

REQUEST FOR PROPOSALS

for

CLAIMS MANAGEMENT AND LOSS PREVENTION SERVICES



RFP # 2021-ORM-TPA
LaPac RFX #: 3000016632
Proposal Due Date/Time: May 17, 2021

State of Louisiana
Office of Risk Management

March 1, 2021

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**REQUEST FOR PROPOSAL
FOR
CLAIMS MANAGEMENT AND LOSS PREVENTION SERVICES**

PART 1: ADMINISTRATIVE AND GENERAL INFORMATION

1.1 Purpose



The purpose of this Request for Proposal (RFP) is to obtain competitive proposals from qualified Proposers who are interested in serving the Office of Risk Management (ORM) as Third Party Administrator to provide claims administration, loss prevention, and support services for the State's self-insurance program. Details of the requested services are provided in Attachment A: Scope of Services and supporting documents which are available on ORM's website (<https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>).¶ One contract will be awarded as a result of this RFP.

1.2 Background

The Office of Risk Management was created within the Office of the Governor, Division of Administration by La. R.S. 39:1527, *et seq.* which designates the ORM to be solely responsible for all property and casualty and workers' compensation insurance, either self-insured through ORM or purchased through the commercial insurance market, for all State departments, agencies, boards, and commissions. See <https://www.legis.la.gov/Legis/Law.aspx?d=96018>. La. R.S. 39:1535 more fully describes ORM's duties and responsibilities (<https://www.legis.la.gov/Legis/Law.aspx?d=96028>). The mission of ORM is to develop, direct, achieve and administer a cost effective comprehensive risk management program for all departments, agencies, boards and commissions of the State of Louisiana and for any other entity for which the State has an equity interest, in order to preserve and to protect the assets of the State of Louisiana.

ORM, under the direction of the Commissioner of Administration, is authorized to contract for Third Party Administrator services to provide daily administration of claims and statewide loss prevention services. ORM has developed detailed Client Instructions describing the processes and standards of performance expected of Contractor in handling each line of coverage and any special processes unique to ORM. These Instructions also describe the manner and types of oversight exercised by ORM's staff. For examples of current Client Instructions, see (<https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>.)

ORM's program includes claims processing, payments to claimants/providers, tort litigation management, risk management consultation services, insurance premium development/billing/collection, loss prevention services, and contract administration and monitoring. A full description of ORM's operations, authority, and staffing can be found in Attachment B: Introduction to Office of Risk Management.

As a public entity, ORM's duties, processes and operations differ substantially from those of a private entity. Because taxpayer funds support ORM's operations, ORM is subject to a high level of scrutiny from various entities, including the Louisiana State Legislature, the Attorney General, the Legislative Auditor, the Governor, the Commissioner of Administration, and numerous other State and Federal officials.

Please note that ORM's website will migrate to a new platform effective April 1, 2021. Links provided in this document which begin with <https://www.doa.la.gov/Pages/orm> will change as of that date. An Addendum to this RFP containing the format for the new links will be published utilizing the processes described in 1.16 as soon as that information becomes available to ORM. Any proposer having difficulty accessing the ORM RFP or Supplemental Document links or the Addendum after April 1, 2021 may contact the RFP Coordinator at ORMProposals@la.gov for assistance.

1.3 Goals and Objectives

ORM seeks to contract with a Third Party Administrator to provide all identified services associated with the State's risk management program as defined in more detail in Attachment A: Scope of Services and in the supplemental documentation found at <https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>. Contractor must provide all services on the start date of contract and is responsible for a transition and implementation period to ensure readiness to begin effective February 1, 2022. All services must be provided effective February 1, 2022; therefore, selected contractor should begin transition and implementation services no later than August 1, 2021 as set forth in the Transition Planning, Readiness, and Implementation Plan in Attachment A: Scope of Services, Part III, to ensure readiness by February 1, 2022.

The following is a non-exhaustive list of duties which the Contractor must manage and perform:

- Adjust and pay claims across multiple lines of coverage
- Conduct loss prevention consultations and provide recommendations
- Provide claims reports to various regulatory bodies
- Track the defense of litigated tort claims and pay judgments/settlements
- Assist in the management of federal and state-declared disaster losses and recovery processes
- Appraise real property
- Produce insurance premium invoices and track premium data

- Provide an Integrated Information System (IIS), containing all of the functionality of a Risk Management Information System (RMIS) and Claims Management Information System (CMIS), and also supporting ORM's underwriting, loss control, accounting, administrative, and financial reporting needs.
- Collaborate with ORM's other contractors, including but not limited to the Disaster Management Consultant, Actuary, Insurance Broker, and Remediation Contractors.

1.4 Term of Contract

This Contract shall begin on or about February 1, 2022 and is anticipated to end on January 31, 2025.

ORM may also exercise an option to extend for up to an additional two (2) years for a maximum contract term of five (5) years with all proper approvals and concurrence of the Contractor. Extension of the Contract beyond the initial three (3) year term requires approval by the Joint Legislative Committee on the Budget (JLCB).

Notwithstanding any other provision, a Contract, and any amendments, resulting from this RFP, shall not become effective until approved as required by statutes and regulations of the State of Louisiana.

1.5 Definitions

Acuity ELM	Enterprise Legal Management software that ORM requires its TPA and attorneys to use for certain activities related to management of legal services. https://mitratech.com/products/acuity-elm-essentials/
Agency	An entity established by the executive branch of the State of Louisiana. In the majority of instances under this contract, the term agency will refer to the insured entity that is a participant of the ORM risk program (often preceded by the term insured). See link to ORM Insured Agency List at https://www.doa.la.gov/orm/PDF/Insured_Agency_List_as_of_07012020.pdf
Adjuster	Unless specified otherwise, this term applies to all types of adjusters, including but not limited to desk examiners, field examiners, field adjusters, and desk adjusters.
Audited financial statement	A complete set of general purpose financial statements that has been prepared in accordance with generally accepted accounting principles and that has been audited by an independent certified public accountant (CPA) in accordance with generally accepted auditing standards . The CPA will prepare notes and opinions which ordinarily comprise a summary of significant factors relating to the auditee's financial health, the auditee's accounting policies, and other explanatory

	information and any other information relating to the laws and regulations governing the auditee.
Catastrophe Services (TPA)	Specialized services provided by the TPA to provide specialized services, including flood and catastrophe adjusters, because of a declared disaster, statewide emergency, parish emergency or another emergency designated by Office of Risk Management.
Client Instructions	Detailed instructions either related to claims processing in a line of coverage or administrative processes in underwriting, loss prevention, or accounting.
Contract	The written agreement executed between ORM and the awarded Proposer originating from this RFP.
Contractor	Any legal entity having a contract with a governmental body. The awarded Proposer that executes a written agreement with ORM originating from this RFP.
CMIS	Claims Management Information System. A software system which tracks claims and provides reporting of claims adjusting, expenses and payment data.
DOA	Division of Administration. This State agency is comprised of various departments that perform legislatively-mandated activities and management functions of State government. The Office of Risk Management is part of the DOA.
Financial Statement	Written reports prepared to disclose a company's financial information as of a specified date. This shall include an income statement and a balance sheet.
Fiscal Year	The State's fiscal year is from July 1 through June 30.
FP&C	Office of Facility Planning and Control. The section within the DOA responsible for design, repair, maintenance and construction of buildings statewide.
IIS	Integrated Information System. A software system which includes all of the functionality of a CMIS and a RMIS, and any other modules to support ORM's underwriting, loss prevention, accounting, administrative, or financial reporting needs. May include a number of separate software modules or platforms, but should be integrated for data to flow seamlessly between components.
ISO	Insurance Services Office. An independent national claims data warehouse.
La. R.S.	Louisiana Revised Statutes.
LAC	Louisiana Administrative Code. The Code includes definitions, procedures, regulations and rules to support the administration of statutory duties. LAC may be accessed at: https://www.doa.la.gov/Pages/osr/Index.aspx .
LaGov	A statewide SAP web-based platform that serves multi-functional roles, including the financial system of record and the real property/real estate system of record for the State.

May, Should and Can	The terms “may”, “should” and “can” denote an advisory or permissible action.
ORM	Office of Risk Management. The Department within the DOA responsible for managing the self-insurance fund, insuring state agencies, processing claims, directing loss prevention activities, and providing disaster recovery grant management services.
OSP	Office of State Procurement. The Department within the Division of Administration which is responsible for certain statewide purchasing functions and for insuring that State Agencies comply with the law in contractual and RFP transactions.
OWC	State of Louisiana Office of Workers’ Compensation
Proposer	A legal entity or individual who responds to this RFP.
RFP	Request for Proposal
RMIS	Risk Management Information System. A software system that enables monitoring of the overall cost of risk management, collects and analyzes exposure-related information, consolidates claims data, and generates user-defined reports.
Self-Insurance Fund	La. R.S. 39:1533 created the Self-Insurance Fund. This fund consists of all premiums paid to ORM for coverage, the investment income from such premiums, and any other special appropriations as deemed by the Legislature.
Shall, Will, Must	The terms “shall”, “will”, and “must” denote mandatory requirements.
SSAE 18 Review	The Statement on Standards for Attestation Engagements No. 18 Review is a Systematic Review according to a set of auditing standards and guidance on using the standards, published by the Auditing Standards Board (ASB) of the American Institute of Certified Public Accountants (AICPA), for defining and updating how service companies report on compliance controls.
SOC 1 Report	A System and Organization Controls (SOC) Report that results from a Statement on Standards for Attestation Engagements No. 18 (SSAE 18) is a formal audit of an electronic information system provider’s controls and security that affect a client’s internal control over financial reporting.
State	The State of Louisiana. In most instances under this contract, “State” will refer to processes, property, claims, obligations, or authority applicable statewide or across multiple Louisiana departments/ agencies.
TPA	Third Party Administrator.
viaOne	The proprietary CMIS/ RMIS system of the current contractor, Sedgwick. Third Party Administrator.
xActimate	A web-based software system for estimating the cost of repairs and reconstruction for residential and commercial structures.
Year	Shall always be interpreted to refer to the State’s Fiscal Year (July 1 through June 30) unless otherwise noted.

1.6 Schedule of Events

Event	Date
RFP Release Date	March 1, 2021
Non-Mandatory Pre-Proposal Conference Call	March 15, 2021 10:00 a.m. CT
Deadline for Receipt of Written Inquiries	April 8, 2021 11:59 p.m. CT
Deadline to Answer Written Inquiries	May 3, 2021
Proposal Submission Deadline (All proposals shall remain sealed until the date and time listed.)	May 17, 2021 1:00 pm CT
Tentative Dates of Oral Presentations & Discussions	TBA
Tentative Date for Notice of Intent to Award Announcement	July 1, 2021
Begin Implementation and Transition	August 1, 2021
Contract Start Date	February 1, 2022

NOTE: The State of Louisiana reserves the right to revise this schedule. Revisions, if any, before the Proposal Submission Deadline will be formalized by the issuance of an addendum to the RFP.

1.7 Proposal Submittal

Firms or individuals who are interested in providing services requested under this RFP must submit to ORM a proposal containing the mandatory information specified. Proposers shall submit a hard copy or an electronic proposal, in accordance with Sections 1.10 and 1.11. Proposers are solely responsible for ensuring their proposal is submitted to the State by the date and time specified in the Schedule of Events. FAX or email submissions shall not be acceptable.

Proposals received after the deadline will be returned unopened and not considered.

1.7.1 Electronic Proposal Submission

If submitting electronically, proposer must upload the proposal, all exhibits, and all attachments to <https://stateofla.app.box.com/f/e90aacdff70c427e8ccda61db92cc41b> before the date and time specified in the Schedule of Events. Proposers uploading their proposals should allow sufficient time to ensure successful upload of their proposal by the time specified. Proposers are strongly encouraged to upload their proposal well in

advance of the Deadline for receipt of electronic proposals as internet connectivity and file size will affect proposal submission upload timeframes.

The State assumes no liability for assuring accurate/complete uploads. The responsibility solely lies with each Proposer to ensure their proposal is successfully uploaded prior to the deadline for submission. Corrupted files and incomplete submissions will not be considered.

Proposers needing assistance regarding proposal uploads should visit: <https://www.doa.la.gov/osp/PC/agencies/UploadingRFPproposal-viaBoxSubmissionLink.pdf>.

1.7.2 Hard Copy Proposal Submission

Alternatively, proposer may submit its proposal in hard copy (printed) version to the RFP Coordinator on or before the date and time specified in the Schedule of Events. FAX and email submissions shall not be accepted.

Proposers should clearly mark the outside of the envelope, box, or package with the following information and format:

Name of Proposal:	ORM TPA Claims Management and Loss Prevention Services
RFP Number:	2021-ORM-TPA LaPac RFP # 3000016632
Proposal Opening Date and Time:	May 17, 2021, at 1:00 p.m. CST

At the Proposer's expense, the proposal package must be delivered to:

RFP Coordinator:	Deborah Grand
Phone:	(225) 342-8500
Postal Address:	Office of Risk Management Post Office Box 91106 Baton Rouge, La 70821
Courier Delivery:	Office of Risk Management Claiborne Building, Suite G-192 1201 North Third Street Baton Rouge, LA 70802

Any Proposer mailing its proposal should allow sufficient mail delivery time to ensure receipt of its proposal by the time specified. Proposers are hereby advised that the U.S. Postal Service does not make deliveries to our physical location.

The responsibility solely lies with Proposer to ensure its proposal is delivered to the specified place and prior to the Proposal Submission Deadline. ORM is not responsible for any delays caused by the Proposer's chosen means of proposal delivery. If the proposal is hand-delivered, Proposer should be aware of security requirements in the Claiborne Building and allow time to be photographed and presented with a temporary identification badge upon entrance.

1.8 Mandatory Qualifications for Proposer

Proposer must meet the following qualifications at the time of submission of its proposal. Failure to respond with information within the proposal or to comply with any of the following will result in disqualification of the proposal.

1. Proposer shall be properly licensed with the State of Louisiana to act as a TPA per La. R.S. 22:1651 by the date of the submission of the proposal. See <https://www.legis.la.gov/Legis/Law.aspx?d=508656>. Proof of such license must be submitted with the proposal.
2. Proposer shall have minimum of three (3) years of experience in providing claims administration services in each of the following lines: Workers Compensation, Property, Medical Malpractice, Auto Liability, and Commercial General Liability. Proposer must provide documentation of experience in the proposal. Proposer must identify each line of coverage and provide supporting references, reports, or other documentation, including dates, to validate the minimum experience requirement.
3. Proposer shall have a current or former governmental entity client with at least 150 insured units and provide documentation of such in its proposal. Documentation must identify the governmental entity, whether the client is current or former, and provide supporting documentation of the number of insureds in the program when the Proposer provided the claims administration services on their behalf.
4. Proposer shall prove financial stability and resources available to service this account as demonstrated in complete, independent financial audits by a certified public accounting firm for at least the most recent preceding 3 years. The Proposer shall provide paper copies of, or an internet link to, three (3) years of audited annual financial statements, beginning with the most recently completed year. The audited financial statements shall be detailed enough for ORM to analyze and assess the Proposer's financial position. Audited financial statements of the parent company are acceptable. If a parent company's audited financial statements are submitted, an official document, such as an annual report or a Secretary of State registration, must also be submitted identifying the parent company's connection to the Proposer.

5. Proposer shall have professional liability (error and omissions) coverage with a limit of at least \$10,000,000 (ten million dollars) per occurrence. A signed and dated current certificate of insurance must be submitted with the proposal.

1.9 Proposal Response Format

Proposers should respond to this RFP with a technical proposal in the format described in Sections 1.9.1 through 1.9.11. Proposers shall respond with a completed Cost Proposal Worksheet as shown in Attachment E. Proposals should follow the format and order of presentation described below:

1.9.1 Table of Contents

The proposal should be organized in the order contained below.

Headings and subheadings should be separated by tabs.	
Tab 1	Executive Summary [Section 1.9.2]
Tab 1, A	Cover letter, administrative information, and subcontractor information
Tab 1, B	Contract compliance statement
Tab 2	Response to Mandatory Qualifications [Section 1.8, 1.9.3] in listed order
Tab 3	Company Background & Experience [Section 1.9.4]
Tab 3, A	Company description, history, and organizational structure
Tab 3, B	Description of main service office and other offices to be used to serve ORM's account
Tab 3, C	Experience, client descriptions, and references
Tab 4	Approach and Methodology [Section 1.9.5]
Tab 4, A	Proposer's strategy to support ORM's statutory duties and responsibilities
Tab 4, B	Transition and Implementation Plan
Tab 4, C	Approach to Claims Management
Tab 4, D	Approach to Loss Prevention and Safety Services
Tab 4, E	Corporate procedures and service standards
Tab 4, F	Knowledge and experience with Louisiana and Federal Laws as they apply to the required services
Tab 4, G	Mail handling, document handling, storage, record management and cataloging of records
Tab 4, H	Experience in and resources available for property catastrophe claims adjusting
Tab 4, I	Continuity of Operations Plan

Tab 4, J	Optional services/ Innovative concepts
Tab 5	Proposed Staff and Qualifications [Section 1.9.6]
Tab 5, A	Organizational chart, job descriptions, training, workload assignments
Tab 5, B	Key staff and resumes, including subcontractors who will be key staff
Tab 5, C	Non-key staff resumes, including subcontractors, if any.
Tab 5, D	Transition planning and implementation team
Tab 5, E	Hiring plan, procedures, and policies
Tab 6	Integrated Information System [Section 1.9.7]
Tab 6, A	Claims Management
Tab 6, B	Loss Prevention and Underwriting
Tab 6, C	IIS Security
Tab 6, D	IIS Reporting Capabilities
Tab 7	Veteran-Owned and Service-Connected Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs [Section 1.9.8]
Tab 8	Certification Statement [Section 1.9 .10, Attachment G]
Tab 9	SOC 1 report, Statement on Standards for Attestation Engagements No. 18 (SSAE 18) [Section 1.9.11]
Tab 10	Proof of Required Insurances [Section 1.32, Attachment F]
Tab 11	Board Resolution [Section 1.10, Attachment H]
Tab 12	Electronic Vendor Payment Solutions (Section 1.35, Attachment D)

1.9.2 Executive Summary [Tab 1]

This section serves to introduce the Proposer and outline the scope of the proposal. It should include a cover letter on Proposer's official business letterhead referencing administrative information including: Proposer contact name and phone number and the stipulation that the proposal is valid for a time period of at least one (1) year from the date of submission. This section should also include a summary of Proposer's qualifications and ability to meet ORM's overall requirements in the required timeframes.

The executive summary should include a positive statement of compliance with the contract terms. See Attachment C: Sample Contract. Proposer should submit contract language or terms that its company may seek to add to or negotiate. While final wording will be resolved during contract negotiations, the intent of the attached contract provisions will not be substantially altered

1.9.3 Response to Mandatory Qualifications and Mandatory Administrative Requirements [Tab 2]

Proposer shall address all Mandatory Qualifications described in Section 1.8 and attach the specified supporting documentation for each in the order that the qualifications are numbered.

1.9.4 Company Background and Experience [Tab 3]

Proposer should give a brief description of its company including a brief history, corporate or organization structure, number of years in business, size, scope, capabilities, and areas of specialization. Proposer should identify the parent corporation or other entities with significant financial interest in the proposer. If subcontractors are proposed, Proposer should provide the same information for each subcontractor.

Proposer should describe the proposed location of the required Baton Rouge office from which this contract will be serviced. (See Attachment A: Scope of Services, Part I Administrative Requirements and Operations, A. Location, Facilities, and Basic Operating Requirements, Paragraph 2) If office space has not been selected, please indicate the criteria and process for selecting location. In addition to the Baton Rouge office, if Proposer intends to utilize regional or national offices to service ORM's account, Proposer should describe the location(s) and services those locations would provide on ORM's account.

Proposer should provide detailed descriptions of its experience, and that of any proposed subcontractor(s), as follows:

1. The servicing of contracts similar in size, scope, function, and having similar operational and/or coverage diversities to the proposed contract;
2. Private and/or public entity experience within the State of Louisiana; and
3. Public entity experience in any other state.

For each contract referenced, Proposer should provide detailed descriptions of its experience in the format as described below. If subcontractors will be used to provide services for ORM, please provide descriptions of their experience for their service areas.

[Client Name]

Client Type: Specify type of entity (e.g. city, county, state, university, federal, private corporation)

Service Dates: Indicate the start and end date of Proposer's service as part of that contract. If the contract is ongoing, indicate the expected end date.

Lines of Coverage Serviced: Identify the lines of insurance for which Proposer provided services.

IIS/ CMIS/ RMIS and/or other Software Used: Identify specific software, programs and/or apps and the extent of Proposer's use of the product.

Prime contractor or subcontractor: Specify whether Proposer was the prime or a subcontractor. What percentage of the contracted services did proposer provide? If a subcontractor, what contracted services were assigned to Proposer?

Services Performed: Provide a detailed narrative of the services provided by Proposer, including any comparisons to the services requested in this RFP.

Reference: Provide the client name, contact name, title, email address, and telephone number of the person that can be contacted for verification of information. ORM reserves the right to contact client references to verify information in proposal.

1.9.5 Approach and Methodology [Tab 4]

Proposer should communicate its interpretation and understanding of the functions and services required in Attachment A: Scope of Services, and how its proposal will meet the needs of ORM. This section should describe Proposer's business practices, procedures, standards, and methods in relation to the Scope. This section should address Proposer's understanding of ORM's statutory authority, duties and responsibilities under La. R.S. 39:1527 (<https://www.legis.la.gov/Legis/Law.aspx?d=96018>) *et seq.*, with emphasis on La. R.S. 39:1535 (<https://www.legis.la.gov/Legis/Law.aspx?d=96028>) and how Proposer's experience and business practices will support the execution of those duties and responsibilities.

The Proposal should include a detailed transition and implementation plan that addresses the immediate needs of ORM and the migration of data within the Implementation and Transition period set forth in Attachment A: Scope of Services, Part III Transition Planning, Readiness, and Implementation. All resources required to perform the contract must be available on February 1, 2022. Proposer should address the high level tasks to be performed, work estimates for each task, level of effort for ORM and Proposer's personnel, and provide particular details regarding the following:

- The primary duties that will be performed by the Proposer's Transition Team Lead and each key staff member that will contribute to the transition and implementation plan [see Section 1.9.6 regarding transition team; Attachment A: Scope of Services, Part III Transition Planning, Readiness, and Implementation]. Also include the job title and role of each staff member and subcontractor who will be assigned.
- Implementation work plan fully detailing all tasks necessary for transition to support contract performance February 1, 2022, 12:00 am CT (See Attachment A: Scope of Services, Part III, Transition Planning, Readiness, and Implementation). Plan shall include, but not be limited to: description of the IT or data file feed implementation; approach and methodology to be followed in providing the services, as well as all other tasks and services to be performed; name of

responsible party and expected dates of completion. Contractor's plan shall provide for all such tasks to be completed within the six-month transition period prior to contract start date;

- Identify areas of project risk and procedures to mitigate risks associated with implementation
- Initial transition information campaign for agencies, providers and other program participants;
- IIS configuration, data migration, and training on Proposer's system, inclusive of all modules including CMIS and RMIS;
- Establishment of Baton Rouge office, equipment, and dedicated staff;
- Establishment of checking account, check writing processes, wire transfer process or other depository arrangements;
- Essential resources and personnel that Proposer plans to have available on the start date of the Contract and a timeline for staffing up, if applicable.
- Review of all open claims and diaries established.

Proposer should describe in detail its approach to claims management. Proposer's description should include methods used to improve outcomes, reduce expenses, and maximize recoveries. Proposer should describe any metrics it will use to measure performance. Proposer should address internal evaluation of processes to identify potential areas for improvement throughout the life of the contract. Proposer should describe its approach to utilization, training, and supervision of off-site or out-of-state staff handling ORM claims. Proposer should describe how it will handle the receipt of after-hour claims, the dispatch of personnel when site inspections are required after hours, and the communications to insured agencies.

Proposer should describe its approach to loss prevention and safety services, including business philosophies, standard procedures, and internal evaluation standards used to measure performance.

Proposer should include any published corporate service standards and procedures that apply to all clients and that would be used under this contract. Proposer should also identify any standard business practices or operational procedures that could affect its performance under the Contract for ORM and/or related to Attachment A: Scope of Services, if any. Proposer should describe its approach to identifying, establishing, and documenting specific standards and procedures that will apply to this Contract. Some of the key areas that should be addressed are:

- Project management procedures for the transition and implementation of the contract;
- Initial and ongoing plans for communication, issue management, and change control processes;
- Claims reserving, processing, and documentation procedures;
- Methods which will be used to reduce ORM's total cost of risk;

- Financial procedures including but not limited to financial reporting, bank reconciliations, and check processing;
- Ongoing staff evaluations;
- Quality assurance and control, including its procedures with regard to fraud detection and deterrence

Proposer should provide samples or drafts of any forms it desires to incorporate with ORM's identified procedures and standards, Scope of Service, and Client Instructions.

Proposer should describe its knowledge of and experience with the laws of the State of Louisiana and Federal laws as they apply to the services required in this RFP and self-insured governmental programs. Proposer should provide sufficient information for ORM to assess its understanding and experience regarding the heightened level of scrutiny and other significant differences between acting as a TPA for a governmental entity as opposed to acting as a TPA for a private company.

Proposer should fully describe its procedures for mail handling, document handling, scanning, and cataloging of records. Proposer should provide its general policies relative to record management and retention of records. Proposer should additionally describe its knowledge of the Louisiana Public Records Laws as they apply to ORM, self-insured governmental programs, and the services in this RFP. Proposer's answer should specifically address the issues of Public Records Retention (of all forms of media) and responses to Public Records requests.

Proposer should describe its approach to and resources available for catastrophes. This description should include Proposer's ability to identify and retain qualified property adjusters who have the knowledge and experience to work with ORM's Disaster Management and Recovery Consultant in support of ORM's role as the State's sub-recipient for FEMA grants.

Proposer should describe its Continuity of Operations Plan and protection of data in the event of a catastrophe or cyber event, including but not limited to staffing and availability of personnel, facility availability, data/records backup schedule, location of servers utilized for backup, verification of backup accuracy, and timeline/process for restoration of business services.

Proposer may propose optional services or innovative concepts. Proposer should specify any additional services or suggestions the proposer wishes to offer which are not required services but which would improve operations, efficiencies, or cost savings. Costs associated with these services should be specified and explained sufficiently for ORM to assess the cost/benefit and estimate the increased contract costs associated with each. ORM reserves the right to accept or decline these services/ concepts and to negotiate prices for any services that may be selected for implementation by the ORM.

Proposals should include enough information and documentation to satisfy the Evaluation Committee that Proposer has the appropriate experience, knowledge, resources, and qualifications to perform the scope of services as described herein. Proposers should respond to all requested areas.

1.9.6 Proposed Staff Qualifications [Tab 5]

Proposer should provide an organizational chart of proposed staff for each service area; job descriptions; information on start-up and ongoing training; workload assignments; and rationale for workload assignments. Proposer should include in its descriptions the resources that Proposer has available to ensure that the necessary personnel for startup will be available on the start date of the contract. Proposer should include its approach to achieving integration of responsibilities of each subcontractor if subcontractors will be used.

Proposer shall identify by name and provide detailed information about the experience and qualifications of the Proposer's personnel assigned to fulfill the roles considered key to the success of the contract. At a minimum, key personnel shall include: Account Director (See Attachment A: Scope of Services, Part I Administrative Requirements and Operations, Section B Staffing Requirements, Paragraph 1); Transition Team Director (See Attachment A: Scope of Services, Part III Transition Planning, Readiness, and Implementation); Information Technology and Data Liaison Director (See Attachment A: Scope of Services, Part I Administrative Requirements and Operations, Section B Staffing Requirements, Paragraph 2). Proposer should also identify by name and include detailed information about the experience and qualifications all of subcontractor personnel who will provide critical support. Information should include education, training, technical and functional experience, specific dates and names of employers, accomplishments past and present projects with dates and responsibilities, and any applicable certifications. Client references (name, title, company name, address, and telephone number) should be provided for the cited projects in the individual employment histories.

In addition, key staff information should also define the anticipated role and responsibilities of each key person under this contract, their estimated percentage of daily time spent on the ORM contract, their anticipated duration of involvement, and their on-site availability. It should clearly specify whether the individual is an employee of the prime contractor or a subcontractor.

A resume or curriculum vitae (CV) may be used, with the following recommended (but not required) format:

Name and Title:

Current Employer:

Length of Time Employed with Current Employer:
Role Proposed for this Contract: (Contract Account Director, Claims Supervisor, Case Manager, Lead Adjuster, etc.)
Availability on this Contract: (hours per week or hours per month and specify on-site or off-site hours)
Duration of Involvement: (indicate the component/phases and the estimated dates that the person will be performing duties whether on or off-site)

Education:

Training:

Certifications:

Experience:(list relevant projects first)

For each project referenced, provide the information in the following format:

[Name of Project 1]

Client Type: (city, county, state, federal government, or corporation)

Number of employees impacted by the project:

Role/responsibility on project:

Employer:

Prime contractor or subcontractor: (specify whether employer acted as the prime contractor or was a subcontractor; if subcontractor, percentage of work)

Dates:

Average Hours Per Month on Project:

Reference: (provide the name, title, address and telephone number of the person that can be contacted for verification of information)

[Name of Project 2] etc.

Proposer should describe its plans for organizing its transition and implementation team [see Attachment A: Scope of Services, Part III. Transition Planning, Readiness, and Implementation]. Proposer should provide the qualifications and roles of each team member. Proposer should provide a high-level description of the staffing plan that it intends to have in place during the six-month transition /implementation phase, as of the contract start date and its plan for increasing its staff to the full volume needed for ongoing function. The details of the readiness//transition plan will be solidified during contract negotiations; however, it will be based upon the information provided in the proposal.

For all other staff not considered key staff, Proposer should describe the qualifications of each staff member by position type. Proposer should include necessary information for ORM to review their knowledge, skills, and ability to successfully perform assigned tasks.

Proposers should describe the adjuster staff to be assigned to ORM. Each adjuster performing services under the contract shall be licensed under the laws of the State of Louisiana as meeting the requirements for the assigned line of coverage. Proposer may provide copies of licenses, certifications, and any other applicable documentation of staff qualifications. For qualifications applicable to specific positions, see Attachment A: Scope of Services, B Staffing Requirements).

Proposer should describe its hiring plan, procedures, and policies for any positions not filled at the time of submission of the proposal or for filling future vacancies. Proposer should provide the job descriptions and qualifications of the positions to be filled, along with its approach to evaluating staff on an ongoing basis. Additionally, Proposer should describe its methods of selecting subcontractor companies, and/or specific subcontractor personnel, their roles/duties integration, and reviewing their performance.

1.9.7 Integrated Information System (IIS) [Tab 6]

Proposer should use this section to fully present the IIS to be used for this contract.

- State and describe the platform(s) and module(s) upon which the system is based;
- Describe, with specificity, CMIS and RMIS components' design;
- Describe key features, reporting capabilities, including ad hoc, and level of access to be provided to ORM staff and designees;
- Describe the training and system documentation that proposer will provide;
- Define the methods for assuring system and data security;
- Describe any system use limitations that proposer may place on ORM's staff, designated users, or other contractors.

If multiple components are integrated/ interfaced to service this contract, proposer should explain the advantage of using each system in the way it is being used. For multiple systems or platforms, Proposer should describe how these systems interface or are otherwise integrated with each other and how readily the components interface with other programs or applications, specifically with an SAP platform.

Proposer should describe the IIS's capability to capture and validate ORM's data during the transition planning and implementation phase. Proposer should address an operational plan to process and transition all data from the incumbent contractor's CMIS and Loss Prevention and Policy System.

Proposer should describe its online access controls and log-in, module access, and/or record change tracking which will support ORM-defined access privileges, restrictions, and segregation of duties. If multiple modules/ platforms will be used, proposer should provide this information for each module/ platform.

Proposer may be requested to provide a live demonstration presentation of its Integrated Information System, (including RMIS and CMIS Functions), including at a minimum: ease of access, claims management report preparation (standard & ad-hoc), example claim file information, security features, alerts and notifications, policy & premium information retainage, and loss prevention activity scheduling, tracking and reporting.

1.9.7.1 Claims Processing

Proposer should describe how it plans to provide electronic claims management support for all lines of insurance identified in Attachment A: Scope of Services and Attachment B: Introduction to the State of Louisiana ORM, along with the example Client Instructions provided in Supplemental Documents at <https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>. Proposer should describe the programs, software, applications, other resources, and processes it will use to provide live digital access to claims data. The system should afford flexibility to expand into other lines of coverage that ORM may elect or be required to handle.

Proposer should provide screenshots or other diagrams if applicable to describe data access, data fields, sorting and filtering capabilities, and on-screen display formats.

Proposer should describe the training and documentation that will be provided to ORM's staff and other designated users, including but not limited to electronic claims input user guides, data field dictionary, and standard report templates.

Proposer should describe its method for tracking and reporting catastrophe property claims data including separate scopes and estimates for insured versus uninsured losses; segregated scopes and estimates for wind versus flood losses; damages that exceed policy limits; and provide reporting specific to policy limits relative to each insured property and each type of coverage. See Attachment A: Scope of Services, VI Property Program, B. Disaster and Recovery Management.

1.9.7.2 Loss Prevention and Underwriting Services

Proposer should describe the programs, software, applications, and processes it will use to provide live digital access to functions for: conducting and scoring Loss Prevention safety audits; tracking and conducting real property appraisals; maintaining insurance policy data; uploading premium data; and generating invoices.

Specifically, proposer should describe how it will:

- Store insurance policy information and produce reports
- Store insurance policy documents
- Schedule, track, and route loss prevention safety audits and recommendations
- Track loss prevention safety audit forms, completed audits, and associated data per insured agency
- Schedule building appraisals and manage real property data, including COPE data and secondary modifiers per building
- Upload and maintain premium data, per line of coverage, per fiscal year, per insured agency
- Generate premium invoices and invoice reports

- Maintain an insured agency contacts database
- Perform predictive modeling of claims data

1.9.7.3 Security

Proposer should define its standards, policies and procedures for assuring appropriate system and data security. Proposer should state its commitment to comply with Louisiana Office of Technology Services policies located at <https://www.doa.la.gov/Pages/ots/Libraries.aspx>. If proposer is unable to comply with all provisions of these policies, proposer should specify which provisions, describe why it is unable to comply, and fully describe all alternative methods by which it will satisfy the specific security requirement. Specifically, proposer should address OTS's Information Security Policy located at <https://www.doa.la.gov/OTS/InformationSecurity/LA-InfoSecPolicy-v1.01.pdf> and IT STD1-17 Data Sanitization which can be found at <https://www.doa.la.gov/OTS/pdfs/Standards/IT%20STD%201-17.pdf>. Proposer should fully describe its approach to and/or provide copies of its current policies related to Standards for Data Management and Information Security, including but not limited to Media Security Characterization (e.g. FIPs 199), Media Security Requirements (e.g. FIPS 200) and Media Sanitization (e.g. NIST 800-88 rev. 1), and to the extent applicable, HIPPA security rules (e.g. NIST SP 800-66 rev.1). See also Sections 1.13 and 1.40.5.

1.9.7.4 Reports

Proposer should provide a high level description of the process by which it designs and generates standard, periodic reports such as those detailed in Attachment A: Scope of Services and examples shown in the supplemental documents found on <https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>. Proposer should also describe how its system builds and generates ad hoc reports. Proposer should explain, and provide samples where appropriate, of which styles of reports are available as standard templates, which can be created to run automatically and burst to designated users, and examples of specialized reports that display the breadth of ad hoc capabilities. Describe the training and documentation that Proposer will provide to ORM's staff and designated users regarding the use of regularly required reports and ad hoc reporting in Proposer's IIS.

Proposer should describe the abilities of its IIS to conform to the general and specialized system requirements outlined in Attachment A: Scope of Services, Part II Technology Requirements: Integrated Information System.

1.9.8 Veteran and Hudson Initiative Programs Participation [Tab 7]

The State of Louisiana Veteran and Hudson Initiatives are designed to provide additional opportunities for Louisiana-based small entrepreneurships (sometimes referred to as LaVet's and SE's respectively) to participate in contracting and procurement with the

State. A certified Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurship (LaVet) and a Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) are businesses that have been certified by the Louisiana Department of Economic Development. All eligible vendors are encouraged to become certified. Qualification requirements and online certification are available at:

<https://smallbiz.louisianaeconomicdevelopment.com>.

If a Proposer is not a certified small entrepreneurship as described herein, but plans to use certified small entrepreneurship(s), Proposer shall include in its Proposal the names of its certified Veteran Initiative or Hudson Initiative small entrepreneurship subcontractor(s), a description of the work each will perform, and the dollar value of each subcontract.

During the term of the contract and at expiration, Contractor must report certified Veteran Initiative or Hudson Initiative small entrepreneurship subcontractor(s) or distributor(s) participation and the dollar amount of each.

In RFPs requiring the compliance of a good faith subcontracting plan, ORM may require Proposers to submit information on their business relationships and arrangements with certified LaVet or Hudson Initiative subcontractors at the time of Proposal review. Agreements between a Proposer and a certified LaVet or Hudson Initiative subcontractor in which the certified LaVet or Hudson Initiative subcontractor promises not to provide subcontracting quotations to other Proposers shall be prohibited.

During Proposal evaluation, ORM reserves the right to require a non-certified Proposer to provide documentation and information supporting a good faith subcontracting plan. Such proof may include contracts between Proposer and certified Veteran Initiative and/or Hudson Initiative subcontractor(s).

If a contract is awarded to a Proposer who proposed a good faith subcontracting plan, ORM, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit Contractor to determine whether Contractor has complied in good faith with its subcontracting plan. Upon request, Contractor must provide supporting documentation (i.e., phone logs, correspondence, work product, emails) to demonstrate its good faith subcontracting plan was followed. If it is determined at any time by the ORM, LED, or the OSP Director that Contractor did not in fact perform in good faith regarding its subcontracting plan, the Contract award or the existing Contract may be terminated.

The statutes (La. R.S. 39:2171 *et seq.*) concerning the Veteran Initiative may be viewed at:

<http://www.legis.la.gov/Legis/Law.aspx?d=671504>.

The statutes (La. La. R.S. 39:2001 *et seq.*) concerning the Hudson Initiative may be viewed at: **Error! Hyperlink reference not valid.** <http://www.legis.la.gov/Legis/Law.aspx?d=96265>.

The rules for the Veteran Initiative (LAC 19:IX) and for the Hudson Initiative (LAC 19:VIII) may be viewed at: <http://www.doa.la.gov/pages/osp/se/secv.aspx>.

A current list of certified Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship may be obtained from the Louisiana Economic Development Certification System at: <https://smallbiz.louisianaeconomicdevelopment.com>

Additionally, a list of Hudson and Veteran Initiative small entrepreneurship, which have been certified by the Louisiana Department of Economic Development and who have opted to register in the State of Louisiana LaGov Supplier Portal may be viewed at: https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?quest_user=self_req. This may be accessed from the State of Louisiana Procurement and Contract (LaPAC) Network: <https://wwwcfprd.doa.louisiana.gov/OSP/LaPAC/vendor/VndPubMain.cfm>. When using this site, determine the search criteria (i.e. alphabetized list of all certified vendors, by commodities, etc.) and select SmallE, VSE, or DVSE.

1.9.9 Cost Proposal Worksheet [Attachment E]

Proposer shall use Attachment E: Cost Proposal Worksheet to provide all pricing. Proposer shall use the following descriptions in developing the costs included in the Cost Proposal Worksheet. A digital spreadsheet in Excel Format, with all formulas pre-inserted is available at <https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>.

All fee proposals shall include the full three contract years, plus the two potential renewal years, broken down by year. If ORM exercises the right to extend the contract to include years 4 and 5, the cost proposal amounts for the years 4 and 5 shall be subject to further negotiation.

When submitting the completed Cost Proposal Worksheet, Proposer shall separate it from the Technical Proposal (see Sections 1.7, 1.10 and 1.11). If submitted electronically, it shall be contained in a separate digital file clearly named "Cost Proposal"; if submitted by hard copy, it shall be contained in the same package as the Technical Proposal, but in a sealed envelope named "Cost Proposal Worksheet".

ORM reserves the right to request clarification of any item on the Cost Proposal Worksheet.

1.9.9.1 Implementation Fee (Year One Only)

Proposer shall provide an Implementation Fee for the first year of the contract only. This fee should cover all one-time start-up costs required to begin providing services for each line of coverage, underwriting, and loss prevention. The fee shall be payable only after the contract start date. The Implementation Fee may be zero (0) dollars.

1.9.9.2 Service Fee

Proposer shall propose a Service Fee for each year of the contract, including the two potential extension years, as set forth in the Cost Proposal Worksheet. The Service Fee shall apply to the handling of all new claims, all open claims, and closed claims that re-open across all lines of coverage until final closure, along with all loss prevention and underwriting services. See Generally Attachment A: Scope of Services. The Service Fee shall include all of the following:

- daily claims adjusting services
- normal claim investigation services
- property loss damage appraisals
- payment of claims
- invoice and bill review
- workers' compensation fee schedule reductions
- workers' compensation utilization reviews
- workers' compensation pharmacy benefit management
- workers' compensation drug utilization reviews (DURs)
- fees for Medicare Set Aside (MSA) approvals
- fees for Centers for Medicare/Medicaid Service (CMS) approvals
- appearances at trial, mediations, or other required meetings
- ISO fees
- real property appraisals for exposure purposes
- safety consultation and loss prevention services
- loss prevention agency safety audit services
- IIS (inclusive of CMIS, RMIS and other software/applications) hosting and support services, including training, report development, ftp site, integration with and upload link development with State systems
- IIS storage of all current and historic claims data and documents
- requests for data and information transfer between systems or to other contractors (See Section 1.40; Attachment A: Scope of Services, Part II Technology Requirements, Section A General System Requirements; Paragraph 10.)
- data compilation and documents for responses to public records requests, audits and reviews, and regulatory requests

- administration of outside counsel legal services contracts and payment of fees as a pass-through expense

The Service Fee shall also include travel expenses, other direct/ indirect costs, and all overhead/ operating costs for all services included in the RFP and Proposer's Proposal.

The following Allocated Loss Adjustment Expenses (ALAE) should **NOT** be included in the Service Fee. These fees are normally processed as claims expenses to the files that require these services. The process for payment of these ALAE expenses will be finalized during contract negotiations. See Attachment A: Scope of Services regarding limitations applicable to these expenses.

- Legal fees and expenses, including depositions and non-expert witness fees
- Court reporter fees
- Court costs
- Expert witness fees
- Private investigation services, including but not limited to surveillance, skip trace services, background checks, and asset checks
- Specialized, subcontracted investigation of major claims (subject to ORM approval)
- Vehicle damage appraisals
- Independent medical evaluations (IME)
- Rehabilitation consulting fees
- Salvage, towing, and storage
- Fees for official reports (ex., police reports)
- Medical records/reports
- Mediation/arbitration fees
- Medical Review Panel fees on medical malpractice claims
- Medical case management
- Return to work/Transitional duty consultations
- Translation services
- Transcription services
- Vocational rehabilitation
- Credit Bureau reports
- Accident reconstructions (subject to ORM approval)

1.9.9.3 Emergency Disaster Service Fee

Proposer shall propose a rate schedule for Emergency Disaster Services for each year of the contract and the two potential extension periods. The schedule is intended to cover the additional costs associated with managing property claims after a catastrophic event. This schedule will only be invoked for Federal or State declared disasters and other

events specifically approved by ORM. No cost beyond the regular Service Fees (as described in Section 1.9.9.2 Service Fee) may be assessed to ORM for any position identified in the Proposer's final organizational chart.

The rate per catastrophe claim shall be proposed on the schedule provided on Attachment E: Cost Proposal Worksheet. The rate is based on the amount of estimated damages per claim. A flat rate should be specified for the five lowest dollar damage ranges. Rates for higher ranges should be specified as a percentage of damages.

This rate shall be all-inclusive; it shall include catastrophe adjusters, field adjusters, photos, mileage, driving time, steep pitch roof assessments, tall building access fees, birds-eye photos, drones, and any other costs associated with managing property claims after a catastrophic event. Unless deemed necessary and approved by ORM, no fees will be allowed for supplements or re-inspections. The rate charged for the catastrophe claim may be increased or credited if new information becomes available that causes the monetary value of the claim to change from one tier to another. For claims originally charged at a flat rate, the rate may be increased to a percentage-based fee if the revised gross cost of repairs or replacement move the claim into a higher damage tier.

The catastrophe claim rate shall include all costs associated with retaining a Catastrophe Manager and any duties the Catastrophe Manager will be required to perform.

Proposer shall provide an Emergency Disaster Service Fees Adjustment Percentage Maximum Percentage Increase for catastrophe adjuster services that may be charged when three (3) or more Presidentially-declared disasters occur nationwide within 30 calendar days, resulting in a shortage of qualified catastrophe adjusters. This pricing may only be invoked upon a demonstration that a shortfall exists in the market which makes it difficult to maintain qualified catastrophe adjusters to serve ORM under this contract. This alternate pricing can only be charged with the approval of ORM and will only continue for the duration of the shortfall; ORM will periodically request verification that the shortfall still exists. The pricing shall be expressed as a maximum percentage increase over and above the standard Emergency Disaster Services Rate in the Cost Proposal Worksheet, which percentage shall be indicated in the appropriate place on the Worksheet. This adjustment percentage is to be provided for information purposes only and will not be evaluated.

Also for information purposes only, Proposer shall provide hourly rates for the Position Listed on the Emergency Services Page of the Cost Proposal Worksheet. These rates will not be evaluated.

1.9.9.4 Recovery Services

The Proposer shall propose a Recovery Service Fee for collection of subrogation and Workers' Compensation Second Injury Fund recoveries for each year of the contract and the two potential extension years. The Recovery Services Fee shall be proposed as a percentage of anticipated amounts that Proposer would retain from funds recovered due

to its collection efforts. The two sources of recovery may be represented by different percentages. The proposed percentages must include all costs associated with the respective recovery. If a subrogation claim is turned over to the State Attorney General's Office or the Office of Debt Recovery for recovery, no funds can be retained under this contract for any part of the recovery.

1.9.9.5 Optional and Innovative Services

Costs associated with optional services and/or innovative services will not be included in the evaluation of the cost proposal for award purposes. ORM urges Proposer to describe the service and how it will benefit ORM in response to Section 1.9.5 of the RFP relating to Proposer's Approach and Methodology. If optional or innovative services are proposed, the cost of each should be provided in a separate envelope or data file so as to be held apart from the technical proposal and cost proposal. If ORM so chooses, contract negotiations may include proposed optional and/or innovative services. The cost of the selected services may be added to the final negotiated total contract cost at the sole determination of ORM, subject to any legal or regulatory limitations.

1.9.10 Certification Statement [Tab 8]

The Proposer must sign electronically or submit a scanned signature on Attachment G: Certification Statement.

1.9.11 Outsourcing of Key Internal Controls: SOC Reports Requirement [Tab 9]

The Proposer shall provide any SOC reports resulting from a Statement on Standards for Attestation Engagements No. 18 (SSAE 18). The cost of such audits shall be borne by the Proposer.

1.10 Number of Copies of Proposals

The State requests that one (1) digital copy of the entire proposal be submitted. Alternatively, if proposal is submitted by hard copy, State requests that Proposer submit one "original" hard copy and at least 1 digital copy on portable digital media, such as a USB Flash Drive. The proposal shall contain original signatures, electronic signatures or scans of original signatures of those company officials or agents who are duly authorized to sign proposals or contracts on behalf of the organization. An electronic signature as provided by LAC 4: I.701 et seq. is considered an original signature. A certified copy of a board resolution granting such signatory authority should be submitted if the Proposer is a corporation (See Attachment H, Tab 11). The proposal will be retained for incorporation into any contract resulting from this RFP.

Only information contained in the submitted proposal which is in the nature of legitimate trade secrets or non-published financial data shall be deemed proprietary or confidential.

Any material within a proposal identified as such must be clearly marked in the proposal and will be handled in accordance with the Louisiana Public Records Act, La. R.S. 44:1 *et seq.* (<https://www.legis.la.gov/Legis/Law.aspx?d=99632>) and applicable rules and regulations. Any proposal marked as confidential or proprietary in its entirety shall be rejected without further consideration or recourse. The version of the proposal with the proprietary or confidential information omitted should be identified as “redacted”.

1.11 Technical and Cost Proposals

The State requests the following for **electronic proposal submissions**:

- One (1) technical proposal provided in both PDF and Microsoft Word formats. Both the PDF and Word file shall include the entire proposal, exclusive of attachments and exhibits which shall be submitted in separate files. The file shall be named: 3000016632 Technical Proposal - [Proposer Name].
- One (1) cost proposal in both PDF and Microsoft Excel formats. The file shall be named: 3000016632 Cost Proposal - [Proposer Name].
- One (1) redacted technical proposal, if applicable, provided in both PDF and Microsoft Word formats. The file shall be named: 3000016632 Redacted Technical Proposal - [Proposer Name].
- If submitting electronically, each Exhibit and Attachment shall be provided as a separate file; such files may be combined within a Tab number as described in 1.9.1 if formatting allows. All such files must be in Word, Excel **or** PDF format. The file shall be named: 3000016632 Tab xx - [Proposer Name]. OR 3000016632 Attachment xx , with xx being replaced by the corresponding tab or exhibit number.- [Proposer Name].
- The spaces in the described electronic file names may be eliminated or replaced with underscores or dashes as needed.

If, alternatively, Proposer submits by hard copy, the State requests the following for **hard copy proposal submissions**:

- **One (1) complete, designated original of the technical proposal** should be submitted on paper, containing original signatures of those company officials or agents duly authorized to sign proposals or contracts on behalf of the organization (See Attachment G: Certification Statement, and Attachment H: Board Resolution). This document should be clearly marked by a notation in the lower left corner of the cover with the words "Signed Original." This original shall be complete and unredacted. The proposal containing original signatures will be retained for incorporation into the contract resulting from this RFP, if any.

- **One (1) original of the cost proposal, sealed in a separate envelope within the same package as the technical proposal, with the envelope being clearly marked “Cost Proposal”.**
- **One complete digital copy of the proposal on disposal electronic media, such as a USB flash drive.** The Technical Proposal and Cost Proposal shall be contained in separate files on the same media, with the Cost Proposal being clearly labeled “Cost Proposal”. It is requested that PDF copies contain internal hyperlinks to aid navigation by the Evaluation Committee.
- If proprietary or confidential information is indicated in the Proposal, proposer should include one **(1) electronic version of the redacted copy** in PDF format on separate digital media (such as a separate flash drive), excluding all confidential or proprietary information. The digital media containing the redacted proposal copy should be clearly marked with the word “redacted”. The digital media containing redacted copy should **include the completed Cost Proposal in a separate digital file, clearly labeled “Cost Proposal”.**

1.12 Legibility/Clarity

The Proposer’s response should demonstrate an understanding of the requirements. Proposals prepared simply and economically, providing a straightforward, concise description of the Proposer’s ability to meet the requirements of the RFP are also desired. Each Proposer shall be solely responsible for the accuracy and completeness of its proposal.

1.13 Confidential Information, Trade Secrets, and Proprietary Information

All financial, statistical, personnel, technical and other data and information relating to the State’s operations which are made available to Contractor in order to carry out the Contract, or which become available to Contractor in carrying out the Contract, shall be protected by Contractor from unauthorized use in addition to disclosure through the observance of the same or more effective procedural requirements as are applicable to ORM (see Sections 1.9.7.3 and 1.40.5). All of ORM’s non-public data and information as well as ORM’s procedural requirements for protection of such data and information from unauthorized use and disclosure shall be considered by Contractor to be confidential and may not be disclosed without the express permission of ORM. If the methods and procedures employed by Contractor for the protection of Contractor’s data and information are deemed by ORM to be adequate for the protection of the State’s confidential information, such methods and procedures may be used, with the written consent of ORM, to carry out the intent of this paragraph. Contractor shall not be required under the provisions of the paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in Contractor’s possession, is

independently developed by Contractor outside the scope of the contract, or is rightfully obtained from third parties.

Under no circumstance shall Contractor discuss and/or release any information to television, written publications, or social media outlets regarding claims or any other services provided in this contract without prior express written approval of ORM.

1.14 Proposal Clarifications Prior to Submittal

1.14.1 Pre-Proposal Conference Call

A non-mandatory pre-proposal conference call will be held on March 15, 2020 at 10:00 a.m. CT. The purpose of the conference shall be for Proposers to obtain clarification of the requirements of the RFP and to receive preliminary answers to relevant questions. Any company interested in submitting a proposal should have at least one duly authorized representative attend the pre-proposal conference.

Call Details	
Number:	1-888-557-8511
Access Code:	5825395#
Security Code:	1234#

Proposer should submit an email to the RFP Coordinator at ORMProposals@la.gov indicating if it will attend, who will be attending on its behalf, and contact information for that person in case of unexpected circumstances, such as changes in call in numbers, equipment problems, unanticipated delays, or phone line difficulties.

During the conference call, the RFP will be reviewed and proposers will have an opportunity to ask questions. Although impromptu questions will be permitted and spontaneous answers will be provided during the conference call, the only official answer or position of the ORM will be that provided in writing in response to written questions in accordance with Section 1.14.2.

1.14.2 Proposer Inquiries

Written questions regarding RFP requirements or Scope of Services must be emailed to the RFP Coordinator listed below.

RFP Coordinator:	Deborah Grand
Email:	ORMProposals@la.gov
Postal Address:	Post Office Box 91106 Baton Rouge, Louisiana 70821-9106
Phone:	(225) 342-8500

All questions should be clearly marked with the Proposer name, RFP Title and RFP Number as shown in Section 1.7.2. Each question should clearly cross-reference the relevant proposal section or relevant document. ORM will respond to all written inquiries and requests for clarification of the content received from potential Proposers. Written inquiries must be received by the date and time specified in the Schedule of Events. ORM reserves the right to issue addenda to the RFP or its timeline should a change be identified that is in the best interest of the ORM.

Official responses to all questions submitted by potential Proposers will be posted as Addenda by the date specified in the Schedule of Events at the following websites:

<https://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm>

<https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>

Only Deborah Grand, RFP Coordinator, or her designee, has the authority to officially respond to a Proposer's questions on behalf of ORM or any other state entity. Any communications from any other individuals shall not be binding upon ORM.

Note: LaPAC is the State's online electronic bid posting and notification system residing on the Office of State Procurement website <http://www.doa.la.gov/Pages/osp/Index.aspx>. In that LaPAC provides an immediate email notification to subscribing Bidders/Proposers that a solicitation and any subsequent addenda have been released and posted, notice and receipt thereof is considered formally given as of the respective dates of posting. To receive the email notification, Vendors/Proposers must register in the LaGov portal. Registration can be found at the following link:

https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?quest_user=self_reg.

Help scripts are available on OSP website under vendor center at:

<http://www.doa.la.gov/Pages/osp/vendorcenter/regnhelp/index.aspx>.

1.14.3 Blackout Period

The blackout period is a specified period of time during a competitive sealed procurement process in which any Proposer, bidder, or its agent or representative, is prohibited from communicating with any state employee or contractor of the State involved in any step in the procurement process about the affected procurement. The blackout period applies not only to state employees, but also to any contractor of the State. "Involvement" in the procurement process includes but is not limited to project management, design, development, implementation, procurement management, development of specifications, and evaluation of proposals for a particular procurement. All solicitations for competitive sealed procurements will identify a designated contact person, as per Proposer Inquiries section of this RFP. All communications to and from potential Proposers, bidders,

vendors and/or their representatives during the blackout period must be in accordance with this solicitation's defined method of communication with the designated contact person. The blackout period will begin upon posting of the solicitation. The blackout period will end when the contract is awarded.

In those instances in which a prospective Proposer is also an incumbent contractor, ORM, the insured agencies, other ORM contractors, and the incumbent contractor may contact each other with respect to the existing contract only. Under no circumstances may ORM, or any of the other parties listed above, and the incumbent contractor and/or its representative(s) discuss the blacked-out procurement.

Any Proposer, or state contractor, who violates the blackout period may be liable to the State in damages and/or subject to any other remedy allowed by law.

Costs associated with cancellation or termination of the RFP or a contract awarded pursuant to the RFP due to a violation of the Blackout period, if any, will be the responsibility of the Proposer or Contractor who has violated the Blackout Period.

Notwithstanding the foregoing, the blackout period shall not apply to:

- A protest to a solicitation submitted pursuant to La. R.S. 39:1671;
- Duly noticed site visits and/or conferences for bidders or Proposers;
- Oral presentations during the evaluation process
- Communications regarding a particular solicitation between any person and staff of the ORM provided the communication is limited strictly to matters of procedure. Procedural matters include deadlines for decisions or submission of proposals and the proper means of communicating regarding the procurement, but shall not include any substantive matter related to the particular procurement or requirements of the RFP.

1.15 Error and Omissions in Proposal

ORM reserves the right to seek clarification of any proposal for the purpose of identifying and eliminating minor irregularities or informalities.

1.16 Changes and Addenda

ORM reserves the right to change the schedule of events or revise any part of the RFP by issuing an addendum to the RFP at any time. Addenda, if any, will be posted at the following websites:

<https://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm>

<https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>

It shall be the responsibility of the Proposer to check the websites for addenda to the RFP.

1.17 Withdrawal of Proposal

A Proposer may withdraw a proposal that has been submitted at any time up to the date and time the proposal is due.

To withdraw an **electronically submitted proposal**, a written request signed by the authorized representative of the Proposer must be uploaded to <https://stateofla.app.box.com/f/e90aacdff70c427e8ccda61db92cc41b> or sent to the RFP Coordinator at the indicated mailing address.

1.18 Waiver of Administrative Informalities

ORM reserves the right, at its sole discretion, to waive minor administrative informalities contained in any proposal.

1.19 Proposal Rejection/RFP Cancellation

Issuance of this RFP in no way shall constitute a commitment by ORM to award a contract. ORM shall reserve the right to accept or reject, in whole or part, all proposals submitted and/or cancel this RFP if it is determined to be in the State's best interest.

1.20 Ownership of Proposal

All materials submitted in response to this RFP shall become the property of ORM.

1.21 Cost of Offer Preparation

ORM shall not be liable for any costs incurred by Proposers prior to issuance of or entering into a contract. Costs associated with developing the proposal, preparing for oral presentations, and any other expenses incurred by the Proposer in responding to this RFP shall be entirely the responsibility of the Proposer and shall not be reimbursed in any manner by ORM.

1.22 Taxes

Contractor shall be responsible for payment of all applicable taxes from the funds to be received under contract awarded from this RFP.

Before the contract may be approved, La. R.S. 39:1624(A)(10) requires the Office of State Procurement to determine that Contractor is current in the filing of all applicable tax returns and reports and in the payment of all taxes, interest, penalties, and fees owed to the state and collected by the Department of Revenue. Upon notification of award of the Contract, the winning Proposer shall provide to ORM its seven-digit LDR Account Number for this determination. The Contractor shall resolve any identified outstanding tax

compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of such notification. If Contractor fails to resolve the identified outstanding tax compliance discrepancies within seven (7) days of notification, then ORM may proceed with alternate arrangements without notice to Contractor and without penalty.

1.23 Determination of Responsibility

Determination of the Proposer's responsibility relating to this RFP shall be made according to the standards set forth in LAC 34.V:2536. ORM must find that the selected Proposer:

- Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;
- Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;
- Is able to comply with the proposed or required time of delivery or performance schedule;
- Has a satisfactory record of integrity, judgment, and performance; and
- Is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Proposers should ensure that their proposals contain sufficient information for ORM to make its determination by presenting acceptable evidence of the above to perform the contracted services.

1.24 Use of Subcontractors

ORM shall have a single prime Contractor as the result of any contract negotiation, and that prime Contractor shall be responsible for all deliverables specified in the RFP and proposal. This general requirement notwithstanding, proposers may enter into subcontractor arrangements, however, they shall acknowledge in their proposals total responsibility for the entire contract.

If a Proposer intends to subcontract for portions of the work, the Proposer shall identify any subcontractor relationships and include specific designations of the tasks to be performed by the subcontractor. Information required of the Proposer under the terms of this RFP shall also be required for each subcontractor, if required by ORM. The prime Contractor shall be the single point of contact for all subcontract work.

Unless provided for in the Contract with ORM, the prime Contractor shall not contract with any other party for any of the services herein contracted without the express prior written approval of ORM.

1.25 Acceptance of Proposal Content

All proposals will be reviewed to determine compliance with mandatory qualifications and administrative requirements as specified in the RFP. Proposals that are not in compliance will be rejected from further consideration.

1.26 Evaluation and Selection

The evaluation of proposals will be accomplished by an Evaluation Committee, to be designated by ORM, which will determine the proposal most beneficial to ORM, taking into consideration price and the other evaluation factors set forth in this RFP. The Evaluation Committee will make its recommendations based upon consensus scoring.

The Evaluation Committee may consult subject matter expert(s) to serve in an advisory capacity regarding any Proposer or proposal. Such input may include, but not be limited to, analysis of Proposer financial statements, review of IIS requirements, or validation of the Cost Proposal Worksheet data and scoring formulas.

1.27 Oral /Presentations

If there is more than one Proposer, ORM shall conduct written or oral discussions with at least the three, or two if there are only two, highest qualified Proposers who submit Proposals determined in writing to be reasonably susceptible of being selected for award.

ORM may invite its staff and/or subject matter experts to attend these meetings. Any commitments or representations made by Proposer, oral or otherwise, during these activities will be considered binding and may be formally recorded in the contract. Nothing in this section may be interpreted as modifying the content of Section 1.14.3 Blackout Period.

ORM expects that the Proposer's anticipated Account Director and other key personnel named in the proposal, whether employees or subcontractors, will take an active and leading role in any and all oral interviews/ discussions/ presentations. These activities, if conducted, will be scheduled for a specific date, time and place. The agenda may include (but not be limited to) the following:

- **Presentation:** Proposer gives a formal presentation about the company and its services to further demonstrate its understanding of ORM's needs and requirements as requested through the RFP, and to demonstrate how its approach to managing claims and loss prevention sets it apart.
- **Proposer's responses to pre-selected questions:** The Evaluation Committee will ask each Proposer a list of questions based on its written proposal. These questions may be sent to Proposer prior to the presentation so Proposer can prepare in advance to fully address the questions during its formal presentation.

These questions may lead to impromptu questions which Proposer is expected to answer to the best of its ability.

- **Demonstration of IIS (including RMIS and CMIS Functions):** Live demonstration of Proposer's Integrated Information System, including at a minimum: ease of access, claims management report preparation (standard & ad-hoc), example claim file information, security features, alerts and notifications, policy & premium information retainage, and loss prevention activity scheduling, tracking and reporting.
- **General question and answer period.**

After oral presentations are concluded, the Evaluation Committee may adjust the original scores based upon information received in the presentations using the original evaluation and scoring criteria. The Cost score will remain unchanged.

1.28 Best and Final Offers (BAFO)

ORM reserves the right to conduct BAFOs with one or more Proposers identified by the Evaluation Committee to be reasonably susceptible of being selected for an award. If conducted, the Proposers selected will receive written notification with a list of specific items to address in the BAFO and instructions for submittal. The BAFO negotiation may be used to assist ORM in clarifying the scope of work, to request additional information about factors discussed in the Proposal or Presentation (See Sections 1.9 and 1.27), and/or to obtain the most cost-effective pricing available

The written invitation to participate in BAFO will not obligate ORM to a commitment to enter into a contract.

1.29 Contract Award and Execution

The State reserves the right to enter into a contract based on the initial offers received without further discussion of the proposals submitted. The State reserves the right to contract for all or a partial list of services offered in the proposals.

The RFP, including any addenda added, and the selected proposal shall become part of the contract initiated by the State.

The selected Proposer shall be expected to enter into a contract that is substantially the same as the Attachment C: Sample Contract. Proposer shall not submit its own standard contract terms and conditions as a response to this RFP. Proposer should submit contract language or terms that its company may seek to add to or negotiate. Negotiations may coincide with the announcement of the selected Proposer.

If the contract negotiation period exceeds thirty (30) business days, or if the selected Proposer fails to sign the final contract within ten (10) business days of delivery, the State

may elect to cancel the award and award the contract to the next-highest-ranked Proposer.

1.30 Notice of Intent to Award

The Evaluation Committee shall score proposals by consensus and recommend to the State Risk Director the Proposer whose proposal is determined to be the most beneficial to the state, taking into consideration cost and the other evaluation factors set forth in this RFP.

The State will notify the successful Proposer and proceed to negotiate terms for the final contract. Unsuccessful Proposers will be notified in writing.

The proposals received (except for that information appropriately designated as confidential in accordance with La. R.S. 44.1 *et seq.* - <https://www.legis.la.gov/Legis/Law.aspx?d=99632>) , the award selection notification, a summary document identifying each evaluated proposer and their respective scores in each evaluation category along with total score, shall be made available, upon request, after the “Notice of Intent to Award” letter has been issued.

Any person aggrieved by the proposed award has the right to submit a protest in writing, in accordance with La. R.S. 39:1671, to the Director of State Procurement within fourteen (14) calendar days after ORM issues a Notice of Intent to Award.

The award of a contract shall be subject to the approval of the Division of Administration, Office of State Procurement.

1.31 Right to Prohibit Award

In accordance with the provisions of La. R.S. 39:2192, any public entity shall be authorized to reject a proposal from or not award a contract to a business in which any individual with an ownership interest of five percent or more has been convicted of or has entered a plea of guilty or nolo contendere to any state felony or equivalent federal felony crime committed in the solicitation or execution of a contract or RFP awarded under the laws governing public contracts under the provisions of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950, and all contracts under Title 39, Chapter 17 of the Louisiana Procurement Code, including contracts for professional, personal, consulting, and social services. <https://www.legis.la.gov/Legis/Law.aspx?d=727654>

1.32 Insurance Requirements for Contractors [Tab 10]

The Contractor shall maintain insurance for the duration of this Contract in accordance with Attachment F: Insurance Requirements for Contractors. The cost of this coverage

shall be included in the Contract cost. Failure to comply at any time shall be grounds for termination of this contract.

1.33 Warranties, Indemnification, Limitations of Liability, and Defense

1.33.1 Warranties

Contractor shall provide all services with a high degree of care, skill, diligence, professional knowledge, judgment and expertise, according to sound work practices and accepted professional and industry standards, in a well-managed, organized and efficient manner and to the entire satisfaction of ORM. Contractor warrants and represents that all services shall 1) be of high quality, 2) comply with all applicable laws, regulations, standards, and codes, 3) not violate any patent, copyright, trade secret, or other proprietary interests, and 4) otherwise fully conform in all respects to the signed contract terms. If, in the opinion of the ORM, any work is unreasonably delayed, executed carelessly or negligently, or fails to comply with requirements of applicable laws, ORM may notify Contractor of such deficiencies. Upon ORM's request, Contractor shall promptly correct or re-perform services at no additional charge. Unreasonable delay, careless work, negligent performance, failure to comply with the law, or failure to comply with ORM's request to correct faulty services may result in termination for cause (see Section 1.36.1).

1.33.2 Duty to Defend

Upon notice of any claim, demand, suit, or cause of action against the State, alleged to arise out of or be related to this Contract, Contractor shall have a duty to defend the State at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. This duty to defend includes but is not limited to the following responsibilities: investigating, handling, responding to, and providing a defense. The State may, but is not required to, consult with or assist the Contractor, but this assistance shall not affect the Contractor's duty to defend. Contractor shall obtain the State's written consent before entering into any settlement or dismissal.

1.33.3 Contractor **Liability**

Contractor shall be liable without limitation to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of Contractor, its owners, partners, employees, agents, or subcontractors.

1.33.4 Force Majeure

It is understood and agreed that neither party can foresee the exigencies beyond the control of each party which arise by reason of an Act of God or force majeure; therefore, neither party shall be liable for any delay or failure in performance beyond its control

resulting from an Act of God or force majeure. The State shall determine whether a delay or failure results from an Act of God or force majeure based on its review of all facts and circumstances. Each party shall use reasonable efforts to eliminate, minimize, and mitigate the effect of such events upon its performance under this Contract.

1.33.5 Indemnification and Hold Harmless

Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description relating to injury or death to any person, or damage, loss or destruction to any property, which may occur or in any way arise out of any act or omission of Contractor, its owners, partners, employees, agents, or subcontractors. The Contractor shall not be required to indemnify the State for the portion of any loss or damage arising from the State's act or omission.

1.33.6 Intellectual Property Indemnification

Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities in any action for infringement of any intellectual property right, including but not limited to, trademark, trade-secret, copyright, and patent rights.

When a dispute or claim arises relative to a real or anticipated infringement, the Contractor, at its sole expense, shall submit information and documentation, including formal patent attorney opinions, as required by the State, the Chief Procurement Officer, or the Commissioner of Administration.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon the State's unauthorized: i) modification or alteration of the product, material or service; ii) use of the product, material or service in combination with other products not furnished by the Contractor; or, iii) use of the product, material or service in other than the specified operating conditions and environment.

If the use of the product, material, service, or any component thereof is enjoined for any reason or if the Contractor believes that it may be enjoined, Contractor shall at its sole expense and in the following order of precedence: (i) obtain for the State the right to continue using such product, material, service, or component thereof; (ii) modify the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; (iii) replace the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; or, (iv) provide the State monetary compensation for all payments made under the Contract related to the infringing product, material, service, or component, plus for all costs incurred to procure and implement a non-infringing product, material, or service of at least equal quality and

performance. Until this obligation has been satisfied, the State may consider the Contractor to be non-responsible in any subsequent procurements.

1.33.7 Limitation of Liability

Unless otherwise specifically enumerated herein or in the work order mutually agreed between the parties, the state shall not be liable for incidental, indirect, special, or consequential damages. The state shall not be liable for lost profits, lost revenue, or lost institutional operating savings.

1.33.8 Other Remedies

The State may, in addition to other remedies available to it at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

1.34 Invoices and Payment

Specific billing and payment terms will be clarified during contract negotiations. The Contractor shall invoice ORM directly and payment shall be made by ORM directly to the Contractor in accordance with the payment terms agreed to under the Contract.

Payments cannot be made to Contractor in advance of services being performed. (La. R.S. 39:1613, <https://www.legis.la.gov/legis/Law.aspx?d=96092>) Contractor shall not invoice ORM for services until those services have been rendered.

Contractor may submit bills for Transition Planning and Implementation Fees upon completion of services, on or after February 1, 2022.

Contractor will submit monthly detailed invoices for Service Fees rendered during the preceding month based on 1/12 of the annual Contract rate. Payment for monthly invoices will be contingent on satisfactory progress for all work performed. Each invoice shall contain detailed entries separated by lines of coverage and/or service area.

Contractor will submit a monthly invoice for Recovery Service Fees together with appropriate extracts from its claim system and documentation from each file upon which recovery was made. Documents submitted by Contractor must be sufficient to verify the amount recovered and the date when the amount was recovered. Contractor may retain funds from the amounts collected only for amounts it has directly recovered prior to any engagement of the Attorney General's Office or the Office of Debt Recovery.

Contractor will submit detailed invoices for Emergency Disaster Services Fees, when invoked. The invoice shall include sufficient detail and documentation to identify each charge by claim and claim estimate.

Payment is dependent upon: (1) successful completion of the services and deliverables described in Attachment A: Scope of Services; (2) acceptance of the services and deliverables; (3) receipt of an invoice in the form required by ORM; and, (4) written approval of an ORM contract monitor.

Under normal circumstances, ORM will remit payment of undisputed invoices to Contractor within thirty (30) calendar days of approval of invoices. The State makes every effort to pay all valid or undisputed invoices in a timely manner.

If ORM's contract monitor identifies a disputed item or a charge requiring additional verification, the Contract Administrator will work with Contractor to determine a reasonable period of time within which to respond. ORM may choose to pay the undisputed portion of the invoice immediately.

1.35 Electronic Vendor Payment Solutions [Tab 12]

ORM desires to make payment of service fees to Contractor electronically. The method of payment may be via EFT, a method in which payment is sent directly from ORM's bank to Contractor's bank. See Attachment D: Sample Electronic Vendor Payment Solutions Form for additional information regarding electronic payment methods and registration. At the time of execution of the Contract, Contractor will be requested to complete the Electronic Vendor Payment Form.

Contractor must maintain a checking account for payment of claims, ALAE and other authorized claims expenses. ORM will fund this account by wire transfer on each scheduled ORM business day, based on overnight cleared payments. See Attachment A: Scope of Services, Part 1 Administrative Requirements and Operations, Section E Financial Management Processes.

1.36 Termination

1.36.1 Termination for Cause

Should ORM determine that Contractor has failed to comply with the Contract's terms, the State may terminate the Contract for cause by giving Contractor written notice specifying Contractor's failure. If the State determines that the failure is not correctable, then the Contract shall terminate on the date specified in such notice. If ORM determines that the failure may be corrected, ORM shall give a deadline for Contractor to make the correction. If ORM determines that the failure is not corrected by the deadline, then ORM may give additional time for Contractor to make the corrections or ORM may notify Contractor of the Contract's termination for cause date.

If Contractor seeks to terminate the Contract due to ORM's failure to comply with Contract terms, Contractor shall file a claim with the Commissioner of Administration under La. R.S. 39:1672.2 - 1672.4.

1.36.2 Termination for Convenience

ORM may terminate the Contract at any time without penalty by giving thirty (30) days written notice to Contractor of such termination or negotiating with Contractor a termination date. Contractor is entitled to payment for work up to the date of termination, to the extent ORM determines that the work was performed satisfactorily.

1.36.3 Termination for Non-Appropriation of Funds

The continuation of the Contract is contingent upon the continuation of an appropriation of funds by the Louisiana Legislature to fulfill the requirements of the Contract. If the Legislature fails to appropriate sufficient monies to provide for the continuation of a Contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the Appropriation Act or Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriations for the year from exceeding revenues for that year or for any other lawful purpose and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated. See <https://www.legis.la.gov/Legis/Law.aspx?d=96094>.

1.37 Assignment

Contractor may assign its interest in the proceeds of the Contract to a bank, trust company, or other financial institution. Within ten (10) calendar days of the assignment, Contractor shall provide notice of the assignment to ORM and the Office of State Procurement. Contractor will continue to be paid directly and State will not be obligated to direct payments to the assignee until the State has processed the assignment.

Except as stated in the preceding paragraph, Contractor shall only transfer an interest in the Contract by assignment, novation, or otherwise, with prior written consent of the State. ORM's written consent of the transfer shall not diminish the ORM's rights or Contractor's responsibilities and obligations.

1.38 E-Verify

The Contractor shall comply with the provisions of La. R.S. 23:995 and federal law pertaining to E-Verify in the performance of services under the Contract. See <https://www.legis.la.gov/Legis/Law.aspx?d=84042>.

1.39 Civil Rights Compliance/ Non Discrimination

Contractor shall abide by the requirements of the following as applicable and amended: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964 as amended by the Equal Employment Opportunity Act of 1972; Federal Executive Order 11246; the Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; Age Discrimination Act of 1975; Fair Housing Act of 1968; and, Americans with Disabilities Act of 1990.

Contractor shall not discriminate in its employment practices, and shall render services under the Contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Contract.

1.40 Records

1.40.1 Record Ownership

All records, reports, documents and other material delivered or transmitted to Contractor by the State shall remain the property of ORM. Contractor, at its expense, shall return this property to ORM at the termination or expiration of this Contract, unless otherwise required by this Contract. Delivery of this property shall be in a form specified by ORM.

1.40.2 Data/Record Retention and Right to Audit

Contractor and subcontractor shall retain all their books, their records, and their other documents relevant to the Contract and the funds expended hereunder for five years after final payment or, if federal funds are used, as required by applicable federal law, whichever is longer.

Contractor and subcontractor shall comply with federal and state laws authorizing an audit of their operations as a whole, or of specific program activities.

Any authorized agency of the state (e.g. Office of the Legislative Auditor, Inspector General's Office, etc.) and of the federal government has the right to inspect and review the books and records pertaining to services rendered under the Contract for a period of five years from the date of final payment under the Contract and any subcontract. The Contractor and subcontractor shall cooperate with the auditing agency. Contractor and subcontractor shall comply with federal and state laws authorizing an audit of their operations as a whole, or of specific program activities.

1.40.3 Ownership of Work Product

All data files, documentation, records, worksheets, or any other related materials obtained, prepared, or developed under the Contract are the property of ORM. Contractor, at its expense, shall deliver this property to ORM at the termination or expiration of the Contract, unless otherwise required by the Contract. Delivery of this property shall be in a form specified by ORM.

1.40.4 Transmission of Data

Contractor shall cooperate with ORM and any new Contractor during the transition of the Contract to a new Contractor. Current Contractor shall transfer to ORM, or the party designated by ORM, all data, records, electronic files, other files and materials of any sort that were maintained for ORM. At any time during the course of the Contract, upon request by ORM, current Contractor shall provide all State information maintained by Contractor in a time frame approved by the State Risk Director. Information provided via ftp, hard disk, or other electronic transfer method shall be in a format approved by the State Risk Director and shall include, but not be limited to, data maps, file layouts, legends, and data field definitions. Contractor shall provide such explanation of the information provided to facilitate a smooth transition. This service shall be included in the Service Fees charged by the Contractor.

1.40.5 Data Sanitization

Contractor shall sanitize all State data and records in compliance with NIST SP 800-88 Rev 1, and any future revisions thereto, unless a specific alternative is approved in writing by the Louisiana DOA OTS Information Security Team. Contractor shall provide a Certificate of Sanitization, upon ORM's request. See <https://www.nist.gov/publications/nist-special-publication-800-88-revision-1-guidelines-media-sanitization>.

1.41 Entire Agreement/ Order of Precedence

The following documents shall constitute the entire agreement between the parties: the contract and its attachments, appendices, and exhibits; the RFP issued by ORM, its' attachments, exhibits and addenda; the proposal submitted by Contractor in response to ORM's RFP, and any of its attachments or exhibits; and any other documents specifically incorporated herein by reference.

In the event of any inconsistent or incompatible provisions, the signed contract with its attachments, exhibits, and appendices (excluding the RFP and Contractor's proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of Contractor's proposal.

1.42 Contract Modifications

No amendment or variation of the terms of the Contract shall be valid unless made in writing, signed by the parties, and approved as required by law. No oral understanding or agreement not incorporated in the Contract shall be binding on any of the parties.

1.43 Substitution of Key Personnel

Contractor's key personnel assigned to the Contract shall not be replaced without the prior written consent of ORM. Such consent shall not be unreasonably withheld or delayed, provided an equally qualified replacement is offered. In the event that any Contractor key personnel become unavailable due to resignation, illness, or other factors, excluding assignment to a project external to the Contract, that is outside of Contractor's reasonable control, Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. Contractor will make every reasonable attempt to assign the personnel listed in its proposal.

1.44 Contractor's Cooperation

Contractor has the duty to fully cooperate with ORM and provide any and all requested information, documentation, data, etc. to ORM when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, Contractor shall not limit or impede the State's right to audit or shall not withhold State-owned documents.

1.45 Governing Law

This Contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to La. R.S. 39:1551 - 1736; rules and regulations; executive orders; standard terms and conditions, special terms and conditions, and specifications listed in the RFP (if applicable); and this Contract. After exhaustion of administrative remedies, any action with regard to this Contract shall be brought in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

1.46 Remedies for Default / Dispute Resolution

Any claim or controversy arising out of the contract shall be resolved by the provisions of La. R.S. 39:1672.2 - 1672.4.

1.47 Code of Ethics

Contractor acknowledges that Title 42, Chapter 15 of the Louisiana Revised Statutes (La. R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in the RFP. See <https://www.legis.la.gov/Legis/Law.aspx?d=99213>. Contractor agrees to immediately

notify ORM if potential violations of the Code of Governmental Ethics arise at any time during the term of this Contract.

1.48 Prohibited Use of Funds

Contractor shall not use funds received under this Contract to urge an elector to vote for or against any candidate or proposition on an election ballot, or to lobby for or against any matter the Louisiana Legislature or a local governing authority is considering to become law. This provision shall not prevent the normal dissemination of factual information relative to any proposition on an election ballot or any matter being considered by the Louisiana Legislature or a local governing authority.

1.49 Corporate Requirements

If Contractor is a domestic corporation formed under the laws of the State of Louisiana, it must be duly registered and in good standing with the Secretary of State. If Contractor is a corporation incorporated in another state, contractor shall have obtained a certificate of authority pursuant to La. R.S. 12:301 - 302 from the Louisiana's Secretary of State. If contractor is a for-profit corporation whose stock is not publicly traded, contractor shall ensure that a disclosure of ownership form has been properly filed with the Louisiana's Secretary of State.

1.50 Prohibition of Discriminatory Boycotts of Israel

By submitting a response to this solicitation, the bidder or proposer certifies and agrees that the following information is correct: In preparing its response, the bidder or proposer has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any subcontractor or supplier, refused to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with the specific intent to accomplish a boycott or divestment of Israel. The bidder also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting actions. The state reserves the right to reject the response of the bidder or proposer if this certification is subsequently determined to be false, and to terminate any contract awarded based on such a false response. See <https://www.legis.la.gov/Legis/Law.aspx?d=1148998>.

1.51 Eligibility Status and Continuing Obligation

Contractor must not be suspended or debarred by the State of Louisiana or the General Services Administration (GSA) at any time before or at the time of submission of its Proposal. Contractor shall disclose any suspensions or debarment by any government entity at the time this Contract is signed and at the time of any debarment or suspension during the term of the Contract. Failure to disclose is grounds for suspension and/or termination of the Contract and debarment from future contracts.

1.52 Contract Approval

No contract or amendment resulting from this RFP will be effective until executed by all parties and approved in writing by the Commissioner of Administration and the Office of State Procurement, in accordance with La. R.S.39:1595.1

(<https://www.legis.la.gov/Legis/Law.aspx?d=96071>)

PART 2: SCOPE OF WORK/SERVICES

2.1 Scope of Services

See Attachment A: Scope of Services.

Contractor shall furnish all services, labor, materials, equipment and other items reasonably necessary to complete the work described in this RFP, the Attachments hereto, and the Supplemental Documents published at <https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>.

2.2 State Furnished Resources

ORM shall appoint a Contract Administrator who will provide oversight of the activities conducted under the Contract. The assigned Contract Administrator shall be the principle point of contact concerning Contractor's performance under this Contract. See also Part 4 Performance Standards.

ORM contract monitors will act as day-to-day contacts for Contractor in specific areas of performance and will oversee activities under the direction of ORM's Contract Administrator.

PART 3: EVALUATION

Proposals that pass the mandatory qualifications and administrative requirements review will be evaluated based on information provided in the proposal, the attachments, and documents Proposer presents to ORM. Additionally, ORM may consider any relevant information about any Proposer known or discovered by ORM.

The evaluation of proposals will be accomplished by an Evaluation Committee to be designated by ORM, which will determine the proposal most beneficial to ORM, taking into consideration price and the other evaluation factors set forth in this RFP. The Evaluation Committee will utilize consensus scoring.

The Evaluation Committee will evaluate and score the proposals using the criteria and scoring values as follows:

Criteria	Maximum Possible Score
Technical Score includes:	Points
Company Background and Experience	180
Proposed Approach and Methodology	160
Proposed Staff Qualifications	170
IIS System	170
Total Technical Score	680
Louisiana Veteran and/or Hudson Initiative Score <ul style="list-style-type: none"> • Up to 100 points available for Hudson-certified Proposers • Up to 120 points available for Veteran-certified Proposers <ul style="list-style-type: none"> ○ If no Veteran-certified Proposers, those twenty points are not awarded. 	120
Total Cost Score	200
Total Proposal Score	1000

Proposer must receive a minimum score of 340 (50%) of the total available points in the technical categories of Company Background and Experience, Proposed Approach and Methodology, Proposed Staff Qualifications, and IIS System to be considered responsive to the RFP. **Proposals not meeting the minimum score shall be rejected and not proceed to further Cost or Louisiana Veteran and/or Hudson Initiative evaluation.**

The scores for the Financial Proposals, Technical Proposals and Veteran and Hudson Initiative will be combined to determine the overall score. The Proposer with the highest overall score will be recommended for award.

3.1 Total Cost Score Evaluation [Section 1.9.10]

Only proposals that have received a minimum Technical Score of 340 points will proceed to Total Cost Score evaluation.

The first three (3) contract-year total costs for Parts 1, 2, 3 and 4 will be combined to determine the Total Cost to be used for evaluation purposes. Please note that zero (0) is not a valid cost in any field in Parts 1, 2, 3, or 4.

The Total Cost Score of each responsive Proposal will be determined using the following calculation formula.

$$\text{TCS} = (\text{LPC}/\text{PC} \times 200)$$

Where: TCS = Computed Total Cost Score points for Proposer being evaluated
 LPC = Lowest Proposed Total Cost of all responsive Proposers
 PC = Total Cost of Proposer being evaluated
 200 = Maximum possible points

Optional services, innovative concepts, and alternative pricing for disasters will not be included in the evaluation of Total Cost Score.

3.2 Veteran-Owned and Service-Connected, Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative), and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Participation [Section 1.9.9; Tab 7]

Only proposals that have received a minimum Technical Score of 340 points will proceed to Louisiana Veteran and/or Hudson Initiative Score evaluation.

Proposer should submit a copy of documentation indicating Proposer's or subcontractor's certification for these programs.

Twelve percent (12%) of the total evaluation points in this RFP are reserved for Proposers who are certified small entrepreneurships, or who will engage the participation of one or more certified small entrepreneurships as subcontractors. Reserved points shall be added to the applicable Proposers' evaluation score as follows:

Proposer Status and Allotment of Reserved Points

- If the Proposer is a certified Veterans Initiative small entrepreneurship, the Proposer shall receive points equal to twelve percent (12%) of the total evaluation points in this RFP.
- If the Proposer is a certified Hudson Initiative small entrepreneurship, the Proposer shall receive points equal to ten percent (10%) of the total evaluation points in this RFP.
- If the Proposer demonstrates its intent to use certified small entrepreneurship(s) in the performance of contract work resulting from this solicitation, the Proposer shall receive points equal to the net percentage of contract work which is projected to be performed by or through certified small entrepreneurship subcontractors, multiplied by the appropriate number of evaluation points.
- The total number of points awarded pursuant to this Section shall not exceed twelve percent (12%) of the total number of evaluation points in this RFP.

If the Proposer is a certified Veterans Initiative or Hudson Initiative small entrepreneurship, the Proposer must note this in its proposal in order to receive the full amount of applicable reserved points.

If the Proposer is not a certified small entrepreneurship, but has engaged one (1) or more Veterans Initiative or Hudson Initiative certified small entrepreneurship(s) to participate as subcontractors, the Proposer shall provide the following information for each certified small entrepreneurship subcontractor in order to obtain any applicable Veterans Initiative or Hudson Initiative points:

- Subcontractor's name;
- Subcontractor's Veterans Initiative and/or the Hudson Initiative certification;
- A detailed description of the work to be performed; and
- The anticipated dollar value of the subcontract for the three-year contract term.

Note – *it is not mandatory to have a Veterans Initiative or Hudson Initiative certified small entrepreneurship subcontractor. However, it is mandatory to include this information in order to receive any allotted points when applicable.*

If multiple Veterans Initiative or Hudson Initiative subcontractors will be used, the above required information should be listed for each subcontractor. The Proposer should provide a sufficiently detailed description of each subcontractor's work so the ORM is able to determine if there is duplication or overlap, or if the subcontractor's services constitute a distinct scope of work from each other subcontractor(s).

PART 4: PERFORMANCE STANDARDS

4.1 Performance Measurement

The following plan addresses ORM's ongoing monitoring of the program: 1) to help make decisions; 2) to focus on results; 3) to ensure that ORM and its insureds are receiving an appropriate level of service; 4) to evaluate progress toward fulfilling ORM's mission, including the specific goals of providing excellent customer service and controlling costs; and 5) to determine if performance penalties are due as agreed upon in the Contract. Metrics must remain flexible due to claims volume, market trends, and the expected evolution of ORM's role. Additional monitoring criteria may be added to this plan at any time at ORM's discretion.

The primary tools ORM will utilize on an ongoing basis are:

- Quarterly, or more frequent in-house monitoring of metrics to identify trends and outliers. These metrics include but are not limited to: closing ratios; total paid by groups including expense payments, workers' compensation medical payments and loss payments; average paid on closed claims; average duration; and outstanding reserves on open claims. Initial metrics will be established during contract negotiations and may be revised throughout the life of the contract in accordance with industry trends.
- Customer satisfaction surveys: Semi-annual surveys are submitted to ORM's insureds/claimants to measure the Contractor's level of customer service, accuracy, and responsiveness to both claims and loss prevention services. See example survey at <https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>.
- Managed Care Reports: Periodic reports shall be provided to ORM, including but not limited to: analysis of bill review activity and savings; analysis of bill volume and paid by provider or medical specialty; analysis of negotiated savings below fee schedule reductions; and analysis of pharmacy costs.
- Annual Stewardship Reports: A comprehensive report outlining business conducted on behalf of ORM and highlighting initiatives and projects started or completed in the most recent fiscal year ending June 30th. Statistics compiled on a fiscal year basis include but are not limited to total number of open claims and closed claims per line of coverage, outstanding reserves on open claims, and total payments on both open and closed claims. See Attachment A: Scope of Services, Part I Administrative Requirements and Operations.
- Tracking and monthly review of real property appraisals, based on approved annual schedule, to ensure timely completion.

- Tracking and monthly review of loss prevention safety audits, based on approved annual schedule, to ensure timely completion.
- Annual review of the SOC1, Type II report resulting from an SSAE 18 review.
- Periodic audits of defense attorney billing submitted through the Acuity application and the payment of those invoices. Contractor is expected to provide continuous review of incoming invoices and manage payments according to the published billing guidelines to avoid overpayments and undocumented payments.

4.2 Key Performance Penalties

These key deliverables will be subject to the respective penalties as follows. Contractor will be notified in writing of penalties to be assessed along with clear justification. In most cases, imposed penalties shall reduce the amount of monthly Service Fee payments to Contractor.

Failure to import, convert, and validate all <u>pending</u> claims data from the incumbent Contractor's IIS into the new Contractor's IIS by the Contract commencement date.	\$1,000 per day until the migration is completed
Failure of Contractor to fully assume the responsibility for the intake of new claims and the handling of all open, re-opened, and new claims by the Contract commencement date.	\$1,000 per day until 100% responsibility is assumed
Failure to submit an acceptable SOC1, Type 2 Report resulting from a SSAE 18 review by December 1 of each year.	\$1,000 per day until the SOC1, Type 2 Report is submitted. An additional \$50,000 penalty will be assessed if an unacceptable issue is not resolved and independently verified within 6 months of December 1 deadline
Failure to meet a real property appraisal deadline, based on approved annual schedule, unless a waiver or an extension is granted.	\$200 per day per building appraisal until the work is completed
Failure to meet a safety audit deadline, based on approved annual schedule, unless a waiver or an extension is granted.	\$200 per day per safety audit until the work is completed

4.3 Veteran and Hudson Initiative Programs Reporting Requirements

The Contractor shall report certified Veteran-Owned and Service-Connected, Disabled Veteran-Owned, and Hudson Initiative small entrepreneurship Contractor and

subcontractor participation, as applicable, and the dollar amount of each. Contractor shall submit a report annually, at the Contract's expiration, and upon ORM's request. Veteran and/or Hudson Initiative certifications must be renewed annually with the Louisiana Department of Economic Development for certified entities to maintain eligibility for the benefits of the Initiative(s).

If a Contract is awarded to a Proposer who proposed a good faith subcontracting plan, ORM, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit Contractor to determine whether Contractor has complied in good faith with its subcontracting plan. Contractor must be able to provide supporting documentation (i.e., phone logs, correspondence, work product, emails) to demonstrate the subcontracting plan was followed. If it is determined at any time by ORM, LED, or the OSP that Contractor did not in fact perform in good faith regarding its subcontracting plan, the Contract award or the existing Contract may be terminated.

ATTACHMENT A: SCOPE OF SERVICE

I. Administrative Requirements and Operations

A. Location, Facilities, and Basic Operating Requirements

1. At all times during the term of the Contract, Contractor must hold all required licenses, including but not limited to the licensing required for a Third Party Administrator (TPA) in the State of Louisiana per La. R.S. 22:1651 *et seq.* ORM may request proof of licensure for the Contractor and any staff members at any time during the term of the Contract.
2. Contractor shall have an office located within the downtown or mid-city business district of Baton Rouge, Louisiana to service this Contract. Contractor may request, and ORM may approve, other locations within the Greater Baton Rouge Metropolitan area. Contractor should identify the key and support personnel that will be housed at this location. Contractor's facilities must be adequate to accommodate its staff who are not housed at this location to attend meetings or work onsite temporarily as the need arises. The cost of the office space shall be borne by the Contractor.
3. Contractor's office shall be open and staffed for business on State Business Days (see observed holidays at link <https://www.doa.la.gov/Pages/osp/aboutus/Holidays-2020.aspx>), at least from 8:00 am to 5:00 pm. Contractor may request, and ORM may approve, limited exceptions to this practice.
4. Contractor shall provide a toll-free telephone number for claims reporting. Contractor shall provide a secure electronic method or methods for agencies and claimants to report incidents and claims. Claims may also be received by mail, fax, and email. Contractor shall have procedures to handle all types of claims submittals. Also, Contractor shall provide continual and monitored telephone coverage, 24-hours-a-day, to include weekends and holidays, for the purpose of receiving incident reports and messages. This may be accomplished by voicemail, an answering service, or other alternative means.
5. Contractor shall provide interoffice mail and/or document delivery between the Contractor's facility and ORM. Delivery schedules will be developed during contract negotiations.
6. ORM owns the rights to the website domain "laorm.com". Contractor shall develop, maintain, and update the content of this website to include, but not be limited to, the description of services provided by ORM/TPA, electronic claim intake links, prominent toll free number for claims reporting and service questions, links to safety and loss control information. See www.laorm.com for example of required content.
7. Contractor shall provide ORM with an Annual Stewardship Report, outlining the business the Contractor conducted on behalf of ORM and highlighting initiatives and projects started or completed in the most recent fiscal year ending June 30. Statistics compiled on a fiscal year basis include but are not limited to total number of open claims and closed claims per line of coverage, outstanding reserves on open claims, and total payments on both open and closed claims. This report will be delivered within the last 60 days of each calendar year. See <https://www.doa.la.gov/Pages/orm/Reports.aspx> for examples.

B. Staffing Requirements

1. For the term of the Contract, the Contractor shall staff a full time, dedicated Account Director who shall possess the technical and functional skills and knowledge to direct all aspects of the Contract. The Account Director will have the primary responsibility for interacting with ORM's Contract Administrator on all contract and policy and procedure issues. The Account Director shall be responsible for contract management activities that will occur continuously throughout the contract term and will include but are not limited to the following:
 - Manage day-to-day activities of the Contractor and subcontractor personnel to meet all Contract service requirements;
 - Develop and maintain communication with key ORM management personnel and State agency officials;
 - Resolve contract-related questions and service standards;
 - Resolve any issues concerning Contractor performance;
 - Make decisions on behalf of the Contractor and effect change that will be upheld by Contractor's staff without incurring delays;
 - Review key deliverables and other formal work products prepared by Contractor staff prior to submission to ORM;
 - Monitor turnaround times and accuracy rates;
 - Include all other duties as reasonably required to assure the successful completion of the Contractor's responsibilities.
2. For the term of the Contract, the Contractor shall staff a full time, dedicated Information Technology and Data Liaison who shall be well-versed with the Contractor's IIS and Microsoft Office applications (especially Excel) to assist ORM staff with IT and reporting needs, including data field research, trouble-shooting, and creation of all types of reports. This staff member will be involved in most requests for production of data and electronic documents relating to public records requests, specialized ORM report requests, and auditor requests.
3. Contractor shall assign full time, 100% dedicated staff to administer the required claims adjusting and loss prevention services. Staff must possess the knowledge, skills, and abilities to successfully perform the assigned tasks. Any staff member or representative of Contractor whose work performance is continually substandard or who conduct themselves in a consistently negligent manner as deemed inappropriate by ORM shall be removed from the account at ORM's request.
4. Each claims adjuster assigned to ORM shall be licensed under the laws of the State of Louisiana and meet other requirements pertinent to the assigned line of coverage. Contractor shall furnish a copy of the appropriate licensing for each adjuster handling ORM claims as requested throughout the life of the contract.
5. Contractor shall apply insurance industry standard caseloads/claim counts per adjuster per line of coverage, at a maximum. Contractor should review and consider the extensive

procedures and expectations as outlined in the sample Client Instructions documents for each line of coverage when determining staffing counts and caseloads. Contractor's staffing model must be able to fully meet the expectations and timelines as described in each line of coverage's Client Instructions.

6. Contractor shall have the ability to handle periods of high claims volume, particularly, but not limited to, relating to building and moveable property damage losses due to weather-related events. Contractor shall respond with appropriate numbers of qualified personnel and equipment to resolve claims quickly.
7. Contractor must also have the ability to increase capacity, capability, and staffing to handle additional lines of insurance coverage that evolve within or are added to the ORM program.
8. Contractor shall provide the services of a physician licensed in the state of Louisiana to evaluate complex bodily injury cases (including workers' compensation and third-party liability), to assist in the medical management decisions of complex medical claims, and to consult on special projects as needed. Complex medical claims shall include but not be limited to traumatic brain injuries, severe burns, or comorbidities such as diabetes, and cancer.
9. Workers' Compensation Staffing: All medical case managers shall be registered nurses or nurse practitioners licensed in the state of Louisiana.
10. Workers' Compensation Staffing: All vocational rehabilitation counselors shall be licensed to perform services in the State of Louisiana. Proof of licensure shall be provided at any time upon request.
11. Workers' Compensation Staffing: A single staff member and a backup designee will be identified and trained as the Return to Work Coordinator for the ORM program.
12. Workers' Compensation Staffing: A single staff member or pre-approved backup designee, experienced in the respective federal laws, will adjust all Jones Act, Long Shore and Harbor Workers Act (LSHWA), and Defense Base Act (DBA) Worker's Compensation claims.
13. Property Claims Staffing: Contractor's property desk adjusters and field adjusters, including those working catastrophe claims, shall have the knowledge, experience, and ability to adjust large commercial properties. Adjusters shall have the abilities to (1) fully investigate claims for coverage determinations, (2) formulate and evaluate insurance estimates, and (3) review and analyze architectural plans/drawings.
14. Property Claims Staffing: Adjusters who work on National Flood Insurance Program (NFIP) property flood claims must have an NFIP certification. Proof of certification shall be provided at any time upon request.
15. Property Claims Staffing: At least one Catastrophe Manager, or pre-approved backup designee, shall be identified and trained to support the ORM program in the event of a single large disaster or multiple disasters. This adjuster shall maintain detailed knowledge of our property program and have the ability to lead, guide, and direct field adjusters.
16. Transportation Claims Staffing: A single staff member, or pre-approved backup designee, with experience in wet marine hull and protection and indemnity losses, will adjust all wet marine claims.

17. Road Hazard Liability Claims Staffing: A single staff member with knowledge of Owners' Protective Liability (OPL) (also known as Owners' and Contractors' Protective (OCP)) insurance policies and claims procedures, along with strong contract review skills, or pre-approved backup designee, will handle all road hazard claims that involve project-specific OPL/OCP policies.
18. General Liability Claims Staffing: Contractor's liability adjusters must have the knowledge and experience to (1) analyze petitions and complex legal documents, (2) understand and accurately apply statutory regulations and state immunities, and (3) communicate effectively with legal counsel. Adjusters must have the capability to evaluate, direct, and manage a wide range of distinctly different types of claims including but not limited to premises liability, slips and falls, professional liability, false arrest, excessive force, over detention, sexual harassment, Americans with Disabilities Act (ADA), employment practices, constitutional violations, and medical indifference.
19. General Liability Claims Staffing: At least one staff member shall have a Juris Doctorate and experience as a practicing attorney, licensed in the state of Louisiana, to assist adjusters in (1) case assessments, (2) development and approval of reservation of rights letters, (3) review of attorney billing for compliance with the Case Handling Procedures and Billing Guidelines, (4) review of proposed budgets submitted by defense counsel, and (5) coordination with defense counsel in the selection of experts.
20. Medical Malpractice Claims Staffing: Contractor's adjusters must be familiar with medical terminology and medical standards of care and capable of applying those standards for the purpose of assessing liability and financial damages.
21. Private Defense Attorney Contract Administration Staffing: A staff member will be identified as the administrative contact point for the attorney engagement and contracting process as described in Part IV Claims Management, C. Litigation and Settlements, Items 9., 10. and 11.
22. Loss Prevention Staffing: All loss prevention officers shall have a minimum of two (2) years of occupational safety and health field experience, including hazard recognition, training, consulting, investigation, and program review and development. Continuing education must be provided annually, including obtaining/maintaining the National Safety Council (NSC) Advanced Safety Certificate (ASC). Contractor is required to maintain CE documentation for each loss prevention officer assigned to the account.
23. Underwriting Services Staffing: All real property (building) appraisers shall have a minimum of two (2) years of commercial real estate appraisal experience, or shall be a licensed commercial real estate appraiser in the State of Louisiana. Continuing education must be provided annually, including the 7-hour USPAP update course, regardless of whether the appraisers are licensed or not. Contractor is required to maintain CE documentation for each appraiser assigned to the account.

C. Public Records Requests, Legislative Requests, and Records Management

1. Contractor will assist ORM in preparing responses to Public Records Requests (PRR) by researching, providing responsive data and records, and/or providing requested reports to assist ORM in identifying responsive data and records, within the period designated by

ORM. Contractor shall provide the documents in the form required by ORM. These requests are sometimes expansive and could require records from subcontractors. Contractor will be responsible for retrieving data and records from subcontractors within the period of time designated.

2. Contractor will provide ORM with the required assistance in response to Legislative requests within 24 hours, in order for ORM to fully respond to the proper authorities within the mandated timeline in Rule 4 of the Joint Rules of the Louisiana Legislature.
3. Contractor may be called upon to meet with members of the Louisiana Legislature or to appear before Legislative committees to explain the contract, contract performance, or to assist ORM with testimony regarding specific Legislative initiatives. Personnel will attend such meetings as requested at Contractor's expense.
4. Contractor shall provide an annual calendar year workers' compensation data report to assist ORM in the preparation of the Annual Report of Workers' Compensation Costs (LWC-WC-1000). This report is due each year on March 30th.
5. Contractor shall maintain ORM and State agency records, both electronically and in paper form as needed, in accordance with ORM's records retention schedule, the Secretary of State's Public Records and Archives Policies, LA R.S. 44:1 *et seq.*, applicable provisions of the Louisiana Administrative Code (LAC), and other state and federal laws/regulations applicable to the types of records utilized in ORM's course of business. In accordance with LA R.S. 44:1, all hard copies of public records must be retained until a digital exception is approved by the Louisiana Secretary of State. Contractor shall be the repository of and provide adequate facilities to maintain these hard copies until this exception is approved. Periodically, ORM may request the disposal of records in accordance with the approved retention schedule. Subsequent disposal of public records must comply with procedures established by the Secretary of State. See the following link for more information: <https://www.sos.la.gov/HistoricalResources/ManagingRecords/ViewResources/Pages/default.aspx>
6. ORM shall have access to all of Contractor's hard files and all computer files relating to ORM or ORM's insured agencies, including drafts and working documents, at all times and without prior notice to Contractor. Whenever possible, ORM shall give Contractor a reasonable time to produce the file or locate the electronic data. Contractor shall also provide such documents, files, and information to ORM's designees, including other designated Contractors for purposes of compliance with the service requirements of their contracts with ORM.

D. Training and Education

1. Contractor shall provide training, online or in person, during the initial transition period under the Contract, and on request thereafter, on its IIS for ORM staff, insured agencies, auditors, actuaries, attorneys, and other contractors who require access to ORM's data in performing services on behalf of ORM.
2. Contractor shall develop, provide, and track on-going statewide and agency-specific programs and training sessions, including but not limited to, claims filing and processing procedures, loss prevention courses (such as accident investigation, blood borne

pathogens, safety supervisor training, etc.), workers' compensation return to work consultations, loss trending analyses, and other topics identified by ORM.

3. At ORM's Annual Conference(s), Contractor's staff shall conduct training sessions in collaboration with ORM.

E. Financial Management Processes

1. Contractor shall maintain financial policies and procedures including but not limited to financial reporting, bank reconciliations, segregation of duties, and check processing.
2. Contractor shall ensure that its internal operating procedures establish and maintain internal controls that ensure the integrity of financial information, prevent fraud, and safeguard ORM assets.
3. Notwithstanding any state law directing Contractor's records retention, all financial records (including all paid bills and invoices) shall be maintained in a secured environment and retained for the entire contract period. Cancelled checks, check copies, or document images shall be securely stored, placed in numeric (check number) order, and are deemed to be the property of ORM. All records, images, and documents shall be made available to ORM. Access to such records shall be within 24 hours upon request.
4. Contractor shall be responsible for complying with 1099 regulations issued by the Internal Revenue Service (IRS). Contractor shall be liable for any penalties assessed on 1099 processing as established by the IRS. Contractor shall research and resolve any errors identified by the IRS.
5. For payment of claims and authorized claims expenses, Contractor shall provide a dedicated checking account on behalf of ORM, maintained under best banking fraud practices. ORM will fund the checking account on each scheduled ORM business day, based on overnight cleared check payments. Documentation shall be provided daily to ORM identifying overnight cleared payments. ORM will wire the funds on the same day. In the event that a State holiday falls on a day which is not a banking holiday, the deposit will be delayed until the next State business day. On the next State business day, ORM will wire funds for all payments that have cleared since the last State business day.
6. Uncashed checks for claim payments shall be considered stale-dated after six (6) months. In accordance with LA Revised Statute 39:1538.1, any unclaimed checks held in the ORM Self-Insurance Fund which could be claimed by any claimant shall not be presumed abandoned at any time. Contractor shall ensure adherence to this law by timely researching all stale-dated checks to determine if the payment is still owed. If the payment is not owed, the check shall be voided. If the payment is still owed, the check shall be voided and reissued.
7. Bank account reconciliations, the monthly bank statement for the dedicated checking account, and documentation sufficient to substantiate all charges must be submitted to ORM by the end of the subsequent month (example: April reconciliation by the end of May).
8. Contractor shall cooperate with ORM's requirements for the fiscal year-end "freeze period", which includes halting (1) claims payments, (2) adding new claims to the system,

and (3) updating claims reserves, for up to seven (7) days prior to and including 6/30 and continuing up to seven (7) days after 6/30. The dates of the freeze period shall be established 30 days before the first date of the freeze period in consultation with Contractor.

F. Financial Reports and Audit Requirements

1. The State shall have full access to and the right to examine all financial records and documentation relating to the ORM program.
2. On or before December 1 of each year, Contractor shall submit its annual SOC1, Type 2 report resulting from an SSAE 18 review, either by internet link or in hard copy. The review shall be completed at Contractor's expense, and submitted to ORM's Contract Monitor immediately upon completion.
3. Contractor shall submit an annual financial audit report, conducted by an independent CPA, within 60 days of the completion of the audit of the report.
4. ORM requires Contractor's cooperation with any audits performed by the State, including annual audits by the Legislative Auditor, Division of Administration Internal Auditors, or any other audits or monitoring procedures performed by or on behalf of the State or ORM.

II. Technology Requirements: Integrated Information System(s) (IIS)

A. General System(s) Requirements

1. Contractor shall have an IIS, which incorporates functionality of a risk management information system, a claims management information system, and other support functions including underwriting, loss control, administrative, and financial reporting, capable of supporting all lines of insurance coverage provided by ORM. IIS shall be capable of expansion as necessary to accommodate new or expanded insurance coverage lines and support functions as they evolve.
2. Although separate systems are acceptable, all modules/applications/systems of the IIS shall be fully integrated, i.e. data entered in one module shall be accessible in related modules and navigation between modules shall be seamless.
3. IIS will have the capability to define and secure user profiles for ORM's authorized users, including insured agencies, auditors, actuaries, attorneys, and other vendors/contractors who require real-time access to ORM's data in performing services on behalf of ORM. ORM, in consultation with Contractor, will determine restrictions and accesses applicable to different profiles. Contractor will provide individualized access profiles for specific users as may be requested by the State Risk Director, or designee.
4. IIS shall support web-based online access to approved users, that includes all required software, at no additional cost. The online access shall include all data fields that contain ORM program information. IIS should allow for customization for client-defined fields. The online access shall allow ORM to run management reports for validation and monitoring of claims, loss prevention activities, and other services as needed.
5. Contractor shall have a Business Continuity of Operations Plan that provides for the continued operation of the IIS, in the event of an interruption or degradation of service. It shall allow all critical computer and communication systems to be available in the event of a major event or loss, and should prioritize the sequence of critical systems recovery. Recovery shall take no longer than 24 hours. The Continuity Plan shall be re-evaluated and tested at least annually, to include restoring data from backup media to ensure that restoration procedures are known and to verify the integrity of the backup media. Contractor shall provide ORM with a report following each practice test to detail the results, any remedial actions undertaken, and any proactive actions identified.
6. IIS must have security features that guard against unauthorized access. Contractor shall provide secure access for any electronic communications, data transfers, document transfers, data extracts, and emails sent to ORM or other parties. All electronic communications, data transfers and data/document extracts must satisfy the Federal HIPPA privacy and security requirements, when applicable. Contractor should comply with all State of LA Office of Technology Services Information Security Policies and Protocols (<https://www.doa.la.gov/OTS/InformationSecurity/LA-InfoSecPolicy-v1.01.pdf>). and with the policies of the National Institute of Standards and Technologies (www.nist.gov), as applicable.
7. Contractor shall ensure that the IIS access is available 24 hours a day, 7 days a week, barring scheduled downtimes for maintenance and upgrades. If access to the IIS must be limited or temporarily down, notification must be made at least 48 hours in advance for pre-

scheduled downtimes, including the expected amount of time the IIS will be inaccessible, and as soon as practical in the event of an unplanned outage.

8. In the event of loss of any electronic data or records, where such loss is due to the intentional act, omission, or negligence of Contractor or any of its sub-contractors or agents, Contractor shall, at its own expense, promptly replace or regenerate such data.
9. IIS shall be capable of retention/ disposal of documents to ensure ORM's compliance with the Louisiana Public Records Law (La. R.S. 44:1 *et seq.*), applicable Louisiana Administrative Code Articles, policies established by the Louisiana Secretary of State, ORM's Retention Schedule, and other state and federal laws/ regulations applicable to ORM's records. Data and records may only be disposed of with the express consent of ORM.
10. Regardless of the reason for the request and at any time during the course of the Contract, Contractor shall transfer to ORM, or a party designated by ORM, at no cost, all data, records, electronic files, other files and materials of any sort that were maintained for ORM. Contractor shall provide all State information maintained by Contractor in a time frame approved by the State Risk Director. Information provided via ftp, hard disk, or other electronic transfer method shall be in a format approved by the State Risk Director and shall include, but not be limited to, data maps, file layouts, legends, and data field definitions. Contractor shall provide such explanation of the information provided to facilitate a smooth transition.

B. Other Specialized System Requirements

1. IIS shall have the ability to issue user-specified direct notifications and alerts, for example, the addition of reports to a claims file and revisions to claims reserves.
2. IIS shall be capable of direct data interfacing with State applications including but not limited to the LaGov Real Estate Module (SAP platform) for property appraisal data transmissions.
3. IIS shall support multi-user access to images and pdf (or equivalent) documents at one time.
4. IIS shall have a feature to email or fax images and pdf documents.
5. IIS shall provide the capability to search, query, and report on most, if not all, data fields, including client-defined fields.
6. IIS shall support online claims reporting by approved insured agencies.
7. IIS shall accommodate tracking and reporting of property loss damage estimates for both insured and uninsured damages. See Part VI, Section B Disaster and Recovery Management.
8. IIS shall have an "as of" reporting capability to identify and calculate financial information at a specific point in time.
9. IIS shall support monthly file transfers, such as the upload of payments and documents from the Attorney General's Office, backup documentation that supports road hazard liability appropriated payments, refund and recovery documents associated with FEMA

disaster grants, and the Acuity contract attorney payment application. These uploads are normally between 1 and 5 MBs per upload.

10. IIS shall provide predictive modeling capabilities and Contractor will provide a working plan to incorporate those capabilities into the ORM program.
11. IIS shall have the capabilities to provide online access for scheduling, conducting, scoring, and tracking (by audit year by insured agency) all Loss Prevention safety audits.
12. IIS shall have the capabilities to provide online access for scheduling Loss Prevention investigations and consultations and tracking recommendations and outcomes of each.
13. IIS shall have capabilities to store and update insurance policy numbers, along with basic coverage data for each policy, by policy year. It shall store insurance policy documents in pdf or other compatible formats.
14. IIS shall accept and store uploads of insurance premiums by line of coverage by insured agency and by date. The system shall generate premium invoices to the specifications identified by ORM.
15. IIS shall contain flexible ad-hoc reporting tool(s) to access ORM data, which will allow ORM and approved agencies to produce reports as needed. The tool(s) shall allow ORM to select various report parameters (e.g. ability to choose multiple agencies) or exclude various report parameters (e.g. ability to exclude a particular department or agency) as well as include or exclude data fields. In cases where Contractor's ad-hoc reporting tool(s) are unable to generate a report needed by ORM, Contractor shall develop and provide such reports according to ORM specifications.
16. Contractor shall make available a "data dictionary", which will provide detail and definitions associated with each data field in the Contractor's IIS. Additionally, standard report templates and report training guides should be made available to all approved users.
17. In addition to the training provided during the transition period, Contractor shall provide ongoing training in the use of its IIS, either online or in person, as needed. Contractor shall provide in-person training if the group of trainees exceeds five (5). This training shall include system features, ad hoc reporting functions, definitions of field titles, and query functions. Contractor should be prepared to answer questions regarding particularities about data field content and usage in specific queries and reports. User manuals shall be provided as needed. Training shall be offered to all ORM staff when a significant update is made to the IIS.
18. IIS shall have the capability to represent data in reports using charts and graphs.

III. Transition Planning, Readiness and Implementation

- A. During contract negotiations, ORM and Contractor will review the proposed Transition Implementation Plan to finalize the priorities, phases, timelines, and details of the transition between incumbent TPA and new Contractor.
1. Contractor shall work with ORM and incumbent contractor to develop competencies and operational expertise essential to administering the services contemplated within this RFP with minimal interruption to ORM, ORM's insured agencies, and claimants.
 2. Contractor shall provide a dedicated transition team, including a transition team director, that has experience with the facets of a large-scale, complex transition between TPAs, including data transfer and validation, initial open claims assessments, and transition check payment services. Contractor shall confirm the identity of its Transition Team Director no later than August 1, 2021. Contractor shall provide to ORM a complete team organizational chart, with individual members clearly identified and contact information provided, no later than August 1, 2021. The responsibilities assigned to each team member shall be fully described within the team chart.
 3. Contractor shall identify the Account Manager no later than August 1, 2021.
 4. Contractor shall facilitate system programming including but not limited to data collection from the incumbent contractor and/or ORM; file transfer set-up between ORM and Contractor; and data transfer and mapping. If the data received requires file mapping and/or subsequent updates, this service will be provided by Contractor. Contractor shall establish an FTP for data transfer established no later than August 1, 2021. **Files must be exchanged electronically via the designated Secure FTP server(s) utilizing a security file transport protocol approved by ORM and/ or Office of Technology Services. All files must be encrypted using methods approved by ORM and/or Office of Technology Services.**
 5. Contractor shall work with ORM to standardize file layouts, required metadata and naming conventions. Contractor shall format file data in a layout format designated by ORM to include, but not limited to, Check Register File, Claims Files for all lines of coverage, Vendor Files, and Code Files. **Files must be exchanged electronically via the designated Secure FTP server(s) utilizing a security file transport protocol approved by ORM and/ or Office of Technology Services. All files must be encrypted using methods approved by ORM and/or Office of Technology Services.**
 6. Contractor shall work with ORM to establish a schedule for notification of interested parties of the effective date of the change in TPA, including in said notice the necessary contact information. Notice recipients shall include, but not be limited to, insured agencies, claimants, contract attorneys, experts, and medical providers.
 7. Contractor must participate in monthly readiness reviews beginning August 31 and continuing through the contract start date, and a Final Readiness check, no later than 30 days prior to contract start date. All issues discovered during the Final Readiness Check must be resolved no less than 10 days prior to the start date of the contract.
 8. Contractor will be required to coordinate with the incumbent, the Louisiana Office of Technology Services, and other contractors of ORM in order to perfect the transition. No later than August 1, 2021, ORM will confirm the identity of these entities and provide Contractor with contact information
 9. At the initiation and throughout the implementation period, Contractor shall identify risks associated with the implementation process. Contractor shall be primarily responsible for

mitigation of all risks. Contractor shall collaborate with ORM to resolve risks that may be encountered.

10. A Kickoff meeting will be held no later than July 30, 2021. Subsequent planning and status meetings will be scheduled approximately every other week until the start date of the contract. Implementation planning and status meetings will be hosted by the Contract Administrator on-site, via teleconference or by Zoom.
11. Contractor, incumbent, and ORM shall coordinate initial data and file transfers. Contractor and ORM will work together to establish a schedule of regular updates of data to insure data completeness on contract start date of February 1, 2022.
12. Data validation reports for all migrations are identified in the Phases below. If system revisions or data processes are identified as problematic during data validation, reports and/or updates on corrections shall be provided at least monthly until ORM approves the importation of data.
13. For the purposes of record and information management and compliance with the Public Records Act (La. R.S. 44:1 *et seq*), ORM will conduct a Transition Audit at the end of each phase of the Transition to ensure proof of concept and progress in record management. On or before September 1, 2021, ORM will provide the names and contact information for its Transition Audit Team which will consist of staff members of ORM, staff members of OTS, and ORM/ OTS Contractors. Within 15 days of receiving the identities of these members, Contractor will provide Audit Team members remote access in the Contractor's IIS to audit each deliverable type within the transition plan phase. The Audit team will need directions, including data mapping related to each phase, for remote access to ORM's data and run reports during State Business hours. Any proprietary information shared with the Audit Team that has been clearly designated as such will be treated confidentially.

In addition, Contractor will provide the Audit Team with reports designated for development during each phase as evidence of progress. Contractor will provide the ORM Transition Audit Team a monthly test plan for User Acceptance Testing (UAT) to assure that each transition phase is complete.

- B. The following Phases shall be observed. When both parties agree, Phases may be revised and modified as needed throughout the Implementation period. Notwithstanding any modifications to these Phases, Contractor shall be prepared to take responsibility for providing all services contemplated in the RFP no later than February 1, 2022.

Phase One:

Phase 1 shall begin no later than August 1, 2021 and be completed no later than September 30, 2021. At a minimum, the first phase should integrate the following tasks and duties:

1. Contractor shall import and convert all **pending** claims data, including but not limited to, reserves, payments, cause codes, claims descriptions, and notes fields from the incumbent's IIS to the Contractor's IIS. Beginning September 30, 2021, data validation

reports shall be utilized and shared with ORM to confirm accuracy and completeness of all data transfers; data validation reports.

2. Contractor will design and submit for approval a structure of user profiles for ORM's authorized users of the Contractor's IIS, including insured agencies, auditors, actuaries, attorneys, and other vendors/contractors who require real-time access to ORM's data in performing services on behalf of ORM. ORM, in consultation with Contractor, will determine restrictions and accesses applicable to different profiles. Contractor will provide individualized access profiles for specific users as may be requested by the State Risk Director, or designee.
3. ORM and Contractor will collaborate to determine a list of required reports that shall be available immediately upon importation of ORM's data into the IIS in order to assist in the validation process. Test samples of said reports shall be provided no later than September 30, 2021. The Contractor shall collaborate with ORM in an analysis to define priority reports, specific data to be included in such reports, and other intrinsic reporting attributes.
4. Contractor shall present to ORM its quality assurance standards and controls, including fraud detection and deterrence, for all contract services. Upon approval by ORM, contractor shall apply the processes to all services as applicable.
5. Contractor shall provide ORM's Contract monitor with a completed State Archives Imaging System Survey.

<https://www.sos.la.gov/HistoricalResources/PublishedDocuments/ssarc-970.pdf>

ORM will review for completeness and submit the System Survey to the Secretary of State for approval. Contractor will also provide a Data Migration statement (<https://www.sos.la.gov/HistoricalResources/PublishedDocuments/RM-G-DataMigration.pdf>)

and Quality Control statement

(https://www.sos.la.gov/HistoricalResources/PublishedDocuments/RM_G-QualityControl.pdf).

Throughout the implementation period, Contractor will provide ORM with any data required by the Secretary of State to obtain approval of the electronic imaging exemptions or the Electronic Imaging Survey. Contractor will also provide ORM with the data necessary to complete the Electronic Records Series Form

<https://www.sos.la.gov/HistoricalResources/PublishedDocuments/ssarc-972.docx>

6. Contractor shall provide its plan for plan for establishing the Baton Rouge Office.
7. Contractor will collaborate with ORM to design a complete the analysis and triage plan for ORM's open claim files across all coverage lines to determine handling priorities. The claims files that have immediate regulatory or legal deadlines will be identified and handled first to avoid lapses or late filings.
8. Contractor shall confer with ORM to prepare a plan for review of Client Instructions for all lines and services. Discussions shall commence during this period regarding revisions and updates to Client Instructions, inclusive of the need for meetings and research regarding requested changes.
9. ORM and Contractor will review the Contractor's recommendations for performance metrics, standards, and staff evaluation to be used for Contractor's internal monitoring purposes. ORM will confirm at this time the information ORM will require Contractor to provide for ORM's monitoring purposes. Discussion will be held regarding Contractor's

schedules for providing the monitoring data and the results of Contractor's audits and reviews to ORM.

10. Contractor will collaborate with ORM to establish logistics regarding communications, monitoring of electronic transmittal processes, responses times and standards, approaches to after-hour communications, and deployment of personnel to insured sites.
11. Contractor will collaborate with ORM to establish logistics regarding financial processes, including payment for claims, claims expenses, check processing, bank reconciliations, and funding.
12. Contractor will provide its Continuity of Operations process for review and discussion with ORM.
13. Contractor will provide the details of and initiate the process of establishing its processes for establishing, maintaining, and updating the database for agency contact data and a process for regular purges/ review for continuation of authorized user status for agency users – and determination of users who are no longer with the agency.

Phase Two

Phase 2 shall begin no later than October 1, 2021 and be completed no later than October 31, 2021. At a minimum, the second phase shall integrate the following tasks and duties:

1. Contractor shall import and convert all **closed** claims data and documents. Data validation reports shall be utilized and shared with ORM to confirm accuracy and completeness of all data transfers.
2. Contractor shall identify and transition other historical data, image files, and records into the IIS, including insurance policy data, premium invoice data, building appraisal data, loss prevention services and safety audit data. Data validation reports shall be utilized and shared with ORM to confirm accuracy and completeness of all data transfers.
3. Contractor will establish and implement the IIS and the designated user profiles for ORM's authorized users of the Contractor's IIS.
4. Contractor shall complete all identified revisions and modifications to training materials and staff resources needed for the start-up of the contract.
5. Contractor shall initiate planning and logistics for all interfaces with State's systems and with ORM's other contractors that are required for the purposes of this contract.
6. Contractor shall finalize the loss prevention safety audit plan. All plans, schedules, forms, and documentation must conform to the requirements of La. R.S. 39:1543 and the most current Loss Prevention Safety Manual.
7. Contractor shall finalize its plan related to real property appraisals. The plan and all data collected and updated must conform to Part IX, F Real Property Appraisals.
8. ORM and Contractor shall complete the revisions to Client Instructions for Contractor's use in developing protocols for the IIS and staff training purposes.
9. Contractor shall update ORM on the status of identifying properties for is Baton Rouge location and its plan for plan for establishing the Baton Rouge Office.

Phase Three

At a minimum, the third phase shall integrate the following tasks and duties. Phase 3 shall begin no later than November 1, 2021 and be completed no later than November 30, 2021. At a minimum, the third phase should integrate the following tasks and duties:

1. Contractor shall import all remaining data and image files and prepare them for retrieval and access by its staff and ORM's authorized users. Data validation reports shall be utilized and shared with ORM to confirm accuracy and completeness of all data transfers.
2. Contractor will conduct an analysis and complete the process of triaging ORM's open claim files across all coverage lines to determine handling priorities.
3. Contractor and ORM shall determine the content and scheduling of regular operational reports and regulatory reports. Contractor shall provide test samples of said reports no later than November 30, 2021.
4. Contractor will collaborate with ORM to obtain final approval of Secretary of State Electronic Survey or Digital Imaging Exemption. Contractor will propose processes and thresholds for Contractor to submit Expedited Disposal Requests for Converted Documents Forms <https://www.sos.la.gov/HistoricalResources/PublishedDocuments/ssarc-930e.pdf>. Contractor will be responsible for preparing and retaining all documentation required by the Secretary of State to verify Quality Control measures taken prior to destruction and the actual destruction events and processes. Contractor and ORM will also collaborate on the storage methods and requirements for public record storage for physical records prior to Secretary of State approval to destroy said record.
5. Contractor shall develop and implement processes to track coverage data including policy images and invoicing data. Contractor shall also develop protocols to facilitate retrieval of policy data and images.
6. Contractor shall develop and implement processes to track Loss Prevention data, including storage and retrieval of agency information; scheduling and conducting audits; and documenting audit findings and related resolutions.
7. Contractor shall develop and implement processes to track, store, and retrieve Property Appraisal data, including scheduling of appraisals and follow up; past and present building data; appraisal histories; and image files of current appraisals.
8. Contractor shall provide examples of corrected reports featuring all imported data for review and approval by ORM. Contractor shall also present its planned production schedule for these reports. When appropriate, ORM will approve the report formats and ORM will formally accept final reports. Contractor and ORM shall confirm the format, content and scheduling of regular operational reports and reports required to be submitted to state and federal regulatory bodies. Contractor shall provide test samples of said reports no later than November 30, 2021.
9. Contractor shall present ORM with its final plan for securing a property for is Baton Rouge location and its plan for plan for establishing the Baton Rouge Office.

Final Readiness Check shall be completed on or before Monday December 20, 2021

1. Contractor shall demonstrate readiness to ORM that Contractor is prepared to fully assume the contractual responsibility for the intake of new claims and the handling of all open, re-opened, and new claims under this contract on February 1, 2022.
2. All migrated data shall be fully validated, with reconciliations complete.
3. Contractor shall provide final runs of reports including all current data, including any corrections or revisions requested by ORM.
4. Contractor's staff model, staff training materials, and resources needed for the start-up of the contract shall be in final form.
5. Contractor shall demonstrate readiness to begin issuance of workers' compensation indemnity checks as necessary to maintain the statutory timeline for payments.

6. Staffing shall be completed and training of all staff members scheduled, with training to commence no later than January 3, 2022.
7. Training for ORM employees and authorized users shall be fully scheduled, with training to commence no later than January 3, 2022.
8. Contractor shall present ORM with documentation and information sufficient to confirm that Contractor will be fully prepared to commence doing business in its Baton Rouge location on February 1, 2022.
9. Contractor shall demonstrate its ability to “go live” with LaORM.com fully functional on February 1, 2022.

Any schedules to be developed during transition period shall be complete and ready for implementation.

Final Preparation

This Phase shall be completed by January 31, 2022.

1. Contractor shall complete all tasks necessary to satisfy the Final Readiness Check no less than ten (10) days prior to the effective date of the contract.
2. Contractor shall provide documentation to confirm its ability to comply with Attachment F: Insurance Requirements for Contractors.
3. Contractor’s IIS shall be fully functional with all data and images accessible and capable of “live” usage on February 1, 2022.
4. All ORM authorized users shall be established in Contractor’s IIS, with profiles ready to “go live” on February 1, 2022.
5. Initial training of Contractor’s “startup” staff shall be complete. All training materials, operating manuals, and Client Instructions shall be available to Contractor’s staff.
6. Initial training of ORM’s authorized users shall be complete. All training materials, operating manuals, and Client Instructions shall be available to ORM’s authorized users, including information manuals for Contractor’s IIS.
7. All pending claims shall have been triaged, with specific instructions to commence immediate action on February 1, 2022.
8. All newly-opened and re-opened (pending) claims shall be assigned to adjusters and supervisors along with a schedule for each claim to be reviewed and documented in the electronic activity notes of the claim file.
9. All agencies shall have assigned loss prevention officers, and officers shall be prepared to begin contacting agencies to schedule loss prevention audits and walkthroughs.
10. Contractor shall make agency assignments to its real property appraisers.
11. User profiles shall be fully implemented in Contractor’s IIS and ORM’s authorized users shall have all required accesses and permissions to utilize Contractor’s IIS systems in accordance with the designated user profiles in order to operate in the Contractor’s IIS.
12. Contractor shall begin to issue workers’ compensation indemnity checks to maintain the statutory timeline for payments and to avoid penalties. If penalties are incurred due to a lapse or late payment, the Contractor shall be wholly responsible.
13. Contractor shall provide a transaction register daily for all prior day activity from the Contractor’s dedicated checking account in accordance with Section E, Financial Management Processes.

14. Contractor shall assume responsibility for beginning to keep all of ORM's records in a manner consistent with Public Records/ Secretary of State requirements.
15. Contractor shall finalize arrangements for all necessary data and information backup processes, with backups to commence on February 1, 2021.
16. Contractor shall notify ORM Insureds and other recipients designated by ORM with notice of the transition to the new TPA, providing the recipient with all required contact information in order to continue operations without delay.
17. Contractor will facilitate contract attorney engagement processes and assume full responsibility for invoice review and payments on incoming attorney billings.
18. Contractor shall be fully prepared to comply with all monitoring processes and policies established under the contract and designed during the various phases of the transition process.
19. Contractor shall be fully prepared to assume all required financial operations and implement the standards required by the contract and designed during the various phases of the transition process.
20. Contractor shall "go live" with LaORM.com on February 1, 2022.

IV. Claims Management – All Coverage Lines

A. Requirements Applicable to All Coverage Lines

1. All claims shall be handled promptly and in a professional manner, with emphasis on customer service. All pending claims shall be processed to conclusion in accordance with applicable statutes, rules, and regulations; ORM operating procedures; Client Instructions; and specific verbal or written instructions from ORM for a particular claim.
2. Contractor shall create a claim file within 24 hours of receipt of a claim.
3. Contractor shall contact claimant(s) and the agency submitting the claim within 24 hours of receipt of the claim. Agency personnel, having knowledge of the claim, and witnesses shall be contacted within 48 hours following receipt of the claim. All initial contact should be made in-person or by telephone. Contact by electronic mail or regular mail will suffice only in those instances where in-person or telephonic contact is not possible. A follow up acknowledgement letter will be sent to the appropriate agency contact within 2 business days of initial contact.
4. Contractor shall conduct a thorough investigation of each reported claim, which may include, but is not limited to, photographs, diagrams, police reports, statements from involved parties, and statements from witnesses, to determine the level of State liability. Contractor shall confirm with the insured agency that all evidence is photographed and secured. Initial statements and/or inspections shall be completed within three (3) business days of receipt of the claim. When deemed necessary, Contractor shall arrange for independent investigators, appraisers, medical, or other experts. Exceptions and special handling instructions may be specified in each line of coverage's Client Instructions.
5. Contractor will provide on-site dispatch of personnel to a loss site for inspections or to meet with insured agency outside of normal business hours, including weekends and holidays, as necessary.
6. Contractor will make prompt and educated liability and/or coverage determinations.
7. Contractor will report claims to ORM's commercial excess insurance carriers promptly and will provide reports and claim information, attend meetings, and cooperate with the excess insurance carrier as needed.
8. Contractor will pursue recovery through claim closure on all claims with potential commercial insurance excess recovery.
9. Contractor shall make all necessary damage, indemnity, claim expense, and fee payments. Both checks and electronic payments (EFT) shall be made available for payment processing. Files shall be adequately documented as described in each line of coverage's Client Instructions.
10. Contractor will proactively review incidents reported and make recommendations as applicable to ORM and the insured agency.

11. Contractor will monitor all payments and, if determined that certain expense categories tend to be excessive, will restrict or require prior approval from ORM for those problematic categories.
12. Contractor shall conduct continuous examinations of claim files. Pending claims shall be reviewed by a supervisor at regular intervals. Appropriate intervals should be determined by standard criteria including type of claim, severity, length, and activity level. Documentation of the review shall include comments in the electronic activity notes on reserve adequacy, verification of financial activity, and recommendations for future handling of the claim. At time of closure, all claims shall be reviewed by a supervisor. Documentation of the review shall include comments in the electronic activity notes to confirm the validity of closure and claim coding, and to reconcile financial activity to insure appropriateness of payments. Contractor shall provide examination results when requested.
13. Contractor shall report all applicable bodily injury claims to Insurance Services Office (ISO), a national claims clearinghouse.
14. Contractor shall maintain accurate information about all efforts to conclude each claim, settlement offers made, and responses received. All attempts to settle shall be fully documented in the file.
15. Contractor shall make immediate notification by telephone to the ORM Claims Administrator in all cases involving death, catastrophic bodily injury, large-scale property damage, or a high-profile media-worthy situation.
16. Bodily injury claims, with the exception of those caused by medical malpractice liability, that include future medical payments shall be handled according to La. R.S. 13.5106(B)(3)(c) and La. R.S. 39:1533.2.
17. Contractor will make submissions on behalf of ORM and ensure ORM's compliance with Centers for Medicare & Medicaid Services, including but not limited to CMS Section 111 - Mandatory Insurer Reporting Law.
18. When a claim is assigned that is already in litigation, Contractor shall make contact with assigned defense counsel as soon as possible. Contractor shall coordinate with and assist attorney in collection of evidence and documentation.
19. Penalty assessments, additional expenses, or legal obligations incurred as a result of delay, negligent handling, or errors made by Contractor shall be the sole responsibility of Contractor.
20. On claims where coverage (defense and/or indemnity) is not applicable to specific parts of the claim, Contractor shall send a reservation of rights (ROR) letter to insureds within sixty (60) days of receipt of the claim clearly identifying the details of the claim in question and reserving ORM's rights to not provide defense or indemnification. Adjuster should make a file note containing the date the ROR was sent and any other significant details about the ROR, along with uploading a copy of the ROR into the claim file.
21. A signed final release shall be secured on all claims, with the exception of windshield glass damage claims under \$500.

22. All litigated third-party liability claims involving bodily injury shall have a medical records review performed by a nurse or, when requested or approved by ORM, a physician.

B. Reserving Practices

1. Preliminary reserves shall be established by Contractor within three (3) business days of receipt of the claim and entered into Contractor's IIS. Reserves shall reflect the estimated total cost based upon all information in the file or known at the time the reserve is established. Each claim file shall contain reserve calculation details and reserve comments. Reserve pre-approval thresholds for each line of coverage will be established and identified in the Client Instructions.
2. After initial reserves have been set, Contractor shall review and adjust reserves whenever new information that would change the evaluation is received. Reserves shall be adjusted when medical information or investigation indicates the existing reserve is inadequate or set too high. The adequacy of reserves shall be reviewed at least every 90 calendar days, and Contractor shall document this review and provide reserve calculation details and comments within 24 hours of any changes.

C. Litigation and Settlements

1. ORM manages the defense of all tort claims asserted against the State, its insured agencies, and covered employees, whether covered by insurance or not.
2. Contractor shall coordinate the defense of litigated claims with ORM, the Attorney General's office, and assigned defense counsel. This includes but is not limited to supplying detailed claim documentation, sharing results of any investigative efforts, directing and supporting the discovery process, organizing and analyzing medical information, and participating, as needed, in hearings, trials, mediations, and settlement activities.
3. Contractor shall transfer all current claims information to the assigned defense counsel whenever legal action is commenced against the State.
4. Contractor shall coordinate with ORM regarding the determination of coverage and the need for issuance of a reservation of rights letter. Contractor shall be responsible for preparing proper and accurate reservation of rights letters and sending them to the appropriate parties early in the claims process.
5. Contractor shall collaborate with assigned defense counsel throughout the defense of the claim. Contractor shall monitor assigned defense counsel to ensure counsel's compliance with ORM's Billing Guidelines. Additionally, Contractor shall actively participate in any meetings set by ORM regarding defense of the claim, including Claims Council meetings wherein ORM determines settlement/trial authority.
6. Contractor shall ensure that all litigation deadlines are met and that applicable defenses are pled timely and aggressively pursued.
7. Contractor shall make settlement evaluation promptly. Contractor shall review Requests for Settlement Authority (RSA) submitted by assigned defense counsel for compliance

with ORM's Billing Guidelines and other criteria. Contractor shall process compliant RSAs promptly, along with providing Contractor's independent evaluation of the claim.

8. Settlement authority for litigated cases can only be granted by ORM with concurrence of the Attorney General. For non-litigated cases, Contractor has settlement authority up to \$25,000 to obtain a full and final release.
9. If assigned defense counsel is a private attorney (i.e., not an employee of the Attorney General), Contractor shall engage the private attorney for purposes of defending the claim, in accordance with the terms, conditions and rates specified by the Attorney General and ORM. All attorney fees will be documented in the claim file by Contractor as an expense.
10. The contract process for private attorneys is undergoing transition. At the beginning of the Contract period, the listed forms and process as shown at <https://www.doa.la.gov/Pages/orm/formsATTY-htm.aspx> shall be utilized by the Contractor and the assigned attorneys. Contractor shall monitor the attorney's use of the forms, require compliance, and attach completed forms to the claims file.
11. When the attorney contract transition process occurs, private attorney contracts shall then be executed in compliance with State of Louisiana procurement statutes and in collaboration with ORM. The current documents and process are expected to be revised by ORM in the near future. Once completed, Contractor will adhere to the Client Instructions identifying the steps to be taken to enact an approved contract. Contractor shall initiate the use of the required documents, route the documents according to the instructions, and attach completed contract documents to the claims file.
12. Contractor shall review and examine assigned defense counsel's billing and invoices to ensure compliance with ORM's Billing Guidelines, and shall ensure that proper documentation is received to support the billing. ORM contracts with Acuity for a software application that manages contract defense counsel billing. Contractor will be required to utilize this system for review and monitoring this billing. Access to Acuity will be at ORM's expense. See <https://mitratech.com/products/acuity-elm-essentials/>.
13. The services of experts and consultants required to properly defend a claim shall be secured by Contractor and documented in the claim file by Contractor as an expense.
14. ORM and Contractor may develop standardized fee guidelines for experts and consultants. If so established, fees in excess of those guidelines will require approval by ORM.
15. Contractor shall maintain accurate information about all efforts to conclude each litigated claim, settlement offers made, and responses received. All attempts to settle, including dates and offer amounts, shall be fully documented in the file.

D. Subrogation and Recoveries

1. Contractor shall address subrogation potential early during the investigation and immediately secure evidence so that subrogation rights are preserved. Contractor shall pursue recovery from all responsible third parties.

2. Contractor shall fully investigate all cases involving possible third-party liability and Workers' Compensation Second Injury Fund recoveries within 60 calendar days of notice of accident or information indicating possible recovery.
3. Contractor shall review and monitor all claims which might involve third-party liability and pursue subrogation against any and all third parties for which subrogation may be appropriate. Contractor shall ensure that the ORM Supervisor is notified 90 calendar days prior to the statute of limitations expiration if a suit has not been filed to protect the State's interest.
4. Contractor will take all action necessary to maximize recoveries. Contractor shall fully document all evaluations of claims for potential subrogation and subsequent efforts at recovery.

V. Workers' Compensation Program

https://www.doa.la.gov/orm/PDF/Workers_Compensation_Program_Client_Instructions.pdf

A. Statutory Workers' Compensation Claims

1. Contractor shall perform all duties in accordance with the Louisiana Workers' Compensation Act and the Office of Workers' Compensation (OWC) rules and regulations in the handling of ORM's claims.
2. Claim files shall be reviewed by a supervisor and assigned the day received. Within ten (10) calendar days of receiving the claim, a case assessment will be performed and documented within the file. Requirements include a compensability assessment, action plan, reserve analysis, medical and bill utilization review if applicable, return to work or transitional employment potential review, employer and treating provider information validation, and any other documentation that will assist in providing a clear and accurate picture of the true claim status. All reviews shall be conducted in accordance with generally-accepted industry best practices.
3. For both medical only and lost time claims, Contractor shall complete a three (3)- point contact with the injured worker, the designated agency representative, and the health care provider within 24 hours of notice of claim. The information obtained from these contacts shall be documented within the claim file.
4. Contractor shall monitor the treatment programs recommended for injured employees by physicians, specialists, and other health care providers in accordance with the OWC Medical Treatment Guidelines. Contractor shall request second medical opinions when needed.
5. Contractor shall perform timely filing of statutorily required OWC forms and notices as established in Title 23 of the Louisiana Workers Compensation Act.
6. Contractor is responsible for all OWC penalties and attorney fees assessed against ORM. This includes but is not limited to (1) assessment of waiting time penalties, interest and attorney fees; (2) penalties for late filing or failure to file OWC forms; and (3) any erroneous payments or overpayments that are not an obligation of the State.
7. Penalties and erroneous payments shall be reported immediately to the ORM Claims Manager. The following data shall be provided:
 - Claimant name
 - Claim number
 - Check number
 - Date paid
 - Amount of penalty/overpayment
 - Period of time penalty covers, or period of overpayment.

Contractor shall reimburse ORM for such penalties/payments within ninety (90) calendar days of payment.

8. Written acknowledgement (benefit letter) shall be sent to all injured workers, and shall include a claim number, adjuster's name, and phone number, within five (5) business days

after receipt of the claim. The content of the benefit letter for both medical only and indemnity claims must include, but not be limited to, language in La. R.S. 23:1307.

9. Recorded statements shall be taken on all lost time claims or cases where there is questionable compensability in compliance with industry standards.
10. A decision on the compensability of each claim shall be made within 14 business days of the receipt of the claim by Contractor. Contractor shall utilize form LWC 1002 to communicate the compensability decision to the injured worker and their attorney (if represented), and the employing agency.
11. Contractor and ORM shall review all decisions to deny compensability. Once ORM approves a denial, the denial decision shall be immediately communicated in writing to the injured worker, their attorney (if represented), and the employing agency.
12. On cases where compensability determinations are pending more than 14 business days, Contractor shall contact the injured worker, the human resource agency representative, and ORM advising them of the reasons as to why a decision cannot be made. Assertive attempts at contact must be continued in order to finalize a decision within 30 calendar days of the receipt of the claim utilizing phone calls, email, and certified mail.
13. Contractor shall maintain accurate information about efforts to conclude the claim, settlement offers made, and responses received. All attempts to settle, including dates and offer amounts, shall be fully documented in the claim file.
14. Indemnity payments on compensable claims shall be made within 14 calendar days after notice of injury.
15. Contractor shall provide a monthly report to the ORM Claims Manager by the 10th day of the following month of (1) injured workers on total disability and (2) injured workers working transitional duty. This will be used in responding to the statutory reporting requirement contained in La. R.S. 39:1547.
16. Contractor shall notify ORM at least 30 calendar days prior to any scheduled mediation, hearing, or trial before the Louisiana OWC Administration. Contractor's adjuster and/or supervisor familiar with the case shall attend all mediations, hearings, and/or trials.
17. Contractor shall re-price all medical bills, prescription reimbursements, and other related expenses according to the current Louisiana Workers' Compensation Medical Fee Schedule. Contractor is encouraged to recommend other cost containment services and programs, which are not expected to expose the State to undue litigation. ORM must approve any such programs before they can be implemented.
18. All medical only claims will have a compensability analysis and will be reviewed for closing every 60 days. A compensability analysis and closure review will be entered in the claim notes with rationale for closure.
19. Contractor shall review all medical only claims that reach \$2,500 in medical expenses for further investigation and management.
20. An initial medical report will be obtained within 7 - 14 working days of the first day of lost time and as often as needed thereafter to justify continuing indemnity payments.

Contact with the medical provider will be maintained to obtain medical notes to justify continuing indemnity payments.

21. A medical consultant or medical case manager, defined as an employee with relevant medical expertise, shall perform utilization reviews in the following situations:
 - When an injured worker is not responding to treatment;
 - When, based upon the diagnosis and initial expected recovery period, return to work has not occurred;
 - When modified duty extends longer than 30 calendar days post-injury, with no clear expectation of full duty release within 40 calendar days;
 - When there is a lack of compliance with the medical regimen;
 - When there is a chemical dependency;
 - When there is a long-term physiotherapy;
 - When there is prescription medication dispensed long-term (over 1 year);
 - When physician visits are more than is typical for the type of injury/illness;
 - When referrals are more than typical for the type of injury/illness;
 - When prescriptions are more than typical for the type of injury/illness;
 - When the case extends substantially beyond the expected resolution date;
 - When the medical situation is a mix of occupational/non-occupational conditions;
 - When the injured worker and/or their support system are not capable of coordinating services, setting appointments, or comprehending medical needs;
 - When an original injury causes a secondary health problem to occur.
22. All medical bills received will be reviewed and approved by the adjuster prior to payment with regard to causal relationship to the accident/work-related injury.
23. Contractor shall provide a user-friendly discount prescription drug program that shall include dispensing medication for a ten (10) calendar day period pre-claim approval (First Fill).
24. Contractor shall staff a Return to Work Coordinator for this contract. See Section I., B. Staffing. Contractor shall assure that all cases are reviewed for return to work or transitional employment options and, if options are identified, aggressively pursued in either a full or modified duty capacity as quickly as possible. The Return to Work Coordinator shall be assigned early in the case.
25. Cases will be referred for medical case management as soon as medically feasible, but no later than 30 calendar days after an injury has occurred if an employee has not returned to work on full or modified duty. All files where return to work or transitional employment has not occurred by 40 calendar days from date of injury shall be referred for aggressive case management.

26. Contractor's Return to Work program shall follow the guidelines defined below:
- Medical case management staff shall coordinate with medical providers and injured workers to obtain medical releases to return to work. All medical case managers shall be registered nurses or nurse practitioners. (See Section I., B. Staffing).
 - Once release to return to work is obtained, if the injured worker cannot return to full duty at the job of injury, Contractor shall initiate vocational rehabilitation, with transitional duty employment as the next option. All vocational rehabilitation shall be performed by a licensed vocational rehabilitation counselor. (See Section I., B. Staffing)
 - If transitional duty employment is not available, efforts will be made to return employee to work with other employers.
 - All medical management and vocational rehabilitation reviews shall be documented as part of the claim file and made available to ORM.
 - ORM and Contractor will work with insured agency management staff at all agency locations to establish return to work policies and processes whenever possible.
27. Any check issued to an injured worker shall have an informational stub section that will include check number, check date, check amount, payee, claim number, date of service, and name and telephone number of claims adjuster.
28. Contractor will identify potential Second Injury Fund claims and submit claims to the Second Injury Board for approval. Contractor will pursue Second Injury Fund recovery on all approved claims through claim closure. Contractor will take all action necessary to maximize Second Injury Fund recoveries.

B. Federal Workers Compensation: Jones Act, Longshore Harbor Workers Act (LSHWA), and Defense Base Act (DBA) Claims

1. Contractor shall assign a single staff member and a backup delegee who will adjust all Jones Act, LSHWA, and DBA Worker's Compensation claims. (See Part I, Section B Staffing)
2. Contractor will identify and notify ORM's Claims Manager of incoming claims that appear to warrant handling under the Jones Act, the Longshoremen and Harbor Worker's Act, or the Defense Base Act.
3. Recorded statements shall be taken on all Maritime, LSHWA, and DBA Worker's Compensation claims.

VI. Property Program

https://www.doa.la.gov/orm/PDF/Property_Program_Client_Instructions.pdf

A. Property Damage Claims

1. On-site property inspections shall be performed within 72 hours of receipt of claim on all losses anticipated to be equal to or greater than \$7,500, by exception approved through ORM, or as described in the Client Instructions. Inspection reports should contain a narrative addressing the claim investigation, cause of loss, involved peril(s), recommended reserves, scope of damage, subrogation potential, and all other captions as shown in the example report template (see link <https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>). Photos of damage, a scope of work, estimates, and other support documentation should also be included.
2. Subsequent inspections and reports shall be done at 15 - 90 calendar day intervals, depending on claim severity and activity, until conclusion of the claim. Changes in scope of repair and resulting changes in reserves shall be recorded in the claim file immediately.
3. Contractor is responsible for determining the insurable scope of work, informing the insured agency, and reaching an agreement with the insured agency and/or agency's representative. This process includes working with the insured agency, the State of LA Office of Facility Planning and Control (FP&C), architects, project managers, and other relevant parties.
4. Contractor will evaluate architectural plans and public construction bid documents for alignment and compliance with the determined insurable scope. This process may require multiple evaluations or re-evaluations until the repairs or reconstruction commences.
5. Contractor will review changes in the scope of repair (aka change orders) during the repair/reconstruction process to determine if the changes are claim-related and insurable. Reviews and communication must be expedited to ensure there is no delay in the repair/reconstruction project.
6. The State of LA places pre-positioned remediation services contracts with companies statewide. Contractor shall follow the procedures and requirements in place for remediation company services and/or other ORM guidelines.
7. All property claims payments are governed by the provisions of Policy and Procedure Memorandum 10 (LAC 4: V§501). Repair or replacement of damaged property must occur prior to the issuance of claim payments and usually those payments are made directly to the vendor.
8. Contractor will designate a qualified and experienced adjuster to act as liaison with ORM's commercial excess property insurers. The Contractor's property adjusting staff may be approved to also represent the commercial insurance carriers relative to field adjusting services in the event a large loss penetrates, or has a high probability to penetrate, into the commercial layers. Contractor will report all relevant claims to the commercial excess insurers promptly and will provide narrative reports and claim

information, attend meetings, and cooperate with the excess insurance carriers as needed.

9. Contractor's property adjusting staff must have the ability to receive Xactimate files, correct estimates, and create estimates as needed to adjust property claims.

B. Disaster and Recovery Management

1. Qualified catastrophe field adjusters shall be identified and retained prior to a federal or state-declared disaster event (ex: weather-related, such as hurricanes and floods, and man-made, such as terrorism). Disaster damage may include all of the following lines of coverage in a single event: property (buildings & various categories of moveable property), mobile equipment, boiler & machinery, wet marine vessels, aircraft, and automobiles.
2. A qualified Catastrophe Manager shall be identified and retained prior to a federal or state-declared disaster event. See Part I, B Staffing.
3. Contractor will designate a qualified and experienced adjuster to act as liaison with ORM's commercial excess property insurers. The Contractor's property adjusting staff may be approved to also represent the commercial insurance carriers relative to field adjusting services in the event a large loss penetrates, or has a high probability to penetrate, into the commercial layers. Depending on disaster size, Contractor may be required to report relevant claims to the commercial excess insurers promptly and to provide narrative reports and claim information, attend meetings, and cooperate with the excess insurance carriers as needed.
4. Should the Contractor determine that catastrophe field adjusters are needed for an event, the Contractor shall make a recommendation to the State Risk Director to invoke the disaster response provisions of the contract to allow catastrophe field adjusters to be deployed to the affected geographic areas.
5. Contractor's alternate pricing for catastrophe field adjuster services, that addresses potential shortages of qualified adjusters, if provided, may be invoked if the criteria is met and upon approval by ORM. See RFP Section 1.9.9.3, Cost Proposal for criteria.
6. In the event of a federal or state-declared disaster that is anticipated to involve the Federal Emergency Management Administration (FEMA) and/or Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funding, Contractor shall establish scopes of damage for both insured and uninsured damage. Scopes of damage and estimates will be written separately for insured and uninsured damage and separately for wind and flood losses that may occur to the same property. The Contractor's IIS shall allow the tracking and reporting of estimates for both insured and uninsured damages. The uninsured damage estimates shall include damage to insured property that exceeds policy limits, depreciation on contents, and damage to State-owned property that is not insured, all of which may be recoverable from FEMA.
7. Desk adjusters and catastrophe field adjusters shall work in concert with ORM's disaster and recovery management contractor to conduct field inspections, collaborate on scope

development, and share claims documentation necessary to support ORM's role as the State's sub-recipient for federal grants.

8. The Contractor shall review, for coverage and payment, outstanding unpaid claims costs that are discovered during a FEMA grant reconciliation or closeout.
9. The Contractor shall participate in joint meetings with ORM and the Disaster Recovery Grant Consultant immediately after a declared disaster to review how scopes for both insurable and uninsurable damage should be prepared.
10. Following a disaster, the Contractor shall contact the insured agencies in the affected geographic areas to estimate the number and severity of claims ORM is expected to receive from the disaster.
11. The Contractor shall provide reports as requested that include detailed data of the total insured and uninsured damages after a disaster. These reports will apply specific policy limits relative to each insured property, including but not limited to building, each category of moveable property, boiler equipment, marine vessels, aircraft, and automobiles.
12. The Contractor will participate in meetings with FEMA, the Governor's Office of Homeland Security (GOHSEP), and Facility Planning and Control (FP&C) when requested by ORM to discuss and resolve issues that may arise after a declared disaster.

C. Equipment Breakdown

Equipment breakdown coverage is provided through a commercial policy. The insurer provides the direct adjusting services for these claims. Contractor will report claims to the commercial insurance carrier promptly, will follow-up to request status reports, and will cooperate with the insurance carrier as necessary to close claims quickly.

D. Fine Art Claims

Fine Arts coverage is provided through a commercial policy. The insurer provides the direct adjusting services for these claims. Contractor will report claims to the commercial insurance carrier promptly, will follow-up to request status reports, and will cooperate with the insurance carrier as necessary to close claims quickly.

VII. Transportation, Medical Malpractice, & Cyber Program

A. Automobile Liability Claims

https://www.doa.la.gov/orm/PDF/Transportation_Program_Client_Instructions.pdf

1. Contractor shall perform a thorough investigation on all accidents with bodily injury or where liability and/or the causation of the accident are unclear. All claims investigations will address provisions of La. R.S. 32:866, the Omnibus Premium Reduction Act, commonly referred to as the “No Pay, No Play” statute.
2. Contractor shall initiate accident scene investigation on claims involving serious injury with reserve potential in excess of \$50,000. The investigation report shall include photographs of the scene, a diagram of the scene, and canvassing of the area for potential witnesses.
3. Contractor shall substantiate physical damage claims below \$2,500 by obtaining two competitive repair estimates from the claimant. The threshold may be adjusted by Client Instructions or an exception approved by ORM. Payment shall be made per the lower of the two estimates. Should the damage estimate equal or exceed \$2,500, a material damage appraiser shall perform a physical inspection to determine an accurate amount of the loss.
4. Contractor must obtain ORM approval on all non-litigated settlements above \$25,000.
5. A final release shall be secured on all third party claims.

B. Auto Physical Damage Claims

https://www.doa.la.gov/orm/PDF/Transportation_Program_Client_Instructions.pdf

1. Contractor shall substantiate physical damage claims below \$5,000 by obtaining two competitive repair estimates from the insured agency. The threshold may be adjusted by Client Instructions or an exception approved by ORM. Payment shall be made per the lower of the two estimates. Should the damage estimate equal or exceed \$5,000, a material damage appraiser shall perform a physical inspection to determine an accurate amount of the loss.
2. Contractor shall follow-up on physical damage claims every 30 - 60 calendar days to ensure timely payment and closure of claims.
3. All property claims payments are governed by the provisions of Policy and Procedure Memorandum 10 (LAC 4: V§501). Payments are generally made directly to the repair facility once repairs are complete.

C. Road Hazard Liability Claims

https://www.doa.la.gov/orm/PDF/Road_Hazard_Liability_Client_Instructions.pdf

1. Road Hazard liability is an uninsured line of coverage, however ORM retains responsibility for adjusting the claims and managing the litigation. Payments of litigated

judgments/settlements are funded by legislative appropriation. Contractor shall track all judgments and settlements and provide the information required to meet specific legislative reporting requirements.

2. Contractor shall initiate accident scene investigation on claims involving death, catastrophic injury, multiple party injuries due to the same event, or otherwise warranted by the severity and complexity of the claim. The investigation report shall include photographs of the scene, a diagram of the scene, and canvassing of the area for potential witnesses. Recorded statements from all drivers (insured and adverse), as well as all witnesses, shall be taken. Police reports and other official reports (including blood alcohol content) shall be obtained if appropriate.
3. All claims investigations will address provisions of La. R.S. 32:866, the Omnibus Premium Reduction Act, commonly referred to as the “No Pay, No Play” statute.
4. The Department of Transportation and Development (DOTD) requires road construction contractors to provide Owners Protective Liability (OPL) (also known as Owners and Contractors Protective (OCP)) insurance policies in the name of DOTD. Contractor shall assign a single staff member with the appropriate experience to tender the claim and coordinate with the OPL/OCP insurance carrier to maximize funding under these policies in the event a qualified road hazard claim arises from a contracted DOTD construction project. (See Part I, Section B Staffing)

D. Wet Marine Claims (Hull and Protection & Indemnity)

https://www.doa.la.gov/orm/PDF/Transportation_Program_Client_Instructions.pdf

1. Contractor shall assign a single staff member and a backup designee who will adjust all marine hull and protection and indemnity claims. (See Part I, Section B Staffing)
2. On all hull losses, Contractor will provide qualified marine surveyors to establish causation, repair estimates, and appropriate method of repair.
3. Contractor will investigate and adjust third-party property damage and bodily injury liability claims arising out of the operations of State-owned marine vessels and bare boat chartered marine vessels utilized for State business.

E. Aviation Claims (Hull and Liability), including Airport Operations

https://www.doa.la.gov/orm/PDF/Transportation_Program_Client_Instructions.pdf

1. Aviation coverage is provided through a commercial policy. The insurer provides the direct adjusting services for these claims. Contractor will report claims to the commercial insurance carrier promptly, will follow-up to request status reports, and will cooperate with the insurance carrier as necessary to close claims quickly.
2. The commercial policy, and associated adjusting services, for this line of coverage could be cancelled/non-renewed at any time if it is in the best interest of the State to do so. Contractor must have the flexibility to adapt to changing claims procedures and have the ability to increase capabilities and staffing accordingly.

F. Medical Malpractice

https://www.doa.la.gov/orm/PDF/Medical_Malpractice_Client_Instructions.pdf

1. Contractor shall follow the Medical Review Panel requirements in La. R.S. 40:1237.1 *et seq.*
2. Expert assessment and testimony are crucial to successful outcomes in most cases. Contractor shall ensure that medical experts are retained to evaluate the medical record and allegations. Independent medical examinations shall be initiated as necessary early in the investigative process.
3. Contractor shall report all payments made on behalf of named medical providers in settlement or judgment of medical malpractice claims to the National Practitioner Data Bank.
4. Contractor shall ensure that future medical payments awarded in settlement or judgment of medical malpractice claims are tracked and processed following the guidelines in La. R.S. 40:1237.1(F). All future medical payments shall be paid as incurred directly to the provider.

G. Cyber (1st party and 3rd party)

1. Through a commercial policy, ORM initiates dedicated breach counsel, forensic IT services, and other resources to assist in the assessment and mitigation of a cyber breach (1st party services). Cyber incidents are either insured agency self-reported or ORM-reported to a breach monitor TPA firm, and then to the Contractor. Within 24 hours of the reported incident, Contractor will set up the claim file and contact the breach monitor and/or contracted breach counsel to coordinate telephone calls and/or meetings with the insured agency to evaluate the breach circumstances.
2. Any recommendations or decisions, made by either the breach counsel or the Contractor, regarding next steps will be discussed and approved by ORM before informing the insured agency.
3. If a 3rd party liability claim arises related to the cyber incident, a separate, but associated claim will be set up and handled according to specific Client Instructions.
4. The cyber line of coverage is an evolving and complex one. Contractor must have the flexibility to adapt to changing claims procedures and have the ability to increase capabilities and staffing accordingly.

VIII. Commercial General Liability (CGL)

A. CGL Claims (Including Premises-Operations, Public Officials, Professional, Employment Practices, Personal Injury, Media, and Civil/Constitutional Rights)

https://www.doa.la.gov/orm/PDF/General_Liability_Client_Instructions.pdf

1. Contractor acknowledges responsibility for managing a diverse mixture of complex claims that require a significant amount of litigation oversight. Detailed initial assessments and follow-ups are necessary across a wide range of distinctly different types of claims including but not limited to premises liability, slips and falls, professional liability, false arrest, excessive force, wrongful detention, sexual harassment, Americans with Disabilities Act (ADA), employment practices, constitutional violations, and medical indifference.
2. Contractor shall facilitate, perform, and document a thorough investigation into the facts of all claims. Contractor is required to analyze coverage, liability, and damages and provide support for their conclusions based on the product of their independent investigation and discovery conducted.
3. Expert assessment and testimony are crucial to successful outcomes in most cases. Contractor shall ensure that experts, appropriate for each specific case, are retained to evaluate allegations and validate financial damages.

IX. Loss Prevention and Underwriting Services

A. Loss Prevention Insured Agency Safety Audits

https://www.doa.la.gov/orm/PDF/Loss_Prevention_Client_Instructions.pdf

1. Contractor shall audit all state departments, agencies, boards, and commissions to ensure compliance with the Loss Prevention Program per La. R.S. 39:1543(C) and the current Loss Prevention Safety Manual developed by ORM.
2. For all agencies qualified through ORM as being subject to audit, Contractor shall conduct a comprehensive safety audit every three (3) years and a Compliance Review each of the two (2) years between the comprehensive audit. Contractor shall conduct a building safety walkthrough every year.
3. If an insured agency has not previously qualified for an audit and ORM now determines that it has met the criteria to be qualified, ORM will report it to the Contractor. Contractor will then have a consultation meeting(s) with that agency to assist them in preparing for a future safety audit. The agency will not be audited until a full fiscal year of compliance can be assessed.

B. Loss Prevention Training

https://www.doa.la.gov/orm/PDF/Standard_Loss_Prevention_Safety_Training_Courses_for_Insured_Agencies.pdf

1. Contractor shall offer regional educational training opportunities on a periodic basis throughout the year. Contractor shall have a pre-determined training schedule made available to state agencies prior to the start of each quarter. (See www.laorm.com and <https://www.eventbrite.com/o/ormsedgwick-cms-andrew-kovacs-8745984316> for example training schedule links and courses). Contractor shall comply with the ORM Loss Prevention Safety Manual regarding required courses and also provide recommendations of other types of educational programs that will best support the ORM program.
2. Contractor shall conduct workplace safety training classes for all State agencies. Such topics may include, but not be limited to, Accident/ Incident Investigation, Safe Lifting, Confined Spaces, Inspections, Safety Data Sheets, Emergency Preparedness, Job Study Analysis Procedures, Stairwell Safety, Forklift Training, Lockout/Tag out, Safety Supervisor Responsibilities, Hazard Communication, Respiratory Protection, and Violence in the Workplace. Materials appropriate for instructor led, self-study, and online learning shall be provided as determined by ORM. ORM reserves the right to pre-approve all training content, topics, and materials.
3. The Contractor shall conduct training for all agencies on the ORM Loss Prevention Program itself, as well as specialized train-the-trainer instruction for agency loss prevention coordinators.
4. Contractor shall conduct training at individual agency locations statewide, upon request, to accommodate agency needs.
5. Contractor shall maintain a database with all classes taught during each fiscal year, including topic(s) presented, attendee list, and copy of the sign-in sheet(s).

6. Contractor shall develop and maintain safety training materials for agencies to use in their monthly or quarterly required internal training programs.

C. Targeted Risk Improvement Program

1. Contractor shall coordinate with the ORM Loss Prevention Manager and insured agencies in administering the Targeted Risk Improvement Program. The program identifies areas in which each insured agency is experiencing losses by line of coverage and makes recommendations for reduction of those losses in the future. Once the losses are analyzed and summarized, Contractor shall consult with the agency regarding, but not limited to:
 - a) Discussing the results of trend analyses performed and possible recommendations for improvement;
 - b) Further clarification, guidance, or assistance with an existing component of its safety program;
 - c) Safety audit deficiency recommendations; and
 - d) Establishment of new policies and procedures for better management of exposure.
2. Contractor shall prepare summary reports of the identified causes of loss and recommendations provided.

D. Investigations and Consultations

1. Contractor shall investigate safety-related claims and complaints against the State as requested by any insured agency, the Attorney General, or ORM. Contractor shall respond to urgent requests within four (4) hours for calls received during normal business hours, otherwise by no later than noon on the next business day. Urgent requests are infrequent and ORM determines urgency.
2. Contractor shall conduct periodic inspections of equipment as required by various codes, including
 - a. Follow-up inspections on heavy equipment (boilers, generators, large motors, HVAC systems, electrical systems and other heavy mechanical equipment) after one or more problems requiring correction have been identified by ORM's primary inspector. Contractor's inspection is for the purpose of ensuring that the agency has either initiated corrective measures, restored the equipment, or taken the faulty equipment out of service until repairs are made. Actions taken based on the results of these inspections will be directed by ORM.
 - b. Assistance in ORM's obligation to oversee and monitor elevator and lift device inspections, to determine code and maintenance violations, and to notify the State Fire Marshal as needed.
3. Contractor shall consult with insured agencies on an as-needed basis regarding loss prevention activities and requirements, including but not limited to, ORM's Loss

Prevention Program for new agency safety coordinators, the review of existing safety policies/procedures for compliance with loss prevention requirements, assistance in developing new safety policies/procedures, conducting workplace walkthrough inspections, verification of corrective actions by agencies (for example, boiler inspection deficiencies), and using the online IIS to report claims.

E. Quarterly Meetings

Contractor shall meet with ORM representatives at least quarterly to provide progress updates on all routine loss prevention activities, as well as any special projects assigned by ORM. Verbal progress updates may be required to be supplemented with reports and documentation as needed.

F. Real Property Appraisals

https://www.doa.la.gov/orm/PDF/Building_Appraisal_Procedures.pdf

1. Contractor shall retain the services of experienced, large commercial building appraisers. See Staffing Part I, Section B.
2. Contractor shall utilize industry-standard appraisal software to calculate replacement cost valuations. The software shall be automatically updated quarterly to reflect current regional construction rates.
3. Contractor shall appraise existing insured buildings on a five (5)-year cycle, or by exceptions requested and/or approved by ORM.
4. Contractor shall meet with the insured agency representative at the time of each site visit to gather pertinent information that has changed since the last appraisal.
5. Contractor shall appraise newly-acquired buildings or newly constructed buildings within 30 days of receiving notice from ORM.
6. Contractor shall re-appraise large renovation projects on an existing building within 30 days of receiving notice from ORM.
7. Contractor shall verify demolition or sale of buildings by a site visit before removal of the building from the insured building inventory.
8. Historic sites shall be appraised on the same cycle as other buildings. The contractor shall provide services necessary for the specialized appraisal and valuation of historic structures and submit the appropriate reports. Contractor shall verify the historic status of state-owned buildings either by using official documentation supplied by the owner-agency or by checking one/both of the following web sites:

[National Register of Historic Places \(U.S. National Park Service\) \(nps.gov\)](#) and [Louisiana Historic Sites | Louisiana State Parks - Culture, Recreation, and Tourism \(lastateparks.com\)](#)

9. As part of the appraisal process, Contractor will collect and/or update Construction, Occupancy, Protection and Exposure (COPE) data, along with required Secondary Data Modifiers, for each building on its initial appraisal and each subsequent appraisal thereafter. See example appraisal reports at
https://www.doa.la.gov/orm/PDF/Building_Example_1_Appraisal_Report.pdf ;
https://www.doa.la.gov/orm/PDF/Building_Example_2_Appraisal_Report.pdf
10. Contractor is required to electronically transmit/upload to all required appraisal data fields in the State System of Record LaGov ERP Real Estate module daily, or on an approved schedule.

G. Premium Invoice Report

ORM will provide to Contractor the insurance premiums per line of coverage per insured agency monthly and annually, either through an upload interface or an Excel spreadsheet. Contractor shall generate a report or document to be used as an invoice per the specifications of ORM. (See example invoice at.

https://www.doa.la.gov/orm/PDF/Example_Insurance_Premium_Invoice.pdf)

1. Contractor shall produce a report in Excel format of invoiced premium detail by agency and line of coverage, monthly and annually, to be uploaded into ORM's accounts receivable system.
2. Contractor will house and maintain the invoice data, preferably in the IIS, and provide the ability to re-create and reprint previous invoices as needed.

ATTACHMENT B: AN INTRODUCTION TO OFFICE OF RISK MANAGEMENT

AN INTRODUCTION TO STATE OF LOUISIANA OFFICE OF RISK MANAGEMENT

The Office of Risk Management (ORM) is a state agency, created within the Division of Administration in order to provide a comprehensive risk management program for the State of Louisiana and to administer the state's self-insurance program. The agency has a broad array of complex responsibilities, most of which are defined by statute and executed with the assistance of various contractual partners. The most wide-ranging, supportive and collaborative of all partnerships is provided by a Third Party Administrator (TPA) who delivers a myriad of services associated with claims handling for all lines of insurance provided by ORM. This contractor also provides loss prevention services, performs property appraisals, furnishes an Integrated Information System (IIS) with the functionality of a Risk Management Information System and a Claims Management Information System and provides other technology systems that support the specialized functions of the ORM.

The TPA contract expired on January 31, 2021, and an Emergency Contract is being finalized to continue numerous outsourced functions and critical responsibilities; some which are required by statute. ORM has issued a Request for Proposal for competitive award of a succeeding contract. This paper provides an introduction to the Office of Risk Management to inform readers of ORM's organizational structure, roles and personnel; and to identify primary authorities, statewide programs, functions and responsibilities.

MISSION

The stated mission of the Office of Risk Management is to develop, direct, achieve and administer a cost-effective comprehensive risk management program for all agencies, boards and commissions of the State of Louisiana and for any other entity for which the state has an equity interest, in order to preserve and protect the assets of the State of Louisiana.

STATUTORY AUTHORITY (HIGHLIGHTS)

Louisiana Revised Statutes 39:1527, *et seq.*, designates the Office of Risk Management (ORM) to be solely responsible for all Property, Casualty and Worker's Compensation insurance purchased by ORM or self-insured by ORM for all State departments, agencies, boards, and commissions.

The Commissioner of Administration (La. R.S. 39:1531) is the statutory head of the office, but has delegated much of his authority to the State Risk Director and other such assistants and persons as are determined to be necessary to discharge the duties of the office, all within the applicable provisions of state law and regulations.

Act 448 of the 1988 Regular Session of the Legislature reenacted La. R.S. 39:1533 and created the "Self-Insurance Fund" within the State Treasury. The ORM administers the State's self-insurance fund through specific statute-defined revenue sources, and payments that may be made from the fund are described and restricted by the language of the statute.

La. R.S. 39:1533(A)(2) assigns ORM the duty to make payments for law enforcement officers and firemen survivor and disability benefits as provided for in La. R.S. 40:1665(C), 1665.2(C), and 1668. Payments are initiated and administered by ORM on behalf of the Law Enforcement Officers and Firemen's Survivor Benefit Review Board. Survivor benefits are initiated through State Treasury payment processes and disability benefits are received, processed and paid by the State's TPA. All costs or expenses of administration of the benefits are reviewed and paid by ORM from a special appropriation for that purpose.

La. R.S. 39:1533.2 established the Future Medical Care Fund in the state treasury for the purpose of funding medical care and related benefits that may be incurred subsequent to judgment rendered against the state or a state agency, as provided by La. R.S. 13:5106, *et seq.*, and as more specifically provided in La. R.S. 13:5106(B)(3)(c). All requests for medical care and related benefits are received, processed, tracked and paid by the State's TPA. All costs or expenses of administration of the fund are reviewed and paid by ORM from the fund.

Premiums are the primary funding source for the office and ORM assesses premiums to each agency for both self-insured and commercial coverage. Per La. R.S. 39:1536, premiums are assessed to each client agency based on its actual loss experience and exposure levels for both self-insured and commercial coverage.

La. R.S. 39:1540(B) authorized ORM to issue a Request for Proposal to attain broker services for procurement of commercial insurance.

ORM is also responsible for managing all tort claims made against the state or any of its agencies, whether or not covered by insurance. The representation of the state and state agencies in all covered claims, or in all tort claims, shall be provided by the attorney general or by private legal counsel contracted to provide these services, when appointed by the attorney general with ORM's concurrence, in accordance with the provisions of La. R.S. 49:258. Settlements over twenty-five thousand dollars per claimant require the approval of the attorney general's office (La. R.S. 39:1535.B(6)).

La. R.S. 39:1543 addresses the responsibilities of the Unit of Risk Analysis and Loss Prevention, along with the authority to develop and implement a statewide comprehensive loss control program and to audit compliance with the published loss prevention standards.

The State operates on a fiscal year that runs July 1 through June 30. FY, as used in this document, identifies the fiscal year time period.

DESIGNATED AUTHORITY

Since August 2012, through designations of the Commissioner of Administration, ORM has served as the State's single applicant for FEMA Public Assistance grants under Subpart G, Title 44, Code of Federal Regulations, for all Presidentially-declared disasters that have occurred in Louisiana and have affected State properties. With this added responsibility, ORM now works with GOHSEP and FEMA to support state agencies through coordination of benefits between insurance and federal public assistance grants. ORM also supports agencies through disaster consultation on older disasters where ORM was not the sub-recipient. This role is a good fit for ORM, since the Robert T. Stafford Disaster Relief and Emergency Assistance Act that authorizes FEMA federal assistance requires correlation with available insurance proceeds. The designation has created efficiency, economy and consistency in administering the Stafford Act federal grants.

EXECUTIVE STAFF

State Risk Director	Melissa Harris
State Risk Assistant Director – Operations	Marsha Pemble
State Risk Assistant Director – Litigation Management	Joseph Roussel
Accountant Administrator – Chief Fiscal Officer	Vickie Aaron
State Risk Administrator – Casualty Claims	Ann Wax
State Risk Administrator – Property Claims & Disaster and Recovery Management	Sherry Price
State Risk Administrator – Underwriting, Statistics & Loss Prevention	Kristy Breaux

COVERAGES

ORM currently self-insures the following lines of coverage:

- workers' compensation and employer's liability
- property, including real property and moveable property
- equipment breakdown (boiler & machinery)
- bridge property
- surety, fidelity and performance bonds
- crime
- automobile liability and physical damage
- commercial general liability (CGL), which includes professional liability & public officials/employees
- publishers' media liability
- medical malpractice liability

ORM purchases commercial coverage in lieu of self-insurance and excess/reinsurance coverage over self-insurance for various lines including the following:

- excess property
- excess equipment breakdown
- fine arts
- cyber
- terrorism
- aviation hull and liability
- airport liability
- wet marine hull and protection and indemnity
- professional liability/general liability for student experiential learning (internships) at higher education institutions

ORM is contractually obligated to provide specific lines of coverage for contracted SMG (stadium management company) operations at various State-owned facilities, including the Mercedes-Benz Superdome, Smoothie King Center, Champions Square, and the Shrine Stadium. Workers' compensation, bond and crime, and general liability coverage are provided per written contract.

Road hazard liability, that specifically supports the operations of the Department of Transportation and Development, is an uninsured line, however ORM is responsible for administering the claims.

STATEWIDE PROGRAMS AND FUNCTIONS

Overview

The Office of Risk Management administers the statewide risk management program as a plan of the state subject to the provisions of Louisiana Revised Statutes. State statute provides that claim adjusting and investigation be made through either ORM employees or contracted services. The primary program categories, or program units, described herein include the following:

- Workers' Compensation
- Property and Disaster & Recovery Management
- Transportation, Road Hazard, Cyber and Medical Malpractice
- Commercial General Liability
- Loss Prevention
- Underwriting and Statistics

Across all lines of coverage in FY 2019-2020:

- 6,140 new claims were opened.
- Total claim costs reported was \$217,377,836.
- Premiums paid for commercial insurance placements was \$30,102,541.

ORM fulfills much of its statutory responsibility for risk management program functions through contracts with private corporations. Most of ORM's staff is composed of experienced, knowledgeable professionals who provide program oversight and direction. ORM has defined and documented plans that detail the methods in which specific executed contracts will be administered; compliance with terms and conditions are evaluated; deliverables and activities are monitored; performance of services are evaluated; and support and feedback are provided. ORM claim professionals function in a consultant role and advise the TPA on unique defenses of the State and other distinctive aspects of the State's program; they may serve as trainers (or recommend training) for TPA adjusters when an area of weakness is identified.

Client Instructions, reference documents prepared for major lines of insurance coverage and/or types of service, are one key way through which ORM communicates expectations and instructions to contractors. All Client Instructions 1) provide standard workflows with set protocols and procedures, 2) define hierarchies for approval processes, and 3) provide clarity and supplementation to contract terms. Client Instructions are living documents, continually edited and updated throughout the term of a contract to meet the evolving needs of the state.

Examples of requirements defined in Client Instructions include: (a) transactions that require approvals that are handled by ORM's in-house claim professionals, upon request by TPA claim adjusters; and (b) certain requirements relating to the TPA and ORM's joint participation in the management of litigated claims. Examples of ORM Client Instructions can be found at <https://www.doa.la.gov/Pages/orm/RFP-2020-Claims-Management-and-Loss-Prevention-Services.aspx>.

The oversight provided by ORM employees responsible for contract administration is broader than the parts and pieces mentioned herein. This contract management process incorporates all structures, RFP proposals, contract language, contract amendments and revisions, terms of insurance policies, statutes, State defined policies, instructions, guidelines, checklists and forms, and industry best practices. It encompasses routine dialogue with contractor representatives as well as more formal team meetings with contractors, and other processes to ensure that the objectives of each contract are accomplished and contractor staff meet their responsibilities.

Contract monitoring is a vital, ongoing and adaptable process of ensuring that a contractor adequately performs contracted services and determines the levels of review that are suitable. This work involves

experienced employees performing important responsibilities relating to the administration of contract services, across every section and unit of ORM. The overall contract monitoring process is intended to mitigate risks to the state risk management program and ensure high quality services are delivered to agency clients.

The role of the TPA is the most encompassing of all contracts in place, but other contractors also provide essential services and support to Louisiana's state-wide, comprehensive risk management program. Employees in the program units, and the contractors that support them, provide a wide array of services for ORM's state agency clients.

Litigation Management

Personnel in the litigation management and casualty claims units exercise oversight of litigated claims defense, whether that defense is provided through Attorney General Office attorneys or contracted private counsel. The Attorney General's Office houses a specific division, the Department of Justice, Division of Risk Litigation (DOJ), that exclusively handles all ORM-related cases. The Assistant Director for Litigation Management, supported by two Paralegals, provides office-wide oversight in the evaluation and management of litigated claims and is ORM's chief liaison with DOJ and all contract legal counsel defending litigated claims. The State Risk Administrator for Casualty Claims oversees program management and administers three units of thirteen experienced professional employees (Workers' Compensation; Transportation, Road Hazard, Medical Malpractice and Cyber; and Commercial General Liability (CGL)) with subject matter expertise who perform contract oversight, monitoring, and evaluation of claims adjusting functions accomplished through the TPA.

ORM personnel within the casualty claim units monitor and manage the defense of all tort claims asserted against the state. The services applicable to litigated claims are extensive, with over \$34 million spent on related legal expenses during FY 2019-2020. Over the course of this fiscal period, the risk management program oversaw activities on almost 3,000 claims in litigation and evaluated the responsiveness and effectiveness of 200+ firms and/or assigned counsel. As of June 30, 2020, the active litigated claim count was 2,051 which represented total incurred value of over \$215.3 million. (These facts and figures exclude Workers' Compensation Disputed Claims for Compensation, Form 1008 actions.)

Workers' Compensation Program

The State's fully self-insured Workers' Compensation program accounted for \$52,298,618 of claim loss payments and \$7,433,256 in allocated claim expenses for FY 2019-2020, which represents over 46% of the total for these payments, across all claim programs. Workers' compensation also had the highest number of new claims reported at 2,320. This program supports an average of 71,200 full or part-time state employees and contains statutory workers' compensation claims and federal workers' compensation claims, including Jones Act, Longshore Harbor Workers Act, and Defense Base Act. The program also addresses employer's liability claims.

Transportation, Road Hazard, Medical Malpractice and Cyber Programs

Transportation – Coverage areas include automobile liability and physical damage, aircraft hull and liability, airport liability, and marine vessel hull and protection and indemnity. The combination of these coverages reported \$5,076,818 in claim loss payments and \$4,747,066 of allocated claim expenses for FY 2019-2020. Over 81% of these costs relate to automobile liability claims. The new claims count during this fiscal period was 1,814, and represented the second highest program area in new claim volume. Automobile coverages are currently 100% self-insured, while aircraft and marine vessel claims are commercially insured with self-insured retentions.

Road Hazard Liability – Road Hazard is an uninsured line for which ORM has the responsibility to administer claims. In the absence of premiums, funds are appropriated to ORM by the Legislature to provide for administration, legal expenses related to litigated claims and payment of small claims. Although payments for litigated claim settlements and judgments are handled through Legislative appropriations to the Office of State Treasurer, ORM administers and authorizes these payments. During FY 2019-2020, small claim loss payments of \$57,973 were reported, along with \$5,407,125 of allocated claim expenses. Appropriated litigated loss payments of \$10,455,459 were paid through the State Treasurer during the same period. A total of 474 new road hazard claims were reported during the fiscal year.

Medical Malpractice Liability –Medical Malpractice is fully self-insured, and in FY 2019-2020 accounted for total loss payments of \$5,704,114 and \$8,034,364 of allocated claim expenses. For the same fiscal period, 111 new claims were reported. Contractor handling of medical malpractice claims are subject to the Medical Malpractice Act as described in La. R.S. 40:1237.1.

Cyber Liability – Cyber coverage is provided through a commercial policy, with a large self-insured retention. The commercial carrier drives the adjusting of these claims and provides direction to ORM staff. While no loss payments were made during FY 2019-2020 on cyber claims, allocated claims expenses totaled \$396,630. Five (5) new claims were reported during the fiscal period.

Commercial General Liability (CGL) Program

CGL provides for third-party injuries or losses and wrongful acts where the State is legally liable. Coverage areas include but are not limited to the following:

- Premises-operations;
- Public officials
- Professional liability, including law enforcement
- Employment practices
- Personal Injury, including civil/constitutional rights violations
- Media

CGL claims are diverse by nature, complex, and highly litigated, with around 90% of open claims in litigation. During FY 2019-2020, there were \$8,711,978 of loss payments and \$15,071,699 in allocated claim expenses. A total of 704 new CGL claims were reported during the same period.

Property Claims & Disaster and Recovery Management Program

The State Risk Administrator for Property Claims & Disaster and Recovery Management directs program management and administers a unit of three property claim professionals with catastrophe experience who exercise oversight over property claims adjusting functions and evaluation of claim adjuster activities accomplished through the TPA. These program employees manage the coordination of benefits between insurance and federal public assistance grants when claims relate to disaster events and they evaluate the overall responsiveness and effectiveness of the TPA property team and of the Disaster Grant Recovery Consultant. This includes engaging with both the TPA and with disaster consultants to ensure successful interaction between the two contractors and with impacted state agencies when disaster events with federal disaster declarations occur.

An important TPA responsibility is the capability to provide reports that include detailed data of the total insured and uninsured damages after a disaster. These reports will apply specific policy limits relative to each insured property, i.e., building or each category of moveable property.

Insurance coverage lines in the Property Program include: buildings (real property), objects (structures that are not appraised), moveable property (contents), equipment breakdown, crime, bonds, fine arts, bridge property damage, and terrorism. This program has a mix of self-insurance, excess coverage over self-insurance, and commercial insurance depending on the specific line. New claims reported for FY 2019-2020 were 710. A total of \$15,079,759 in loss payments were reported for the year and \$887,456 in allocated claim expenses.

Underwriting, Statistics, and Loss Prevention Program

The State Risk Administrator for Underwriting, Statistics and Loss Prevention directs program management and administers a unit of seven experienced professional employees responsible for a broad array of risk management responsibilities, many of which are performed by contractors. The employees have oversight of several types of TPA services and the evaluation of overall responsiveness and effectiveness of contract personnel, including:

- The development and ongoing maintenance of custom software applications to support premium invoicing, loss prevention audit services, and business communication between ORM and insured clients.
- Property appraisal services for all state-owned buildings. This service relates to ORM's statutory duty to maintain an inventory of all state owned properties. The inventory currently includes 8,917 state buildings on schedule at the beginning of FY, with a total insurable value of approximately \$19 billion. Of those, a total of 1,771 were appraised, 82 new buildings and 1,689 re-appraisals. Reappraisals occur on a rotating 5-year cycle. The TPA was unable to complete all FY20 re-appraisals due to the COVID pandemic. These appraisals were moved to the FY21 cycle. The property underwriter monitors and evaluates the quality, effectiveness and timeliness of property appraisals conducted by TPA personnel.
- Loss Prevention (LP) services were provided to 256 state agencies. ORM administers a statutorily-defined LP program for implementation by state agencies. The TPA provides personnel to conduct annual LP audits or compliance reviews for all state departments, agencies, boards, and commissions who qualify under the program. These personnel also conduct workplace safety training classes and provide an array of personalized consulting services to agency clients. During the year, 1,397 walkthroughs, 326 compliance reviews, 202 full audits, 101 consultations and 2 investigations were completed. Seventy-five training sessions with 1,387 attendees were conducted during FY20. ORM's LP manager is responsible for directing, managing and coordinating all loss control services provided to agencies by TPA personnel.

The underwriting unit manages all insurance policies covering property and liability exposure of the state. Manuscript self-insurance policies are in place and updated annually for most lines of coverage. Underwriting personnel work collaboratively with in-house claims and disaster management/recovery personnel and the TPA to interpret policy language and advise on coverage issues relating to claims reported by agency clients. Employees monitor and evaluate services provided under other essential contracts that support the various risk management responsibilities of the unit, including:

- a broker services contract for placement of the State's commercial insurance coverages and to provide risk management consultation services. The administrator and underwriting supervisor have primary oversight over the services provided under this contract.
- an actuarial consultant contract to provide expertise and support both routine assignments and intermittent special projects. This contractor provides the annual delivery of signed statements expressing an actuarial opinion regarding ORM's property and casualty insurance annual financial statements. For the fiscal year ended June 30, 2019, a favorable opinion was rendered on total net reserves calculated for unpaid losses and loss adjustment expense of approximately \$1.07 billion, which represents a liability of the State that was reported on Louisiana's Comprehensive Annual

Financial Report (CAFR). A key annual service provided by the actuary is to perform complex evaluation, development, and allocation processes that result in actuarial valuations for statewide self-insured premiums. For FY 2019-2020, ORM billed 2,148 premiums that totaled \$178,019,486 to 256 agency clients. The administrator and statistics specialist have primary oversight over the services provided under this contract.

- a technical services contract for elevator inspections. The loss prevention manager has primary responsibility for coordination with the state fire marshal's office and oversees the work of semi-annual technical inspections and testing services associated with all elevators and lift devices installed in state-owned buildings. During FY 2019-2020, personnel monitored the activities of the elevator inspection contractor, including 1,650 separate inspections and 792 testing service calls conducted on elevators and lift devices in State facilities.

Accounting Support Program

The Accountant Administrator, ORM's chief fiscal officer, administers a unit of four experienced accounting professionals responsible for a broad array of general accounting, budget, and funds accounting processes and reporting; and who also provide specialized accounting processes and prepare statutorily-required reports and other special reports that are unique to ORM's insurance environment and/or disaster and recovery management roles. Accounting professionals work closely with both in-house personnel and contractors to facilitate necessary fiscal activity, and provide an important advisory function.

The unit conducts reviews of fiscal compliance with contract terms for the TPA and other essential agency contracts, including responding to claim payment funding requests; auditing contract invoices; and issuing contract payments. Accounting personnel monitor daily and record summary-level claim financial transaction activity into the State accounting systems; and also capture claim financial data in a secondary accounting system, by line of insurance, for statutorily-required financial reporting.

Fiscal personnel track insured client deductibles paid under high deductible insurance programs offered through ORM; conduct fiscal reviews and analysis of allocated claims payments made; and generally oversee all fiscal services provided by the TPA. Personnel also provide support services to contractors, such as preparing and submitting data reports for entry to the IIS, providing details of State-issued payments that relate to individual claims and/or data relating to FEMA public assistance disaster grant programs and recovery projects.

Administrative & Other Support Personnel

The following personnel support the other programs and may engage routinely with the TPA and/or other contractors:

- The Executive Management Officer is the primary ORM contact for the review, analysis and reporting of anticipated impact relating to proposed legislation. This position also leads the responses to public records requests, and engages the assistance of the TPA to manage the research, provide data and documents for those responses; and has the responsibility to conduct independent review and validation of ORM risk management program metrics provided by the TPA, such as the information provided in the annual stewardship report.
- Two Paralegals, who support ORM's Assistant Director for Litigation Management, review and assess litigated claims; monitor the progress and outcome of litigated cases; and perform case law and quantitative research to confirm or deny asserted claims damages.
- The Administrative Program Specialist for Casualty Claims interacts frequently with TPA staff related to claim management information retrieval needs and to request changes and/or corrections to existing claims data. This position also has responsibility for credentialing healthcare providers,

which requires extensive use of the claim information system; and serves as the ORM Acuity legal billing account administrator.

- The Administrative Program Director who has functional management and oversight over in-house processes relating contract development, contract amendments, and for coordination of bids and requests for proposals (RFPs). This position also engages with in-house personnel, the TPA and other contractors in the administration of ORM's Records Management Program to effectively manage the records the agency creates and to maintain and ensure compliance with La. R.S. 44:411.

ATTACHMENT C: SAMPLE CONTRACT

Contract Number _____

**STATE OF LOUISIANA, OFFICE OF RISK MANAGEMENT
AND
[CONTRACTOR]**

**CONSULTING SERVICES CONTRACT FOR THIRD PARTY ADMINISTRATION OF
CLAIMS MANAGEMENT AND LOSS PREVENTION SERVICES**

TERM OF CONTRACT

This Contract shall begin on or about _____ and is anticipated to end on _____.

ORM may also exercise an option to extend for up to an additional two (2) years for a maximum contract term of five (5) years with all proper approvals and concurrence of the Contractor. Extension of the Contract beyond the initial three (3) year term requires approval by the Joint Legislative Committee on the Budget (JLCB).

Notwithstanding any other provision, a Contract, and any amendments, resulting from this RFP, shall not become effective until approved as required by statutes and regulations of the State of Louisiana.

COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT

In consideration of the services required by this contract, ORM hereby agrees to pay to CONTRACTOR a maximum of \$_____ for the three-year term. In the event that the option to renew for an additional 2 (two) years is executed, a maximum of \$_____ will be paid for the additional 2 (two) years.

All pricing is fully burdened, inclusive of CONTRACTOR travel and all Contract-related expenses, unless expenses are otherwise designated as ALAE or pre-approved for payment by ORM.

Payments will be made only on approval of ORM State Risk Director or designee.

In the event a change occurs in state government structure or STATE's program that results in a significant change in the services required under this Contract, STATE and CONTRACTOR will negotiate a cost adjustment and amend the contract accordingly.

Implementation Fees

In consideration of the services required by this contract, STATE hereby agrees to pay to CONTRACTOR a maximum of \$ _____ in implementation fees, as more fully described in Attachment _____. Contractor may submit invoices to ORM upon completion of services, on or after _____.

Service Fees

The Service Fees will be payable in monthly increments, each equal to one twelfth (1/12) of the annual amount specified in _____.

Emergency Disaster Service and Recovery Fees

ORM agrees to pay Contractor a maximum of \$ _____ in Emergency Disaster Attachment Service and Recovery Fees, which will be billed as they arise, according to the rates established in _____. Funds in these categories that are not used in any specific year may be rolled forward to subsequent years for usage in either of these payment categories.

PROHIBITION AGAINST ADVANCE PAYMENTS

No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by law.

GOALS AND OBJECTIVES

[To be inserted]

SCOPE OF SERVICES

Contractor shall perform services according to the terms of this Contract and according to the Statement of Work (SOW) in Attachment #

DELIVERABLES

The Contract will be considered complete when Contractor has delivered and State has accepted all deliverables specified in the Statement of Work.

ACCEPTANCE OF DELIVERABLES

Deliverables shall be submitted, reviewed, and accepted according to the following procedure:

- A. *General.* The State shall accept work performed in accordance with the Statement of Work and/or as subsequently modified in State-approved documents.

- B. *Submittal and Review.* Contractor shall provide written notification to the State Project Director that a Deliverable is completed, and available for review and acceptance.

Upon Contractor's written notification, the State Project Director shall review the Deliverable within **number of business days** . Within this period, the State Project Director shall direct the appropriate review process; coordinate any review outside the Project team; and present results to any appropriate committee(s) for acceptance. The review process shall be comprehensive—identifying all items that must be modified or added.

- C. *Acceptance or Rejection.* A Deliverable shall be considered accepted unless, within the **number of business days**, the State Project Director notifies the Contractor in writing that the Deliverable is rejected and specifies the items that, if modified or added, will cause the Deliverable to be accepted. A failure to submit all or any essential part of a Deliverable shall be cause for rejection of the Deliverable.
- D. *Resubmitting Deliverables.* Contractor shall provide written notification to the State Project Director when the Contractor resubmits a Deliverable for acceptance. The State Project Director shall review the resubmitted Deliverable within **the number of business days** . A resubmitted Deliverable shall be considered accepted unless, within this period, the State Project Director notifies the Contractor in writing that the resubmitted Deliverable is rejected and specifies the items that, if modified or added, will cause the resubmitted Deliverable to be accepted. The parties shall repeat this process until the resubmitted Deliverable is accepted, or the State determines that the Contractor has breached the Contract and places the Contractor in default.

MONITORING PLAN

The State Risk Assistant Director will monitor the services provided by the Contractor and the expenditure of funds under this Contract. ORM's contract performance monitors will be primarily responsible for the day-to-day contact with the Contractor and day-to-day monitoring of the Contractor's performance

TERMS OF PAYMENT

The Contractor may submit invoices, not more frequently than monthly. If progress and/or completion of services are provided to the satisfaction of the initiating Office/Facility, payments are to be made as follows:

Contractor may submit bills for Transition Planning and Implementation Fees upon completion of services, on or after February 1, 2022.

Contractor will submit monthly detailed invoices for Service Fees for services performed in the preceding month based on 1/12 of the annual Contract rate. Payment for monthly

invoices will be contingent on satisfactory progress for all work performed. Each invoice shall contain detailed entries separated by lines of coverage and/or service area.

Contractor will submit a monthly invoice for Recovery Service Fees together with appropriate extracts from its claim system and documentation from each file upon which recovery was made. Documents submitted by Contractor must be sufficient to verify the amount recovered and the date when the amount was recovered. Contractor may retain funds from the amounts collected only for amounts it has directly recovered prior to any engagement of the Attorney General's Office or the Office of Debt Recovery.

Contractor will submit detailed invoices for Emergency Disaster Services Fees, when invoked. The invoice shall include sufficient detail and documentation to identify each charge by claim and claim estimate.

Payment is dependent upon: (1) successful completion of the services and deliverables described in Attachment A: Scope of Services; (2) acceptance of the services and deliverables; (3) receipt of an invoice in the form required by ORM; and, (4) written approval of an ORM contract monitor.

Contractor will not be paid more than the maximum amount of the Contract.

PAYMENT WILL BE MADE ONLY UPON APPROVAL OF the State Risk Director or designee.

VETERAN/HUDSON SMALL ENTREPRENEURSHIP PROGRAM PARTICIPATION

During the term of the Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor participation and the dollar amount of each.

CONTRACTOR PERSONNEL

A. At a minimum, Contractor shall provide the personnel identified by name in the documentation affixed to this contract to serve in the following roles key to the success of this contract:

- 1) Account Director (See Attachment A: Scope of Services, Part I Administrative Requirements and Operations, Section B Staffing Requirements, Paragraph 1);
- 2) Transition Team Director (See Scope of Services, Part III Transition Planning, Readiness, and Implementation); and
- 3) Information Technology and Data Liaison Director (See Scope of Services, Part I Administrative Requirements and Operations, Section B Staffing Requirements, Paragraph 2).

B. Contractor's key personnel assigned to the Contract shall not be replaced without the prior written consent of ORM. Such consent shall not be unreasonably withheld or delayed, provided an equally qualified replacement is offered. In the event that any Contractor key personnel become unavailable due to resignation, illness, or other factors,

excluding assignment to a project external to the Contract, that is outside of Contractor's reasonable control, Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks.

STATE FURNISHED RESOURCES

State shall appoint a Project Manager for this Contract who will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor's responsibility for management during the performance of this Contract, the assigned Project Manager shall be the principal point of contact on behalf of the State and will be the principal point of contact for Contractor concerning Contractor's performance under this Contract

TAXES

Before the Contract may be approved, La. R.S. 39:1624 (A) (10) requires the Office of State Procurement to determine that the Contractor is current in the filing of all applicable tax returns and reports and in the payment of all taxes, interest, penalties, and fees owed to the State and collected by the Department of Revenue. The Contractor shall provide its seven-digit LDR Account Number to the State for this determination. The State's obligations are conditioned on the Contractor resolving any identified outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of such notification. If the Contractor fails to resolve the identified outstanding tax compliance discrepancies within seven days of notification, then the using agency may proceed with alternate arrangements without notice to the Contractor and without penalty.

TERMINATION FOR CAUSE

Should the State determine that the Contractor has failed to comply with the Contract's terms, the State may terminate the Contract for cause by giving the Contractor written notice specifying the Contractor's failure. If the State determines that the failure is not correctable, then the Contract shall terminate on the date specified in such notice. If the State determines that the failure may be corrected, the State shall give a deadline for the Contractor to make the correction. If the State determines that the failure is not corrected by the deadline, then the State may give additional time for the Contractor to make the corrections or the State may notify the Contractor of the Contract termination date.

If the Contractor seeks to terminate the Contract, the Contractor shall file a complaint with the Chief Procurement Officer under La. R.S. 39:1672.2-1672.4.

TERMINATION FOR CONVENIENCE

State may terminate the Contract at any time without penalty by giving thirty (30) days written notice to the Contractor of such termination or negotiating with the Contractor a termination date. Contractor shall be entitled to payment for deliverables in progress, to the extent the State determines that the work is acceptable.

REMEDIES FOR DEFAULT

Any claim or controversy arising out of this Contract shall be resolved by the provisions of La. R.S. 39:1672.2 - 1672.4.

GOVERNING LAW

This Contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to La. R.S. 39:1551-1736; rules and regulations; executive orders; standard terms and conditions, special terms and conditions, and specifications listed in the RFP (if applicable); and this Contract. Venue of any action brought, after exhaustion of administrative remedies, with regard to this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

E-VERIFY

The Contractor shall comply with the provisions of R.S. 23:995 and federal law pertaining to E-Verify in the performance of services under this Contract.

OWNERSHIP OF WORK PRODUCT

All software, data files, documentation, records, worksheets, or any other related materials developed under this Contract shall become the property of the State upon creation. All material related to the Contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of the Contract.

DATA/RECORD RETENTION

Contractor shall retain all its books, records, and other documents relevant to this Contract and the funds expended hereunder for at least five (5) years after final payment, or as required by applicable Federal law, if Federal funds are used to fund this Contract. Contractor shall comply with all applicable State and Federal laws regarding data retention and provide for a transition period that accommodates all data retention requirements of the State, including data retained and length of retention, following Contract termination, regardless of the reason for Contract termination. Additionally, all State data must be sanitized in compliance with the most currently approved revision of NIST SP 800-66.

RECORD OWNERSHIP

All records, reports, documents and other material delivered or transmitted to Contractor by State shall remain the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of the Contract. All material related to the Contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of the Contract.

CONTRACTOR'S COOPERATION

The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the State when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor

shall not limit or impede the State's right to audit or shall not withhold State owned documents.

ASSIGNABILITY

Contractor may assign its interest in the proceeds of this Contract to a bank, trust company, or other financial institution. Within ten (10) calendar days of the assignment, the Contractor shall provide notice of the assignment to the State and the Office of State Procurement. The State will continue to pay the Contractor and will not be obligated to direct payments to the assignee until the State has processed the assignment.

Except as stated in the preceding paragraph, Contractor shall only transfer an interest in the Contract by assignment, novation, or otherwise, with prior written consent of the State. The State's written consent of the transfer shall not diminish the State's rights or the Contractor's responsibilities and obligations.

RIGHT TO AUDIT

Any authorized agency of the State (e.g. Office of the Legislative Auditor, Inspector General's Office, etc.) and of the Federal Government has the right to inspect and review all books and records pertaining to services rendered under this contract for a period of five years from the date of final payment under the prime contract and any subcontract. The Contractor and subcontractor shall maintain such books and records for this five-year period and cooperate fully with the authorized auditing agency. Contractor and subcontractor shall comply with federal and state laws authorizing an audit of their operations as a whole, or of specific program activities.

FISCAL FUNDING

The continuation of this Contract is contingent upon the appropriation of funds to fulfill the requirements of the Contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the Contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the Contract, the Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

NON-DISCRIMINATION

Contractor agrees to abide by the requirements of the following as applicable and amended: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964 as amended by the Equal Employment Opportunity Act of 1972; Federal Executive Order 11246; the Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; Age Discrimination Act of 1975; Fair Housing Act of 1968; and, Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and shall render services under this Contract without regard to race, color, religion, sex, sexual orientation,

national origin, veteran status, political affiliation, disability, or age in any matter relating to employment. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Contract.

CONTINUING OBLIGATION

Contractor has a continuing obligation to disclose any suspensions or debarment by any government entity, including but not limited to General Services Administration (GSA). Failure to disclosed may constitute grounds for suspension and/or termination of the Contract and debarment from future Contracts.

ELIGIBILITY STATUS

Contractor, and each tier of Subcontractors, shall certify that it is not on the List of Parties Excluded from Federal Procurement or Nonprocurement Programs promulgated in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24.

CONFIDENTIALITY

Contractor shall protect from unauthorized use and disclosure all information relating to the State's operations and data (e.g. financial, statistical, personal, technical, etc.) that becomes available to the Contractor in carrying out this Contract. Contractor shall use protecting measures that are the same or more effective than those used by the State. Contractor is not required to protect information or data that is publicly available outside the scope of this Contract; already rightfully in the Contractor's possession; independently developed by the Contractor outside the scope of this Contract; or rightfully obtained from third parties.

AMENDMENTS

Any modification to the provisions of this Contract shall be in writing, signed by all parties, and approved by the required authorities.

PROHIBITED USE OF FUNDS

Contractor shall not use funds received for services rendered under this Contract to urge an elector to vote for or against any candidate or proposition on an election ballot, or to lobby for or against any matter the Louisiana Legislature or a local governing authority is considering to become law. This provision shall not prevent the normal dissemination of factual information relative to any proposition on an election ballot or any matter being considered by the Louisiana Legislature or a local governing authority.

SUBCONTRACTORS

The Contractor may, with prior written permission from the State, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or State Agency for any breach in the performance of the Contractor's duties. The Contractor will be the single point of contact for all subcontractor work.

PROHIBITION OF DISCRIMINATORY BOYCOTTS OF ISRAEL

In accordance with La. R.S. 39:1602.1, effective May 22, 2018, for any contract for \$100,000 or more and for any Contractor with five or more employees, Contractor, or any Subcontractor, shall certify it is not engaging in a boycott of Israel, and shall, for the duration of this Contract, refrain from a boycott of Israel.

The State reserves the right to terminate this Contract if the Contractor, or any Subcontractor, engages in a boycott of Israel during the term of the Contract.

WARRANTIES

Contractor shall provide all services with a high degree of care, skill, diligence, professional knowledge, judgment and expertise, according to sound work practices and accepted professional and industry standards, in a well-managed, organized and efficient manner and to the entire satisfaction of ORM. Contractor warrants and represents that all services shall 1) be of high quality, 2) comply with all applicable laws, regulations, standards, and codes, 3) not violate any patent, copyright, trade secret, or other proprietary interests, and 4) otherwise fully conform in all respects to the signed contract terms. If, in the opinion of the ORM, any work is unreasonably delayed, executed carelessly or negligently, or fails to comply with requirements of applicable laws, ORM may notify Contractor of such deficiencies. Upon ORM's request, Contractor shall promptly correct or re-perform services at no additional charge. Unreasonable delay, careless work, negligent performance, failure to comply with the law, or failure to comply with ORM's request to correct faulty services may result in termination for cause (see Section 1.36.1).

DUTY TO DEFEND

Upon notice of any claim, demand, suit, or cause of action against the State, alleged to arise out of or be related to this Contract, Contractor shall have a duty to defend the State at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. This duty to defend includes but is not limited to the following responsibilities: investigating, handling, responding to, and providing a defense. The State may, but is not required to, consult with or assist the Contractor, but this assistance shall not affect the Contractor's duty to defend. Contractor shall obtain the State's written consent before entering into any settlement or dismissal.

CONTRACTOR LIABILITY

Contractor shall be liable without limitation to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of Contractor, its owners, partners, employees, agents, or subcontractors.

FORCE MAJEURE

It is understood and agreed that neither party can foresee the exigencies beyond the control of each party which arise by reason of an Act of God or force majeure; therefore,

neither party shall be liable for any delay or failure in performance beyond its control resulting from an Act of God or force majeure. The State shall determine whether a delay or failure results from an Act of God or force majeure based on its review of all facts and circumstances. Each party shall use reasonable efforts to eliminate, minimize, and mitigate the effect of such events upon its performance under this Contract.

INDEMNIFICATION AND HOLD HARMLESS

Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description relating to injury or death to any person, or damage, loss or destruction to any property, which may occur or in any way arise out of any act or omission of Contractor, its owners, partners, employees, agents, or subcontractors. The Contractor shall not be required to indemnify the State for the portion of any loss or damage arising from the State's act or omission.

INTELLECTUAL PROPERTY INDEMNIFICATION

Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities in any action for infringement of any intellectual property right, including but not limited to, trademark, trade-secret, copyright, and patent rights.

When a dispute or claim arises relative to a real or anticipated infringement, the Contractor, at its sole expense, shall submit information and documentation, including formal patent attorney opinions, as required by the State, the Chief Procurement Officer, or the Commissioner of Administration.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon the State's unauthorized: i) modification or alteration of the product, material or service; ii) use of the product, material or service in combination with other products not furnished by the Contractor; or, iii) use of the product, material or service in other than the specified operating conditions and environment.

If the use of the product, material, service, or any component thereof is enjoined for any reason or if the Contractor believes that it may be enjoined, Contractor shall at its sole expense and in the following order of precedence: (i) obtain for the State the right to continue using such product, material, service, or component thereof; (ii) modify the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; (iii) replace the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; or, (iv) provide the State monetary compensation for all payments made under the Contract related to the infringing product, material, service, or component, plus for all costs incurred to procure and implement a non-infringing product, material, or service of at least equal quality and

performance. Until this obligation has been satisfied, the State may consider the Contractor to be non-responsible in any subsequent procurements.

LIMITATION OF LIABILITY

Unless otherwise specifically enumerated herein or in the work order mutually agreed between the parties, the state shall not be liable for incidental, indirect, special, or consequential damages. The state shall not be liable for lost profits, lost revenue, or lost institutional operating savings.

The State may, in addition to other remedies available to it at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

LICENSES AND PERMITS

Contractor shall secure and maintain all licenses and permits, and pay inspection fees required to do the work required to complete this Contract.

SECURITY

Contractor's personnel shall always comply with all security regulations in effect at the State's premises, and externally for materials belonging to the State or to the project. Contractor is responsible for reporting any breach of security to the State promptly.

CODE OF ETHICS

The Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this Contract. The Contractor agrees to immediately notify the state if potential violations of the Code of Governmental Ethics arise at any time during the term of this Contract.

SEVERABILITY

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Contract are declared severable.

HEADINGS

Descriptive headings in this Contract are for convenience only and shall not affect the construction or meaning of contractual language.

ENTIRE AGREEMENT AND ORDER OF PRECEDENCE

This Contract, (together with the Request for Proposals and addenda issued thereto by the State, the proposal submitted by the Contractor in response to the State's Request for Proposals, and any exhibits specifically incorporated herein by reference) constitutes the entire agreement between the parties with respect to the subject matter.

This Contract shall, to the extent possible, be construed to give effect to all provisions contained therein: however, where provisions are in conflict, first priority shall be given to the provisions of the Contract, excluding the Request for Proposals and the Proposal; second priority shall be given to the provisions of the Request for Proposals and amendments thereto; and third priority shall be given to the provisions of the Proposal.

CONTRACT APPROVAL

This Contract is not effective until executed by all parties and approved in writing by the Office of State Procurement, in accordance with La.R.S.39:1595.1.

THUS DONE AND SIGNED on the date(s) noted below:

Contractor

State of Louisiana
Office of Risk Management

Name

Title

Melissa A. Harris
State Risk Director

Date Signed _____

Date Signed _____

State of Louisiana
Division of Administration

Jay Dardenne

Commissioner of Administration

Date Signed _____

ATTACHMENT D: SAMPLE ELECTRONIC VENDOR PAYMENT SOLUTIONS

(Section 1.35, Tab 12)

In an effort to increase efficiencies and effectiveness as well as be strategic in utilizing technology and resources for the State and Contractor, the State intends to make all payments to Contractors electronically. The LaCarte Procurement Card will be used for purchases of \$5,000 and under, and where feasible, over \$5,000. Contractors will have a choice of receiving electronic payment for all other payments by selecting the Electronic Funds Transfer (EFT). If you receive an award and do not currently accept the LaCarte card or have not already enrolled in EFT, you will be asked to comply with this request by choosing either the LaCarte Procurement Card and/or EFT. You may indicate your acceptance below.

The **LaCarte** Procurement Card uses a Visa card platform. Contractors receive payment from state agencies using the card in the same manner as other Visa card purchases. Contractors cannot process payment transactions through the credit card clearinghouse until the purchased products have been shipped or received or the services performed.

For all statewide and agency term contracts:

- Under the LaCarte program, purchase orders are not necessary. Orders must be placed against the net discounted products of the contract. All contract terms and conditions apply to purchases made with LaCarte.
- If a purchase order is not used, the Contractor must keep on file a record of all LaCarte purchases issued against this contract during the contract period. The file must contain the particular item number, quantity, line total and order total. Records of these purchases must be provided to the Office of State Procurement on request.

EFT payments are sent from the State’s bank directly to the payee’s bank each weekday. The only requirement is that you have an active checking or savings account at a financial institution that can accept Automated Clearing House (ACH) credit files and remittance information electronically. Additional information and an enrollment form is available at: <http://www.doa.la.gov/osrap/ISIS%20EFT%20Form.pdf>

To facilitate this payment process, you will need to complete and return the EFT enrollment form contained in the link above.

If an award is made to your company, please check which option you will accept or indicate if you are already enrolled.

<u>Payment Type</u>	<u>Will Accept</u>	<u>Already Enrolled</u>
LaCarte	_____	_____
EFT	_____	_____

Printed Name of Individual Authorized

Authorized Signature for payment type chosen

Date

Email address and phone number of authorized individual

Attachment E: Cost Proposal Worksheet

Proposal Totals					
	3-Year Contract Period			Contract Renewal Period	
	Year 1	Year 2	Year 3	Year 4	Year 5
Part 1 - Transition Planning & Implementation Fees					
Part 2 - Service Fees					
Part 3 - Emergency Disaster Service Fees					
Part 4 - Recovery Fees					
Annual Totals					
Proposal Total for the Initial 3-Year Contract Period:				Total for 5-Year Contract Period:	
<p><u>If ORM exercises the right to extend the contract to include years 4 and 5, the cost proposal amounts for the years 4 and 5 shall be subject to further negotiation.</u></p>					

Attachment E: Cost Proposal Worksheet

Part 1 - Transition Planning & Implementation Fees	
Line of Coverage	Implementation Fees
Workers' Compensation Programs	
Property Programs (includes Property Damage, Equipment Breakdown, Bonds & Crime)	
Transportation Programs (includes Auto Liability & Physical Damage, Wet Marine & Aviation)	
Road Hazards Liability Program	
Medical Malpractice Program	
Commercial General Liability Programs (includes Cyber)	
Loss Prevention and Underwriting Services	
Real Property Appraisals	
Total - Part 1 Transition Planning & Implementation Fees	
<i>Enter Proposed one-time Implement Fees for each line of coverage in the yellow-highlighted cells, using whole numbers.</i>	

Attachment E: Cost Proposal Worksheet

Part 2 - Service Fees					
Major Lines of Coverage and Service Areas	3-Year Contract Period			Optional Contract Renewal Period	
	Year 1	Year 2	Year 3	Year 4	Year 5
Workers' Compensation Programs					
Property Programs (includes Property Damage, Equipment Breakdown, Bonds & Crime)					
Transportation Programs (includes Auto Liability & Physical Damage, Wet Marine & Aviation)					
Road Hazards Liability Program					
Medical Malpractice Program					
Commercial General Liability Programs (includes Cyber)					
Loss Prevention & Underwriting Services					
Real Property Appraisals					
Annual Totals					
Total Part 2 Service Fees for the Initial 3-Year Contract Period:					
<p>Only the Total Service Fees for the Initial 3-Year Contract Period will be scored for purposes of RFP award. <i>Enter Proposed Service Fees for each line of coverage and each 12-month contract year in the yellow-highlighted cells, using whole numbers.</i></p>					
5-Yr Cont. Pd:					

Attachment E: Cost Proposal Worksheet

<p>Total Part 3 - Emergency Disaster Service Fees for the Initial 3-Year Contract Period:</p>		<p>Total for 5-Year Contract Period:</p>	
<p>Emergency service fees for catastrophe management and catastrophe field adjuster services will only be paid for declared disasters and other events specifically approved by ORM. Only the Total Emergency Disaster Service Fees for the Initial 3-Year Contract Period will be used for RFP scoring. <i>Enter Proposed Disaster Service Fee Rates for each tier of catastrophe claim damages and each year in the yellow-highlighted cells above. Cell formulas for Calculated Service Fees rounds up to the nearest whole number.</i></p>			
<p>Part 3 - Lead Program CAT Adjuster - Hourly Rate:</p>			
<p>Part 3 - Emergency Disaster Service Fees Adjustment Percentage* - Maximum Percentage Increase:</p>			
<p><i>Enter Proposed Hourly Rates; Disaster Service Fee Adjustment Percentage in the yellow-highlighted cells above.</i> * See RFP Section 1.9.9.3, Emergency Disaster Service Fee and Attachment A, Scope of Services, Section VI. Property Program, Item B. for further explanations.</p>			

Attachment E: Cost Proposal Worksheet

Part 3 (continued)- Emergency Disaster Service Fees	
Average Tier Value Used for Calculation of Service Fees	Formulas used in Calculating Service Fees Per Tier
n/a	proposed flat rate X number of claims
n/a	proposed flat rate X number of claims
n/a	proposed flat rate X number of claims
n/a	proposed flat rate X number of claims
n/a	proposed flat rate X number of claims
75,000.00	Proposed % rate X number of claims X average tier value
175,000.00	Proposed % rate X number of claims X average tier value
375,000.00	Proposed % rate X number of claims X average tier value
750,000.00	Proposed % rate X number of claims X average tier value
1,500,000.00	Proposed % rate X number of claims X average tier value
3,500,000.00	Proposed % rate X number of claims X average tier value
7,500,000.00	Proposed % rate X number of claims X average tier value
15,000,000.00	Proposed % rate X number of claims X average tier value

Attachment E: Cost Proposal Worksheet

Part 4: Recovery Fees

		3-Year Contract Period						Contract Renewal Period				
		Year 1		Year 2		Year 3		Year 4		Year 5		
	Estimated Annual Recoveries	Rate	Period Total Per Type of Recovery (Rate x Est. Recoveries)	Rate	Period Total Per Type of Recovery (Rate x Est. Recoveries)	Rate	Period Total Per Type of Recovery (Rate x Est. Recoveries)	Rate	Period Total Per Type of Recovery (Rate x Est. Recoveries)	Rate	Period Total Per Type of Recovery (Rate x Est. Recoveries)	
Second Injury Fund	\$4,400,000											
Subrogation *	\$1,400,000											
Annual Totals												
Total Part 4 - Recovery Fees for the 3-Year Initial Contract Period												
Total for 5-Year Contract Period:												

Only the Total Recovery Fees for the Initial 3-Year Contract Period will be used for RFP scoring. Contractor will only be compensated for subrogation claims that are NOT turned over to the Attorney General or Office of Debt Recovery to pursue recovery.

Enter Proposed Recovery Rates in the yellow-highlighted cell for each recovery service type. Cell formulas for Period Total Recovery Fees rounds up to the nearest whole number.

See RFP Section 1.9.9.4, Recovery Services and Attachment A, Scope of Services, Section IV, Subrogation and Recoveries, Item D. for further explanations.

ATTACHMENT F: INSURANCE REQUIREMENTS FOR CONTRACTORS

(Section 1.32, Tab 10)

INSURANCE REQUIREMENTS FOR CONTRACTORS

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE

1. Workers Compensation

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters and all locations where Contractor performs services. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. Commercial General Liability

Commercial General Liability insurance, including Personal and Advertising Injury Liability, and Products and Completed Operations shall have a minimum limit per occurrence of \$10,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

3. Automobile Liability

Automobile Liability Insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

4. Professional Liability (Errors and Omissions)

Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of \$10,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 24 months, with full reinstatement of limits, from the expiration date of the policy, if the policy is not renewed.

5. Cyber Liability

Cyber liability insurance, including first-party costs, due to an electronic breach that compromises the State's confidential data shall have a minimum limit per occurrence of \$5,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 24 months from the expiration date of the policy, if the policy is not renewed. The policy shall not be cancelled for any reason, except non-payment of premium.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and accepted by ORM. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability

- a. The Office of Risk Management and its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Form CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalent, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to ORM.
- b. The Contractor's insurance shall be primary as respects ORM and its officers, agents, employees and volunteers for any and all losses that occur under the contract. Any insurance or self-insurance maintained by the Office of Risk Management shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against ORM and its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for ORM.

3. All Coverages

- a. All policies must be endorsed to require thirty (30) days written notice of cancellation to ORM. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the

Contractor's policy. In addition, Contractor is required to notify ORM of policy cancellations or reductions in limits.

- b. The acceptance of the completed work, payment, failure of the ORM to require proof of compliance, or ORM's acceptance of a non-compliant certificate of insurance shall not release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against the Office of Risk Management for payment of premiums or for assessments under any form of the policies.
- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to ORM, its officers, agents, employees and volunteers.

D. ACCEPTABILITY OF INSURERS

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A:-VI or higher**. This rating requirement may be waived for workers' compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

E. VERIFICATION OF COVERAGE

Contractor shall furnish the ORM with Certificates of insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the ORM before work commences and upon any contract renewal thereafter or insurance policy renewal thereafter.

The Certificate Holder Shall be listed as follows:

State of Louisiana
The Office of Risk Management, Its Officers, Agents, Employees and Volunteers
1201 North 3rd Street, Suite G-192
Baton Rouge, LA 70802
Project or Contract #:

In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The ORM reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver and maintain such insurance as above provided, this contract, at the election of ORM, may be suspended, discontinued or

terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

F. SUBCONTRACTORS

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

G. WORKERS COMPENSATION INDEMNITY

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

ATTACHMENT G: CERTIFICATION STATEMENT

(Tab 8, Section 1.9.10)

The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.

OFFICIAL CONTACT. The State requests that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. The Proposer should identify the Contact name and fill in the information below: (Print Clearly)

- A. Official Contact Name: _____
- B. Email Address: _____
- C. Facsimile Number with area code: () _____
- D. US Mail Address: _____

Proposer shall certify that the above information is true and shall grant permission to the State or Agencies to contact the above named person or otherwise verify the information provided.

By its submission of this proposal and authorized signature below, Proposer shall certify that:

1. The information contained in its response to this RFP is accurate;
2. Proposer certifies its compliance with each of the mandatory requirements listed in the RFP and will meet or exceed the functional and technical requirements specified therein, as more fully described below
 - a. Proposer certifies that it is properly licensed with the State of Louisiana to act as a TPA per La. R.S. 22:1651;
 - b. Proposer certifies that it has a minimum of three (3) years of experience in providing claims administration services in each of the following lines: Workers Compensation, Property, Medical Malpractice, Auto Liability, and Commercial General Liability.
 - c. Proposer certifies that it has a current or former governmental entity client with at least 150 insured units.
 - d. Proposer certifies that it is financially stable and either has or can acquire the resources available to service this account as demonstrated in complete, independent financial audits by a certified public accounting firm for at least the most recent preceding 3 years.
 - e. Proposer certifies that it has professional liability (error and omissions) coverage with a limit of at least \$10,000,000 (ten million dollars) per occurrence.
3. Proposer shall accept the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
4. Proposer's quote shall be valid for at least one year from the date of proposal's signature below;

5. Proposer understands that if selected as the successful Proposer, he/she will have **10 (ten)** business days from the date of delivery of final contract in which to complete contract negotiations, if any, and execute the final contract document.
6. Proposer shall certify, by signing and submitting a proposal for \$25,000 or more, that their company, any subcontractors, or principals are not suspended or debarred by the General Services Administration (GSA) in accordance with the requirements in 2 CFR §200 Subpart F. (A list of parties who have been suspended or debarred can be viewed via the internet at <https://www.sam.gov>.)
7. Proposer understands that, if selected as a contractor, the Louisiana Department of Revenue must determine that it is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the state and collected by the LDR. Proposer shall comply with La. R.S. 39:1624(A) (10) by providing its seven-digit LDR account number in order for tax payment compliance status to be verified.
8. Proposer further acknowledges its understanding that issuance of a tax clearance certificate by LDR is a necessary precondition to the approval of any contract by the Office of State Procurement. The contracting agency reserves the right to withdraw its consent to any contract without penalty and proceed with alternate arrangements, should a prospective contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven (7) days of such notification.
9. Proposer certifies and agrees that the following information is correct: In preparing its response, the Proposer has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any subcontractor or supplier, refused to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with the specific intent to accomplish a boycott or divestment of Israel. Proposer also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting actions. The State reserves the right to reject the response of the Proposer if this certification is subsequently determined to be false, and to terminate any contract awarded based on such a false response.
10. Proposer certifies that the cost submitted was independently arrived at without collusion.

Signature of Proposer or
Authorized Representative

Typed or Printed Name:

Date:

Title:

Company Name:

Address, City, State, Zip:

ATTACHMENT H: SAMPLE FORM FOR BOARD RESOLUTION

(Section 1.10, Tab 11)

**MEETING OF THE BOARD OF DIRECTORS
OF
(CORPORATION'S NAME)**

A meeting of the Board of Directors of (CORPORATION'S NAME) was held on (DATE), whereby a resolution was passed authorizing (NAME AND TITLE OF THE INDIVIDUAL AUTHORIZED TO SIGN ON BEHALF OF THE CORPORATION) by his signature, to enter into any and all contractual obligations on behalf of this corporation.

Secretary and/or Chairman