

REQUEST FOR PROPOSALS
FOR
SPECIALTY AND NONSPECIALTY DRUG CONSULTING
FOR THE
PUBLIC EDUCATION EMPLOYEES' HEALTH INSURANCE PLAN
RFP 21-006
ISSUE DATE: May 6, 2021

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SECTION I – GENERAL INFORMATION FOR THE PROPOSER

A. PURPOSE

This Request for Proposals (RFP) solicits proposals for the performance of clinical pharmacy consulting services on an ongoing, as-needed basis for a 3-year period beginning October 1, 2021 and ending September 30, 2024, with two possible one-year extensions, for the Alabama Public Education Employees' Health Insurance Plan (PEEHIP). The services will focus on controlling PEEHIP total drug spend on specialty and non-specialty drugs in any of PEEHIP's benefit programs. PEEHIP requires consulting drug expertise on both the Pharmacy and Medical Drug Plans, with some drug consulting on our Retiree MAPD Plan. Proposers are expected to possess excellent analytical capabilities and in-depth industry knowledge and provide expert advice to assist PEEHIP in managing its formularies and prescription drug spend.

B. BACKGROUND

The Public Education Employees' Health Insurance Plan provides hospital medical health insurance benefits for all full-time employees and some part-time employees of the Alabama public educational institutions, which provide instruction at any combination of grades K-14. These insurance benefits are also available to retired employees with a portion of the retiree's cost paid through the employer premium for active employees. Coverage is also offered to eligible dependents.

PEEHIP provides the following coverages to eligible members and dependents:

- Hospital medical coverage administered by Blue Cross and Blue Shield of Alabama – Actives and Non-Medicare eligible retirees.
- Drug coverage administered by MedImpact Healthcare Systems – Actives and Non-Medicare eligible retirees.
- Health Maintenance Organization – Viva – Actives and Non-Medicare eligible retirees.
- Medicare Advantage Prescription Drug Plan (MAPDP) – Humana – Medicare eligible retirees
- Optional Coverage administered by Southland Benefit Solutions, LLC – consisting of Dental, Hospital Indemnity, Vision, and Cancer.

In 2020, the Commercial Plan (MedImpact) drug spend was \$255M, and the Hospital Medical Plan drug spend was \$87M. PEEHIP has approximately, 223,000 covered persons on its non-Medicare eligible population for BCBS Hospital Medical and MedImpact Prescription Drugs. On the MAPD plan for the Medicare eligible population, there are about 76,000 members.

C. OTHER GENERAL INFORMATION:

Other supporting documents that are considered as part of this RFP may be located via the internet as follows:

- www.rsa-al.gov/ - RSA home page
- www.rsa-al.gov/peehip/ - PEEHIP Section of RSA web page
- www.sos.alabama.gov - Secretary of State home page
- PEEHIP Law – *Code of Alabama 1975, Title 16, Chapter 25A*

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D. PROPOSAL PROCESS:

All proposals should include (1) one electronic copy, (1) redacted electronic copy*, (1) redacted hard copy*, and one (1) printed unredacted copy with the following plainly marked on the front:

PEEHIP
PHARMACY BENEFIT CONSULTING SERVICES PROPOSAL
RFP 21-006

DEADLINE FOR RECEIPT OF PROPOSALS: Wednesday, June 16, 2021 by 2pm CDT

Each proposal page should be numbered for ease of reference. Proposals must be signed by an official authorized to bind the Proposer to its provisions and include the Proposer's Federal Identification Number.

Proposals will be sent to:

Via UPS or FedEx:

Mr. Frank Roemer
Special Projects Manager
Retirement Systems of Alabama/PEEHIP
201 South Union Street
Montgomery, AL 36104-0001

Via US Mail:

Mr. Frank Roemer
Special Projects Manager
Retirement Systems of Alabama/PEEHIP
P.O. Box 302150
Montgomery, AL 36130-2150

Proposals may be hand delivered to the Retirement Systems of Alabama at 201 South Union Street, Montgomery, Alabama. Proposals will be accepted until 2:00 p.m. CST on June 16, 2021. Proposals will not be accepted after this date and time. PEEHIP reserves the right to reject any and all responses to this RFP. Questions related to this RFP must be addressed to PEEHIP.RFP@rsa-al.gov and must be received by May 14, 2021, at 5:00 p.m.

*Redacted copies are optional. However, PEEHIP takes its responsibilities under the State of Alabama open records law very seriously. If the Proposer considers any portion of the documents, data, or records submitted in response to this solicitation to be confidential, trade secret, or otherwise not subject to public disclosure, Proposer must, in addition to the required copies, also provide PEEHIP with a separate, redacted copy of its proposal, marked clearly as "REDACTED COPY" and briefly describe, in a separate writing, as to each redacted item, the grounds for claiming exemption from the public records law. Only portions claimed confidential, trade secret, or not subject to disclosure may be excluded or redacted. Proposer shall be solely responsible for defending its determination that the redacted portions of its submissions are confidential, trade secret, or otherwise not subject to disclosure, and shall indemnify and hold harmless PEEHIP against claims related to Proposer's determination that a portion of its proposal is not subject to disclosure. If Proposer fails to submit a redacted copy with its proposal, PEEHIP is authorized to produce the entire document(s), data, and/or records submitted by Proposer in response to any public records request.

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E. KEY DATES

RFP 21-006 KEY DATES:	
Activity	Date
RFP to be Issued/Posted on RSA website	May 6, 2021
Deadline to Submit Questions	May 14 by 5:00 p.m. CDT
Responses to Questions posted to RSA website	May 18 by 5:00 p.m. CDT
Proposal Responses Due By	Jun 16, 2021, by 2:00 p.m. CDT
Finalist Conferences	Jul 7 - 9, 2021
Award of Contract	By Jul 20, 2021

F. **ECONOMY OF PREPARATION:** Proposals should be prepared simply and economically and provide a concise description of the proposer’s response to the requirements of this RFP. Emphasis should be on clarity. PEEHIP will not be responsible for any costs incurred by any proposer in the preparation of a proposal or in relation to any presentation(s) to the evaluation committee. The proposal shall become the property of PEEHIP.

G. **TYPE OF CONTRACT:** It is proposed that if a contract is entered into as a result of this RFP, it will be a fee for services contract. There are no contingency fees.

H. **SUBCONTRACTING:** Any use of subcontractors by a proposer must be identified in the proposal. During the contract period, use of any subcontractors by the selected proposer, which were not previously identified in the proposal, must be approved in advance in writing by PEEHIP.

I. **EVALUATION:** During the Proposal Evaluation Period, proposers may be required to make an oral or written clarification of their proposal to PEEHIP to ensure mutual understanding and solicitation responsiveness.

J. **BEST AND FINAL OFFERS:** PEEHIP reserves the right to conduct discussions with proposers for the purpose of obtaining “best and final offers,” by entering pre-selection negotiations with potential contract awardees.

K. **TERM OF CONTRACT:** PEEHIP desires to enter a three-year contract for performing specialty pharmacy benefit consulting starting on October 1, 2021 and continuing through September 30, 2024. PEEHIP reserves the right to extend the contract up to two one-year extensions.

L. **MAXIMUM ANNUAL FEE:** PEEHIP contracts must contain a maximum annual fee for each year which includes all professional fees, expenses and travel.

M. **PAYMENT SCHEDULE:** Payments will be made no more frequently than monthly based upon the firm’s actual hours worked.

N. **SELECTION OF FIRM:** PEEHIP expects to employ the successful proposer. PEEHIP reserves to

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right to reject all proposals. All responding proposers will be notified of PEEHIP's decision in writing within a reasonable length of time following the selection.

O. NEWS RELEASES: News releases pertaining to this RFP or the service to which it relates will be made only with prior written approval of PEEHIP.

P. ADDENDA TO THE RFP: PEEHIP may modify this RFP at any time prior to the deadline for receiving proposals. Any such modifications made to the RFP prior to the proposal due date will be posted on STAARS and the RSA website.

Q. AGENTS: No agent's fees will be payable by PEEHIP or successful proposer. PEEHIP will respond only to parties interested in proposing and performing the services.

R. PEEHIP RESERVATION OF RIGHTS: PEEHIP reserves the right to award any service in whole or in part, to issue no award or cancel or alter the procurement at any time. In addition, PEEHIP reserves the right to extend the proposed RFP period, if needed. Proposals containing the lowest cost will not necessarily be awarded the contract.

SECTION II – NATURE OF SERVICES REQUIRED

PEEHIP wishes to contract with a vendor that has a proven record of driving significant specialty and nonspecialty drug savings in medical and commercial plan prescription drug benefits. The successful proposer must have extensive experience implementing innovative, proven, and immediate cost savings activities. PEEHIP anticipates proposer services to be conducted under the resulting contract that may include but not be limited to, the following:

- PEEHIP has a customized Commercial Rx Drug Benefit. Under the guidance of proposer's pharmacist consultants and Pharmacy Benefit Manager (PBM) Account Team Pharmacists, PEEHIP makes most Utilization Management (UM) decisions regarding drug exclusions, Step Therapies, Quantity Limits, and Prior Authorizations. The proposer's independent pharmacist consultants will develop and modify our Prior Authorizations (PA) based on the manufacturers' full prescribing information, for specialty and non-specialty drugs to ensure clinical appropriateness, adequate supporting documentation, and requisite renewal criteria. PAs written in accordance with the package label inserts have resulted in little pushback from the medical and patient communities in the last six years.
- The proposer will occasionally audit our PBM to ensure that our PA criteria is being followed.
- Proposer must provide PEEHIP with a web-based application that is already built and functional which utilizes an easy-to-use Dashboard interface that provides drill down functionality into integrated Rx and Medical claims. Medical Claim diagnoses should also be provided. A demo of this Dashboard may be requested by PEEHIP.
- On a periodic basis, proposer analyzes PEEHIP's pharmacy and Medical Drug Claims with its data tools to determine the most obvious and immediate savings. This analysis should include Specialty Drugs, Brand Drugs and Generic Drugs across both the Rx and Medical Benefits.
- Works with our Pharmacy, Medical, and MAPD vendors on bi-weekly, quarterly, or semi-annual calls in the pursuit of cost and coverage efficiencies with a desire to coordinate the formularies as much as possible. The MAPD drug consulting is limited to annual reviews of the vendor's recommendations of the

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drug coverage for the next calendar year. It is acknowledged that when it comes to the MAPD Plan, CMS requirements may be inconsistent with best savings practices on the Pharmacy and Medical drug formularies.

- Is familiar with National Average Drug Acquisition Cost (NADAC) pricing.
- Assist PEEHIP in the evaluation of PBM proposed rebate opportunities for the purpose of finding the lowest net cost option.
- Assist PEEHIP with PBM Network performance analysis as requested.
- Assist PEEHIP in the evaluation of PBM rebate reports.
- Assist PEEHIP with PBM or other pharmacy benefit related RFPs if requested.
- Assist PEEHIP with PBM contract and performance guarantee development if requested.
- Assist PEEHIP with PBM contract monitoring, market checks, and performance guarantee penalty calculations if requested.
- Provide support to an established specialty variable copay program that utilizes manufacturer revenue coupon programs.
- Provide support to an established retail variable copay program that utilizes manufacturer revenue coupon programs.
- Provide support to an established medical drug variable copay program that utilizes manufacturer revenue coupon programs.
- Assist with provider/member communication and education on PEEHIP's efforts to reduce its drug spend without harm or inconvenience to the member.
- Other clinical pharmacy consulting or data analytics services reasonably requested by PEEHIP and agreed to be performed by vendor during the term of the agreement.

All services listed above will be provided on an "as requested" basis, and no work should begin prior to receiving approval to proceed.

SECTION III – INFORMATION REQUIRED FROM PROPOSERS

To be considered, the proposal must respond to all requirements and questions in this part of the RFP in a separate document using the numbering system below.

- A. **STATEMENT OF THE PROBLEM:** State in succinct terms your understanding of the services required.
- B. **BUSINESS ORGANIZATION:** State the full name and address of your organization, and if applicable, the branch office or other subordinate element that will perform or assist in performing the work hereunder. Indicate whether you operate as an individual, partnership, limited liability company, corporation, or

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other entity formation; include the state in which you were formed or incorporated. State whether you are licensed to transact business in the state of Alabama. Please use the attached Proposer Profile Form in the Attachments for your response.

C. **HIGH LEVEL SUMMARY:** Include a narrative description of the proposed effort and a list of the items to be delivered and the services to be provided.

D. **WORK PLAN:** Include a narrative of your technical plan for accomplishing the work proposed to control PEEHIP's specialty and non-specialty drug costs. The work plan should focus on those activities outlined in Section 2 with which the proposer has experience and has documented success. Proposers are invited and encouraged to offer or suggest consulting or analytical services not included in the RFP but that proposer believes may be beneficial to PEEHIP. PEEHIP reserves the right to add or reject any such additional services.

E. **PRIOR EXPERIENCE:** As part of your proposal, include a brief statement (maximum three pages) concerning the relevant experience of persons from your firm who will be performing the services. Do not include general corporate background brochures. Emphasize experience directly applicable to self-insured plans and experience directly related to Specialty and non-Specialty drug cost containment in the Pharmacy and Medical Benefit.

Under Prior Experience, specific areas to be addressed in additional sections should include the following:

1. Description of three specialty drug plan cost reduction consulting engagements with total savings generated for previous clients. Please share unique benefit designs, fraud, waste, patient safety, or clinical quality programs.

2. Describe your knowledge and abilities regarding specialty and nonspecialty drug plan management, specifically:

- Specialty Drug PA development
- Audits of PBM Specialty PA review processes
- Manufacturer coupon program for specialty and retail drugs
- Drug exclusion evaluations
- Specialty and Nonspecialty Drug analytical tools for clients
- Channel management of specialty medications (Rx vs. Medical)

3. What is your knowledge and experience with the Pharmacy Benefit Management industry?

4. Provide two references from past clients who have benefited from your cost reduction consulting, and one reference from a current client. Please use the attached Proposer References Form at IV. E. for your response.

5. Describe your experience in providing fraud, waste, and abuse identification and examples of your findings for clients.

6. Provide a sample from a redacted client cost saving report.

7. Describe how your firm measures and monitors progress.

8. How does your company distinguish itself from its competitors?

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F. **CONFLICTS OF INTEREST:** Does your company, or any of its employees, have any clients or associations that could present a conflict of interest should you be chosen to work for PEEHIP? If so, please explain in detail. Does your company, or any of its employees, receive any compensation or remuneration from any drug manufacturers, PBM, or pharmacies? If so, please explain in detail. Please explain how your company identifies and manages conflicts of interest.

G. **MANPOWER:** Identify lead individuals by name and title and include a resume of each.

H. **AUTHORIZED OFFICIALS:** Include the names and telephone numbers of personnel of the organization authorized to execute the proposed contracts with PEEHIP.

I. **SECURITY AND PRIVACY REQUIREMENTS:** Proposer will execute and maintain full compliance with the attached Business Associate Agreement (BAA) with PEEHIP. For the following items, please answer the questions and/or incorporate your agreement or disagreement, using the format below in your separate response document.

1. Proposer agrees that PEEHIP's data belongs to PEEHIP, not the Proposer and will be considered proprietary and will not be shared without the full knowledge and express written consent of PEEHIP.

- (a) _____ Agree
- (b) _____ Disagree
- (c) _____ Comment

2. Proposer agrees to designate a minimum of 2 experienced clinical pharmacists to our account for the duration of the contract. PEEHIP requires that these clinical pharmacists be able to participate in conference calls and/or virtual meetings with PEEHIP's PBM, claims administrator, and MAPD vendor, and to answer all PEEHIP emails and calls promptly and fully. It is not expected that the clinical pharmacists are 100% dedicated to PEEHIP, but they must be readily available on demand.

- (a) _____ Agree
- (b) _____ Disagree
- (c) _____ Comment

3. Proposer maintains an online tool to assist with analytics of pharmaceutical and medical claims. Proposer agrees that it will provide a licensee quote in the financial proposal to PEEHIP for access to that online tool. The Dashboard will be used to analyze both Pharmacy and Medical Claims.

- (a) _____ Agree
- (b) _____ Disagree
- (c) _____ Comment

4. Proposer agrees to attach a copy of your most recently completed HIPAA assessment in the Response Documents section of the RFP. If no such assessment exists, please explain.

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- (a) _____ Agree
- (b) _____ Disagree
- (c) _____ Comment

5. Proposer agrees that all files in transit and at rest containing PHI must be encrypted. Examples include Secure FTP, AES 256-bit encryption, PGP, HTTPS, and hard drive encryption. Plain text emails containing PHI is strictly prohibited.

- (a) _____ Agree
- (b) _____ Disagree
- (c) _____ Comment

6. Proposer agrees to attach copy of their Information Security Policy and Procedures in the Response Documents section of the RFP.

- (a) _____ Agree
- (b) _____ Disagree
- (c) _____ Comment

7. If awarded the contract, PEEHIP or its agent or representative may, at any point during the Agreement, perform an on-site self-assessment based on HIPAA requirements. Please confirm, if awarded the contract, PEEHIP may, at any point during the Agreement perform the intended assessment.

- (a) _____ Agree
- (b) _____ Disagree
- (c) _____ Comment

8. Proposer shall explain how they manage employee confidentiality/privacy barriers and compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) including the Health Information Technology for Economic and Clinical Health Act (HITECH). Detail plan(s) to ensure privacy and security of employee's information while delivering services in a worksite environment.

- (a) _____ Agree
- (b) _____ Disagree
- (c) _____ Comment

9. All employees at Proposer organization have been trained on how to report a security incident or potential breach under HIPAA. Please select (a) or (b). In the Comments section (c), please list how frequently HIPAA training is required for employees.

- (a) _____ Agree
- (b) _____ Disagree
- (c) _____ Comment

10. Proposer must attach documents that indicate Proposer complies with the PEEHIP Statement on HIPAA Compliance Document (Board Policy) found in the Attachments.

11. Proposer must state who is responsible for ensuring compliance with all applicable laws

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and regulations, including but not limited to HIPAA and HITECH (Security and Privacy Officer), responsible for maintaining internal controls to protect PHI and adequate and timely steps are taken in the event of a breach of confidentiality, and responsible for communicating program and policy updates to PEEHIP and coordinating as necessary with PEEHIP's internal counsel and staff. At a minimum, please include:

- a. The total number of designated staff to PEEHIP.
- b. Include in your hierarchy whether there is a defined security and privacy officer. List their background and experience that supports their qualifications for this role.
- c. Has Proposer ever had a HIPAA breach? If so, please provide explanation including correction/revision of processes and procedures, mitigation of effect of breach and any remuneration made.
- d. Please explain how Proposer complies with HIPAA's workforce clearance procedures. State whether all employees are background checked and how often.
- e. Is any of Proposer's staff based outside of the US? If yes, please provide the details of their credentials. Please provide details of how seamless operations are achieved and quality controls in place for off-shore operations.

J. CONTRACT TERMS

The attachments of this RFP contain a contract shell which includes contract terms required in all State of Alabama contracts. Review this contract shell and provide an affirmative statement that proposer will agree to the listed requirements for all State of Alabama contracts. In the event there are any provisions to which proposer will not agree, or if there are any provisions or terms which the proposer will wish to add to a resulting contract, all such deviations or additions must be fully disclosed on the foregoing statement. The acceptance by PEEHIP of a proposal does not under any circumstances constitute an agreement by PEEHIP to any of the alternate terms provided by any Proposer under this Paragraph J.

K. COST AND PRICE ANALYSIS

The cost evaluation will be based on examinations by the Evaluation Committee of each Proposer's stated cost components and will constitute 30% of the overall proposal's evaluation. Billing is to be submitted with the detail by staff member of hours worked on each task.

Cost scoring will be determined as follows:

- 1. Cost proposals must be provided in a separate envelope clearly labeled "Cost Proposal".
- 2. The Proposer submitting the lowest cost Proposal will receive 30 points.
- 3. All other Proposers will be evaluated by use of the following formula:

$$\frac{\text{Lowest Cost of All Proposals}}{\text{Cost of Proposal Evaluated}} \times 30 \text{ points} = \text{Proposer's Score for Cost}$$

L. COST PROPOSAL

The information requested in this Section is required to support the reasonableness of your proposal cost. Your proposal must include a Fee Schedule with the names, titles, and projected work hours for each

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individual in the following sample format:

		Estimated Rate/Hr				
Staff Members' Names	Title/Role/Subject Area	2022	2023	2024	2025	2026
Pharmacy Consulting						
Pharmacist A	Lead Consultant	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Pharmacist B	Senior Consultant	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Pharmacist C	Junior Consultant	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tech Experts						
Expert A	Lead IT Consultant	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Expert B	IT Consultant	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		Projected Consultant Hours				
Staff Members' Names	Title/Role/Subject Area	2022	2023	2024	2025	2026
Pharmacy Consulting						
Pharmacist A	Lead Consultant	0	0	0	0	0
Pharmacist B	Senior Consultant	0	0	0	0	0
Pharmacist C	Junior Consultant	0	0	0	0	0
Tech Experts						
Expert A	Lead IT Consultant	0	0	0	0	0
Expert B	IT Consultant	0	0	0	0	0
Total Hours		0	0	0	0	0
		Estimated Fees				
Staff Members' Names	Title/Role/Subject Area	2022	2023	2024	2025	2026
Pharmacy Consulting						
Pharmacist A	Lead Consultant	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Pharmacist B	Senior Consultant	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Pharmacist C	Junior Consultant	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tech Experts						
Expert A	Lead IT Consultant	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Expert B	IT Consultant	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Estimated Fee		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Please modify titles, roles, and/or subject areas based on your organization's structure.

It is important to provide the consulting services cost details for each of the five annual fiscal periods ending September 30 for 2022 through 2026. (PEEHIP's fiscal year begins October 1 and ends September 30). This is a three-year contract, but there are two one-year renewal options.

1. Cost per hour for the lead pharmacist who will be responsible for consulting with PEEHIP

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and the cost per hour of any other professional person by name and title who will be assisting the lead pharmacist in performing these consulting services.

2. Please include any license fees for the Dashboard and other software tools that will be made available to PEEHIP.

3. Itemize other direct costs that may be included in billing for these services and the basis for billing.

4. Itemize the basis for allocating any general and administrative burden to the billing for these services.

5. Detail basis for charging travel costs related to the performing of these services. PEEHIP will only pay travel expenses in accordance with State of Alabama rules and regulation.

6. PEEHIP contracts must contain a maximum annual fee for each year which amount includes all professional fees, expenses, and travel. The projected fees from the cost proposal will be used to set that maximum fee; however, in the event unexpected utilization of services arises during the term, the parties may mutually agree to increase the maximum annual fee.

NOTE: (1) The Proposer must disclose ALL fees in the RFP in order to be compensated for them. (2) PEEHIP will not be liable for any expense for use of any job classification by the Proposer that is not identified in the proposer's RFP response. (3) Proposers must be willing to fully disclose hours worked by each employee and be willing to discuss downward rate or time adjustments with PEEHIP annually in the event circumstances warrant.

SECTION IV – CRITERIA FOR EVALUATION

A. EVALUATION PROCESS OVERVIEW

PEEHIP will use the following process to evaluate vendor proposals:

1. A review committee will evaluate each proposal submitted in response to these proposal specifications.
2. Responses received within the time frame and in the form specified by the guidelines will first be evaluated to confirm that all proposal sections, as detailed, have been provided in the proposal response.
3. Each proposal will be reviewed, and points will be awarded to all items indicated on the Proposal Evaluation Grid. Any proposal component may be awarded points not to exceed the maximum specified on the Proposal Evaluation Grid. The total technical score available is 70 points. The total cost proposal score available is 30 points.
4. Each proposal component will be summed to obtain a total score.
5. PEEHIP may, at its sole discretion, conduct an interview with the finalists. Note that a scoring bonus of 10 points may be added to the proposer's above score in the Finalist Interviews based on presentations via WebEx, Zoom, phone, or in person.

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B. PEEHIP’S RIGHTS

Proposers should note that PEEHIP reserves the right to modify this evaluation structure if it is deemed necessary or request additional information (including through a virtual presentation) from proposers. It is the intention of PEEHIP to select the most qualified and cost-effective proposal based on the evaluation of the Proposer’s responses to this RFP. However, PEEHIP reserves the right to ask proposers for additional information and/or presentation to clarify their proposals. PEEHIP also reserves the right to cancel, modify, terminate or extend this RFP. Any modifications made to the RFP prior to proposal due date will be provided in writing on the RSA website:

<https://www.rsa-al.gov/about-rsa/itb-rfp/>

C. EVALUATION CRITERIA

The following factors will be the criteria used in making the selection. Each item will be individually scored by the evaluation committee with a possible total of points. The order below does not indicate priority:

1. **DESCRIPTION OF SERVICES TO BE PERFORMED (10 pts.):** Proposer must describe all of the services that they will perform for PEEHIP in response to this RFP.
2. **QUALIFICATION OF THE FIRM (10 pts.):** This includes the ability of the proposer to meet the terms of the RFP and the relevancy of recent pharmacy consulting engagements involving specialty and limited distribution drugs.
3. **PROFESSIONAL PERSONNEL (20 pts.):** The competence and level of professional personnel who will perform the consulting services will be considered. Education, certifications, and relevant pharmacy and health insurance experience will measure qualifications of professional personnel.
4. **PHARMACY DATA MINING APPLICATION LINKING Rx and MEDICAL CLAIMS (20 pts.):** Provider must have a fully developed application built and functional for monitoring specialty and non-specialty spend and trends for both Commercial and Medical claims.
5. **HIPAA COMPLIANCE (10 pts.): PROPOSAL EVALUATION GRID** Proposer must complete the Third-Party Questionnaire found in the appendix.

Criteria shall be scored by its reasonableness in relation to the merits of the proposal. *Note that a scoring bonus of 10 points may be added to the proposer’s above score in the Finalist Interviews via WebEx, Zoom, phone, or in person.*

Proposal Evaluation Criteria	Possible Points	Reviewer Score
1. Description of Services to be Performed	10	
2. Qualification of the Firm	10	
3. Professional Personnel	20	
4. Specialty and Non-Specialty Data Mining Application	20	
5. HIPAA Compliance	10	
TOTAL TECHNICAL SCORE	70	
6. Cost Proposal	30	
TOTAL POSSIBLE POINTS	100	

SECTION V - ADDITIONAL DOCUMENTS

The following documents must be completed and submitted with the proposal:

- A. Business Associate Agreement
- B. Confidentiality and Non-disclosure Agreement
- C. Immigration Compliance Certificate
- D. IRS Form W-9
- E. PEEHIP Statement on HIPAA Compliance Documentation
- F. Bidder Verification Adherence to BA Policy
- G. Proposer Profile Form
- H. Proposer References Form
- I. Sample Contract Shell, State of Alabama – Does not have to be signed; however, any deviations from the terms that will be requested for PEEHIP consideration must be disclosed in the proposal.
- J. State of Alabama Disclosure Statement (Pursuant to the Code of Alabama 1975, Title 41, Chapter 16, Article 3B)
- K. Third Party Questionnaire

BUSINESS ASSOCIATE AGREEMENT

This Agreement is made and entered into this ____ day of _____ 20__, by and between _____ (“Business Associate”) and the Public Education Employees’ Health Insurance Board (“Plan Sponsor”), acting on behalf of the Public Education Employees’ Health Insurance Plan (“Covered Entity”).

WHEREAS, Business Associate and Covered Entity desire and are committed to complying with all relevant federal and state laws with respect to the confidentiality and security of Protected Health Information (PHI), including, but not limited to, the federal Health Insurance Portability and Accountability Act of 1996, and accompanying regulations, as amended from time to time (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH), and any regulations promulgated thereunder.

NOW, THEREFORE, for valuable consideration the receipt of which is hereby acknowledged and intending to establish a business associate relationship under 45 CFR §164, the parties hereby agree as follows:

I. Definitions

- A. “Business Associate” shall have the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean **[Insert Name of Business Associate]**.
- B. “Breach” shall be defined as set out in 45 CFR §164.402.
- C. “CFR” means the Code of Federal Regulations. A reference to a CFR section means that section as amended from time to time; provided that if future amendments change the designation of a section referred to herein, or transfer a substantive regulatory provision referred to herein to a different section, the section references herein shall be deemed to be amended accordingly.
- D. “Compliance Date(s)” shall mean the date(s) established by the Secretary or the United States Congress as the effective date(s) of applicability and enforceability of the Privacy Rule, Security Rule and HITECH Standards.
- E. “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 CFR §164.501 and shall include a group of records that is: (i) the enrollment, payment, claims adjudication and case or medical management record systems maintained by or for Covered Entity by Business Associate or (2) used, in whole or in part, by or for Covered Entity to make decisions about Individuals.
- F. “Electronic Protected Health Information” (EPHI) shall have the same meaning as the term “electronic protected health information” in 45 CFR §160.103, limited to the information received from or created on behalf of Covered Entity by Business Associate.
- G. “HITECH Standards” shall mean the privacy, security and security breach notification provisions applicable to a Business Associate under Subtitle D of the Health Information Technology for Economic and Clinical Health Act, which is Title XIII of the American Recovery and Reinvestment Act of 2009, as such law may be amended from time to time, and any regulations promulgated thereunder.

- H. "Individual" shall have the same meaning as the term "individual" in 45 CFR §160.103, and shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g).
- I. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR parts 160 and 164, subparts A and E.
- J. "Protected Health Information" (PHI) shall have the same meaning as the term "protected health information" in 45 CFR §160.103, limited to the information received from or created on behalf of Covered Entity by Business Associate.
- K. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR §164.501.
- L. "Security Incident" shall have the same meanings as the term "security incident" in 45 CFR §164.304.
- M. "Security Rule" shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR parts 160 and 164, subparts A and C.
- N. "Unsecured PHI" shall have the same meaning as "unsecured protected health information" in 45 CFR §164.402.

Terms used, but not otherwise defined, shall have the same meaning as those terms in the Privacy Rule, Security Rule and HITECH Standards.

II. Obligations of Business Associate

- A. Business Associate agrees not to use or disclose PHI other than as permitted or required by this Agreement or as Required by Law. Business Associate will take reasonable efforts to limit requests for, use and disclosure of PHI to the minimum necessary to accomplish the intended request, use or disclosure and comply with 45 CFR 164.502(b) and 514(d) .
- B. To the extent the Business Associate conducts a "Standard Transaction" as outlined in 45 CFR Part 162, Business Associate agrees to comply and to require any agent or subcontractor to comply with all applicable requirements set forth in 45 CFR Part 162.
- C. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for by this Agreement. Business Associate shall implement administrative, physical, and technical safeguards (including written policies and procedures) that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that it creates, receives, maintains, or transmits on behalf of the Covered Entity as required by the Security Rule.
- D. Business Associate agrees to report to Covered Entity any use or disclosure of PHI other than as provided for by this Agreement promptly after Business Associate has actual knowledge of such use or disclosure, and to report promptly to the Covered Entity all Security Incidents of which it becomes aware. Following the discovery of a Breach of Unsecured PHI, Business Associate shall notify Covered Entity of such Breach without

unreasonable delay, and in no event later than 30 calendar days after such discovery. The notification will include the identification of each individual whose Unsecured PHI has been, or is reasonably believed to have been, accessed, acquired or disclosed during the Breach. A Breach shall be treated as discovered as of the first day on which such Breach is known or reasonably should have been known to Business Associate. The parties acknowledge and agree that this section constitutes notice by Business Associate to Covered Entity of the ongoing existence and occurrence of attempted but Unsuccessful Security Incidents (as defined below) for which no additional notice to Covered Entity is required by applicable laws or regulations. "Unsuccessful Security Incidents" shall include, but not be limited to, pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of PHI, and so long as additional notice to Covered Entity is not required by applicable laws or regulations.

- E. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of this Agreement or applicable regulations. Business Associate has a duty to assist the Covered Entity in any mitigation, notice, reporting, or other remedial actions required, all of which would be at the Covered Entity's request and in the Covered Entity's sole discretion.
- F. Business Associate agrees to include in its agreement with any agent or subcontractor to whom it provides PHI on behalf of the Covered Entity conditions with respect to such information that are at least as restrictive as those that apply through this Agreement to Business Associate. Business Associate agrees to ensure that any agents, including sub-agents, to whom it provides EPHI received from, or created or received by Business Associate on behalf of the Covered Entity, agree in writing to implement the same reasonable and appropriate safeguards that apply to Business Associate to protect the Covered Entity's EPHI.
- G. If Business Associate maintains PHI in a Designated Record Set, Business Associate agrees to make available to Covered Entity, within a reasonable time, such information as Covered Entity may require to fulfill Covered Entity's obligations to respond to a request for access to PHI as provided under 45 CFR §164.524 or to respond to a request to amend PHI as required under 45 CFR §164.526. Business Associate shall refer to Covered Entity all such requests that Business Associate may receive from Individuals. If Covered Entity requests Business Associate to amend PHI in Business Associate's possession in order to comply with 45 CFR §164.526, Business Associate shall effectuate such amendments no later than the date they are required to be made by 45 CFR §164.526; provided that if Business Associate receives such a request from Covered Entity less than ten (10) business days prior to such date, Business Associate will effectuate such amendments as soon as is reasonably practicable.
- H. If applicable, Business Associate agrees to provide to Covered Entity within a reasonable time such information necessary to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures as provided under 45 CFR §164.528. Business Associate shall refer to Covered Entity all such requests which Business Associate may receive from Individuals.

- I. Upon reasonable notice, Business Associate agrees to make its internal practices, books, and records relating to the use and disclosure of PHI available to the U.S. Secretary of Health and Human Services, or an officer or employee of that Department to whom relevant authority has been delegated, at Covered Entity's expense in a reasonable time and manner, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- J. Notwithstanding any other provision in this Agreement, Business Associate hereby acknowledges and agrees that to the extent it is functioning as a Business Associate of Covered Entity, Business Associate will comply with the HITECH Business Associate provisions and with the obligations of a Business Associate as prescribed by HIPAA and the HITECH Act commencing on the Compliance Date of each such provision. Business Associate and the Covered Entity further agree that the provisions of HIPAA and the HITECH Act that apply to Business Associates and that are required to be incorporated by reference in a Business Associate Agreement are incorporated into this Agreement between Business Associate and Covered Entity as if set forth in this Agreement in their entirety and are effective as of the Compliance Date.

III. Permitted Uses and Disclosures by Business Associate

Except as otherwise limited in this Agreement, Business Associate may:

- A. Use or disclose Protected Health Information on behalf of the Covered Entity, if such use or disclosure of Protected Health Information would not violate the Privacy Rule, including the minimum necessary standard, if done by the Covered Entity.
- B. Use or disclose PHI to perform the services outlined in the **<applicable services agreement>**.
- C. Use Protected Health Information for the proper management and administration of Business Associate or to fulfill any present or future legal responsibilities of Business Associate.
- D. Disclose Protected Health Information for the proper management and administration of Business Associate or to fulfill any present or future legal responsibilities of Business Associate, provided that such disclosure is either Required by Law or Business Associate obtains reasonable assurances from any person to whom Protected Health Information is disclosed that such person will: (i) keep such information confidential, (ii) use or further disclose such information only for the purpose for which it was disclosed to such person or as Required by Law, and (iii) notify Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- E. Use Protected Health Information to provide data aggregation services relating to the health care operations of the Covered Entity, as provided in 45 CFR §164.501.
- F. To create de-identified data, provided that the Business Associate de-identifies the information in accordance with the Privacy Rule. De-identified information does not constitute PHI and is not subject to the terms and conditions of this Agreement.

- G. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR 164.502(j)(1).
- H. Business Associate agrees to ensure that access to EPHI related to the Covered entity is limited to those workforce members who require such access because of their role or function. Business Associate agrees to implement safeguards to prevent its workforce members who are not authorized to have access to such EPHI from obtaining access and to otherwise ensure compliance by its workforce with the Security Rule

IV. Obligations of Covered Entity

- A. Covered Entity shall notify Business Associate of any facts or circumstances that affect Business Associate's use or disclosure of PHI. Such facts and circumstances include, but are not limited to: (i) any limitation or change in Covered Entity's notice of privacy practices, (ii) any changes in, or withdrawal of, an authorization provided to Covered Entity by an Individual pursuant to 45 CFR §164.508; and (iii) any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR §164.522.
- B. Covered Entity warrants that it will not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule or is not otherwise authorized or permitted under this Agreement.
- C. Covered Entity acknowledges and agrees that the Privacy Rules allow the Covered Entity to permit Business Associate to disclose or provide access to PHI, other than Summary Health Information, to the Plan Sponsor only after the Plan Sponsor has amended its plan documents to provide for the permitted and required uses and disclosures of PHI and to require the Plan Sponsor to provide a certification to the Plan that certain required provisions have been incorporated into the Plan documents before the Plan may disclose, either directly or through a Business Associate, any PHI to the Plan Sponsor. Covered Entity hereby warrants and represents that Plan documents have been so amended and that the Plan has received such certification from the Plan Sponsor.
- D. Covered Entity agrees that it will have entered into Business Associate Agreements with any third parties to whom Covered Entity directs and authorizes Business Associate to disclose PHI.

V. Effective Date; Termination

- A. The effective date of this Agreement shall be the date this Agreement is signed by both parties (or the Compliance Date, if later).
- B. This Agreement shall terminate on the date Business Associates ceases to be obligated to perform the functions, activities, and services described in Article III.
- C. Upon Covered Entity's knowledge of a material breach or violation of this Agreement by Business Associate, Covered Entity shall notify Business Associate of such breach or violation and Business Associate shall have thirty (30) days to cure the breach or end the violation. In the event Business Associate does not cure the breach or end the violation, Covered Entity shall have the right to immediately terminate this Agreement and any underlying services agreement if feasible.

- D. Upon termination of this Agreement, Business Associate will return to Covered Entity, or if return is not feasible, destroy, any and all PHI that it created or received on behalf of Covered Entity and retain no copies thereof. If the return or destruction of the PHI is determined by Business Associate not to be feasible, Business Associate shall limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible. If return or destruction of the PHI is feasible but Business Associate is required by law to retain such information or copies thereof, Business Associate will maintain the PHI for the period of time required under applicable law after which time Business Associate shall return or destroy the PHI.
- E. Business Associate's obligations under Sections II and III of this Agreement shall survive the termination of this Agreement with respect to any PHI so long as it remains in the possession of Business Associate.

VI. Other Provisions

- A. The parties acknowledge that the foregoing provisions are designed to comply with the mandates of the Privacy and Security Rules and the HITECH Standards and agree to make any necessary changes to this agreement that may be required by any amendment to the final regulations promulgated by the Secretary. If the parties are unable to reach agreement regarding an amendment within thirty (30) days of the date that Business Associate receives any written objection from Covered Entity, either party may terminate this Agreement upon ninety (90) days written notice to the other party. Any other amendment to the Agreement unrelated to compliance with applicable law and regulations shall be effective only upon execution of a written agreement between the parties.
- B. Except as it relates to the use, security and disclosure of PHI and electronic transactions, this Agreement is not intended to change the terms and conditions of, or the rights and obligations of the parties under any other services agreement between them.
- C. Business Associate agrees to defend, indemnify and hold harmless Covered Entity, its affiliates and each of their respective directors, officers, employees, agents or assigns from and against any and all actions, causes of action, claims, suits and demands whatsoever, and from all damages, liabilities, costs, charges, debts, fines, government investigations, proceedings, and expenses whatsoever (including reasonable attorneys' fees and expenses related to any litigation or other defense of any claims), which may be asserted or for which they may now or hereafter become subject arising in connection with (i) any misrepresentation, breach of warranty or non-fulfillment of any undertaking on the part of Business Associate under this Agreement; and (ii) any claims, demands, awards, judgments, actions, and proceedings made by any person or organization arising out of or in any way connected with Business Associate's performance under this Agreement.
- D. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than Covered Entity, Business Associate, and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- E. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits the Covered Entity to comply with the Privacy and Security Rules and the HITECH Standards.

- F. If any provision of this Agreement is held illegal, invalid, prohibited or unenforceable by a court of competent jurisdiction, that provision shall be limited or eliminated in that jurisdiction to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable
- G. This Agreement replaces and supersedes in its (their) entirety any prior Business Associate Agreement(s) between the parties.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, this Agreement has been signed and delivered as of the date first set forth above.

**Public Education Employees' Health Insurance
Board
the Plan Sponsor, acting on behalf of Covered Entity**

<insert name of Business Associate>

Signature

Signature

Printed Name

Printed Name

Title

Title

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

THIS CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT ("Agreement") is entered into effective between the Retirement Systems of Alabama ("RSA") and _____ ("Recipient"). The parties acknowledge and agree as follows:

- 1. PURPOSE.** Recipient plans to provide RSA with the following services: _____ ("Services"). Certain RSA data will be required to be shared with Recipient in order for Recipient to assist RSA.
- 2. CONFIDENTIAL INFORMATION.** In order for Recipient to provide the services being requested by RSA, RSA must disclose to Recipient information that is confidential and proprietary to RSA ("Confidential Information"). RSA agrees to disclose this Confidential Information subject to the terms of this Agreement.

Confidential Information disclosed by RSA to Recipient shall be used by Recipient only as permitted by this Agreement. Confidential Information shall not include information: (i) generally available to the public prior to or during the time of the services through authorized disclosure; or (ii) obtained from a third party who is under no obligation not to disclose such information; or (iii) independently developed without reference to Confidential Information.
- 3. ELECTRONIC TRANSMISSION.** In the event Recipient receives any Confidential Information via electronic means such as FTP transmission, Recipient shall use reasonable physical and software-based security measures, commonly used in the electronic data interchange field, to protect Confidential Information sent or received. RSA reserves the right to terminate any electronic transmission immediately on the date RSA reasonably determines Recipient has breached, or has allowed a breach of, this provision of the Agreement. RSA may reserve the right to change or upgrade its method of Confidential Information transmission with reasonable notice to Recipient.
- 4. PERMITTED USES.** Recipient: (a) shall not use (deemed to include, but not be limited to, using, exploiting, duplicating, recreating, modifying, decompiling, disassembling, reverse engineering, translating, creating derivative works, adding to a party's database, or disclosing Confidential Information to another person or permitting any other person to do so) Confidential Information except for purposes of the Services; (b) shall comply with all applicable laws and regulations governing the use and disclosure of Confidential Information; (c) shall use at least the same degree of care to protect the Confidential Information as is used with Recipient's own proprietary and confidential information; and (e) may release Confidential Information in response to a subpoena or other legal process to disclose Confidential Information, only after giving RSA reasonable notice of such disclosure to the extent legally permissible.
- 5. OWNERSHIP OF CONFIDENTIAL INFORMATION.** Recipient agrees that all Confidential Information shall remain the property of RSA, and that RSA may use such Confidential Information for any purpose without obligation to Recipient. Nothing contained herein shall be construed as granting or implying any transfer of rights to Recipient in the Confidential Information, or any patents, or other intellectual property rights protecting or relating to the Confidential Information.
- 6. DATA STORAGE.** Recipient agrees not to store or house Confidential Information on its or any of its affiliates' or employees' servers, networks, external storage media, or any other form of peripheral device capable of storing data, without the explicit written permission of RSA.
- 7. CONCLUSION OF SERVICES.** At the conclusion of the Services, Recipient shall either relinquish to RSA or destroy to the extent reasonably practicable (with such destruction to be verified upon request) all Confidential Information.
- 8. BREACH.** If, at any time it is discovered by Recipient that this Agreement has been breached by Recipient or its agents or affiliates, then Recipient shall promptly notify RSA, and all Confidential Information shall be destroyed or relinquished upon demand of RSA.
- 9. INDEMNIFICATION.** Unauthorized use of Confidential Information by Recipient is a material breach of this Agreement resulting in irreparable harm to RSA for which the payment of money damages may be inadequate. Recipient agrees to indemnify and hold harmless RSA with respect to any claims and damages caused by Recipient's breach of this Agreement.
- 10. SURVIVAL.** The requirement to treat Confidential Information as confidential under this Agreement shall remain in full force and effect so long as any information remains commercially valuable, confidential, proprietary and/or trade secret, but in no event less than a period of three (3) years from the date of the Services.
- 12. ASSIGNMENT.** Neither this Agreement nor either party's rights or obligations hereunder may be assigned without prior written approval of the other party.

13. GENERAL. (a) This Agreement is the entire understanding between the parties as to the subject matter hereof. (b) This Agreement binds the parties and their respective successors, assigns, agents, employers, subsidiaries and affiliates. (c) No modification to this Agreement shall be binding upon the parties unless evidenced in writing signed by the party against whom enforcement is sought. (d) The alleged invalidity of any term shall not affect the validity of any of the other terms. (e) This Agreement shall be governed by, and construed in accordance with, the laws of the State of Alabama.

IN WITNESS WHEREOF, each of the parties has executed this Agreement, to be effective as of the date first written above.

Retirement Systems of Alabama

By: _____

Its: _____

Recipient

State of _____
County of _____

CERTIFICATE OF COMPLIANCE WITH THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535, as amended by ACT 2012-491)

DATE: _____

RE: Contract/Grant/Incentive (describe by number or subject): _____ **by and between**
_____ **(Contractor/Grantee) and**
_____ **(State Agency, Department of Public Entity)**

The undersigned hereby certifies to the State of Alabama as follows:

1. The undersigned holds the position of _____ with the Contractor/Grantee named above, and is authorized to provide representations set out in this Certificate as the official and binding act of that entity, and has knowledge of the provisions of **THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT** (ACT 2011-535 of the Alabama Legislature, as amended by Act 2012-491) which is described herein as "the Act".
2. Using the following definitions from Section 3 of the Act, select and initial either (a) or (b), below, to describe the Contractor/Grantee's business structure.

BUSINESS ENTITY: Any person or group of persons employing one or more persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood, whether for profit or not for profit. "Business entity" shall include, but not be limited to the following:

- a. Self-employed individuals, business entities filing articles of incorporation, partnerships, limited partnerships, limited liability companies, foreign corporations, foreign limited partnerships, foreign limited liability companies authorized to transact business in this state, business trusts, and any business entity that registers with the Secretary of State.
- b. Any business entity that possesses a business license, permit, certificate, approval, registration, charter, or similar form of authorization issued by the state, any business entity that is exempt by law from obtaining such a business license and any business entity that is operating unlawfully without a business license.

EMPLOYER: Any person, firm, corporation, partnership, joint stock association, agent, manager, representative, foreman, or other person having control or custody of any employment, place of employment, or of any employee, including any person or entity employing any person for hire within the State of Alabama, including a public employer. This term shall not include the occupant of a household contracting with another person to perform casual domestic labor within the household.

___ (a) the Contractor/grantee is a business entity or employer as those terms are defined in Section 3 of the Act. The Contractor/Grantee must attach a copy of its complete *E-Verify Memorandum of Understanding* issued and electronically signed by the U.S. Department of Homeland Security when the business entity or employer enrolls in the E-Verify program to this Certificate of Compliance.

___ (b) The Contractor/Grantee is not a business entity or employer as those terms are defined in Section 3 of the Act.

3. As of the date of this Certificate, Contractor/Grantee does not knowingly employ an unauthorized alien within the State of Alabama and hereafter it will not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama;
4. Contractor/Grantee is enrolled in E-verify unless it is not eligible to enroll because of the rules of that program or other factor beyond its control.

Certified this _____ day of _____ 20 ____.

Name of Contractor/Grantee/Recipient

By: _____

Its: _____

The above Certification was signed in my presence by the person whose name appears above, on

This _____ day of _____ 20 ____.

WITNESS _____

Printed Name: _____

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) <input type="checkbox"/> _____ <input type="checkbox"/> Other (see instructions) <input type="checkbox"/> _____	
	<input type="checkbox"/> Exempt payee	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number									

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person <input type="checkbox"/>	Date <input type="checkbox"/>
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA) name" on the "Business name/disregarded entity name" line.

Disregarded entity. Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA) name" on the "Business name/disregarded entity name" line.

Disregarded entity. Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

PEEHIP Board of Control
Sarah S. Swindle, Chair
Susan W. Brown, Vice Chair



David G. Bronner, CEO
Donald L. Yancey, Deputy Director

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PUBLIC EDUCATION EMPLOYEES' HEALTH INSURANCE PLAN

Business Associate Policy

December 8, 2015

The Public Education Employees' Health Insurance Plan ("PEEHIP") considers personal information to be confidential. PEEHIP protects the privacy of personal information in accordance with applicable privacy laws. PEEHIP is required by law to take reasonable steps to ensure the privacy of our members' healthcare information in accordance with the Health Information Portability and Accountability Act (HIPAA). With the addition of the Health Information Technology for Economic and Clinical Health (**HITECH**) Act, (enacted as part of the American Recovery and Reinvestment Act of 2009), and the final set of rules included in the HIPAA Omnibus rule set in 2013, it is imperative that PEEHIP maintain reasonable oversight over protected health information that it shares with its business associates. As defined by HIPAA, a "business associate" is a person or entity that performs certain functions or activities that involve the use or disclosure of protected health information on behalf of, or provides services to, a covered entity. A member of the covered entity's workforce is not a business associate. A covered health care provider, health plan, or health care clearinghouse can be a business associate of another covered entity.

Policy:

PEEHIP shall ensure that all of its business associate agreements (BAA's) meet current regulation requirements and are reviewed annually. Any addendum(s) to a BAA that are required by any current or proposed HIPAA or HITECH statutes or regulations shall be entered into within the time frame mandated pursuant to such statutes or regulations.

As a continued or future business associate of PEEHIP, business associates must provide adequate documentation stating they are in compliance with current HIPAA Security and Privacy rules. Documentation must consist of, at a minimum, one of the following:

- **External HIPAA Attestation Report**

A HIPAA attestation report must be conducted by a credible third party audit firm specializing in HIPAA Privacy and Security audits within the last year. Assessments must continue to be scheduled on a regular yearly basis covering at minimum the last 12 consecutive months of the previous year and not a point in time. The assessment must provide a qualified opinion of whether the business associate meets current HIPAA and HITECH Security and Privacy requirements based on an agreed-upon set of procedures (AUP). Report must be signed by a certified CISA, CISSP, or HCISPP auditor.

- **Service Organization Control Reporting**

Service Organization Control reports are required by business associates based upon service(s) performed on behalf of PEEHIP. Business associates classified as having a material impact on PEEHIP's financial statement will be required to obtain a **SOC 1 Type 2** report as deemed necessary by PEEHIP. Organizations which provide services to PEEHIP with direct access to public health information (PHI) will be required to complete a **SOC 2 Type 2** relevant to the

service(s) being performed by the business associate. A **SOC 2 Type 2** report is required for each trust service principle that is relevant to the outsourced service being performed by the business associate. In most cases PEEHIP will require each business associate to audit their controls against all five trust services principles including: **security, privacy, availability, confidentiality, and processing integrity**. The SOC 2 Type 2 report must be performed directly on the business associate covering the last 12 consecutive months.

If the business associate utilizes or will utilize a managed data service provider or “subservice” such as Amazon or Microsoft Azure Cloud Services, the business associate will be required to produce a separate **SOC 2 Type 2** report based upon contracted service type(s). This report must also cover the last 12 consecutive months without gap.

- Note: For “subservice” providers, a **SOC 2 Type 2** report must include at minimum the following trust services principles: **security, availability, and confidentiality**. If the “subservice” provider also performs data processing functions for the business associate, the remaining trust service principles, **processing integrity** and **privacy**, will be required as part of the **SOC 2 Type 2** report.
- **HITRUST Certification**
The HITRUST Common Security Framework (CSF) is a comprehensive and certifiable security framework used by healthcare organizations and their business associates to efficiently approach regulatory compliance and risk management. A current HITRUST certification issued within the last year will be accepted by PEEHIP to meet compliance with this policy.

Policy Enforcement Timeline

If any current or future business associate plans to obtain one of the reports or certifications noted above but currently do not possess it, PEEHIP will accept the following:

- Current business associates must provide PEEHIP a proof of engagement letter stating they will complete and provide one of the acceptable reports or certifications to PEEHIP within 12 months.
- New business associates must provide a proof of engagement letter stating they will complete and provide one of the acceptable reports or certifications to PEEHIP within 180 days of signed contract.

Initial reports must incorporate more than 90 days' worth of data for testing while subsequent reports must include the last 12 months of controls testing without gap. If a current business associate fails to comply with this Policy, PEEHIP shall have the right, at PEEHIP's sole discretion, to request one of the above defined audits to be completed and results obtained within a period of time defined by PEEHIP from the date such business associate receives written notice of noncompliance from PEEHIP. **In such event, the audited party will be solely responsible for all expenses incurred by the parties during the audit, including without limitation, all payment due to the audit firm. Should such business associate not agree to an audit within the 90 days, PEEHIP shall have the right, in its sole discretion, to terminate its relationship with the business associate. In no event shall a new business associate relationship be created with a party not in compliance with this policy.**

**Bidder Verification of Adherence to the
PEEHIP Business Associate Policy**

1. On behalf of Bidder, I have read the PEEHIP Business Associate Policy dated December 8, 2015.
2. Bidder is currently in compliance with current HIPAA Security and Privacy rules, as contemplated under the PEEHIP Business Associate Policy.
3. Bidder shall timely submit the following documentation of such compliance (please check all that apply):
 - _____ a. External HIPAA Attestation Report
 - _____ b. Service Organization Control Report
 - _____ c. HITRUST Certification
 - _____ d. Proof of Engagement Letter stating Bidder will complete and provide one of the acceptable reports or certifications to PEEHIP within 180 days of a signed contract with PEEHIP.
4. I have full authority to represent and bind Bidder.

Dated: _____

Signature: _____

Print Name: _____

Title: _____

PROPOSER PROFILE FORM

Proposer's Legal Name:	Address:	
Phone Number:	Fax Number:	E-mail:
Home Office Location:	Date Established:	Ownership: If corporation, State in which you are Incorporated:
Firm Leadership:	Number of Employees:	Number of Employees Directly Involved in Tasks Related to the Work:
Is your firm licensed to operate in the State of Alabama?		
Additional Background Information:		

Three professional references who have received services from the Bidder in the past three years:

Company Name:	Contact Name:
Address:	Phone Number: E-mail:
Project Name:	Beginning Date of Project: Ending Date of Project:
Description of project size, complexity and role in this project.	
Company Name:	Contact Name:
Address:	Phone Number: E-mail:
Project Name:	Beginning Date of Project: Ending Date of Project:
Description of project size, complexity and role in this project.	
Company Name:	Contact Name:
Address:	Phone Number: E-mail:
Project Name:	Beginning Date of Project: Ending Date of Project:
Description of project size, complexity and role in this project.	

**Sample Contract Shell
State of Alabama
Montgomery County**

Agreement to Provide Professional _____ Services

This Agreement to Provide Professional _____ Services, which results from RSA RFP _____, entitled Request for Proposals for _____, is made and entered into effective _____, 2021, by and between _____ RSA and _____, hereinafter referred to as "Contractor".

Recitals

- A. RSA issued an RFP for _____ (describe services), and Contractor was awarded this contract based upon the terms of Contractor's Proposal dated _____, 2020 ("Contractor's Proposal").
- B. The parties wish to enter into this Agreement to formalize the terms under which Contractor will provide the services.

Now, Therefore, in consideration of the foregoing and the mutual covenants of the parties contained herein, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Scope of Services.** Upon request of RSA, Contractor shall perform the following services for RSA ("Services"):
_____.
2. **Consideration.** As consideration for the Services rendered pursuant to this Agreement, _____ RSA agrees to compensate Contractor in accordance with the rates and fees set forth in Exhibit A, which is attached hereto and incorporated herein by reference.

Contractor shall send detailed invoice(s) for all work in arrears as work is completed but no more frequently than monthly. RSA shall have thirty days from receipt of an invoice from Contractor to render payment. Should RSA dispute any invoiced amount, RSA must deliver within thirty days of receipt of invoice written notice to Contractor detailing the specific facts and circumstances of the dispute and shall timely pay all undisputed amounts. The parties agree to work together in good faith to resolve any disputed amounts.

The maximum compensation due to Contractor during the term of the Agreement shall not exceed _____.

3. **Term.** This Agreement shall be for the period beginning _____, 2020, and ending _____, ____.
4. **Approvals.** Contractor acknowledges and understands that this Agreement is not effective until it has received all required state government approvals, and Contractor shall not begin performing work hereunder until notified to do so by RSA. Contractor is entitled to no compensation for work performed prior to the effective date of this Agreement.
5. **Independent Contractors.** Contractor acknowledges that Contractor is an independent contractor, and neither Contractor nor Contractor's employees are to be considered employees of RSA or entitled to benefits under the State of Alabama merit system.
6. **No State Debt, Etc.** Contractor acknowledges that the terms and commitments contained herein shall not be constituted a debt of the State of Alabama in violation of Article 11, Section 213 of the Constitution of Alabama, 1901, as amended by Amendment Number 26. It is further agreed that if any provisions of this Agreement shall contravene any statute or Constitutional provision or amendment, either now in effect or which may, during the course of the Agreement, be enacted, then that conflicting provision in the Agreement shall be deemed null and void and the remaining provisions shall continue to be valid and enforceable. Contractor may not assign this Agreement or any interest herein or any money due hereunder without the expressed written consent of RSA.

7. **Indemnification.** Contractor shall indemnify, defend, and hold harmless RSA and its agents and employees and affiliates from and against any claims, losses, damages, liabilities, or expenses (including reasonable attorneys' fees

and expenses) (collectively, "Losses") incurred by RSA as a result of the breach by Contractor of any provision of this Agreement or as a result of the Services being provided hereunder.

8. Insurance. Contractor agrees that Contractor shall maintain or obtain (as applicable), with respect to the activities in which Contractor engages pursuant to this Agreement, general liability insurance, professional liability (E&O) insurance, and cyber security insurance in amounts reasonable and customary for the nature and scope of the business engaged in by Contractor. The foregoing coverages shall be maintained without interruption for the entire term of this Agreement. Contractor shall deliver to RSA evidence of such insurance on or before the date the Agreement goes into effect and annually thereafter. If requested by RSA, Contractor agrees to name RSA as additional insured on any applicable policies. RSA reserves the right to require additional insurance coverage other than that listed herein as RSA deems appropriate from time to time with a 30-day notice to Contractor.

Contractor must provide at least 30 days' notice (10 days' notice in the event of cancellation due to non-payment of premium) prior notice of any cancellation, non-renewal or material change to any insurance policy covered by this Agreement. If any such notice is given, RSA shall have the right to require that a substitute policy(ies) be obtained prior to cancellation and replacement Certificate(s) of Insurance shall be provided to RSA.

9. Confidentiality and Ownership. Contractor acknowledges that, in the course of performing its responsibilities under this Agreement, Contractor may be exposed to or acquire information that is proprietary or confidential to RSA or RSA's members. Contractor agrees to hold such information in confidence and not to copy, reproduce, sell, assign, license, market, transfer or otherwise disclose such information to third parties or to use such information for any purpose whatsoever, without the express written permission of RSA, other than for the performance of obligations hereunder or as required by applicable state or federal law. For purposes of this Agreement, all records, financial information, specifications and data disclosed to Contractor during the term of this Agreement, whether submitted orally, in writing, or by any other media, shall be deemed to be confidential in nature unless otherwise specifically stated in writing by RSA.

Contractor acknowledges that all data relating to RSA is owned by RSA and constitutes valuable property of RSA. RSA shall retain ownership of, and all other rights and interests with respect to, its data (including, without limitation, the content thereof, and any and all copies, modification, alterations, and enhancements thereto, and any derivative works, resulting therefrom), and nothing herein shall be construed as granting Contractor any ownership, license, or any other rights of any nature with respect thereto. Contractor may not use RSA's data for any purpose other than providing the Services contemplated hereunder. Upon termination of the Agreement, Contractor agrees to return or destroy all copies of RSA's data in its possession or control except to the extent such data must be retained pursuant to applicable law.

10. State Immigration Law Compliance. By signing this Agreement, the contracting parties affirm, for the duration of the Agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the Agreement and shall be responsible for all damages resulting therefrom.

11. Boycott Prohibition. In compliance with Act 2016-312, Contractor hereby certifies that it is not currently engaged in, and will not engage in, the boycott of a person or an entity based in or doing business with a jurisdiction with which this state can enjoy open trade.

12. Dispute Resolution. In the event of any dispute between the parties, senior officials of both parties shall meet and engage in a good faith attempt to resolve the dispute. Should that effort fail and the dispute involves the payment of money, a party's sole remedy is the filing of a claim with the Board of Adjustment of the State of Alabama.

For any and all other disputes arising under the terms of this Agreement which are not resolved by negotiation, the parties agree to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation. Such dispute resolution shall occur in Montgomery, Alabama, utilizing where appropriate, mediators selected from the roster of mediators maintained by the Center for Dispute Resolution of the Alabama State Bar.

13. Open Records Law Compliance. Contractor acknowledges and agrees that RSA may be subject to Alabama open records laws or similar state and/or federal laws relating to disclosure of public records and may be required, upon request, to disclose certain records and information covered by and not exempted from such laws. Contractor

acknowledges and agrees that RSA may comply with these laws without violating any provision of Contractor's proposal or this final agreement.

14. Applicable Law. This Agreement shall be governed and construed in accordance with Alabama law, without giving any effect to the conflict of laws provision thereof.

15. Termination.

Termination for Convenience. This Agreement may be terminated for any reason by either party with the submission of a thirty day written notice of intent thereof.

Termination for Default. RSA may terminate immediately all or any part of this Agreement by giving notice of default by Contractor if the Contractor (1) refuses or fails to deliver the goods or services within the time specified, (2) fails to comply with any of the provisions of the Agreement or so fails to make progress as to endanger or hinder performance, (3) becomes insolvent or subject to proceedings under any law relating to bankruptcy, insolvency, or relief of debtors. In the event of termination for default, RSA's liability will be limited to the payment for goods and/or services delivered and accepted as of the date of termination.

16. Entire Agreement. It is understood by the parties that this instrument, including its exhibit(s), contains the entire agreement of the parties with respect to the matters contained herein (provided, however, that Contractor's Proposal, and the attachments thereto (_____ including without limitation Contractor's best and final offer) shall be incorporated herein for all practical purposes and further provided that to the extent there exists a direct conflict between this Agreement and any of the foregoing, this Agreement shall supersede as to the conflicting provision(s)).

In Witness Whereof, the parties have executed this Agreement effective as of the date first provided above.

_____ Contractor's EIN		
Contractor:		RSA _____
By: _____ Its: _____ Date: _____		By: David G. Bronner Its: _____ Date: _____

Reviewed and Approved by:

Approved:

RSA Legal

Kay Ivey
Governor, State of Alabama

Exhibit A
Consideration

RSA shall pay to Contractor the following fees for any such services rendered at RSA's request in accordance with the terms more specifically set forth in the Agreement:

State of Alabama Disclosure Statement

(Required by Act 2001-955)

ENTITY COMPLETING FORM:

ADDRESS:

CITY, STATE, ZIP

TELEPHONE NUMBER

STATE AGENCY/DEPARTMENT THAT WILL RECEIVE GOODS, SERVICES, OR IS RESPONSIBLE FOR GRANT AWARD:

Retirement Systems of Alabama

ADDRESS:

201 S. Union Street, Montgomery, AL 36104

334-517-7130

CITY, STATE, ZIP

TELEPHONE NUMBER:

This form is provided with:

Contract Proposal Request for Proposal Invitation to Bid Grant Proposal

Have you or any of your partners, divisions, or any related business units previously performed work or provided goods to any State Agency/Department in the current or last fiscal year?

Yes No

If yes, identify below the State Agency/Department that received the goods or services, the type(s) of goods or services previously provided, and the amount received for the provision of such goods or services.

State Agency/Department	Type of Goods/Services	Amount Received

Have you or any of your partners, divisions, or any related business units previously applied and received any grants from any State Agency/Department in the current or last fiscal year?

Yes No

If yes, identify the State Agency/Department that awarded the grant, the date such grant was awarded, and the amount of the grant.

State Agency/Department	Date Grant Awarded	Amount of Grant

1. List below the name(s) and address(es) of all public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

Name of Public Official/Employee	Address	State Department/Agency

2. List below the name(s) and address(es) of all family members of public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the public officials/public employees and State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

Name of Family member	Address	Name of Public Official/ Public Employee	State Department/ Agency Where Employed

If you identified individuals in items one and/or two above, describe in detail below the direct financial benefit to be gained by the public officials, public employees, and/or their family members as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

Describe in detail below any indirect financial benefits to be gained by any public official, public employee, and/or family members of the public official or public employee as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

List below the name(s) and address(es) of all paid consultants and/or lobbyists utilized to obtain the contract, proposal, request for proposal, invitation to bid, or grant proposal:

Name of Paid Consultant/Lobbyist	Address

By signing below, I certify under oath and penalty of perjury that all statements on or attached to this form are true and correct to the best of my knowledge. I further understand that a civil penalty of ten percent (10%) of the amount of the transaction, not to exceed \$10,000.00, is applied for knowingly providing incorrect or misleading information.

Signature Date

Notary's Signature Date Date Notary Expires

Act 2001-955 requires the disclosure statement to be completed and filed with all proposals, bids, contracts, or grant proposals to the State of Alabama in excess of \$5,000-

Proposer Name:		Date:	
Prepared By:		Title:	
I. Security Policy		YES/NO/NA	Comments
A. Policy			
1	Is there a corporate information security policy in place? If yes, provide as an attachment.		
2	Does the policy state what is and is not permissible as it pertains to sensitive company and customer information?		
3	Does the policy identify what is classified as sensitive company and customer information?		
4	Does the policy identify management and employee responsibilities including contractors?		
5	Does the policy identify use of employee owned devices such as laptops, smart phones, and any other form of device capable of storing data?		
6	Does the policy address change management requirements?		
7	Is there a policy on the portable media?(e.g., thumb drives, CDRW, etc.)		
8	Are personnel and contract personnel required to have national background check performed as part of your security policy? Please provide a copy of Proposers personnel policy if this is separate addressing hiring and termination procedures.		
B. Procedures			
1	Are procedures in place to implement the information security policy?		
2	Are the procedures and standards evaluated to determine their level of impact to the business process?		
3	Does the project management methodology uphold the security practices? If yes, explain how.		

4	Are there policy and procedures in place to vet and audit subcontractors prior to contract acceptance where applicable?		
C. Document Handling			
1	Is there a reasonable and usable information classification policy?		
2	Does the information classification policy address all enterprise information?		
3	Is an information classification methodology in place to assist employees in identifying levels of information within the business unit?		
4	Is there an information handling matrix that explains how specific information resources are to be handled?		
II. Corporate Practices			
A. Organizational Suitability			
1	The Information Security Program has an executive level committee assigned for reporting and guidance purposes?		
2	Are employees able to perform their duties efficiently and effectively while following security procedures?		
3	Does the information security program have its' own line item in the budget?		
4	Does the security group have the authority to submit needed security policy changes throughout the enterprise?		
5	Is an annual report on the level of information security compliance issued to management?		
6	Is there more than one person responsible for the implementation of the Information Security Program?		
B. Personnel Issues			
1	Are employees able to work less than a 50 hour work week on a monthly average and complete their assignments?		
2	Are employees and project managers aware of their responsibilities for protecting information resources via written policy?		
3	Are technical employees formally trained to perform their tasks?		
4	Are contract personnel subject to confidentiality agreements?		
5	Are contract personnel subject to the same policies employees are?		

6	Is access to sensitive/confidential information by contract personnel monitored?		
7	Are national background checks performed on all proposing party employees?		
8	Is a similar screening process carried out for contractors and temporary staff?		
9	Does employment application ask if the prospective employee has ever been convicted of a crime? If so, does proposing firm employee individuals with felony convictions?		
10	Are prior employment verifications performed for initial employment?		
11	Are there any current or pending litigations against staff, former staff, or contract staff regarding corporate espionage, identity theft, or any other areas regarding the security of privacy of confidential information?		
C. Training and Education			
1	Do employees receive security related training specific to their responsibilities? If yes, please attach a sample.		
2	Are employees receiving both positive and negative feedback related to security on their performance evaluations?		
3	Is security-related training provided periodically to reflect changes and new methods?		
4	Are system administrators given additional security training specific to their jobs?		
5	Have employees undergone a HIPAA training class for those handling personal health information (PHI)?		
D. Oversight and Auditing			
1	Is Proposer at minimum AICPA SOC 1 Type 2 compliant for financial reporting. If so, please provide the SOC report(s).		
2	Is Proposer's datacenter AICPA SOC 2 Type 2 compliant? If not please comment what compliance level your datacenter facility meets.		
3	Are the security policies and procedures routinely tested?		
4	Are exceptions to security policies and procedures justified and documented?		

5	Are audit logs or other reporting mechanisms in place on all platforms?		
6	Are errors and failures tracked?		
7	When an employee is found to in non-compliance with security policies, has appropriate disciplinary action been taken?		
8	Are audits performed on an annual basis?		
9	Are unscheduled/surprise audits performed?		
10	Has someone been identified as responsible for reconciling audits?		
11	Does either an internal or external auditor independently audit Proposer's operational controls on a periodic basis?		
12	Is an independent review carried out in order to assess the effective implementation of security policies?		
13	Can the Proposer provide evidence of having gone through a recent audit of their organization's operational policies, procedures, and operating effectiveness, such as a SOC Type 2 report?		
14	Have outside audits been performed on internal operations? Please provide copies.		
15	Has Proposer experienced a security breach of corporate or customer data within the last 10 years?		
16	Is there is any concluded or pending litigation against the Proposer or an employee related to a contract engagement or security breach?		
17	Does the Proposer subcontract services that will be required to fulfill services as required in RSA's RFP.		
18	Does Proposer have a change management committee? Does it meet on regularly scheduled intervals?		
E. Application Development and Management			
1	Has an application development methodology been implemented?		
2	Are appropriate/key application users involved with developing and improving application methodology and implementation process?		
3	Is pre-production testing performed in an isolated environment?		
4	Has a promotion to production procedures been implemented?		
5	Is there a legacy application management program?		
6	Are secure coding standards implemented and are they followed?		

7	Are applications testing for security vulnerabilities prior to being released to production?		
8	Is there a dedicated security team for testing applications for vulnerabilities?		
9	Are there procedures in place for protecting source code developed by the Proposer (physically and electronically)?		
10	Is system access and security based on the concept of least possible privilege and need-to-know?		
11	Does Proposer perform source code reviews for each release?		
12	Are backdoors prevented from being placed into application source code?		
III Physical Security			
A. Physical and Facilities			
1	Is access to the building(s) controlled?		
2	Is access to computing facilities controlled more so than to the building?		
3	Is there an additional level of control for after-hours access?		
4	Is there an audit log to identify the individual and the time of access that is monitored by a group other than Information Technology?		
5	Are systems and other hardware adequately protected from theft?		
6	Are procedures in place for proper disposal of confidential information?		
7	Are proper fire suppression systems located in the facility?		
8	Are facilities more than 5 miles from a government facility or airport?		
9	Are the servers and facilities that house software documentation and programming logic located in a secure facility?		
10	Is all confidential and restricted information marked as such and stored in a secure area (room, cabinet) with access restricted to authorized personnel only?		
11	Does Proposer allow employees to work remote or in a virtual environment? Please provide documentation around controls for safeguarding computer systems and confidential data.		
B. After-Hours Review			
1	Are areas containing sensitive information properly secured?		
2	Are workstation secured after-hours?		

3	Are keys and access cards properly secured?		
4	Is confidential information properly secured?		
5	Are contract cleaning crews activities monitored?		
C. Incident Handling			
1	Has an Incident Response Team (IRT) been established?		
2	Have employees been trained as to when the IRT should be notified?		
3	Has the IRT been trained in evidence gathering and handling?		
4	Are incident reports issued to appropriate management?		
5	After an incident, are policies and procedures reviewed to determine if modification need to be implemented?		
6	Does the Proposer have a process in place to notify IT security of breaches and/or problems so that proper notification and correction can be done?		
D. Contingency Planning			
1	Has a Business Impact Analysis been conducted on all systems, applications, and platforms?		
2	Is there a documented data center Disaster Recovery Plan (DRP) in place?		
3	Are backup media password protected or encrypted?		
4	Has the data center DRP been tested within the past 12 months?		
5	Are system, application, and data backups sent to a secure off-site facility on a regular basis?		
6	Are Service Level Agreements that identify processing requirements in place with all users and service providers?		
7	Have departments, business units, groups, and other such entities implemented business continuity plans that supplement the data center DRP?		
8	Have Emergency Response Procedures (ERP) been implemented?		
9	Have ERPs been tested for effectiveness?		
IV. Business Impact Analysis, Disaster Recovery Plan			
A. General Review			

1	Backup planning includes identification of all critical data, programs, documentation, and support items required performing essential task during recovery?		
2	The BIA is reviewed and updated regularly with special attention to new technology, business changes, and migration of applications to alternative platforms?		
3	Critical period timeframes have been identified for all applications and systems?		
4	Senior management has reviewed and approved the prioritized list of critical applications?		
B. Disaster Recovery Plan (DRP)			
1	A corporate disaster recovery plan coordinator has been named and a mission statement identifying scope and responsibilities has been published?		
2	A "worst-case" scenario DRP to recover normal operations within the prescribed timeframes has been implemented and tested?		
3	Listing of current emergency telephone numbers for police, fire department, medical aid, and company officials are strategically located throughout the facility and at off-site locations?		
4	The backup site is remote from hazards that endanger the main data center?		
5	Contracts for outsourced activities have been amended to include service providers' responsibilities for DRP?		
6	Lead times for communication lines and equipment, specialized devices, power hookups, construction, firewalls, computer configurations, and LAN implementation have been factored into the DRP?		
7	At least one copy of the DRP is stored at the backup site and is updated regularly?		
8	Automatic restart and recovery procedures are in place to restore data files in the event of a processing failure?		
9	Contingency arrangements are in place for hardware, software, communications, software, staff and supplies.		
10	Customer software solutions that are being developed and/or in production are backed up as part of the Proposer's backup and recovery procedures?		

	C. Testing		
1	Backup and recovery procedures are tested at least annually?		
2	Training sessions are conducted for all relevant personnel on backup, recovery, and contingency operating procedures?		
3	Appropriate user representative have a particular role in creating and reviewing control reliability and backup provisions for relevant applications?		
4	Appropriate user representatives participate in the DRP tests?		
	Other Issues		
1	Provisions are in place to maintain the security of processing functions in the event of an emergency?		
2	Insurance coverage for loss of hardware and business impact is in place?		
	V. Technical Safeguards		
	A. Passwords		
1	Are host systems and servers as well as application servers secured with unique passwords?		
2	Are default accounts de-activated?		
3	Are temporary user accounts restricted and disabled within 4 hours?		
4	Are the password management systems forcing users to change passwords every 90 days or less?		
5	Are users of all company-provided network resources required to change the initial default password?		
6	Are the passwords complex? Contain upper case, lower case, special character or number, and at least 8 characters long.		
7	Do network and system administrators have adequate experience to implement security standards?		
8	Are reports and logs pertaining to network users reviewed and reconciled on a regular basis?		
9	Are permissions being set securely?		
10	Are administrators assigned a unique ID for access to critical systems?		
11	Are administrators using appropriate tools to perform their jobs?		
12	Does the application support multi-factor authentication?		

13	Are online systems always secured using SSL encryption?		
B. Infrastructure			
1	Is the network infrastructure audited on an annual basis?		
2	Are network vulnerability assessments conducted on an annual basis?		
3	Are changes/improvements made in a timely fashion following network vulnerability assessments?		
4	If you house or develop solutions around credit card transactions are you CISP compliant?		
C. Firewalls			
1	Are protocols allowed to initiate connections from "outside" the firewall?		
2	Has a risk analysis been conducted to determine if the protocols allowed maintain an acceptable level of risk?		
3	Has the firewall been tested to determine if outside penetration is possible?		
4	Are other products in place to augment the firewall level security?		
5	Are the firewalls maintained and monitored 24x7?		
6	Have services offered across the firewall been documented?		
7	Has a Demilitarized Zone (DMZ) or Perimeter Network been implemented?		
8	Has the firewall administrator been formally trained?		
9	Is there more than one person administering the firewall?		
10	Is the firewall for the ASP separate from the corporate firewall?		
D. Data Communications			
1	Is there a remote access procedure in place?		
2	Is there a current network diagram?		
3	Are Access Control List (ACLs) maintained on a regular basis?		
4	Is the network environment partitioned?		
5	Are the corporate routers separated from the ASP routers?		
6	Are the corporate switches separated from the ASP switches?		
7	Does the communication equipment log administrative access to the systems?		
8	Is SNMP data collected from the data communication devices?		
9	Is syslog data collected from the data communication devices?		
10	Are there standard templates for configuring routers?		

11	Are there standard templates for configuring switches?		
E. Databases			
1	Are default database passwords changed?		
2	Are database administrators trained or certified?		
3	Are database backups performed daily?		
F. Computing Platforms			
1	Are critical servers protected with appropriate access controls?		
2	Are development staff administrators on their computers used for writing source code?		
3	Is there a company image used for corporate PCs and laptops?		
4	Does the company have an asset management system to track software installed?		
5	Is there an anti-virus application installed on all PC's, laptops, and servers?		
6	Does the anti-virus application automatically update computing assets 3 times or more per day?		
7	Is there a URL filtering solution in place?		
8	Do computing assets have a corporate anti-malware application installed?		
9	Are Internet facing servers protected with host based intrusion prevention?		
10	Are employees restricted to what can be installed on their computer systems? How is this managed for remote employees if applicable?		
11	Do any of the Proposer's computer systems including storage reside on a cloud computing environment? Is it owned and operated by the Proposer? If no, please explain.		
G. Intrusion Prevention			
1	Is host based intrusion prevention software installed on all Internet facing servers?		
2	Are network based intrusion prevention systems in-line and defending?		
3	Is host based intrusion prevention software installed on all laptops?		
4	Is there a dedicated security staff monitoring 24x7 alerts from the host based intrusion prevention?		

5	Is there a dedicated security staff monitoring 24x7 alerts from the network based intrusion prevention?		
VI. Telecommunications Security			
A. Policy			
1	Is there a published policy on the use of organizational telecommunications resources?		
2	Have all employees have been made aware of the telecommunications policy?		
3	Employees authorized for Internet access are made aware of the organization's proprietary information and what they can discuss in open forums?		
4	Employees using cellular or wireless phones are briefed on the lack of privacy of conversations when using unsecured versions of technology?		
5	The organization has a published policy on prosecution of employees and outsiders if found guilty of serious premeditated criminal acts against the organization?		
6	Are corporate devices such as iPhones or Android based phones centrally managed by the Proposer to control rogue software installations and protect corporate data?		
B. Standards			
1	A threshold is established to monitor and suspend repeated unsuccessful dial-in or remote access attempts?		
2	Access to databases reachable via dial-in or VPN have access control in place to prevent unauthorized access?		
3	Financial applications available via dial-in or VPN have audit trails established to track access and transaction usage?		
4	Are audit trails reviewed and corrective action taken on a regular basis?		
5	When possible are acl security programs used to control dial-in or remote access to a specific application?		
6	Company proprietary data, stored on portable computers are secured from unauthorized access?		
7	Are corporate emails allowed to be sent from unique domains not one used by Proposer such as Gmail or Microsoft Email?		

8	Users of all company-provided communication systems are required to change the default or initial password?		
	C. Practices		
1	Security, application, and network personnel actively work to ensure control inconvenience is as minimal as possible?		
2	Personnel independent of the operations staff and security administration review tamper-resistant logs and audit trails?		
3	Special procedures and audited userIDs have been established for application, system, network troubleshooting activities?		
4	Messages and transactions coming in via phone lines are serially numbered, time stamped, and logged for audit investigation and backup purposes?		
5	Employees are made aware of their responsibility to keep remote access codes secure from unauthorized access and usage?		
6	Removal of portable computers from the corporate locations must be done through normal property removal procedures?		
7	Employees are briefed on their responsibility to protect the property of the company when working away from the corporate environment?		
	VII. Company Information		
	A. Public Information		
1	Is the company publicly traded?		
2	Is the company bonded?		
3	Are all employees in the continental US? If not please list.		
	B. Private Information		
1	Are there any planned acquisitions in the next 12 months?		
2	Are there current plans to sell the company in the next 12 months?		