes. UT System urges RFP respondents to take advantage of this informal review, in order to avoid disqualification for failing to comply with HUB requirements. The UT System HUB Office will review and comment on any draft HUB plan it receives by email before 5 pm CST on December 10. The drafts should be emailed to Stephanie Park at spark@utsystem.edu, with a copy to Amy Nemetz at anemetz@utsystem.edu. As emphasized during the pre-proposal conference call, any concurrence in or comments on the draft HUB plan will **NOT** constitute formal approval of the plan, and will **NOT** eliminate the need for any proposer to submit its final HUB plan to UT System concurrently with its proposal, in accordance with the detailed instructions in the RFP.

**UT System Administration
Historically Underutilized Subcontracting Plans (HSP)
Other Services**

All Texas State agencies and institutions of higher education (universities) are required to make a good faith effort to include minority and/or women owned businesses in their procurement opportunities. The State of Texas uses the term Historically Underutilized Businesses (HUB) to distinguish State certified minority and/or women owned businesses.

Procurement Goal- Other Services – 26%

Statement of Probability

- Sub-contracting Opportunities **are probable** in connection with this solicitation

Choose **ONLY ONE** of the options below and follow the directions below the appropriate section.

Option 1 - Complete a Self-Performing HSP as follows:

Section 1

- Respondent and Requisition Information. Complete as indicated on the form. VID # refers to the tax ID number.

Section 2A

- Mark the ‘NO’, I will not be sub-contracting any portion of the contract, and I will be fulfilling the entire contract with my own resources. Continue to Section 3.

Section 3

- Mark the “NO” box and in the space provided indicate how your company will perform the entire contract with its own equipment, supplies, materials and/or employees.

_____ has the resources to complete all scopes of this RFP with our own equipment, supplies, materials and personnel. If sub-contracting opportunities are identified at a future date, we will immediately contact the project manager and HUB Coordinator and commit to perform a Good Faith Effort through solicitation of HUB firms and submit an amended HUB Subcontracting Plan.

Section 4

- Sign the form. Include your e-mail address and contact phone number should UT System HUB have any questions.

Option 2 – Complete if all sub-contracting opportunities are performed by **ONLY HUB vendors.**

Section 1

- Respondent and Requisition Information. Complete as indicated on the form. VID # refers to the tax ID number.

Section 2A

- Mark the ‘YES’, I will be sub-contracting portions of the contract.

Section 2B

- List all the portions of work you will subcontract, and indicated the percentage of the contract you expect to award to HUB vendors.

Section 2C

- Mark “YES”.

Section 4

- Sign the form. Include your e-mail address and contact phone number should UT System HUB have any questions.

Good-Faith Effort (Attachment A)

Section A-1

- Complete this attachment for each sub-contracting opportunity listed in Section 2B.

Section A2

- List the sub-contractors you selected to perform this subcontracting opportunity listed above in Section A-1. Please include their VID #, State of Texas HUB certificate, the appropriate \$ amount. And the contract percentage.

Option 3 – Complete if sub-contracting opportunities by both HUB and non-HUB vendors meet or exceed the HUB goals stated above.**Section 1**

- Respondent and Requisition Information. Complete as indicated on the form. VID # refers to the tax ID number.

Section 2A

- Mark the ‘YES’, I will be subcontracting portions of the contract.

Section 2B

- List all the portions of work you will subcontract, and indicated the percentage of the contract you expect to award to HUB vendors and Non HUB vendors

Section 2C

- Mark “NO”.

Section 2D

- Mark “YES”.

Section 4

- Sign the form. Include your e-mail address and contact phone number should UT System HUB have any questions.

Good-Faith Effort (Attachment A)

- Complete this attachment for each sub-contracting opportunity listed in Section 2B.

Section A1

- List the name of the sub-contracting opportunity listed on the corresponding line in Section 2B.

Section A2

- List the sub-contractors you selected to perform this subcontracting opportunity listed above in Section A-1. Please include their VID #, State of Texas HUB certificate, the appropriate \$ amount. And the contract percentage.

Option 4 - Complete a Sub-Contracting HSP as follows:**Section 1**

- Respondent and Requisition Information. Complete as indicated on the form. VID # refers to the tax ID number.

Section 2A

- Mark the ‘YES’, I will be subcontracting portions of the contract.

Section 2B

- List all the portions of work you will subcontract, and indicated the percentage of the contract you expect to award to HUB vendors and Non HUB vendors

Section 2C

- Mark “NO”.

Section 2D

- Mark "NO".

Section 4

- Sign the form. Include your e-mail address and contact phone number should UT System HUB have any questions.

Good-Faith Effort (Attachment B)

- Complete this attachment for each sub-contracting opportunity listed in Section 2B.

Section B1

- List the name of the sub-contracting opportunity listed on the corresponding line in Section 2B.

Section B3

- Subsection (b) - List 3 three HUBs you notified regarding the portion of work indicated in Section B1. **NOTE: Attach addressed and dated supporting documentation in the form of letters, fax transmittals, e-mails etc. demonstrating evidence of the Good Faith Effort performed. Please note that you must give the subcontractor 7 working days to respond to your request. Holidays and skeleton crew days do not count as working days.**

Subsection (d) – Indicate the names of two minority or women's organization you contacted. **NOTE: Include copies of correspondence as well as the date the notice is sent and indicate if the notice was accepted or rejected.** A list of minority organizations is attached to the HSP document. In addition, the minority organizations at the link below, have expressed their willingness to accept notices of subcontracting opportunities from vendors to distribute to their minority and woman-owned business members. <http://www.cpa.state.tx.us/procurement/prog/hub/mwb-links-1/>

Section B4

- List the sub-contractors you selected to perform the portion of the work indicated in Section 3. Include the expected percentage of work to be subcontracted, the dollar value and whether company selected is a HUB. If company selected is not a HUB, provide written justification of your selection process in Section B4, sub-section b.

HUB Sub-contracting Plan Required Documents

- Respondents shall submit:
 - UT System Letter of Transmittal
 - HUB Sub-contracting Plan

Changes to the Plan

- Once the HUB Plan has been submitted any changes to the HSP must be approved in writing by UT System **prior** to any work commencing. Once the contract has been awarded the HSP is considered part of the contract. Violations to the Plan can be deemed by UT System as a breach of the contract.

Reporting – After Award

- Prime contractor payment requests shall include:
 - Prime Contractor Progress Assessment Report – A condition of payment

Responses that do not include an HSP will be rejected as a material failure to comply with advertised specifications in accordance with the request for qualifications.

For any questions regarding completion of the HSP contact:

Stephanie Park
UT System
Office of Hub Development
(512)-499-4378
spark@utsystem.edu