

**REQUEST FOR PROPOSAL (SECONDARY METHOD)**  
**Notice to Prospective Proposers**  
**RFP No. S23DWC036**

August 16, 2024

You are invited to review and respond to this Request for Proposal (RFP) No. S23DWC036, titled **INDEPENDENT BILL REVIEW**. In submitting your proposal, you must comply with the instructions found herein.

This RFP is published online in the California State Contracts Register (CSCR) at <https://caleprocure.ca.gov/pages/index.aspx>. To ensure receipt of any addenda to this RFP that may be issued, interested parties are encouraged to register online at: <https://caleprocure.ca.gov>.

The Department of Industrial Relation's (DIR) deadline for receipt of proposals is **August 30, 2024, no later than 2:00 p.m.** **All proposals received late will be rejected.** File size cannot exceed 50 Mega Bytes (MB). The naming convention of the proposal must be in the following format: "RFP S23DLSE036 [Insert vendor name] Proposal." Proposals must be received on or before the date and time specified herein at email addresses provided below:

**EMAIL RFP Proposal to:**

[Procurement@dir.ca.gov](mailto:Procurement@dir.ca.gov)

CC: [magbayani@dir.ca.gov](mailto:magbayani@dir.ca.gov)

CC: [klanterman@dir.ca.gov](mailto:klanterman@dir.ca.gov)

You are advised that you are responsible for ensuring that your proposal is received by the above listed contact person by the time and date required. Any proposal reaching the contact person after the deadline date and time will be rejected.

In the opinion of DIR, this RFP is complete and without need of explanation. However, if you have questions, notice any discrepancies or inconsistencies, or need any clarifying information, contact the person listed below. **All questions must be submitted in accordance with the RFP instructions contained herein and sent via email directly to the below listed contact person and not through the Cal eProcure system.**

Contact: Marian Agbayani  
Email: [magbayani@dir.ca.gov](mailto:magbayani@dir.ca.gov)  
CC: [klanterman@dir.ca.gov](mailto:klanterman@dir.ca.gov)

We appreciate your interest in this project and hope to receive a proposal from you if this is within your area of expertise.

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## I. PURPOSE / BACKGROUND / SCOPE OF WORK

### A. Purpose

This Request for Proposal (RFP) is to contract with an independent bill review organization (IBRO) to resolve medical billing disputes referred to the IBRO by DWC under Labor Code section 4603.6<sup>1</sup> and California Code of Regulations, title 8 (8 C.C.R.), section 9792.5.7<sup>2</sup>, et al.

For a detailed description of the work to be performed, please refer to **Attachment 2**, Draft Standard Agreement. No work shall begin until all required signatures and approvals are obtained and the DIR Project Manager provides direction.

The total budget for the entire contract is \$0.00. The services performed under this contract will be billed independently and directly by the selected IBRO to the claims administrator or provider. The IBRO may bill up to \$335 per review performed under this contract. Proposals exceeding \$335 per review may be deemed non-responsive and ineligible for award.

## **B. Background**

The purpose of the RFP is for the Department of Industrial Relations' (DIR) Division of Workers' Compensation (DWC) to contract with an independent bill review organization (IBRO) to resolve medical billing disputes referred to the IBRO by DWC under Labor Code section 4603.6<sup>3</sup> and California Code of Regulations, title 8 (8 C.C.R.), section 9792.5.7<sup>4</sup>, et al.

On September 18, 2012, Governor Brown signed into law comprehensive workers' compensation reform legislation, Senate Bill (SB) 863, with the goal of improving access to medical care for injured workers, avoiding delays and disputes, and reducing costs to employers. SB 863, with an effective date of January 1, 2013, adopted several reforms to meet these goals.

A key provision of SB 863 established the Independent Bill Review (IBR) process, administered by DWC, which resolves medical treatment and medical-legal billing disputes regarding the amount to be paid to medical providers. IBR is effective for all dates of services on or after January 1, 2013, and is limited to disputes involving services or goods covered by fee schedules adopted by DWC or contract for reimbursement under Labor Code section 5307.11. IBR will not apply to billing disputes involving services or goods that are not covered under adopted fee schedules, disputes about treatment authorization, or cases where the injury itself is in dispute. The overview for the current IBR process can be found at: <http://www.dir.ca.gov/dwc/IBR.htm>.

Labor Code section 139.5 requires the administrative director to contract with an IBRO to conduct reviews. Under Labor Code section 4603.6(c), the costs of IBR will be initially advanced by the medical provider and ultimately borne by the "losing" party.

## **C. Scope of Work**

The Contractor shall provide independent bill review services to resolve medical billing disputes .

For a detailed description of the work to be performed, please refer to See **Attachment 2**, Draft Standard Agreement.

## **II. PROPOSAL REQUIREMENTS (GENERAL) AND INFORMATION**

This section contains instructions for the submission of your proposal. It is the responsibility of the proposer to carefully read and follow all proposal requirements within this RFP.

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<sup>3</sup> [https://leginfo.ca.gov/faces/codes\\_displaySection.xhtml?lawCode=LAB&sectionNum=4603.6](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=LAB&sectionNum=4603.6).

<sup>4</sup> [https://www.dir.ca.gov/t8/9792\\_5\\_7.html](https://www.dir.ca.gov/t8/9792_5_7.html)

Compliance with the RFP instructions is mandatory for your proposal to be considered for award. Failure to comply with the RFP instructions may cause your proposal to be deemed non-compliant and non-responsive, thus ineligible for award.

#### A. Key Action Dates

Below is the tentative time schedule for this RFP. DIR reserves the right to modify the RFP and/or change dates and times at its sole discretion, prior to the date fixed for submission of proposals, by the issuance of an addendum that will be posted on the California State Contracts Register (CSCR) at: <https://caleprocure.ca.gov>.

1. DIR reserves the right to modify or cancel in whole or any part of this solicitation.
2. Clarifications to the solicitation will only be provided in the form of a written addendum to all Proposers.

Key Action	Date	Time
RFP available to prospective Proposers	August 16, 2024	N/A
Written Questions Submittal Deadline	Aug.22,2024	<b>2:00 pm</b> Pacific Time
Questions and Answers Addendum Posted	August 27, 2024	<b>5:00 pm</b> Pacific Time
Final Date for Proposal Submission/ Receipt by DIR	August 30,2024	<b>2:00 pm</b> Pacific Time
Complete Evaluation of proposals	September 6, 2024	N/A
Interviews	September 12 , 2024	3:00 pm Pacific Time
Posting of Intent to Award Notice(s) Notice is posted for five (5) business days	September 16, 2024	N/A
Agreement sent to successful Proposer	September 20, 2024	N/A
Signed Agreement returned to DIR for counter-signature	September 23, 2024	N/A
Agreement Approved and Executed- work begins	October 1, 2024	N/A

Dates listed above (or below, depending on page) are estimates only, and subject to change at DIR's sole discretion. No work shall begin until all required approvals and signatures, including the Department of General Services (DGS) Office of Legal Services, if applicable, are obtained.

#### B. Questions Regarding RFP Requirements

All questions or concerns related to the RFP requirements must be directed electronically to:

Department of Industrial Relations

Office of Administrative Services  
Business Management Office  
Contact: Marian Agbayani  
Email: magbayani@dir.ca.gov  
CC: klanterman@dir.ca.gov

Questions must be received by the date and time specified under Section II, A. Key Action Dates. Answers to all questions submitted will be in the form of an addendum posted to the DGS California State Contracts Register (CSCR) website <https://caleprocure.ca.gov/pages/index.aspx> by the date and time specified under Section II, A. Key Action Dates. Please note that no verbal information given will be binding upon the State unless such information is issued in writing as an official addendum to all parties/participants. All questions must be submitted referencing the RFP number in the subject line, directly to the above listed contact person **and not through the Cal eProcure system.**

### **C. General Proposal Requirements**

1. Proposals should provide straightforward and concise descriptions of the Proposer's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies or misstatements will be sufficient cause for rejection of a proposal.
2. Proposals must be submitted for the performance of all services described herein. Any deviation from the work specifications (Section III, Proposal Requirements, and **Attachment 2**, Draft Standard Agreement) may cause a proposal to be rejected.

### **D. Submission of Proposals**

1. Proposals must be submitted no later than the date and time indicated in Section II.A. Key Action Dates, and must be addressed as follows in Item 2.

**Proposals received after this date and time will not be considered and will be rejected.**

2. Delivery Instructions

Responses to this RFP shall be submitted to DIR at the following email addresses provided in Section 2.b. below and include:

- a. One (1) copy containing the Technical Proposal and all other required elements along with the Cost Proposal.
- b. Submit to the following email addresses and reference the RFP number in the subject line.

[Procurement@dir.ca.gov](mailto:Procurement@dir.ca.gov)

CC: magbayani@dir.ca.gov

CC: klanterman@dir.ca.gov

3. Each proposal will be reviewed to determine if it meets the proposal requirements contained in Section IV, Proposal Requirements (Technical). Failure to meet the requirements for the RFP may be cause for rejection of the proposal.
4. A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. The State may reject any or all proposals and may waive any immaterial deviation in a proposal. The State's waiver of immaterial defect shall in no way modify the RFP document or excuse the Proposer from full compliance with all requirements if the Proposer is awarded the Agreement.
5. DIR may modify the RFP up to the specified time of the date fixed-listed for submission of proposals by the issuance of an addendum to all parties who received a proposal package. Any addendum(s) will be issued through the Cal eProcure system.
6. DIR reserves the right to reject any or all bids. The agency is not required to award an agreement. All bids may be rejected whenever the agency determines that the cost is not reasonable, the cost exceeds the amount estimated, or otherwise in the best interest of the State.
7. More than one (1) proposal from an individual, firm, partnership, corporation or association under the same or different names, will not be considered. Reasonable grounds for believing that any Proposer has submitted more than one proposal for the work contemplated herein will cause the rejection of all proposals submitted by that Proposer. If there is reason to believe that collusion exists among the Proposers, none of the participants in such collusion will be considered in this or future procurements.

#### **E. Modification and/or Withdrawal of Proposals**

1. A Proposer may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline. Proposer modifications offered in any other manner, oral or written, will not be considered.
2. A Proposer may withdraw its proposal by submitting a written withdrawal request to DIR signed by the Proposer or an agent authorized in accordance with Section II.G., titled "Signature." A Proposer may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to proposal submission deadline.

#### **F. Proposer Responsibilities**

1. Proposers should carefully examine the entire RFP, with special attention to the tasks and deliverables found in **Attachment 2**, Draft Standard Agreement. Proposers shall investigate obstacles that might be encountered. No additions or increases to the agreement amount will be made due to a lack of careful examination of the requirements.

2. Before submitting a response to this RFP, Proposer(s) should review their response, correct all errors, and confirm compliance with the RFP requirements. It is the Proposer's responsibility to complete and submit all required attachments as listed on **Attachment 1**.
3. Costs incurred for developing proposals and in anticipation of award of the Agreement are entirely the responsibility of the Proposer and shall not be charged to DIR.
4. It is the **Proposer's responsibility** to promptly notify DIR's contract analyst identified in the solicitation, in writing, by e-mail, if the Proposer believes that the solicitation is unfairly restrictive, contains errors or discrepancies, or is otherwise unclear. Notification **must be done immediately** upon receipt of the solicitation in order that the matter may be fully considered and appropriate action taken by DIR prior to the closing time set to receive solicitation responses. Such notification must be submitted no later than the question and answer period referenced in Section II.A., Key Action Dates. All such correspondence received after the question and answer deadline will not be considered.
5. Proposer is responsible to review, read, understand, and comply in full with the State's General Terms and Conditions along with the Contractor's Certification Clauses (CCC) as listed at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>.
6. Each proposal must constitute an irrevocable offer for a period of at least 180 working days after proposal submission.
7. The Proposer must provide evidence to show that members of the team possess the specific qualifications, competence, experience, resources, and business integrity necessary to carry out the work under the contract as expected. Examples of evidence include, but are not limited to: résumés, letters of reference, project summaries that highlight the team's specific experience. Proposers must complete **Attachment 3**, Proposer References Form.
8. The Proposer must own and operate a legitimate business. If required by law, the Proposer must be registered and in good standing with the California Secretary of State. All businesses that are required to be registered with the California Secretary of State must be registered prior to date of Agreement award. Evidence of registration shall be submitted with the proposal.
9. In the event that any license(s) and/or permit(s) expire at any time during the term of this agreement, Proposer agrees to provide agency a copy of the renewed license(s) and/or permit(s) within thirty (30) days following the expiration date. In the event the Proposer fails to keep in effect at all times all required license(s) and permit(s), the State may, in addition to any other remedies it may have, terminate this Agreement upon occurrence of such event.



10. It is unlawful for any person engaged in business within this state to sell or use any article or product as a “loss leader” as defined in Section 17030 of the Business and Professions Code.
11. The Proposer must complete and submit to DIR, the Payee Data Record (STD 204), **Attachment 4**, to determine if the selected proposer is subject to state income tax withholding, pursuant to California Revenue and Taxation Code, Section 18662. This form can be found on the Internet at <http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf> . No payment shall be made unless a completed STD 204 has been returned to DIR. Payee Data Record Supplemental (Std. 205) (if applicable) <https://www.documents.dgs.ca.gov/dgs/fmc/pdf/std205.pdf>
12. The Proposer must sign and submit to DIR, page one (1) of the Contractor Certification Clauses (CCC 04/2017), **Attachment 5**, or the form can be obtained via the Internet at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>.
13. The Proposer must sign and submit to DIR, the California Civil Rights Laws Certification, **Attachment 6**.
14. The Proposer must sign and submit to DIR, the Darfur Contracting Act Certification, **Attachment 7**.
15. The Proposer must complete and sign the GenAI Disclosure & Factsheet Form, **Attachment 12**.

The State of California seeks to realize the potential benefits of GenAI, through the development and deployment of GenAI tools, while balancing the risks of these new technologies.

Bidder / Offeror / Contractor must notify the State in writing if their solution or service includes, or makes available, any GenAI, including GenAI from third parties or subcontractors.

The State has developed a GenAI Reporting and Factsheet (STD 1000) to be completed by the Bidder / Offeror / Contractor .

Failure to submit the GenAI Reporting and Factsheet (STD 1000) will result in disqualification of the Bidder / Offeror / Contractor.

Failure to report GenAI to the State may void any resulting contract. The State reserves its right to seek any and all relief it may be entitled to as a result of such non-disclosure.

Upon receipt of a Bidder / Offeror / Contractor GenAI Reporting and Factsheet (STD 1000), the state reserves the right to incorporate GenAI Special Provisions into the final procurement or reject quotes that present an unacceptable level of risk to the state.

## G. Signature

1. **All documents requiring signatures contained in the original proposal package must have original or electronic signatures.**
2. Only an individual who is authorized to bind the proposing firm contractually shall sign the required Cover Letter for the proposal. The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal may be rejected.

## H. Disposition of Proposals

Upon proposal opening, all documents submitted in response to this RFP will become the property of the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public. The State cannot prevent the disclosure of public documents.

## I. Socio-Economic and Preference Programs

### 1. Disabled Veteran Business Enterprise (DVBE) Incentive – Optional

This solicitation does not require a minimum amount of DVBE participation. However, you are strongly encouraged to either become certified, if eligible, or to subcontract a portion of the work to a certified DVBE. If a prime bidder is a certified DVBE or commits to subcontracting with DVBE(s), the bid may be eligible to receive a bid preference provided that the DVBE provides a commercially useful function as defined in California Military Code Section 999(i) and California Code of Regulations, Title 2, Section 1896.71. For evaluation purposes only, the State shall apply an incentive to bids that propose California certified DVBE participation as identified on **Attachment 8**, titled Bidder Declaration GSPD-05-105 and confirmed by the State. Proposers claiming the DVBE incentive must complete and return the Disabled Veteran Business Declarations form found at: <http://www.documents.dgs.ca.gov/pd/poliproc/STD-843FillPrintFields.pdf>.

The incentive amount varies in conjunction with the percentage of DVBE participation offered. The minimum requirement is 1% with a maximum of 5% DVBE participation and the incentive will be equal to the participation offered as defined below:

<b>Confirmed DVBE Participation of:</b>	<b>DVBE Incentive:</b>
1% to 1.99% inclusive	1%
2% to 2.99% inclusive	2%
3% to 3.99% inclusive	3%
4% to 4.99% inclusive	4%
5% or Over	5%

## **2. Small Business (SB) or Microbusiness (MB) Preference – Optional**

If Proposer is claiming the 5% certified SB or MB preference, or is committing to subcontract 25% or more of their net bid price to one or more certified SB or MB (Non-small business preference [NSB]), list firm names on **Attachment 8** (GSPD-05-105 Bidder Declaration) and attach a copy of the certification. Additional References: <http://www.pd.dgs.ca.gov>

Questions regarding the certification approval process or the SB program should be directed to the Department of General Services, Procurement Division at (800) 559-5529 or (916) 375-4940; email: [OSDSHelp@dgs.ca.gov](mailto:OSDSHelp@dgs.ca.gov). For the 24-Hour Recording & Mail Request call (916) 322-5060.

SB, MB or NSB bidders or proposers using the SB preference shall be granted a preference consisting of 5% of the highest responsible bidder's total score.

## **3. Target Area Contract Preference Act (TACPA)**

The TACPA preference will be granted for this solicitation. Proposers wishing to take advantage of this preference will need to review the following website and submit the appropriate response with their proposal: <https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Request-a-Target-Area-Contract-Preference?search=TACPA>

Proposers seeking to obtain a TACPA preference must complete and submit the TACPA Preference Request, STD. 830, and DGS/PD 526 with their Proposal. The STD. 830 and DGS/PD 526 are available to download at the link provided above.

## **4. Preference and Incentive Application – Optional**

- a. DVBE Incentive Points are factored by multiplying a Proposer's DVBE participation commitment percentage (%) by the total possible points that could be awarded (see Table 1 below). This amount is then added to the proposer's total points. In the Table 2 sample below, Proposer B received a 60-point incentive (.05% commitment x 1200 total points available), which was added to its total points resulting in its proposal ranking as first in line for award. Proposer C's 2% commitment resulted in its receiving 24 incentive points, and making its proposal rank as second in line for award.
- b. Preference is calculated by multiplying 5% of the highest scoring NSB proposer, and adding those points to SB proposers and NSBs subcontracting 25% or more to a SB. In the Table 2 sample below, the calculation is based on Proposer B's 1155 points x .05 resulting in 57.75 additional points added to the certified SBs (A and C).
- c. Under the High Score Method, it is possible to displace a high point certified SB with the application of the DVBE Incentive.

**TABLE 1: HIGH SCORE METHOD SAMPLE**

Available points example using sliding scale:

Administrative: 200 points

Technical: 400 points

Cost: 600 points

Total: 1200 points

Possible Maximum 60 points  
DVBE incentive calculated as follows:

Confirmed DVBE Participation	Possible Points Calculation:
1% - 1.99% inclusive	1% X 1200 = 12
2% - 2.99% inclusive	2% X 1200 = 24
3% - 3.99% inclusive	3% X 1200 = 36
4% - 4.99% inclusive	4% X 1200 = 48
5% and Higher	5% X 1200 = 60

**TABLE 2: HIGH SCORE METHOD SAMPLE RESULTS**

Proposer	A	B	C
Responsive/Responsible	Yes	Yes	Yes
Total Points	1050	1155	1125
Eligible Preference	SB	None	SB
SB Preference Points	57.75	0	57.75
Applied			
Subtotal	1107.75	1155	1182.75
Rank	3	2	1
Confirmed DVBE Participation	No (0%)	Yes (5%)	Yes (2%)
Incentive Points Applied	None	60	24
Adjusted Points	1107.75	1215	1206.75
New Rank	3	1	2

### III. PROPOSAL REQUIREMENTS (TECHNICAL)

#### A. Proposal Requirements

**The proposal must contain the following components, information and documents outlined below.** Each requirement's location must be listed in the Proposal's Table of Contents. Also see Section II. D. Submission of Proposal, for general submittal details.

#### 1. Minimum Qualifications

The Proposer must provide a detailed response, outlining information as to how the Proposer meets each of the minimum qualifications listed below. The Proposer must provide their detailed response on **Attachment 11**, Detailed Response for Minimum Qualifications. Proposals that do not meet the minimum qualifications will be determined non-responsive and ineligible for award.

- a. Proposer shall have a minimum of five (5) years of experience working with workers' compensation fee schedules.

- b. Proposer shall have a minimum of three (3) years of demonstrated ability in handling high-volume case workload in a bill review setting.
- c. Proposer shall have a minimum of three (3) years of demonstrated ability to provide data regarding bill review status and outcomes.
- d. Proposer shall have experience with creating a case workflow tracking system for cases being submitted for independent bill review.
- e. Proposer shall have an office in California and shall have a minimum of three (3) years experience maintaining and recruiting qualified reviewers who are administratively and professionally capable of providing timely, complete and professional case analyses and determinations as described in Labor Code section 4603.6 and 8 C.C.R. section 9792.5.9, et seq.
- f. Proposer shall employ a medical director who shall be a physician and surgeon licensed by the Medical Board of California or the California Osteopathic Medical Board and who shall be responsible for advising Contractor on clinical issues.

## **2. Title Page**

The purpose of this page is to provide information needed by DIR administrative staff. It must contain the following items:

- a. The title of the proposal, which must be the same as the title of the RFP;
- b. The number of the RFP, **S23DWC036**; and
- c. The date of proposal.

## **3. Cover Letter / Letter of Commitment**

The cover letter must not be more than two (2) pages, in Arial size-12 point font or similar, and must include the following paragraph and the signature of the representative authorized to make the proposal on behalf of the firm:

"The enclosed proposal is submitted in response to the above referenced Request for Proposal S23DWC036, including any addenda. Through submission of this proposal, we agree to all of the terms and conditions of the Request for Proposal, and agree that any inconsistent provisions in our proposal may result in a lower score, up to and including disqualification. We have carefully read and examined the Request for Proposal, and have conducted such other investigations as were prudent and reasonable in preparing the proposal. We agree to be bound by statements and representations in our proposal."

The cover letter must be provided on the company's letterhead and include the following information and statements:

- a. The name and address of your company [NOTE: You may use a Post Office box, but please provide your company's street address]; and

- b. The name, title, and signature of a company official authorized to bind the proposal.
- c. Name, email and/or phone number for the Proposer's contact for DIR inquiries related to the proposal.

#### **4. Table of Contents**

#### **5. Summary**

The abstract shall be not longer than one (1) page. Include a brief description of the proposed project briefly summarizing the main point of the various sections of the proposal, including the features and benefits of the proposal.

#### **6. Minimum Qualifications Response**

Provide a response, outlining detailed information demonstrating how the Proposer meets each of the minimum qualifications listed in Section III.A. Submit all applicable documentation.

#### **7. Required Attachments**

The Technical Proposal must include all of the completed attachments listed in **Attachment 1**, Required Attachment checklist.

#### **8. References**

Each proposer must provide at least 3 references detailing previous experience Determining bill reviews in the California Workers' Compensation System. related to the goals and objectives outlined in the RFP.

References must be provided using **Attachment 3**, Proposer References Form. Submission of this attachment is mandatory. Failure to fully complete and return this attachment with your proposal may cause your proposal to be rejected and deemed non-responsive. **Attachment 3** may be copied for additional references.

#### **9. Conflict of Interest and Confidentiality Statement**

Proposer and each member of Proposer's technical staff proposed to work on this project must sign and submit **Attachment 2**, Draft Standard Agreement, Exhibit G – Acknowledgment of Confidentiality with your proposal.

#### **10. Subcontracts/Subcontractors**

If subcontractors are to be used, the Proposer must include in the Technical Proposal, a description of each person or firm and the work to be done by each subcontractor. Please use **Attachment 8**, Bidder Declaration Form (GSPD 05-105), to list all subcontractors used for this project. All subcontracts must be approved by DIR, and no work shall be subcontracted without the prior written approval of the State. The cost of the subcontract work is to be itemized in the Cost Proposal as

described below in the section entitled Cost Proposal Requirements, and not in the Technical Proposal.

## **11. Technical Portion**

Proposer shall demonstrate their understanding of the questions, or needs, that DIR is seeking to have addressed. The technical approach and work plan are considered the heart of the proposal and will receive a high level of scrutiny. This part of the proposal will be evaluated to ensure all tasks and deliverables, listed in the Scope of Work, are included and responsive. The technical portion of the Proposal must include a written response to all scoring elements listed in the sample Proposal Evaluation form, Section IV.B.3, and must include the following:

### **a. Management Plan**

The Proposer shall provide a project management plan including the management structure and project organization. The Proposer shall designate, by name, the Project Manager to be employed. The selected Proposer shall not cause the substitution of the Project Manager without prior written approval of the State. Proposers should include methods to measure project progress against the project management plan to maintain project schedule.

### **b. Methodology (Approach to Work)**

The Proposer shall describe their methodology and approach to the work, identify specific techniques and methodologies that will be used and specific administrative and operational management expertise that will be employed in order to accomplish the tasks listed in this RFP under **Attachment 2**, Draft Standard Agreement. Proposer shall indicate how skills developed in previous related work will be applied to the work described in this RFP.

The Proposer shall demonstrate their knowledge in determining bill reviews in the California Workers' Compensation System, the subject of the RFP and lay the groundwork for the actual work to be performed for this project.

### **c. Work Plan and Work Schedule**

The Proposer shall develop a Work Plan and Work Schedule that allows all tasks to be completed within the timeframes outlined in the Scope of Work. The Work Plan and Work Schedule shall identify each major task, necessary subtasks, and milestones by which progress can be measured and payments made. The Work Plan shall specify the estimated hours to accomplish each task and the Work Schedule shall provide the responsible party for performing the task, and anticipated dates of completion.

The Work Plan and Work Schedule must reflect the total project timeline of 36 months.

The Work Plan shall indicate how the supervision and oversight will be conducted for ensuring that the project will remain on schedule and that the distribution of workload is appropriate.

See **Attachment 2**, Draft Standard Agreement, for details on the tasks required.

A work plan schedule format is provided below:

<b>TASK</b>	<b>RESPONSIBLE PARTY (Prime or Subcontractor)</b>	<b>DATE OF COMPLETION</b>
TASK 1: Migration of existing IBR Data		10 days after contract executed
TASK 2: Develop procedures and workflow manuals to process IBR cases.		Within 30 days after contract execution
TASK 3: Develop web based online management system to process and track all IBR caseload.		Within 60 days after contract execution
TASK 4: Present to DWC for feedback on above tasks		Within 70 days after contract execution
TASK 5: User testing and training		Within 80 days after contract execution
TASK 6: Case management system fully operational to make determinations on all eligible IBR cases.		On or before 12/31/2024
TASK 7: Execution of the IBR procedures as specified		January 1, 2025

**d. Personnel / Experience / Work Samples**

For this criterion, reviewers will rate the Proposer's experience in conducting similar or related work described in the Scope of Work, and how skills developed in previous related work will be applied to this project as outlined in Attachment 2, Draft Standard Agreement. The Proposer shall indicate how previous experience will be applied to the development of this project.

The Proposer shall list technical staff (specify staff name) who will be working on the project. Include their titles, qualifications, a summary of similar work or studies performed, a resume for each technical staff person, a statement indicating how many hours each professional will be assigned to the Agreement and what tasks each



professional will perform. The selected Proposer shall not cause key members of the project team to be substituted without prior written approval of the State.

The Proposer shall demonstrate experience and breadth of knowledge in determining bill reviews in the California Workers' Compensation System as described in **Attachment 2**, Draft Standard Agreement.

The Proposer shall provide work samples of previous completed work that required the use of similar methodology or approaches. A minimum of two (2) work samples and no more than four (4) must be provided that demonstrates they have the required experience and illustrates the proposer's operational effectiveness, execution capabilities, and/or creative strengths. The work samples will be evaluated for the understanding of related laws, regulations, and empirical findings used in prior work

Proposer shall ensure that at all times it will have sufficient numbers of reviewers available to satisfy the review time frames set forth in this RFP. (i.e., the number and types of cases eligible for IBR is likely to increase when fee schedules for interpretation services, copy services, and home care services are established or amended by the Administrative Director. Proposals will be evaluated for readability, organization, specificity, and ability to communicate concepts clearly and succinctly. Proposals will be viewed as samples of the type of final work products that the DIR could expect to receive from a respondent, if selected.

#### **e. Interview/Presentation**

The proposer and their project management team must appear in person or via videoconference call for an in-person interview by DIR's evaluation committee. If the bidder chooses to appear in person, travel costs incurred by the bidder are the responsibility of the bidder and will not be reimbursed by the State.

During this evaluation phase, the DIR will evaluate each bid based upon a presentation of the written proposal.

The evaluation team shall make all efforts to standardize the interview process and ask the same questions to all bidders. Interview questions are based upon the minimum requirements of the RFP and ability to respond to the DIR's needs. All interviews shall be evaluated by the criteria stated in C. Proposal Evaluation Form and ranked based upon quality of response.

This interview shall be conducted either via video conference or in person at the DIR office located at:

Department of Industrial Relations  
1515 Clay Street  
Oakland, CA 94612

This presentation is an integral part of the RFP process. Failure to make this oral presentation will be considered nonresponsive to this RFP and the proposal will be rejected

#### **f. Page Headers and Page Numbering**

All pages of the Technical Proposal, including cover pages, Table of Contents, references and resumes, and the Bidder Declaration Form GSPD-05-105 (**Attachment 8**) shall have the following header and page numbering format in the upper right-hand corner:

**Technical Proposal**  
**RFP No. S23DWC036**  
**Exhibit A, Attachment 1**  
**Page ## of ##**

## **B. Cost Proposal Requirements**

The cost breakdown (Cost Proposal) shall be included in the Technical Proposal. Cost Proposals shall include the following required information: Budget, and Preference Program Documents (See Section II. Socio-Economic and Preference Programs) and at a minimum, all information listed in Cost Detail (below). Proposers must use the **Attachment 10**, Contractor Cost Sheet.

All costs must be provided for each task and deliverable. The proposed costs should be broken down into the outline in the Work Plan and Work Schedule for the purpose of this cost proposal submittal.

**DIR's budget for the proposed contract is limited to \$0.00.** The services performed under this contract will be billed independently and directly by the selected IBRO to the claims administrator or provider. The IBRO may bill up to \$335 per review performed under this contract. Proposals exceeding \$335 per review may be deemed non-responsive and ineligible for award. Proposers shall submit a cost proposal for all tasks described in **Attachment 2**, Draft Standard Agreement.

### **1. Cost Detail**

- a. Itemized Tasks** – Using **Attachment 10**, Contractor Cost Sheet, provide firm-fixed costs for specific tasks listed in **Attachment 2**, Draft Standard Agreement.

For all tasks, the Proposer must include all items such as labor, personnel, subcontractors, travel, meetings, materials, reports, and tax, if applicable, as necessary to perform and complete the tasks on the Contractor Cost Sheet, **Attachments 10**.

- b. Subcontracts / Subcontractors** – If subcontractors are to be used, the Proposer must include in the Technical Proposal, a description of each person or firm and the work to be done by each subcontractor. Additionally, **all** subcontractors proposed to be used for this project must be identified on **Attachment 8**, Bidder Declaration Form.

### **2. Page Headers and Page Numbering**

All pages of the Cost Proposal; the Bidder Declaration Form GSPD-05-105 (**Attachment 8**); and, if applicable, any forms pertaining to socio-economic preferences (SB, MB, or DVBE), shall have the following header and page numbering format in the upper right-hand corner:

**Cost Proposal**  
**RFP No. S23DWC036**  
**Exhibit B, Attachment 1**  
**Page # of ##**

#### **IV. EVALUATION, SELECTION, AND AWARD**

##### **A. Administrative Evaluation (Phase 1)**

DIR will conduct an administrative evaluation in accordance with the RFP requirements to determine a Proposer's responsiveness and responsibility. Each proposal will be checked for completeness and/or absence of all required information and to ensure that the Proposer meets the minimum qualifications in conformance with the submission requirements. During the evaluation period, if an item is unclear, or needs further clarification, Proposers may be requested to provide additional documentation.

##### **B. Technical Evaluation (Phase 2)**

DIR will also conduct an evaluation of the Technical Proposal & Interview by an evaluation panel consisting of DIR employees. If deemed necessary, independent academic, technical or policy experts may be called upon to answer any specific questions regarding the responses to the RFP. These individuals will not participate in the scoring process.

##### **1. Scoring Criterion Guidelines**

**Note: There will be no individual sheets, no written scores, and no written notes. There will be one final score for each Proposer. Proposer must score a minimum of 70 points (combined score of technical evaluation and cost points) to be eligible for award.**

The Proposal Evaluation Form in Section IV.B.3 contains the scoring criteria that will be used by reviewers evaluating proposals submitted in response to this RFP. The evaluation team shall determine a consensus score for each item, based on the team's verbal discussion of each Proposer's responses. To determine the consensus score, evaluators will meet either in person or by teleconference to discuss in detail the strengths, weaknesses, and ratings of each proposal to determine scores. The evaluation team will carefully review and discuss the completeness of the Proposer's response, as well as clarity of documentation presented in the proposals submitted in response to this RFP.

##### **2. Cost Points (30 points)**

Proposers may achieve a maximum of thirty (30) cost points. This criterion allows staff to evaluate and compare the budgets of each proposal relative to those of its competitors. The budgeted amount is the maximum allowable amount by DIR for this Agreement (Section III.B.). Any proposals submitted that are over the expected expenditure/budgeted amount may be disqualified.

The technically qualified proposal that has the lowest cost will be given a maximum score of thirty (30) for this criterion.

All other technically qualified proposals will be calculated based on the ratio of the lowest cost proposal to the bidder's cost, multiplied by the maximum number of cost points available thirty (30), as shown in the example below:

$$\frac{\text{Lowest Total Cost Bid}}{\text{Bidder Total Cost}} \times \text{Total Cost Points Available}$$

Example: To help illustrate this process, refer to the Cost Evaluation Methodology Example table below for the cost score calculation process. Cost figures in this example explain the cost calculations and have no other significance.

Cost Evaluation Methodology Example

Bidder	Grand Total Cost	Calculation	Cost Points Awarded
A	\$350,000	$\frac{\$300,000}{\$350,000} \times 30$	26
B	\$325,000	$\frac{\$300,000}{\$325,000} \times 30$	28
C	\$300,000	$\frac{\$300,000}{\$300,000} \times 30$	30

Final Scoring Methodology Example

Bidder	Technical Score	Cost Score	Total Points Awarded
A	81	26	107
B	86	28	114
C	92	30	122

In this case, the highest scored proposal from Bidder C would be the intended awardee.

Preferences will be applied as required to eligible proposals. Please see Section II.I., Socio-Economic and Preference Programs.

The evaluation team will abide by the following Scoring Criterion Guidelines for the Technical Evaluation Scoring Criteria below:

Possible Points	Interpretation	Explanation for Percentage Points
0%	Inadequate	Response does not include or fails to address the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.
30%	Barely Adequate	Response addresses the requirements being scored, but there are one or more omissions, flaws, or defects or the requirements are addressed in such a limited way that it results in a low degree of confidence in the proposed solution.
80%	Good	Response fully addresses the requirements being scored with a good degree of confidence in the Applicant's response or proposed solution. No identified omission(s), flaw(s), or defect(s). Any identified weaknesses are minimal, inconsequential, and acceptable.
100%	Excellent or Outstanding	Response fully addresses the requirements being scored with a high degree of confidence in the Applicant's response or proposed solution. Applicant offers one or more enhancing features, methods or approaches exceeding basic expectations.

The Proposal Evaluation criteria listed specifies the total number of points available for each requirement. Using the Scoring Criterion Guidelines, the evaluation team will determine the percentage of points to be awarded to each requirement, and multiply that percentage by the total number of points available for that requirement to determine the score.

### 3. Interview Criteria and Scoring

The Proposer's team members will be rated between 0-3 points, based on the interview responses. The Proposer's team members must be available for an interview as described in SECTION A, KEY ACTION DATES, of this document. All interview questions will be directed to the Proposer's team members only; the Proposer is not part of the interview process unless the Proposer and the proposed team members are one in the same person. Proposer's will be scored on the following:

1. Project Presentation: Thorough and clear presentation that provides an overview of the more complex aspects of the project that is accessible to a non-technical audience. Demonstration of the ability to develop an online case flow tracking system for cases being submitted for independent medical review.
2. Respondents will be required to explain and respond to questions regarding their experience and expertise. Points will be awarded based upon the quality, pertinence and degree of experience demonstrated by the Respondent.

### 4. Proposal Evaluation Form

<b>MINIMUM QUALIFICATIONS</b>	<b>Yes</b>	<b>No</b>
Proposer shall have a minimum of five (5) years of experience working with workers' compensation fee schedules.		
Proposer shall have a minimum of three (3) years of demonstrated ability in handling high-volume case workload in a bill review setting.		
Proposer shall have a minimum of three (3) years of demonstrated ability to provide data regarding bill review status and outcomes.		
Proposer shall have experience with creating a case workflow tracking system for cases being submitted for independent bill review.		
Proposer shall have an office in California and shall have a minimum of three (3) years experience maintaining and recruiting qualified reviewers who are administratively and professionally capable of providing timely, complete and professional case analyses and determinations as described in Labor Code section 4603.6 and 8 C.C.R. section 9792.5.9, et seq.		
Proposer shall employ a medical director who shall be a physician and surgeon licensed by the Medical Board of California or the California Osteopathic Medical Board and who shall be responsible for advising Contractor on clinical issues.		
<b><i>If any minimum qualifications are NOT met, STOP HERE</i></b>		
<b>1. CLARITY AND ORGANIZATION OF PROPOSAL</b>	Points Available 5	Points Awarded
The proposal is presented in a clear, organized manner.	5	
<b>2. MANAGEMENT PLAN</b>	Points Available 10	Points Awarded
Proposer shall provide a clear project management plan including the management structure and project organization. Proposer shall designate, by name, the Project Manager to be employed.	5	
The Proposer should include methods to measure project progress against the project management plan to maintain project schedule.	5	
<b>3. METHODOLOGY (APPROACH TO WORK)</b>	Points Available 15	Points Awarded

Proposer shall describe their methodology and approach to the work, identify specific techniques and methodologies that will be used and specific administrative and operational management expertise that will be employed in order to accomplish the tasks listed in this RFP under <b>Attachment 2</b> , Draft Standard Agreement. Proposer shall indicate how skills developed in previous related work will be applied to the work described in this RFP.	10	
The Proposer shall demonstrate their knowledge in conducting reviews, the subject of the RFP and lay the groundwork for the actual work to be performed for this project.	5	
<b>4. WORK PLAN AND WORK SCHEDULE</b>	Points Available 10	Points Awarded
The proposed work plan demonstrates a clear understanding of the purpose and scope of the RFP. The Work Plan and Work Schedule identifies each major task, necessary subtasks, and milestones by which progress can be measured and payments made. The Work Plan shall specify the estimated hours to accomplish each task and the Work Schedule shall provide the responsible party for performing the task, and anticipated dates of completion. The Work Plan and Work Schedule must reflect the total project timeline of 36 months.	5	
The Work Plan shall indicate how the supervision and oversight will be conducted for ensuring that the project will remain on schedule and that the distribution of workload is appropriate.	5	
<b>5. PERSONNEL / EXPERIENCE / SAMPLES</b>	Points Available 24	Points Awarded
Proposer describes experience in conducting similar or related work described in the Scope of Work, and how skill developed in previous related work will be applied to this project as outlined in <b>Attachment 2</b> , Draft Standard Agreement. Proposer shall indicate how previous experience will be applied to the development of this project. The Proposer shall list technical staff (specify staff name) who will be working on the project. Include their titles, qualifications, a summary of similar work or studies performed, a resume for each technical staff person, a statement indicating how many hours each professional will be assigned to the Agreement and what tasks each professional will perform.	8	

The Proposer shall demonstrate experience and breadth of knowledge in determining bill reviews in the California Workers' Compensation System as described in Attachment 2, Draft Standard Agreement.	8	
<p>The Proposer shall provide work samples of previous completed work that required the use of similar methodology or approaches. A minimum of two (2) work samples and no more than four (4) must be provided that demonstrates they have the required experience and illustrates the proposer's operational effectiveness, execution capabilities, and/or creative strengths. The work samples will be evaluated for the understanding of related laws, regulations, and empirical findings used in prior work</p> <p>Proposer shall ensure that at all times it will have sufficient numbers of reviewers available to satisfy the review time frames set forth in this RFP. (i.e., the number and types of cases eligible for IBR is likely to increase when fee schedules for interpretation services, copy services, and home care services are established or amended by the Administrative Director.</p> <p>Proposals will be evaluated for readability, organization, specificity, and ability to communicate concepts clearly and succinctly. Proposals will be viewed as samples of the type of final work products that the DIR could expect to receive from a respondent, if selected.</p>	8	
<b>INTERVIEW CRITERIA</b>	Points Available 6	
Project Presentation: Thorough and clear presentation that provides an overview of the more complex aspects of the project that is accessible to a non-technical audience. Demonstration of the ability to develop an online case flow tracking system for cases being submitted for independent medical review.	3	
Respondents will be required to explain and respond to questions regarding their experience and expertise. Points will be awarded based upon the quality, pertinence and degree of experience demonstrated by the Respondent	3	
<b>6. COST</b>	Points Available 30	Points Awarded
This criterion allows staff to evaluate and compare the budgets of each proposal relative to those of its competitors. The technically qualified proposal that has the lowest cost will be given a maximum score of 30 for this criterion.	30	



TOTAL POINTS	Maximum Available 100	SCORE
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### C. Selection

1. The Award, if made, shall be to the responsive Proposer with the highest scored proposal, within the allocated budget.
2. If no proposals are received containing bids offering a price, which in the opinion of DIR is a reasonable price, DIR is not required to award an Agreement (Public Contract Code 10344 (d)).
3. The prospective Contractor is advised that should this RFP result in an award of an Agreement, the Agreement will not be in force and no work shall be performed until the Agreement is fully approved by the State, and the Contractor is notified by the DIR Contract Manager to begin work.
4. The Agreement shall be signed by the selected Proposer and returned within ten (10) business days of receipt. If the selected Proposer refuses or fails to execute the Agreement, DIR may award the contract to the Proposer with the second highest score.

### D. Notice of Proposed Award

1. Notice of the proposed award shall be posted on Cal eProcure at <https://caleprocure.ca.gov/pages/index.aspx> for five (5) business days prior to awarding the Agreement.
2. Proposers have the right to protest the award of DIR Agreements subject to the following grounds, processes and procedures.
  - a. Proposers may protest the proposed award by filing a notice of protest with DIR and DGS, Office of Legal Services.
  - b. Protest notices should contain full contact information, including a fax number, and must be filed with both offices listed below:

<b>Department of Industrial Relations Contracts and Grants Services Section</b> Attention: Manager 2180 Harvard Street, Suite 160 Sacramento, California 95815 Email: <a href="mailto:procurement@dir.ca.gov">procurement@dir.ca.gov</a>	<b>Department of General Services Office of Legal Services</b> Attention: Bid Protest Coordinator 707 Third Street, 7 <sup>th</sup> Floor, Suite 7-330 West Sacramento, CA 95605 Email address: <a href="mailto:OLSProtests@dgs.ca.gov">OLSProtests@dgs.ca.gov</a>
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- c. **Within five (5) calendar days** after filing notice to protest, the protesting Proposer shall file with the DGS Office of Legal Services and DIR, a detailed written statement specifying the grounds for the protest. The detailed written statement shall include the RFP number.

- d. The Agreement shall not be awarded until either the protest has been withdrawn or the State has decided the matter.

#### **E. Standard Conditions of Service**

1. Service shall be available no sooner than the express date set by DIR and the Contractor, after all approvals have been obtained and the Agreement is fully executed. Should the Contractor fail to commence work at the agreed upon time, DIR, upon five (5) days written notice to the Contractor, reserves the right to terminate the Agreement. In addition, the Contractor shall be liable to the State for the difference between Contractor's Proposal price and the actual cost of performing work by the second responsive and responsible Proposer or by another Contractor.
2. All performance under the Agreement shall be completed on or before the termination date of the Agreement.
3. The State does not accept alternate Agreement language from a prospective contractor. A proposal with such language will be considered a counter proposal and may be rejected. **The State's General Terms and Conditions (GTC) are not negotiable.** The General Terms and Conditions GTC- 04/2017 may be viewed at Internet site: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language->
4. The State does not negotiate rates and/or costs listed on any cost proposal submitted.
5. No oral understanding or agreement shall be binding on either party. Any changes or alterations to the contract/agreement must be in writing and approved by both parties and/or Department of General Services' Office of Legal Services, if required.

#### **F. Post Award Requirements**

1. Prior to execution of the contract and at DIR's sole discretion, the selected Proposer must comply with the following in a manner acceptable to DIR:
  - a. The Agreement shall be signed by the Contractor and returned within ten (10) business days of receipt. If the Contractor refuses or fails to execute the contract, then DIR may award the contract to the next ranking proposer.
  - b. Within ten (10) business days of award of the Agreement, Contractor must supply DIR with all required documents, including, but not limited to insurance certificates, as specified in **Attachment 2**, Exhibit D, Section G, to be reviewed and approved by DGS.
2. Failure to comply with any post-award requirements may result in cancellation of the award. In that event, DIR reserves the right to award the contract to the next ranking proposer.

#### **G. Proposal Rejection**

1. Proposals must be submitted for the performance of all the services as described herein. Any material deviation from the RFP will not be considered and may cause a proposal to be rejected.
2. Proposals **must be complete** in all respects as required by the RFP. A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. **The State does not accept alternate contract language from a prospective contractor.** A proposal with such language will be considered a counter proposal and may be rejected.
3. **DIR reserves the right to reject any or all proposals for any reason.**
4. Proposals that contain false or misleading statements, or which provide references, that do not support an attribute or condition claimed by the proposal, may be rejected. If, in the opinion of the State, such information was intended to mislead the State in its evaluation of the proposal, and the attribute, condition, or capability is a requirement of this RFP, it will be the basis for rejection of the proposal.
5. Proposals received past the due date and time specified in Section II.A. "Key Action Dates" will be deemed non-responsive and rejected. Under no circumstances will any proposals be accepted past the date and time stated in Section II.A. All such proposals received past the date and time will not be accepted, and will be returned to the Proposer.

**ATTACHMENT 1  
REQUIRED ATTACHMENT CHECKLIST**

**Proposer's Name:** \_\_\_\_\_

A complete proposal package will consist of all the items listed in the RFP, as well as those items identified below. **Be sure that your proposal includes ALL required documents as stated in this RFP, not just those listed in this checklist.** Please refer to Section II, Proposal Requirements (General) and Information.

<u>Attachment</u>	<u>Attachment Name/Description</u>
_____ Attachment 1	Required Attachment Checklist
_____ Attachment 2	Draft Standard Agreement (do not return, Bidder information only)
_____ Attachment 2	Exhibit E, Attachment 1 - Conflict of Interest & Confidentiality Statement
_____ Attachment 3	Proposer References Form
_____ Attachment 4	Payee Data Record (STD 204)
_____ Attachment 5	Contractor Certification Clauses (CCC 04/2017)
_____ Attachment 6	California Civil Rights Laws Certification
_____ Attachment 7	Darfur Contracting Act Certification
_____ Attachment 8	Bidder Declaration GSPD-05-105
_____ Attachment 9	CA DVBE Bid Incentive Instructions (do not return, Bidder Information only)
_____ Attachment 10	Contractor Cost Sheet
_____ Attachment 11	Detailed Response for Minimum Qualifications
_____ Attachment 12	Gen AI Reporting & Factsheet Form

## ATTACHMENT 2 DRAFT STANDARD AGREEMENT

Reset Form

Print Form

SCO ID: 7350-

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

PURCHASING AUTHORITY NUMBER (If Applicable)

DIR-7350

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

Department of Industrial Relations

CONTRACTOR NAME

2. The term of this Agreement is:

START DATE

XX/XX/XXXX, or upon DGS approval, whichever is later. No work shall commence until the effective date.

THROUGH END DATE

3. The maximum amount of this Agreement is:

\$ XX,XXX Total Agreement Amount

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	
Exhibit B	Budget Detail and Payment Provisions	
Exhibit C *	General Terms and Conditions	GTC 04/2017
+		
-		

Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

CONTRACTOR BUSINESS ADDRESS

CITY

STATE

ZIP

PRINTED NAME OF PERSON SIGNING

TITLE

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

**STATE OF CALIFORNIA**

CONTRACTING AGENCY NAME

Department of Industrial Relations

CONTRACTING AGENCY ADDRESS

CITY

STATE

ZIP

PRINTED NAME OF PERSON SIGNING

TITLE

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

## **EXHIBIT A SCOPE OF WORK**

The Department of Industrial Relations (DIR) and (insert Contractor's Name) hereafter referred to as Contractor agree to provide independent bill review services to resolve medical billing disputes referred to the Independent Bill Review Organization (IBRO) by DWC under Labor Code section 4603.61 and California Code of Regulations, title 8 (8 C.C.R.), section 9792.5.72, et al..

### **A. BACKGROUND AND PURPOSE**

The purpose of this contract is for DIR Division of Workers' Compensation (DWC) to contract with an independent bill review organization (IBRO) to resolve medical billing disputes referred to the IBRO by DWC under Labor Code section 4603.6<sup>5</sup> and California Code of Regulations, title 8 (8 C.C.R.), section 9792.5.7<sup>6</sup>, et al.

On September 18, 2012, Governor Brown signed into law comprehensive workers' compensation reform legislation, Senate Bill (SB) 863, with the goal of improving access to medical care for injured workers, avoiding delays and disputes, and reducing costs to employers. SB 863, with an effective date of January 1, 2013, adopted several reforms to meet these goals.

A key provision of SB 863 established the Independent Bill Review (IBR) process, administered by DWC, which resolves medical treatment and medical-legal billing disputes regarding the amount to be paid to medical providers. IBR is effective for all dates of services on or after January 1, 2013, and is limited to disputes involving services or goods covered by fee schedules adopted by DWC or contract for reimbursement under Labor Code section 5307.11. IBR will not apply to billing disputes involving services or goods that are not covered under adopted fee schedules, disputes about treatment authorization, or cases where the injury itself is in dispute. The overview for the current IBR process can be found at:  
<http://www.dir.ca.gov/dwc/IBR.htm>.

Labor Code section 139.5 requires the administrative director to contract with an IBRO to conduct reviews. Under Labor Code section 4603.6(c), the costs of IBR will be initially advanced by the medical provider and ultimately borne by the "losing" party.

### **B. DETAILED SCOPE OF WORK**

#### **1. TASK 1: MIGRATION OF EXISTING IBR DATA**

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<sup>5</sup> [https://leginfo.ca.gov/faces/codes\\_displaySection.xhtml?lawCode=LAB&sectionNum=4603.6](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=LAB&sectionNum=4603.6).

<sup>6</sup> [https://www.dir.ca.gov/t8/9792\\_5\\_7.html](https://www.dir.ca.gov/t8/9792_5_7.html)

Contractor shall work with DWC to synthesize, organize, and migrate necessary data to contractor's system(s) for the continuity of program operations in a manner that is seamless. This may include training and/or testing of system operations.

Deliverable	Due Date
Fully received and complete data set	Within 10 days of contract execution

## **2. TASK 2: DEVELOP PROCEDURES AND WORKFLOW MANUALS TO PROCESS IBR CASES**

Procedures and workflow manuals shall include, but not be limited to the following:

- a. Recruiting and verifying credentials of bill reviewers.
- b. Performing conflicts of interest checks
- c. Disclosing the financial interests of its employees.
- d. Accepting IBR applications via mail, fax or online submission.
- e. Conducting the initial review of the IBR applications for eligibility under guidelines determined by DIR/DWC.
- f. Conducting a secondary review of the IBR applications for eligibility under guidelines determined by DIR/DWC following the submission of documents by the payer/claims administrator
- g. Notifying the parties of IBR assignments and requesting mandatory information in a timely manner.
- h. Procedures to allow timely and effective referral of cases to qualified reviewers.
- i. Procedures for drafting reviews, managing the processing of reviews and revising written determinations to satisfy the review time frames set forth in this RFP.
- j. Procedures to ensure the ability to successfully manage increased caseload in the event cases eligible for IBR increases due to legislation, new requirements set by the Administrative Director or other causes.
- k. Procedures to ensure the confidentiality of medical records and other data.
- l. Procedures for providing appropriate training to reviewers in the proper methods of preparing IBR determinations. Training protocols and documentation of training for reviewers shall be provided to DWC annually unless there are no changes.
- m. Procedures to document Quality Assurance/Quality Control (QA/QC) procedures to ensure that high-quality bill review determinations are made by reviewers.
- n. Procedures to ensure that all documents transmitted to DIR/DWC must be in an accessible format for compliant web posting.

**3. TASK 3: Develop web based online management system to process and track all IBR caseload.**

Contractor shall develop and have in place a case workflow tracking system that meets the following requirements:

- a. The case workflow tracking system will be built and fully operational within 60 days of contract execution and shall have all case-related events and milestones entered into the system. The case workflow tracking system will manage workflow, routing and assignment of cases throughout the lifecycle of a case
- b. Contractor shall be primarily responsible for entering all collected information into the case workflow tracking system.
- c. The case workflow tracking system must accommodate and display sufficient detail to allow DIR/DWC staff to accurately assess the status of a case and to view and generate reports of the status of all cases at any given time. At minimum, it must contain dates and documents that include the following:
  1. receipt of applications;
  2. assignment of cases;
  3. requests for and receipt of supporting documentation;
  4. notices to parties;
  5. changes in case status;
  6. selection of reviewers;
  7. qualifications of reviewers;
  8. final determinations;
  9. reviews of cases remanded by the Workers Compensation Appeals Board (WCAB) with a different reviewer as required under Labor Code section 4603.6(g).
- d. The case workflow tracking system shall allow DIR/DWC staff to update cases with eligibility determinations and other DIR/DWC information as needed.
- e. DIR/DWC shall identify all naming conventions used in the system.
- f. The case workflow tracking system shall provide data regarding final determinations available to selected DIR staff in real time. The system shall also produce final determinations in a redacted form suitable for posting on the DIR/DWC website and searchable using terms to be specified by DIR.
- g. The Contractor will provide DIR/DWC staff access and other assistance, as necessary, to establish and maintain communications via the case workflow tracking system. DIR/DWC will identify computer hardware and terminals for



appropriate staff, as well as establishing and maintaining appropriately secure lines of transmission between the Contractor and DIR/DWC.

- h. The case workflow tracking system will allow bulk transmission of all data and documents to DIR/DWC.
- i. The case workflow tracking system will have the ability to accept bills submitted electronically (e-billing) in 837 or other formats, as required by DIR/DWC and allow DIR/DWC to view these bills.
- j. The Contractor will have the ability to translate the e-billing data into human-readable format for easy transmission to DIR/DWC and will provide the raw data upon request.
- k. The Contractor shall on a weekly basis provide a soft copy-sortable operational report(s) to DIR/DWC. The specific data elements which make up the reports shall be defined by DWC after training on the Contractor's case workflow tracking system is complete. At a minimum, these reports will include the following operational report types:
  - 1. Application Intake -- to include all IBR requests and their operational process status.
  - 2. In Flight Cases -- to include all cases in process.
  - 3. Workflow Reporting -- to include individual and system process queues.
  - 4. Eligibility Decision -- to include all cases in which eligibility has been determined.
  - 5. Rejection Decision -- to include all cases in which eligibility has been rejected.
  - 6. IBR Decision -- to include all cases in which IBR decisions have been made.

DIR/DWC reserves the right based on the Contractor's existing case workflow tracking system reporting capabilities to modify the above operational report type list as needed.

- l. The case workflow tracking system will be hosted by the Contractor but will have dir.ca.gov URL masking to ensure seamless DIR/DWC user experience. The case workflow tracking system must use navigation templates supplied by DIR. Navigation templates consist of HTML, CSS, and JavaScript libraries. Each web

page layout must work within the HTML framework defined by the DIR Web templates.

- m. The case workflow tracking system will work on the following browsers and versions:
  - 1. Latest versions of Chrome, Firefox, and Safari.
  - 2. Internet Explorer versions 11, 10, 9, 8, and 7\*.
  - 3. Android Browser 4.0 and above.
  - 4. Mobile Safari 5.0 and above.
- n. Page load time must be no more than 7 seconds. Load time may be adjusted for extraordinarily complex queries, reports, and downloads.
- o. The case workflow tracking system must meet ca.gov web accessibility standards which can be found at <http://webtools.ca.gov/web-content/web-accessibility/>.
- p. The case workflow tracking system will conform to all DIR security and privacy standards.
- q. Case workflow tracking system availability:
  - 1. At a minimum, the case workflow tracking system used by DIR/DWC staff to manage cases must be available from 7AM – 7PM PST Monday through Saturday and the IBR application system must be available 24 hours per day, 7 days per week.
  - 2. The Contractor will notify DIR/DWC of any planned outages at least 3 working days in advance. Planned outages will be excluded in the calculation of the minimum system availability, as illustrated in 3(v.) “Example case workflow tracking system availability calculation” below.
  - 3. The Contractor will report the case workflow tracking system availability to DIR on a monthly basis including:
    - i. Actual case workflow tracking system available time.
    - ii. Minimum case workflow tracking system available time (based on items 1 & 2 above (Case workflow tracking system system availability)).
    - iii. Case workflow tracking system availability percentage (Actual case workflow tracking system available time divided by Minimum case workflow tracking system available time).

- iv. If the case workflow tracking system availability percentage falls below 99% in two consecutive months or falls below 95% in a single month, the Contractor will present DIR with a remediation plan detailing steps it will take to improve case workflow tracking system availability.
- v. Example case workflow tracking system availability calculation:
  - a. There are 31 days in March 2020. If there was a two-hour planned outage on Saturday, March 21 (and three working days' notice given to DIR/DWC), the Minimum system available time would be calculated as follows:
  - b. Minimum system available time = (31 days x 24 hours/day x 60 minutes/hours) – 120 minutes planned outage = (31x24x60)-120= 44,520 minutes.
  - c. If there was an unplanned outage from 10:00 AM to 11:40 AM on March 5, the Actual system availability would be calculated as follows
  - d. Actual system available time = Minimum system available time – Unplanned outages = 44,520 minutes – 100 minutes = 44,420 minutes
  - e. If there was an unplanned outage from 10:00 AM to 11:40 AM on March 5, the system availability percentage would be calculated as follows: System availability percentage = Actual system available time / Minimum system available time = 44,420 / 44,520 = 99.78%
- r. Technical Support and Administration

The Contractor will provide technical support to DIR/DWC as follows:

- 1. Telephone support will be available from Monday through Friday on normal business days (Monday-Friday 8 a.m. - 5 p.m. PT, excluding California state holidays).
  - 2. Severity 1 (outage) issues will be handled 24 hours a day, seven days a week.
  - 3. If the case workflow tracking system does not include a DIR/DWC accessible user administration module, user administration requests (e.g. new users, user deactivation, password reset/unlock, etc.) will be completed within 1 business day from the user administration service and/or change request.
- s. Case workflow tracking system updates and changes:
    - 1. At least four weeks prior to implementation of case workflow tracking system changes, the Contractor will provide DIR/DWC with a list of major features, changes and improvements of the new release and a target implementation date

2. . At least two weeks prior to implementation of case workflow tracking system changes, the Contractor will notify DIR/DWC of any changes in technical support requirements for the modified system including URLs, IP addresses, supported browsers, etc.
3. All case workflow tracking system update and change communications to DIR/DWC will be in detailed non-technical terms which clearly identify the impact of said changes to the current case workflow tracking system and/or process workflows
4. The following process will be followed for additional functionality requested by DIR/DWC:
  - i. DIR/DWC requests change.
  - ii. The Contractor will estimate time for implementation and the effect of the implementation on other IBR workflow processes.
  - iii. DIR/DWC will decide whether to proceed with the change and inform the Contractor
  - iv. Upon agreement of the change, the Contractor will provide DIR/DWC with an estimated implementation date.

**Task 4: Present Deliverables from Task 1-3 to DIR For Feedback.**

Deliverable	Due Date
Presentation of finalized procedures and workflow manuals and case workflow tracking system	70 days after contract execution.

**TASK 5: User testing and training**

- a. The Contractor will provide “train-the-trainer” case workflow tracking system training in person or via webinar for DIR/DWC users.
- b. The Contractor will provide all necessary training materials.
- c. Case workflow tracking system enhancement training materials will be provided to the DIR/DWC at least two weeks in advance of any enhancements being released into production.

Deliverable	Due Date
Testing and Training of DIR Staff	Within 80 days after contract execution

**2. Task 6: Case Workflow Tracking System Fully Operational to Make Determinations on all Eligible Cases**

Deliverable	Due Date
Final approved and fully operational case workflow tracking system	On or before 12/31/2024

## **7. TASK 7: EXECUTION OF THE IBR PROCEDURES AS SPECIFIED**

### **1. Preliminary Review of Cases**

- a. The Contractor will receive applications for IBR, together with the filing fee directly from the Providers, either through an online submission procedure or via mail. The Contractor shall reject from filing all IBR requests that are not accompanied by either the filing fee or supporting documents and notify the Provider that the request was not filed and list the reason(s).
- b. Within 10 days of receipt of a complete application for IBR, the Contractor shall conduct a preliminary review of the application and supporting documents and shall notify DIR/DWC through the case work flow management system if it appears from the application that: (1) there is a dispute over eligibility for IBR; (2) the application was not timely filed; (3) the application is a duplicate submission; (4) a second bill review was not timely requested or completed; (5) the medical treatment for which the bill was submitted was not authorized; (6) the service or good billed is not covered under a fee schedule adopted by the DIR/DWC or contract for reimbursement under Labor Code section 5307.11; (7) the dispute involves the selection of an analogous procedure code or formula under a method not authorized by an adopted fee schedule; or (8) there may be another reason why the case currently may be ineligible for IBR.
- c. The Contractor shall also notify DIR/DWC within the 10-day period if the information submitted with the application is insufficient to begin the IBR process. If after DWC has performed the eligibility review and determined a case to be ineligible for IBR, DWC will notify the Contractor and the Contractor should in turn notify the applicant that the review is ineligible for IBR. With all other cases, the Contractor shall obtain additional information as provided in Section 3 below "Assignment of Cases for Independent Bill Review".
- d. Unless multiple requests are consolidated under section 8 C.C.R. section 9792.5.12, the following shall be treated as one IBR claim or request unless subject to consolidation below:
  - i. A claim involving medical treatment services by a single provider that involves one injured employee, one claims administrator, one procedure code under one fee schedule covering one range of effective dates, and one date of service; or
  - ii. A claim involving medical-legal services by a single provider that

involves one injured employee, one claims administrator, and one medical-legal evaluation including supplemental reports based on that same evaluation, if any.

- e. If an IBR is found ineligible by DWC, the Contractor shall reimburse the Provider at least 80% of the filing fee for a complete IBR review.
- f. As set forth in 8 C.C.R. section 9792.5.11, upon the Provider's withdrawal of an IBR request prior to the assignment of the request to a reviewer, the Contractor will reimburse the Provider at least 80% of the filing fee.
- g. The Contractor will have direct toll-free telephone access between 8:00 a.m. and 5:00 p.m. Pacific Time, Monday through Friday, and have the capability to receive and act upon information, if necessary, 24 hours per day, 7 days per week (including holidays) if notified by facsimile and/or electronic mail

## **2. Additional Information to Determine Eligibility**

- a. After preliminary review of a case, the Contractor shall be responsible for requesting any additional information needed to determine eligibility.
- b. Within one business day after either (1) the Contractor's preliminary review discloses no reason why the case is ineligible for IBR and the information submitted with the application appears sufficient to begin the IBR review process, or (2) the Contractor receives notification from DIR/DWC that the case appears to be eligible for IBR, whichever applies, the Contractor shall provide, under 8 C.C.R. section 9792.5.9(b), notification to the parties of the Claims Administrator's opportunity to dispute both eligibility of the IBR request and the Provider's reason for requesting IBR by submitting a statement with supporting documentation no later than 15 days from the date designated on the notice if notice is provided by mail or 12 days from the date designated on the notice if the notice is provided electronically. The notification shall also advise the parties of the Claims Administrator's obligation concurrently to serve on the Provider a copy of the statement and a list of all supporting documents submitted to the Contractor as well as copies of any of the supporting documents that had not previously been provided to the Provider.
- c. If the Claims Administrator submits a statement disputing eligibility but does not submit the necessary supporting documents, the Contractor shall re-notify the Claims Administrator the next business day that the Claims Administrator must submit the required documents within two business days. The Contractor shall promptly, but no later than 10 days after receipt of the statement and

documents submitted by the Claims Administrator, notify DIR/DWC through the case work flow management system if it appears the case may be ineligible for IBR. DIR/DWC shall review the case file and may investigate further and collect additional information to determine whether the case is eligible for IBR. DIR/DWC shall notify the Contractor of its determination through the case work flow management system. If DIR/DWC determines the case is eligible for IBR, DIR/DWC shall provide additional information collected for the purposes of determining eligibility and conducting IBR and instruct the Contractor to proceed with conducting IBR.

### **3. Assignment of Cases for Independent Bill Review**

- a. A case shall be deemed assigned for IBR when the Contractor's preliminary review of documents submitted by the Provider and subsequent review of documents, if any, submitted by the Claims Administrator disclose no reason why the case may be ineligible for IBR and the information submitted appears sufficient to begin the IBR process, or upon notification by DIR/DWC that the case is eligible for IBR.
- b. The Contractor may, under the standards set forth in 8 C.C.R. section 9792.5.12, consolidate up to twenty (20) individual requests subject to IBR for the purpose of having the disputes resolved in a single dispute.
- c. Within one business day after assignment, the Contractor shall notify the Provider and Claims Administrator that the case has been assigned for IBR in the manner set forth under 8 C.C.R. section 9792.5.9(f).
- d. The Contractor shall request any additional information from the Provider or Claims Administrator that the Contractor deems necessary to make a determination in the case in the manner set forth under 8 C.C.R. section 9792.5.10(b). The Contractor shall also request additional information from DIR/DWC as necessary. The Contractor shall include a notation of any such request and the information provided in response in its summary of the case.
- e. The Contractor shall review all information received from DIR/DWC, the Provider, and the Claims Administrator for legibility, completeness and relevance to the case before forwarding it to the selected reviewer. Within two business days of receipt, the Contractor shall contact the sender, by telephone, facsimile, or secure electronic messaging, regarding any illegible or incomplete information, in order to ensure a timely and effective review and determination.

- f. If the Provider or Claims Administrator fails to provide requested information or documentation within the specified time period, the Contractor shall, after consultation with and approval of DIR/DWC, conduct IBR based on available information.
- g. The Contractor and the reviewers selected to review the case shall be in compliance with Labor Code section 139.5 and any other conflicts of interest requirements in this Agreement. If in the course of conducting IBR, it is determined that the bill reviewer assigned to the dispute has a prohibited interest as described in in Labor Code section 139.5(c)(2), the Contractor shall reassign the matter to a different bill reviewer. The Contractor shall immediately notify DIR/DWC, the Provider, and claims administrator of the reassignment.

#### **4. Timeframe for Completing Reviews**

IBR shall be completed and a determination issued to the Provider and Claims Administrator within sixty (60) days after assignment as described in paragraph 3(a).

#### **5. Case Information and Changes in Case Status**

- a. The case workflow tracking system shall track the receipt, acceptance, assignment, and current status of applications and cases accepted for IBR. Direct access shall be provided to designated DIR/DWC staff to enable DIR/DWC to review the status of any case but not make any changes to the system.
- b. The Contractor may also provide Providers and Claims Administrators with access to information about their own cases, provided that such access ensures the confidentiality of medical records, personal information, the identity of IBR reviewers, and any other information required to be kept confidential by law or this agreement.
- c. Data and Monitoring: The Contractor shall continually provide all data acquired in the course of performance of the contract to DIR/DWC in a format that optimizes utility and cost for the following functions:
  - i. Provide the determination for the parties.
  - ii. Provide a de-identified version of the determination for public disclosure.
  - iii. Enable complete workflow monitoring and individual case tracking from



the date of receipt of an IBR application through the date of mailing of the final determination and through additional review.

- d. The Contractor shall generate when requested any reports, charts and graphs to show any trends as requested by DIR.
- e. The Contractor shall promptly enter in the case workflow tracking system any changes in case status. In addition, the Contractor shall promptly notify the interested parties, including but not limited to the, Provider and Claims Administrator, in writing or in any other manner that provides actual and expeditious notice, when IBR has been terminated because the Provider has withdrawn the application, the Claims Administrator has paid the amount in dispute, or a settlement between the parties or other change in circumstances has eliminated need for IBR.
- f. If IBR is terminated, the Contractor shall cease its review and shall not provide any analyses or substantive determinations to the parties. The Contractor may charge a partial fee for an IBR that was initiated but not completed.

## **6. Number and Type of Reviewers**

- a. The Contractor shall select reviewers who: (1) have a college or higher degree and (2) are health care claims professionals with (a) either a minimum of five (5) years health claims processing experience with an insurer, provider, governmental entity, or medical review organization, or at least ten (10) years medical claim auditing experience; and (b) a thorough understanding of health claims payment practices, health insurance contracts, and judicial or alternative dispute resolution practices and procedures. The Contractor shall include reviewers proficient in CPT, ICD9 or 10, HCPCS, and DSM-I-V coding, Medicare Correct Coding Initiatives, and the application of medical protocols in claims processing, including but not limited to multiple surgeries and bundling rules.
- b. The Contractor shall select a Chief Coding reviewer (the last reviewer in the process - FDL preparation process) with the following qualifications: (1) is at a RHIT level or higher; (2) has both inpatient/outpatient and office-based coding experience; (3) is able to competently use NDC calculators and NCCI edits; and (4) has familiarity with California workers' compensation guidelines and fee schedules.
- c. The Contractor shall submit a list of its reviewers to the DWC Project Manager within 70 days of contract execution. The list of reviewers shall include the

name and a resume or summary of qualifications.

## **7. Content of Reviews**

- a. The Contractor will ensure that reviewers promptly review all pertinent medical records and other appropriate information relevant to a case, including but not limited to the following:
  - i. Copies of the original billing itemization and any supporting documents that were furnished with the original billing.
  - ii. The explanation of review.
  - iii. The request for second review and any supporting documentation submitted with the request.
  - iv. The final explanation of the second review.
  - v. A fee schedule established by the Administrative Director or a negotiated medical fee schedule established pursuant to Labor Code section 5307.11, in effect on the date of service, whichever is applicable.
- b. The Contractor shall ensure that the determinations and analyses are performed under the guidelines set forth at 8 C.C.R. section 9792.5.13, and are conducted professionally, thoroughly and in a timely manner.

## **8. Distribution of Completed Reviews**

- a. Within the deadline specified in section 4 "Timeliness for Completing Reviews" above, the Contractor shall complete the IBR, enter its determination and upload supporting documents into the case workflow management system, and issue a written determination, along with the information specified in paragraph (b) below, to the Provider, the Claims Administrator, and the Administrative Director. The determination shall include a statement that it constitutes the final determination of the DIR/DWC's Administrative Director, is binding on all parties, and is not subject to further appeal except as specified in Labor Code section 4603.6(f).
- b. With the final determination, the Contractor shall include the determination and supporting analysis of each reviewer who participated in the IBR. If the determination finds that the Claims Administrator owes the Provider all or any part of the payment in dispute, the determination shall state that the Claims Administrator is required to reimburse the Provider for the IBR application fee,

in addition to the amount found owing.

## **9. Payment of Fees**

- a. As required by 8 C.C.R. section 9792.5.7(d), the Contractor shall collect the filing fee from the Provider requesting IBR at the time the IBR application is submitted. Additional fees may be collected if a request by the Provider for a consolidated review is disaggregated under 8 C.C.R. section 9792.5.12(e). For any IBR request that must be disaggregated, the same fee shall be charged for each additional IBR request as charged for one IBR request.
- b. The Contractor shall reimburse the Provider requesting IBR for an ineligible application, as set forth in 8 C.C.R. section 9792.5.9(e)(1), or for an application that is withdrawn, as set forth in 8 C.C.R. section 9792.5.11 and indicated in section 1 (e) above. Reimbursement by Contractor shall be made within 30 days of either the issuance of the determination on eligibility or notification of the Provider's notification of withdrawal of the IBR request.

## **10. Appeal and Review of Remanded Cases**

- a. Upon notice that an IBR determination has been appealed to the Workers' Compensation Appeals Board (WCAB) pursuant to Labor Code section 4603.6(f), the Contractor shall make its case record for the IBR available for transmittal by DIR/DWC to the WCAB. For purposes of this paragraph, the case record shall consist of the request for IBR, all documents submitted to or considered by the Contractor for the IBR, all correspondence between the Contractor and the Parties, and the final determination and accompanying documents specified in paragraph 8(b) above.
- b. Upon notice that an IBR determination has been reversed and remanded to DIR/DWC for another IBR, the Contractor shall, as required by Labor Code section 4603.6(g), assign the case for IBR by a different reviewer who had no involvement in the first IBR and no connection to a reviewer who participated in the first IBR. The new reviewer shall be provided with the case record from the first IBR but not the final determination, supporting analysis, or description of the qualifications of any reviewer who participated in the first IBR. Unless the order of the WCAB or reviewing court specifies otherwise, the record provided to the new reviewer shall be deemed complete, subject to the Contractor's authority to request additional information as specified in paragraph 3(d) above. The Contractor shall complete the new review and

issue a new final determination in accordance with the requirements of Section 8 above within sixty (60) days of receipt of notification from the DIR/DWC that the case has been remanded. The Contractor may not charge an additional fee for an IBR involving a case where the Contractor's previous IBR determination was reversed and remanded, unless the reversal was based on grounds other than the Contractor's error or negligence.

## **11. Confidentiality of Records and Information**

- a. All data acquired in the course of performance of the contract is the property of the DIR/DWC and shall not be used by the Contractor without permission of DIR/DWC for any purpose other than the performance of this contract. "Data acquired in the course of performance of the contract" does not include the substantive content of fee schedules or billing rules adopted by DWC, or submitted provisions of contracts for reimbursement under Labor Code section 5307.11, used in the course of reviews.
- b. The Contractor shall ensure that any physical or electronic transfer and storage of medical records and confidential information is protected against unauthorized disclosure as required by federal and state law. Information about the diagnosis, treatment, health, and personal identifying information of any injured employee shall be made available to reviewers and other personnel only to the extent necessary to ensure performance under the Agreement. The Contractor will maintain electronic case files, including all records, correspondence, reference materials, and documents pertaining to the review for at least five years, or for three years after final payment under the Agreement, whichever is later.
- c. Records and information provided to, obtained by, or prepared by the Contractor in connection with any IBR performed under this Agreement are DIR/DWC records and may not be retained or used by contractor for any purpose not specified in this Agreement. The Contractor must refer all requests for data and other case information to DIR/DWC and must not independently give out data without DIR/DWC's express agreement. Upon termination of this Agreement for any reason or upon DIR's demand at any other time, the Contractor shall promptly and without delay forward all records and information for any IBR in progress or for any completed IBR to DIR or to such other person or entity as DIR may designate.
- d. No unauthorized persons shall have access to any materials furnished by

DIR/DWC to the Contractor.

- e. All financial, statistical, personal, technical, and other data and information relating to DIR's or DIR/DWC's operations which are designated confidential by DIR or DIR/DWC and made available to the Contractor in order to carry out this Agreement, or which becomes available to the Contractor in carrying out this Agreement, shall be protected by the Contractor from unauthorized use and disclosure. The methods and procedures employed by Contractor for the security of DIR's or DWC's data and information may not be changed unless DIR has given its prior approval in writing. No information obtained by the Contractor, its staff, its contractors or subcontractors under this Agreement, or from their performance hereunder, shall be used for marketing, solicitation, or other commercial purposes. Any disclosure or use of information developed, received, or maintained under this Agreement that is not directly related to the review, quality assurance, or accreditation activities of the Contractor's or DIR/DWC's IBR process, requires written consent of DIR/DWC.
- f. The Contractor shall not be required under the provisions of this section to keep confidential any data or information that is or becomes publicly available, is already rightfully in the Contractor's possession, is rightfully obtained from third parties, or is independently developed by the Contractor outside the scope of this Agreement.

## **12. Quality Assurance**

- a. The Contractor will be required to have in place and to follow the quality assurance mechanism that at minimum meets the specifications set forth in Labor Code Section 139.5(d)(3).
- b. The Contractor and DIR/DWC will confer as necessary to review any complaints received about a particular review or to discuss issues relating to the overall IBR system. The Contractor will respond:
  - i. Within 5 days after receiving a request from DIR/DWC concerning a case reviewed during the preceding 30 days; or
  - ii. Within 15 days after receiving a request concerning other matters, including any systemic issues or problems relating to performance under this Agreement or pursuant to DIR/DWC's general oversight of the IBR system.
- c. Within 10 days of each month-end, the Contractor shall prepare a summary report of the reviews completed during the previous month and shall submit

the report to DIR/DWC to enable DIR/DWC to monitor the quality of the IBR program.

- d. The Contractor and DWC shall confer as necessary on measures to ensure consistent and effective implementation of the IBR system, including but not limited to instructions provided to reviewers and identification of designated points of contact.
- e. The Contractor shall confer with and assist DIR/DWC in identifying important decisions that could be used as a learning tool for reviewers, DIR/DWC staff, providers, and claims administrators.
- f. Following at least one week's advance notice, DIR/DWC may conduct an on-site quality assurance review of the Contractor's office procedures and record systems, as may be deemed necessary by DIR/DWC.
- g. DIR/DWC may conduct random audits of cases to ensure that reviewers meet required professional qualifications, relevant documents and records are requested, written analyses and determinations are complete and supported by the available documents and other records, appropriate decisions are made, and applicable deadlines are met. DIR/DWC may require the Contractor to revise policies and procedures as needed to correct to any pattern of deficiencies in these areas and may direct the Contractor to discontinue use of any reviewer whose decisions are determined to have been inappropriate.

### **13. Liability**

- f. Pursuant to Labor Code section 139.5(b) the Contractor and its medical professionals retained to conduct reviews shall be deemed to be consultants for purposes of this section. As such, there shall be no monetary liability on the part of, and no cause of action shall arise against any consultant on account of any communication by that consultant to the administrative director or any other officer, employee, agent, contractor, or consultant of the DWC, or on account of any communication by that consultant to any person when that communication is required by the terms of a contract with the administrative director pursuant to this section and the consultant does all of the following:

Acts without malice.

- i. Makes a reasonable effort to determine the facts of the matter communicated.
- ii. Acts with a reasonable belief that the communication is warranted by the facts actually known to the consultant after a reasonable effort to determine the facts.

The immunities afforded by Labor Code section 139.5(b) shall not affect the availability of any other privilege or immunity which may be afforded by law. Nothing in this section shall be construed to alter the laws regarding the confidentiality of medical records.

#### **14. Customer Service**

- a. The Contractor shall be responsible for providing a toll-free, 1-800 telephone number as well as facsimile and email access to all interested parties. The Contractor shall be responsible for documenting all complaints and reporting such complaints to DIR. The Contractor shall report all complaints to the State within one business day of receipt and provide a summary of all complaints received within a month in the Contractor's Monthly Report to DIR.
- b. In addressing other inquiries from a party to an ongoing or completed review, the Contractor shall limit its response to the current status of the party's case and information on how to contact DIR/DWC to address any other questions or concerns. The Contractor shall not provide any advice, legal or otherwise, to interested parties. Any inquiries from a party which are not directly related to the current status of a case shall be directed to DIR/DWC.

#### **15. Timeliness**

- a. The Contractor shall be required to maintain a 95 percent timeliness rate in the completion of IBRs. The timeliness rate of 95 percent shall be calculated monthly based upon the percentage of open cases that have not been completed within the required timeframes for which an extension has not been granted by DIR/DWC.
- b. If upon review of monthly timeliness data, the Contractor's performance falls below 95 percent, a payment to the state Workers' Compensation Administration Revolving Fund (WCARF) shall apply, as follows:
  - A monthly timeliness below 90 percent shall result in payment of 10 percent of all fees charged in the subject month.
  - A monthly timeliness below 95 percent in each month in a three-month period shall result in payment of 10 percent of all fees charged in the third month of the three-month period.
  - A monthly timeliness below 80 percent shall result in payment of 20 percent of all fees charged in the subject month.
  - A monthly timeliness below 70 percent shall result in payment of 30 percent of all fees charged in the subject month.
- c. Notwithstanding the foregoing, no payment to WCARF shall apply in any subject month wherein the Contractor receives an increased volume of IBR applications of 35 percent or greater than the previous month's volume. DIR/DWC shall notify the Contractor in writing of any WCARF payment owed for the Contractor's untimely performance. The Contractor shall make the required payment within thirty (30) days of receipt of notice of the payment

owed. These payments are not intended to be a penalty and are in addition to any other legal rights or remedies the State has for unsatisfactory performance of this Agreement.

## **16. Case Workflow Tracking System Availability Requirements**

- a. If the case workflow tracking system availability percentage falls below 99% in two consecutive months, the Contractor shall make a payment in the amount of 20 percent of all fees charged to employers and claims administrators in the most recent affected month and in any subsequent month that system availability continues to be below 99%.
- b. If the system availability percentage falls below 95% in any month, the Contractor shall make a payment in the amount of 20 percent of all fees charged to employers and claims administrators in that month.
- c. DWC shall notify the Contractor in writing of any payment due under this section. The Contractor shall make the required payment within thirty days (30) of receipt of the notice. These payments are not intended as a penalty, and they are in addition to any other rights or remedies the State has for unsatisfactory performance under the contract.

## **17. Fraud and Quality of Care Reporting**

- a. In conducting reviews, the Contractor and its reviewers shall be responsible for reporting any occurrences of suspected fraud or issues with quality or care. The Contractor shall report such occurrences and issues to DIR/DWC when they are identified and shall summarize these occurrences and issues in the Contractor's Monthly Report provided to DWC.
- b. Except as otherwise provided, the Contractor, its staff, and its reviewers shall submit to DIR/DWC annually, on or before the first of each year, any change to any of the following:
  - i. The names of all the stockholders and owners of more than 5 percent of any stock or options; the Contractor's staff and its reviewers cannot own more than 5 percent of the Contractor's stock or options.
  - ii. The names of all holders of bonds or notes in excess of one hundred thousand dollars (\$100,000).
  - iii. The names of all corporations and organizations that the Contractor controls or is affiliated with, and the nature and extent of any ownership or control, including the affiliated organization's type of business.
  - iv. The names and biographical sketches of all directors, officers, and



executives of the Contractor, as well as a statement regarding any past or present relationships the directors, officers and executives may have with any employer, workers' compensation insurer, claims administrator, medical provider network, managed care organization, provider group, or board or committee of an employer, workers' compensation insurer, claims administrator, medical provider network, managed care organization, or provider group.

- v. The percentage of revenue the Contractor receives from expert reviews, including, but not limited to, external medical reviews, quality assurance reviews, utilization reviews, and bill reviews.
- vi. The names of any workers' compensation insurer, claims administrator, or provider group for which the Contractor provides review services, including, but not limited to, utilization review, bill review, quality assurance review, and external medical review. Any change in this information shall be reported to DIR/DWC within five business days of the change.
- vii. A description of the review process including, but not limited to, the method of selecting expert reviewers.
- viii. A description of how the Contractor ensures compliance with the conflict-of-interest provisions of Labor Code section 139.5.

## **18. Required Annual Disclosures**

- a. On an annual basis, all officers, directors, and management employees of the Contractor, as well as all of the Contractor's designated reviewers, shall complete the FPPC Form 700, Statement of Economic Interests. The Contractor's Medical Director and the IBR supervisor for all bill reviewers will be Category 1 filers, and all others will be Category 5 filers under DIR's Conflict of Interest Code. Reports are due upon the start of work under this Agreement, annually (due no later than April 1), and upon termination of work.

## **19. Criminal background checks**

- a. The Contractor shall conduct a criminal background check on every current or prospective employee who may be assigned to work under this Agreement and shall re-check assigned employees at least every two years. The Contractor shall exclude any person with a federal or state conviction in the previous seven (7) years for a crime of dishonesty, fraud, theft or act of violence, or who has been arrested and is out on bail on his or her own recognizance pending trial for a crime of dishonesty, fraud, theft or act of violence.

## **20. Prohibited Conflicts of Interest**

- a. The Contractor shall not be an affiliate or a subsidiary of, nor in any way be owned or controlled by, a workers' compensation insurer, claims administrator, or a trade association of workers' compensation insurers or claims administrators. A board member, director, officer, or employee of the Contractor shall not serve as a board member, director, or employee of a workers' compensation insurer or claims administrator. A board member, director, or officer of a workers' compensation insurer or claims administrator or a trade association of workers' compensation insurers or claims administrators shall not serve as a board member, director, officer, or employee of the Contractor.
- b. Neither the Contractor nor its designated reviewers shall have any material professional, material familial, or material financial affiliation with any of the following:
  - i. As to the Contractor: The employer, workers' compensation insurer or claims administrator, or a medical provider network of the insurer or claims administrator, except that an academic medical center under contract to the insurer or claims administrator to provide services to employees may qualify as the contractor provided it did not provide the service that is the subject of the fee dispute and provided the center is not the developer or manufacturer of the treatment that is the subject of the fee dispute.
  - ii. As to Contractor's designated reviewers: On each assigned request for independent bill review, the employer, workers' compensation insurer or claims administrator, or a medical provider network of the employer, insurer, or claims administrator.
  - iii. As to both the Contractor and its designated reviews:
    - Any officer, director, or management employee of the employer or workers' compensation insurer or claims administrator.
    - The physician, the physician's medical group, or the independent practice association (IPA) proposing the treatment.
    - The institution at which the treatment would be provided.
    - The development or manufacture of the treatment proposed for the employee whose condition is under review.
    - The injured employee or the injured employee's immediate family.

- c. For the purpose of this contract:
  - iv. "Material familial affiliation" means any relationship as a spouse, child, parent, sibling, spouse's parent, or child's spouse.
  - v. "Material financial affiliation" means any financial interest of more than 5 percent of total annual revenue or total annual income of an independent review organization, any officer, director, or management employee of the independent review organization, or any reviewer performing independent bill reviews on behalf of the independent review organization.
  - vi. "Material financial affiliation" does not include payment by the employer to the independent review organization for the services required by the administrative director's contract with the independent review organization, nor does "material financial affiliation" include an expert's participation as a contracting medical provider where the expert is affiliated with an academic medical center or a National Cancer Institute-designated clinical cancer research center.
  - vii. "Material professional affiliation" means any physician-patient relationship, any partnership or employment relationship, a shareholder or similar ownership interest in a professional corporation, or any independent contractor arrangement that constitutes a material financial affiliation with any expert or any officer or director of the independent review organization. "Material professional affiliation" does not include affiliations that are limited to staff privileges at a health facility.
  - viii. The Contractor must have information and procedures to readily determine whether its ownership, management, employees, professional staff and reviewers have any prohibited affiliations in a particular case that would disqualify the Contractor or a reviewer from performing a review.

## **21. Payment**

- a. Because state budgeting restrictions prevent DIR from processing and submitting payments for reviews to the Contractor, Providers must submit payment in advance to the Contractor. Direct payment is not intended to constitute a material affiliation between the Contractor and Provider. DIR shall adopt regulatory penalties to deter late payments.
- b. Invoicing and payment shall be based on the fees proposed by the Contractor and agreed to by DIR. DIR and Contractor may agree to reduce or lower the fees for 2026 based on the volume of cases in 2025. Contractor may charge reasonable interest to compensate for late payments.

## **22. Proposed Schedule/Monthly Reports**

- a. **Report to DWC Management:** The Contractor shall provide monthly written reports to the DWC Contract Manager or their designee(s) beginning February 5, 2025, for the previous month, until completion of the contract. The reports shall contain information on the progress made on completing tasks or making modifications, relevant findings to date, and problems encountered by the Contractor to date, by task. Contractor shall also provide additional reports as requested by DIR.

## **23. OTHER ITEMS**

### **a. Travel Expenses**

The Contractor shall bear all travel expenses related to the performance of work by the staff required in this RFP, including any travel charges, unless otherwise indicated in the RFP (i.e. the per hour charge offered by the Contractor shall include all contractor expenses).

### **b. Monitoring of Contract Performance**

1. The Administrative Director of DWC, or his designee(s) are designated as the Departmental Project Coordinator(s). These individuals will have overall responsibility for monitoring and evaluating the performance of the Contractor.
2. The Departmental Project Coordinator(s) will review all reports for technical quality and compliance with the contract terms. At the discretion of the DIR, specifications for revisions will be set forth by the Departmental Project Coordinator(s) in writing and are binding on the Contractor insofar as the specifications do not exceed the scope of the work required in the contract. The Contractor must revise and deliver to the Departmental Project Coordinators within fifteen (15) working days any product deemed unacceptable by the Departmental Project Coordinator(s).
3. Any product submitted and found unacceptable by the Departmental Project Coordinator(s) will be rejected and, at the discretion of DIR: (1) the cost of revising the product to make it acceptable to the Departmental Project Coordinators will be absorbed by the Contractor; (2) the cost of work not satisfactorily performed will be withheld; or (3) the contract will be canceled for nonperformance. A total of 10 percent of the total contract amount will be withheld, pending submission and acceptance of the final report.
4. All reports should be suitable for public disclosure. There should be no individually identifiable information in the results of the reports.

**ATTACHMENT 1  
TECHINICAL PROPOSAL**

**(TO BE INSERTED UPON CONTRACT AWARD)**

**EXHIBIT B**  
**BUDGET DETAIL AND PAYMENT PROVISIONS**

**A. Invoicing and Payment**

Contractor shall submit invoices directly to Claims Administrators. Contractor shall not submit invoices to the State. Contractor shall obtain payment from the provider or claims administrator as appropriate for each individual case.

**B. Budget Contingency Clause**

1. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
2. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

**C. Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

**D. Travel & Per Diem**

There shall be no reimbursement for travel or per diem.

**EXHIBIT B, ATTACHMENT 1 – CONTRACTOR COST SHEET  
(TO BE INSERTED UPON CONTRACT AWARD)**

Attachment 10 will be inserted here.

**EXHIBIT C**  
**GENERAL TERMS AND CONDITIONS**

PLEASE NOTE: This page will not be included with the final contract. The General Terms and Conditions will be included in the contract by reference to Internet site

<https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>



## **EXHIBIT D SPECIAL TERMS AND CONDITIONS**

### **A. Excise Tax**

The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California, local sales, or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

### **B. Settlement of Disputes**

1. In the event of a dispute, Contractor shall file a "Notice of Dispute" with DIR within ten (10) days of discovery of the problem. Within ten (10) days, DIR shall meet with the Contractor and Project Manager for purposes of resolving the dispute.
2. Any dispute concerning a question of fact arising under the terms of this Agreement which is not disposed of within a reasonable period of time by Contractor and State employees normally responsible for the administration of this Agreement shall be brought to the attention of the DIR Director or designated representative of each organization for resolution. The decision of the DIR Director or designated representative shall be final.
3. In the event of a dispute, the language contained within this Agreement shall prevail over any other language.
4. The existence of a dispute not fully resolved shall not delay Contractor to continue with the responsibilities under this Agreement which is not affected by the dispute.

### **C. Potential Subcontractors**

Nothing contained in this Agreement or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

### **D. Stop Work Order**

State reserves the right to issue an order to stop work in the event that a dispute should arise, or in the event that State gives Contractor a notice that the Agreement will be terminated. The stop work order will be in effect until the dispute has been resolved or the Agreement has been terminated.

## **E. Termination**

1. In addition to the rights under Exhibit C of the Standard Agreement, State reserves the right to terminate this Agreement in whole or in part at its sole discretion at any time upon thirty (30) days prior written notice to Contractor.
2. After receipt of a Notice of Termination, and except as directed by the State, the Contractor shall immediately stop work, regardless of any delay in determining or adjusting any amounts due under this clause.
3. In the case of early termination, Contractor must submit one (1) original and one (1) copy of a final invoice within 30 calendar days upon date of written notice. The final invoice shall cover all unpaid services to termination date, following the invoice requirements of this Agreement. Final invoice shall be submitted to the address listed on Exhibit B, Budget Detail and Payment Provisions. A copy and description of any data collected up to termination date shall also be provided to State.
4. Upon receipt of the final invoice, progress report, and data, a final payment will be made to Contractor. This payment shall be for all State-approved costs that in the opinion of State are justified, and shall include labor, and materials purchased or utilized (including all non-cancellable commitments) to termination date at the rates set forth in the contract.

## **F. Amendments**

1. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties, and approved as required. No oral understanding or agreement not incorporated in this Agreement is binding on any of the parties.
2. DIR reserves the right to amend this Agreement through a formal written amendment, signed by the parties, for additional time and/or funding.

## **G. Insurance Requirements**

1. Commercial General Liability

Contractor must furnish to the State a certificate of insurance to remain in effect at all times during the term of this Agreement. Contractor shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined with a \$2,000,000 annual policy aggregate. The policy must include coverage for liabilities arising out of premises operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Contractor's limit of liability. The policy must include:

**Department of Industrial Relations, State of California, its officers, agents, and employees are included as additional insured, but only with respect to work performed under this Agreement.**

This endorsement must be supplied under a form acceptable to the Office of Risk and Insurance Management.

In the case of Contractor's utilization of subcontractors to complete the contracted scope of work, Contractors shall include all subcontractors as insured under Contractor's insurance or supply evidence of insurance to the State equal to policies, coverage and limits required of Contractor.

2. Automobile Liability

Contractor must furnish to the State a certificate of insurance to remain in effect at all times during the term of this Agreement. Contractor shall maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. The policy must include:

**Department of Industrial Relations, State of California, its officers, agents, and employees are included as additional insured, but only with respect to work performed under this Agreement.**

3. Workers' Compensation and Employers' Liability

Contractor must furnish to the State a certificate of insurance to remain in effect at all times during the term of this Agreement. Contractor shall maintain statutory workers' compensation and employers' liability for all its employees who will be engaged in the performance of the Agreement. Employers' liability limits of \$1,000,000 are required. The policy must include:

**When work is performed on State owned or controlled property the Workers' Compensation policy shall contain a waiver of subrogation in favor of the State. The waiver of subrogation endorsement shall be provided.**

4. General Provisions Applying to all Policies

- a. Coverage Term: Coverage needs to be in force for the complete term of the Agreement. If insurance expires during the term of the Agreement, a new certificate must be received by the State at least ten (10) days prior to the expiration of this insurance. Any new insurance must still comply with the original terms of the Agreement. The Contractor agrees to provide a new certificate of insurance via email to:

Department of Industrial Relations  
[procurement@dir.ca.gov](mailto:procurement@dir.ca.gov)  
Subject Line: S23DWC036 – Insurance Certificate

- b. Policy Cancellation or Termination and Notice of Non-Renewal: Contractor shall provide to the State within five (5) business days following receipt by Contractor a copy of any cancellation or non-renewal of insurance required by this Agreement. In the event Contractor fails to keep in effect at all times the specified insurance coverage, the

State may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event, subject to the provisions of this Agreement.

- c. **Deductible:** Contractor is responsible for any deductible or self-insured retention contained within their insurance program.
- d. **Primary Clause:** Any required insurance contained in the Agreement shall be primary, and not excess or contributory to any other insurance carried by the State.
- e. **Insurance Carrier Required Rating:** All insurance companies must carry a rating acceptable to the Office of Risk and Insurance Management. If the Contractor is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.
- f. **Endorsements:** Any required endorsement must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
- g. **Inadequate Insurance:** Inadequate or lack of insurance does not negate the Contractor's obligations under the Agreement.

#### **H. Preference Program**

1. Contractor understands and agrees that should award of this contract be based in part on their commitment to use a Disabled Veteran Business Enterprise (DVBE) subcontractor(s) identified in their bid or offer, per Military and Veterans Code section 999.5, subdivision (e), a DVBE subcontractor may only be replaced by another DVBE subcontractor and must be approved by the Department of General Services (DGS). Changes to the scope of work that impact the DVBE subcontractor(s) identified in the bid or offer and approved DVBE substitutions will be documented by contract amendment.
2. Failure of Contractor to seek substitution and adhere to the DVBE participation level identified in the bid or offer may be cause for contract termination, recovery of damages under rights and remedies due to the State, and penalties as outlined in Military and Veterans Code section 999.9, or Public Contract Code sections 10115.10 or 4110 (applies to public works only).
3. If for this agreement Contractor made a commitment to achieve DVBE participation, upon completion of the awarded contract, the Contractor must certify to the awarding department all of the following:

- a. The total amount the contractor received under the contract.
- b. The name and address of the DVBE that participated in the performance of the contract and the contract number
- c. The amount and percentage of work the Contractor committed to provide to one or more DVBE under the requirements of the contract and the amount each DVBE received from the Contractor.
- d. That all payments under the contract have been made to the DVBE(s). Upon request by the awarding department, the Contractor shall provide proof of payment for the work.

Form 810 P shall be used for Contractor's certification. Form 810 P is located at the following internet site:

[http://www.documents.dgs.ca.gov/dgs/fmc/gs/pd/pd\\_810P.pdf](http://www.documents.dgs.ca.gov/dgs/fmc/gs/pd/pd_810P.pdf)

A person or entity that knowingly provides false information will be subject to a civil penalty for each violation. (Mil. & Vet. Code, § 999.5, subd. (d).)

4. Withhold: Ten thousand dollars (\$10,000) will be withheld from the final payment, or the full final payment if less than ten thousand dollars (\$10,000), until the Contractor complies with the certification requirements of subdivision (d) of Mil. & Vet. Code Section 999.5. Contractor shall be given 30 days' notice to cure the defect. If, after 30 calendar days from the date of notice, the prime contractor refuses to comply with the certification requirements, DGS shall permanently deduct ten thousand dollars (\$10,000) from the final payment, or the full payment if less than ten thousand dollars (\$10,000).

## **I. Force Majeure**

Except for defaults of subcontractors, neither DIR nor the Contractor must be liable for or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting from acts beyond the control of the offending party. This includes acts of God, enemy or hostile governmental action, civil commotion, strikes, government orders, national or state declared pandemics, lockouts, labor disputes, nuclear accident, freight embargo, fire, flood, earthquakes or other physical natural disaster, or governmental statutes or regulations superimposed after the fact. If either party intends to invoke this clause to excuse or delay performance, the party invoking the clause must provide written notice to the other party immediately but no later than fifteen (15) calendar days of when the force majeure even occurs and reasons that the force majeure event is preventing that party from or delaying that party in performing its obligations under this contract. DIR may terminate this Agreement immediately in writing without penalty in the event the Contractor invokes this clause.

If the Agreement is not terminated by DIR pursuant to this clause, upon completion of the event of force majeure, the Contractor must as soon as reasonably practicable recommence the performance of its obligations under this Agreement. The Contractor must also provide a revised schedule to minimize the effects of the delay caused by the event of force majeure. An event of force majeure does not relieve a party from liability for an obligation which arose before the occurrence of that event.

If a delay or failure in performance by the Contractor arises out of a default of its subcontractor, and if such default of its subcontractor, arises out of causes beyond the

control of both the Contractor and subcontractor pursuant to this force majeure clause, and without the fault or negligence of either of them, the Contractor shall not be liable for damages of such delay or failure, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule.

#### **J. Health and Safety**

Contractors are required to, at their own expense, comply with all applicable health and safety laws and regulations. Upon notice, Contractors are also required to comply with the state agency's specific health and safety requirements and policies. Contractors agree to include in any subcontract related to performance of this Agreement, a requirement that the subcontractor comply with all applicable health and safety laws and regulations, and upon notice, the state agency's specific health and safety requirements and policies.

#### **K. DVBE Audit**

Contractor agrees that the State or its delegate will have the right to review, obtain, and copy all records pertaining to Contractor's compliance with the Disabled Veteran Business Enterprise (DVBE) requirements as contained in Public Contract Code sections 10115 et. seq. Contractor agrees to provide State or its delegate with any relevant information requested and shall permit State or its delegate access to its premises, upon reasonable notice, during normal business hours for the purposes of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with the DVBE requirements. Contractor further agrees to maintain such records for a period of three (3) years after final payment under this Agreement.

#### **L. Executive Order N-6-22 – Russia Sanctions**

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. By submitting a bid or proposal, Contractor represents that it is not a target of Economic Sanctions. Should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for rejection of the Contractor's bid/proposal any time prior to contract execution, or, if determined after contract execution, shall be grounds for termination by the State.

**M. Order of Precedence:** In the event of any inconsistency between the articles, attachments, specifications or provisions which constitute this Contract, the following order of precedence shall apply:

1. Exhibit C – General Terms and Conditions (04/2017)
2. State of California – Department of General Services Standard Agreement STD 213 (rev. 04/2020) and any amendments thereto;
3. Exhibit D – Special Terms and Conditions;

4. Exhibit A – Statement of Work, including any specifications incorporated by reference herein; and
5. All other attachments incorporated into the Contract as listed on the STD 213.

## **N. GEN AI TECHNOLOGY USE & REPORTING**

During the term of the contract, Contractor must notify the State in writing if their services or any work under this contract includes, or makes available, any previously unreported GenAI technology, including GenAI from third parties or subcontractors. Contractor shall immediately complete the GenAI Reporting and Factsheet (STD 1000) to notify the State of any new or previously unreported GenAI technology. At the direction of the State, Contractor shall discontinue the use of any new or previously undisclosed GenAI technology that materially impacts functionality, risk or contract performance, until use of such GenAI technology has been approved by the State.

Failure to disclose GenAI use to the State and submit the GenAI Reporting and Factsheet (STD 1000) may be considered a breach of the contract by the State at its sole discretion and the State may consider such failure to disclose GenAI and/or failure to submit the GenAI Reporting and Factsheet (STD 1000) as grounds for the immediate termination of the contract. The State is entitled to seek any and all relief it may be entitled to as a result of such non-disclosure.

The State reserves the right to amend the contract, without additional cost, to incorporate GenAI Special Provisions into the contract at its sole discretion and/or terminate any contract that presents an unacceptable level of risk to the State.

## **EXHIBIT E ADDITIONAL PROVISIONS**

### **A. Confidentiality and Security of DIR Information**

DIR must ensure agreements and contracts with state and non-state entities include provisions, which protect and minimize risk to the State when engaging in the development, use, or maintenance of information systems, products, solutions, or services. In order to comply with the State Administrative Manual (SAM) Section 5305.8, Contractor must comply with Exhibit F, Statement and Acknowledgment Regarding Confidentiality and Security of DIR Information; Acknowledgment.

### **B. Evaluation of the Contractor**

Pursuant to Public Contract Code (PCC) Sections 10367 and 10369, the Contractor providing consultant services of \$5,000 or more shall be advised in writing that the performance will be evaluated. The evaluation shall be prepared on a Contract/Contractor Evaluation Sheet (STD. 4), within sixty (60) days after completion of the Agreement and maintained in the Agreement file. Any negative evaluations will be sent to the Department of General Services, Office of Legal Services (DGS/OSL) and a copy sent to the Contractor within fifteen (15) days. The Contractor shall have thirty (30) days to prepare a statement defending his or her performance under the Agreement and to send it to DIR and DGS/OLS.

### **C. Web Content Accessibility Guidelines**

Contractor must ensure that all products and services submitted, uploaded, or otherwise provided by the Contractor and/or its subcontractors under this Contract, including but not limited to data, software, plans, drawings, specifications, reports, operating manuals, notes, and other written or graphic work prepared in the course of performance of this Contract (collectively, the "Work"), comply with Web Content Accessibility Guidelines 2.0, levels A and AA, and otherwise meet the accessibility requirements set forth in California Government Code Sections 7405 and 11135, Section 202 of the federal Americans with Disabilities Act (42 U.S.C. § 12132), and Section 508 of the federal Rehabilitation Act (29 U.S.C. § 794d) and the regulations promulgated thereunder (36 C.F.R. Parts 1193 and 1194) (collectively, the "Accessibility Requirements"). For any Work provided in PDF format, Contractor shall also provide an electronic version in the original electronic format (for example, Microsoft Word or Adobe InDesign).

DIR may request documentation from the Contractor of compliance with the Accessibility Requirements and may perform testing to verify compliance. Contractor must bring into compliance, at no cost to DIR, any Work by Contractor or its subcontractors not meeting the Accessibility Requirements. If Contractor fails to bring its or its subcontractors' Work into compliance with the Accessibility Requirements within five (5) business days of written notice from DIR, or within the time frame specified by DIR in its notice, Contractor will be responsible for all costs incurred by DIR in bringing Contractor's or its subcontractors' Work into compliance with the Accessibility Requirements. Contractor agrees to respond to and resolve any complaint brought to its attention regarding accessibility of deliverables provided under this Contract for a period of one year following delivery of the final deliverable under this Contract.

Deviations from the Accessibility Requirements are permitted only by written consent by DIR.



**EXHIBIT F**  
**STATEMENT REGARDING**  
**CONFIDENTIALITY AND SECURITY OF DIR INFORMATION<sup>7</sup>:**

1. Definition, General Confidentiality and Security

As required by the Information Practices Act, codified at Civil Code Section 1798 *et seq.*, and the State Administrative Manual, chapter 5300 and standards issued thereunder, the Department of Industrial Relations ("DIR") designates the following as the universe of information that shall be protected in a confidential and secure manner by [Name of Vendor] (hereinafter, "Contractor") in the course of performing the services authorized under contract number \_\_\_\_\_: all data and information collected, used and maintained by DIR that must be accessed, received or used by Contractor in order to perform authorized services (referred to in this exhibit as "DIR Confidential Information"). Examples of DIR Confidential Information that Contractor will have access to, and must use include, but are not limited to: Given names, Social Security Numbers, home addresses, phone numbers, medical records, dates of birth. Only those individuals who are employees, agents or subcontractors of Contractor with a need to access or use DIR Confidential Information in order to perform their job responsibilities ("Authorized Users") shall be permitted such access or use. Contractor shall protect all DIR Confidential Information from unauthorized use, disclosure and access through the observance of the same or more stringent procedural and technological data security requirements as those required by applicable federal law, and state law and policy. Contractor shall never consider DIR Confidential Information "publicly available." Also, Contractor shall maintain and retain as confidential all work product and all work performed under this contract, recommendations or reports made to DIR, and all discussions between Contractor and DIR staff, including communications, whether oral, written or electronic.

2. License

DIR is the owner of DIR Confidential Information. DIR hereby grants to Contractor a limited, non-exclusive, nontransferable, revocable license to use DIR Confidential Information for the purposes set forth in the Contract until termination, suspension or expiration of the Contract. Contractor shall not access, use or attempt to use, nor shall it enable or authorize any agent, subcontractor or third party to access or use, any DIR Confidential Information in any manner or for any purpose not authorized under the Contract. The foregoing license does not effect a waiver of either any common law or statutory privilege, or any exemption from disclosure under the California Public Records Act (Gov. Code, § 6250 *et seq.*). DIR reserves all such privileges and exemptions.

3. Authorized Access and Use, Acknowledgments of Confidentiality

Prior to commencing work pursuant to the Contract, each Authorized User shall be provided a copy of this exhibit, "Confidentiality and Security of DIR Information," and date and sign the DIR Acknowledgment of Confidentiality attached hereto. Contractor shall provide DIR with the

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<sup>7</sup> The title of this section and the subsections herein are for organizational and referential purposes only. Other language addressing the Parties' obligations related to those discussed here may be found elsewhere in the Contract.

original signed acknowledgments, retaining a copy of such acknowledgments for its own records.

4. Audit

DIR reserves the right to audit Contractor, upon written notice provided no less than ten (10) business days before the audit is to be conducted, to ensure Contractor's compliance with the requirements set forth in this exhibit. Such audit may be conducted by DIR, or by a third party hired and authorized by DIR to conduct such audit.

5. Disclosures

No reports, information, discoveries or data obtained, assembled or developed by Contractor in its performance of the Contract, including any DIR Confidential Information, may be released, published, orally disclosed, or made available to any individual or entity without prior written approval from DIR. In the event Contractor receives a written or oral request under California's Public Records Act (codified at Government Code Section 6250 *et seq.*) for inspection or copies of records, documents, information or data constituting, containing, or related to DIR Confidential Information (herein, "PRA Request"), Contractor shall notify DIR of the PRA Request by close of business, Pacific time, the day it receives the request. Contractor's PRA Request notification to DIR shall provide in writing the name and contact information of the requestor, and the nature of the request. In addition, Contractor shall provide a copy of the PRA Request if it was made in writing. Contractor shall cooperate fully with DIR in responding to the PRA Request, and shall not disclose in any manner any of the information, records or data requested without explicit written instructions from DIR. Contractor shall maintain a log of all such authorized disclosures made in response to a PRA Request, and shall provide a copy of such log to DIR upon DIR's written request, or upon the suspension, expiration or termination of the Contract. DIR reserves all exemptions from disclosure available under the PRA.

6. Demands and Orders

If served with a subpoena, court order, or other written demand issued upon or by the authority of a court, or law enforcement or regulatory agency for DIR Confidential Information, or any records or data pertaining to its performance of the Contract, Contractor shall provide a copy of the demand to DIR no later than the close of business, Pacific time, on the day Contractor receives the demand. Contractor shall cooperate fully with DIR in responding to such demand. Prior to Contractor responding to such demand, DIR shall have the right to oppose the demand, or participate in any resolution, mediation or adjudication of a dispute regarding the demand at DIR's own expense.

7. Breach Notification; Costs

Contractor shall immediately notify DIR when it discovers that there has been, or there reasonably may have been a breach in security that has or may have resulted in unauthorized access to, tampering with, loss or theft of DIR Confidential Information. For purposes of this clause, immediately means within two (2) hours of discovery. DIR's contacts for such notification are as follows:

Benjamin Bonte, Chief Information Technology Officer

Department of Industrial Relations  
1515 Clay Street, Ste. 403  
Oakland, CA 94612  
Phone: 510.286.0945

Tim Ung, Information Security Officer  
Department of Industrial Relations  
1515 Clay Street, Ste. 403  
Oakland, CA 94612  
Phone: 510.286.1260

Contractor shall cooperate fully with DIR in its response to such breach, including DIR's reporting mandated by California's Statewide Information Management Manual and DIR's investigation of the incident. As soon as possible after the breach, Contractor shall provide a written description of the breach that includes the date of the incident; incident location; general description of the incident and the names of individuals at Contractor who can provide specific details about the incident; the media or device (if applicable) on which the breached DIR Confidential Information was maintained and whether such device was encrypted; and whether the DIR Confidential Information affected by the breach contains personal information. For purposes of this section, "personal information," shall have the same meaning as the definition under California's Information Practices Act, Civil Code Section 1798.3, i.e., "personal information means any information that is maintained by an agency that identifies or describes an individual, including but not limited to, his or her name, social security number, physical description, home address, home telephone number, education, financial matters, and medical or employment history. It includes statements made by, or attributed to, the individual."

Contractor shall be responsible for all costs and fees associated with DIR's fulfillment of its obligations under state law and policy in the event of a known or reasonably suspected breach, including costs related to notification of affected individuals. Contractor shall indemnify and hold harmless the State in the event of any third party claims or lawsuits arising from such breach.

8. Disposition of DIR Confidential Information

Upon the expiration, termination or suspension of the Contract (whether such termination or suspension is for breach, alleged breach, dispute, or convenience), Contractor shall at DIR's election return to DIR, transfer to another vendor, or provide written, signed certification of destruction of all DIR Confidential Information. DIR shall have sole authority to elect whether Contractor must transfer, return, or destroy and certify the destruction of all DIR Confidential Information. DIR shall provide written notice to Contractor of its election for the disposition of DIR Confidential Information prior to or no later than ten (10) business days after the effective date of the expiration, termination or suspension of the Contract. Contractor agrees that it shall not copy, destroy or move any DIR Confidential Information without written authorization from DIR.

9. Transmission and Storage Security

Contractor shall store DIR Confidential Information in a place physically secure from access by unauthorized persons. DIR Confidential Information must be stored and processed in such a way that protects it from being retrieved by unauthorized persons by computer, remote terminal or other means. Contractor shall secure and maintain any computer systems (servers,

hardware and software) that will be used in the performance of this contract by efforts including, but not limited to, ensuring that all security patches, upgrades, and anti-virus updates are applied appropriately to secure data that may be used, transmitted, or stored on any electronic or digital systems used in the performance of the Contract. Contractor shall be responsible for all costs associated with such security and maintenance efforts.

Contractor shall encrypt all DIR Confidential Information and related data that is stored on portable electronic media (including but not limited to, CDs and thumb drives) and on portable computing devices (including but not limited to laptop computers and PDAs) using cryptographic modules validated by the National Institutes of Standards and Technology ("NIST") to Federal Information Processing Standards 140 – 2 Level 1. For all symmetric cryptography, Contractor shall use cryptographic algorithms and key sizes that are currently NIST-validated: AES with a minimum key size of 128 bits, and/or 3TDEA with a key size of 168 bits. For all public key cryptography, Contractor shall use a minimum key size of 2048 bits. Contractor shall not transmit DIR Confidential Information or related data via email or other Internet transport protocol over a public network unless the foregoing is secured using NIST-validated cryptographic modules, cryptographic algorithms, and key sizes as specified herein. Contractor shall not use SSL 2.0 or SSL 3.0, but shall employ TLS 1.1 or better.

Contractor shall save and store DIR Confidential Information and any related data on a secure server to which only Authorized Users have access.

**EXHIBIT G**  
**ACKNOWLEDGMENT OF CONFIDENTIALITY**

By agreement with the Department of Industrial Relations, \_\_\_\_\_ ("Contractor") will be authorized to access and use data and information collected and maintained by the Department of Industrial Relations ("DIR") so that Contractor may perform services for DIR. Such data and information is designated DIR Confidential Information in the Statement of Confidentiality and Security of DIR Information signed by Contractor, and, as set forth therein, is protected from unauthorized use and disclosure. Only those individuals who are employees, subcontractors or agents of Contractor with a need to access or use DIR Confidential Information in order to perform their job responsibilities ("Contractor Authorized Users") shall be permitted to access or use DIR Confidential Information.

You must read and sign this Acknowledgment of Confidentiality because Contractor has identified you as an Authorized User. If you violate the obligations regarding DIR Confidential Information set forth herein, you may face civil or criminal action. (Civ. Code, §§ 1798.56-57.)

I, \_\_\_\_\_, am an employee/subcontractor/agent of Contractor. I hereby acknowledge that DIR Confidential Information is subject to strict confidentiality requirements imposed by state policy and law, including, but not limited to, the California Information Practices Act which is codified at Civil Code section 1798 et seq.

\_\_\_\_\_ I acknowledge that I have reviewed the Statement Regarding Confidentiality and Security of DIR Information that governs access, use, storage and transfer of DIR Confidential Information; that I understand the provisions regarding confidentiality set forth therein; and that I will promptly contact my manager with any questions I have regarding the proper access, use, modification and or transfer of DIR Confidential Information;

\_\_\_\_\_ I acknowledge that wrongful access, use, modification, or disclosure of DIR Confidential Information may be punishable by civil and/or criminal action against me;

\_\_\_\_\_ I acknowledge that wrongful access, inspection, use or disclosure of DIR Confidential Information for personal gain, curiosity, or any non-business related reason is a violation of State of California policy and law; and

\_\_\_\_\_ I agree to protect DIR Confidential Information, whatever the format (electronic or paper) by:

- Accessing or using DIR Confidential Information only as necessary for the performance of the specific work I am assigned under the Agreement;
- Never accessing DIR Confidential Information for curiosity or personal reasons;
- Never showing or discussing DIR Confidential Information with anyone who does not have the authority and business need to see or discuss it;
- Maintaining DIR Confidential Information only in approved locations;
- Never removing DIR Confidential Information from the work site without explicit authorization, and without following confidentiality and security protocols; and
- Following encryption requirements for transferring or storing DIR Confidential Information, including storage or transfer in portable devices or media.

By: \_\_\_\_\_ Date: \_\_\_\_\_

**ATTACHMENT 3  
PROPOSER REFERENCES FORM**

Submission of this form is *mandatory*. Failure to complete and return this attachment with your proposal may cause your proposal to be rejected and deemed non-responsive. By furnishing the references, the Proposer authorizes the State to contact the named company, person or entity to confirm the Proposer meets the minimum qualifications set forth in the RFP. More than three (3) references may be submitted if necessary to demonstrate that the Proposer meets the minimum qualifications.

**REFERENCE 1**

Name of Firm:			
Street Address	City	State	Zip Code
Contact Person:		Telephone Number:	
Dates of Service:		Value or Cost of Service:	
Detailed Description of Service Provided			

**REFERENCE 2**

Name of Firm:			
Street Address	City	State	Zip Code
Contact Person:		Telephone Number:	
Dates of Service:		Value or Cost of Service:	
Detailed Description of Service Provided			

**REFERENCE 3**

Name of Firm:			
Street Address	City	State	Zip Code
Contact Person:		Telephone Number:	
Dates of Service:		Value or Cost of Service:	
Detailed Description of Service Provided			

## ATTACHMENT 4 PAYEE DATA RECORD

[Print Form](#)
[Reset Form](#)

STATE OF CALIFORNIA – DEPARTMENT OF FINANCE

**PAYEE DATA RECORD**

(Required when receiving payment from the State of California in lieu of IRS W-9 or W-7)

STD 204 (Rev. 03/2021)

### Section 1 – Payee Information

**NAME** (This is required. Do not leave this line blank. Must match the payee's federal tax return)**BUSINESS NAME, DBA NAME or DISREGARDED SINGLE MEMBER LLC NAME** (If different from above)**MAILING ADDRESS** (number, street, apt. or suite no.) (See instructions on Page 2)**CITY, STATE, ZIP CODE****E-MAIL ADDRESS**

### Section 2 – Entity Type

**Check one (1) box only that matches the entity type of the Payee listed in Section 1 above.** (See instructions on page 2)☐ **SOLE PROPRIETOR / INDIVIDUAL**☐ **SINGLE MEMBER LLC** *Disregarded Entity owned by an individual*☐ **PARTNERSHIP**☐ **ESTATE OR TRUST**☐ **CORPORATION** (see instructions on page 2)☐ **MEDICAL** (e.g., dentistry, chiropractic, etc.)☐ **LEGAL** (e.g., attorney services)☐ **EXEMPT** (e.g., nonprofit)☐ **ALL OTHERS**

### Section 3 – Tax Identification Number

Enter your Tax Identification Number (TIN) in the appropriate box. The TIN must match the name given in Section 1 of this form. Do not provide more than one (1) TIN. The TIN is a 9-digit number. **Note:** Payment will not be processed without a TIN.

- For **Individuals**, enter SSN.
- If you are a **Resident Alien**, and you do not have and are not eligible to get an SSN, enter your ITIN.
- Grantor Trusts (such as a Revocable Living Trust while the grantors are alive) may not have a separate FEIN. Those trusts must enter the individual grantor's SSN.
- For **Sole Proprietor or Single Member LLC (disregarded entity)**, in which the sole member is an individual, enter SSN (ITIN if applicable) or FEIN (FTB prefers SSN).
- For **Single Member LLC (disregarded entity)**, in which the sole member is a business entity, enter the owner entity's FEIN. Do not use the disregarded entity's FEIN.
- For all other entities including LLC that is taxed as a corporation or partnership, estates/trusts (with FEINs), enter the entity's FEIN.

**Social Security Number (SSN) or Individual Tax Identification Number (ITIN)**

\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

**OR****Federal Employer Identification Number (FEIN)**

\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

### Section 4 – Payee Residency Status (See instructions)

- ☐ **CALIFORNIA RESIDENT** – Qualified to do business in California or maintains a permanent place of business in California.
- ☐ **CALIFORNIA NONRESIDENT** – Payments to nonresidents for services may be subject to state income tax withholding.
- ☐ No services performed in California
- ☐ Copy of Franchise Tax Board waiver of state withholding is attached.

### Section 5 – Certification

*I hereby certify under penalty of perjury that the information provided on this document is true and correct. Should my residency status change, I will promptly notify the state agency below.*

**NAME OF AUTHORIZED PAYEE REPRESENTATIVE****TITLE****E-MAIL ADDRESS****SIGNATURE****DATE****TELEPHONE** (include area code)

### Section 6 – Paying State Agency

**Please return completed form to:****STATE AGENCY/DEPARTMENT OFFICE****UNIT/SECTION****MAILING ADDRESS****FAX****TELEPHONE** (include area code)**CITY****STATE****ZIP CODE****E-MAIL ADDRESS**

## STATE OF CALIFORNIA – DEPARTMENT OF FINANCE

**PAYEE DATA RECORD**

(Required when receiving payment from the State of California in lieu of IRS W-9 or W-7)

STD 204 (Rev. 03/2021)

**GENERAL INSTRUCTIONS**

Type or print the information on the Payee Data Record, STD 204 form. Sign, date, and return to the state agency/department office address shown in Section 6. Prompt return of this fully completed form will prevent delays when processing payments.

Information provided in this form will be used by California state agencies/departments to prepare Information Returns (Form 1099).

**NOTE:** Completion of this form is optional for Government entities, i.e. federal, state, local, and special districts.

A completed Payee Data Record, STD 204 form, is required for all payees (non-governmental entities or individuals) entering into a transaction that may lead to a payment from the state. Each state agency requires a completed, signed, and dated STD 204 on file; therefore, it is possible for you to receive this form from multiple state agencies with which you do business.

Payees who do not wish to complete the STD 204 may elect not to do business with the state. If the payee does not complete the STD 204 and the required payee data is not otherwise provided, payment may be reduced for federal and state backup withholding. Amounts reported on Information Returns (Form 1099) are in accordance with the Internal Revenue Code (IRC) and the California Revenue and Taxation Code (R&TC).

**Section 1 – Payee Information**

**Name** – Enter the name that appears on the payee's federal tax return. The name provided shall be the tax liable party and is subject to IRS TIN matching (when applicable).

- Sole Proprietor/Individual/Revocable Trusts – enter the name shown on your federal tax return.
- Single Member Limited Liability Companies (LLCs) that is disregarded as an entity separate from its owner for federal tax purposes – enter the name of the individual or business entity that is tax liable for the business in section 1. Enter the DBA, LLC name, trade, or fictitious name under Business Name.
- Note: for the State of California tax purposes, a Single Member LLC is not disregarded from its owner, even if they may be disregarded at the Federal level.
- Partnerships, Estates/Trusts, or Corporations – enter the entity name as shown on the entity's federal tax return. The name provided in Section 1 must match to the TIN provided in section 3. Enter any DBA, trade, or fictitious business names under Business Name.

**Business Name** – Enter the business name, DBA name, trade or fictitious name, or disregarded LLC name.

**Mailing Address** – The mailing address is the address where the payee will receive information returns. Use form STD 205, Payee Data Record Supplement to provide a remittance address if different from the mailing address for information returns, or make subsequent changes to the remittance address.

**Section 2 – Entity Type**

If the Payee in Section 1 is a(n)...	THEN Select the Box for...
Individual • Sole Proprietorship • Grantor (Revocable Living) Trust disregarded for federal tax purposes	Sole Proprietor/Individual
Limited Liability Company (LLC) owned by an individual and is disregarded for federal tax purposes	Single Member LLC-owned by an individual
Partnerships • Limited Liability Partnerships (LLP) • and, LLC treated as a Partnership	Partnerships
Estate • Trust (other than disregarded Grantor Trust)	Estate or Trust
Corporation that is medical in nature (e.g., medical and healthcare services, physician care, nursery care, dentistry, etc.) • LLC that is to be taxed like a Corporation and is medical in nature	Corporation-Medical
Corporation that is legal in nature (e.g., services of attorneys, arbitrators, notary publics involving legal or law related matters, etc.) • LLC that is to be taxed like a Corporation and is legal in nature	Corporation-Legal
Corporation that qualifies for an Exempt status, including 501(c) 3 and domestic non-profit corporations.	Corporation-Exempt
Corporation that does not meet the qualifications of any of the other corporation types listed above • LLC that is to be taxed as a Corporation and does not meet any of the other corporation types listed above	Corporation-All Other

**Section 3 – Tax Identification Number**

The State of California requires that all parties entering into business transactions that may lead to payment(s) from the state provide their Taxpayer Identification Number (TIN). The TIN is required by R&TC sections 18646 and 18661 to facilitate tax compliance enforcement activities and preparation of Form 1099 and other information returns as required by the IRC section 6109(a) and R&TC section 18662 and its regulations.

**Section 4 – Payee Residency Status****Are you a California resident or nonresident?**

- A corporation will be defined as a "resident" if it has a permanent place of business in California or is qualified through the Secretary of State to do business in California.
- A partnership is considered a resident partnership if it has a permanent place of business in California.
- An estate is a resident if the decedent was a California resident at time of death.
- A trust is a resident if at least one trustee is a California resident.
  - o For individuals and sole proprietors, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose and any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose that will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident.

For information on Nonresident Withholding, contact the Franchise Tax Board at the numbers listed below:

Withholding Services and Compliance Section: 1-888-792-4900

E-mail address: [wscs.gen@ftb.ca.gov](mailto:wscs.gen@ftb.ca.gov)

For hearing impaired with TDD, call: 1-800-822-6268

Website: [www.ftb.ca.gov](http://www.ftb.ca.gov)

**Section 5 – Certification**

Provide the name, title, email address, signature, and telephone number of individual completing this form and date completed. In the event that a SSN or ITIN is provided, the individual identified as the tax liable party must certify the form. Note: the signee may differ from the tax liable party in this situation if the signee can provide a power of attorney documented for the individual.

**Section 6 – Paying State Agency**

This section must be completed by the state agency/department requesting the STD 204.

**Privacy Statement**

Section 7(b) of the Privacy Act of 1974 (Public Law 93-579) requires that any federal, state, or local governmental agency, which requests an individual to disclose their social security account number, shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it. It is mandatory to furnish the information requested. Federal law requires that payment for which the requested information is not provided is subject to federal backup withholding and state law imposes noncompliance penalties of up to \$20,000. You have the right to access records containing your personal information, such as your SSN. To exercise that right, please contact the business services unit or the accounts payable unit of the state agency(ies) with which you transact that business.

All questions should be referred to the requesting state agency listed on the bottom front of this form.



**ATTACHMENT 5  
CONTRACTOR CERTIFICATION CLAUSES**

**CCC 04/2017**

**CERTIFICATION**

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

**CONTRACTOR CERTIFICATION CLAUSES**

1. **STATEMENT OF COMPLIANCE**: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS**: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that Contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at [www.dir.ca.gov](http://www.dir.ca.gov), and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.3.

8. GENDER IDENTITY: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.35.

## **DOING BUSINESS WITH THE STATE OF CALIFORNIA**

The following laws apply to persons or entities doing business with the State of California.

1. **CONFLICT OF INTEREST**: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. **LABOR CODE/WORKERS' COMPENSATION**: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. **AMERICANS WITH DISABILITIES ACT**: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. **CONTRACTOR NAME CHANGE**: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

**ATTACHMENT 6  
CALIFORNIA CIVIL RIGHTS LAWS CERTIFICATION**

Pursuant to Public Contract Code section 2010, if a bidder or proposer executes or renews a contract over \$100,000 on or after January 1, 2017, the bidder or proposer hereby certifies compliance with the following:

1. **CALIFORNIA CIVIL RIGHTS LAWS:** For contracts over \$100,000 executed or renewed after January 1, 2017, the contractor certifies compliance with the Unruh Civil Rights Act (Section 51 of the Civil Code) and the Fair Employment and Housing Act (Section 12960 of the Government Code); and
2. **EMPLOYER DISCRIMINATORY POLICIES:** For contracts over \$100,000 executed or renewed after January 1, 2017, if a Contractor has an internal policy against a sovereign nation or peoples recognized by the United States government, the Contractor certifies that such policies are not used in violation of the Unruh Civil Rights Act (Section 51 of the Civil Code) or the Fair Employment and Housing Act (Section 12960 of the Government Code).

**CERTIFICATION**

I, the official named below, certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct. <i>Proposer/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County and State of</i>	

**ATTACHMENT 7  
DARFUR CONTRACTING ACT CERTIFICATION**

Public Contract Code Sections 10475 -10481 applies to any company that currently or within the previous three years has had business activities or other operations outside of the United States. For such a company to bid on or submit a proposal for a State of California contract, the company must certify that it is either a) not a scrutinized company; or b) a scrutinized company that has been granted permission by the Department of General Services to submit a proposal.

If your company has not, within the previous three years, had any business activities or other operations outside of the United States, you do **not** need to complete this form. Please check Option #1.

☐ **OPTION #1 - The Bidder is not subject to the Darfur Contracting Act.**

☐ **OPTION #2 - CERTIFICATION**

If your company, within the previous three years, has had business activities or other operations outside of the United States, in order to be eligible to submit a bid or proposal, please insert your company name and Federal ID Number and complete the certification below.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that a) the prospective proposer/bidder named below is **not** a scrutinized company per Public Contract Code 10476; and b) I am duly authorized to legally bind the prospective proposer/bidder named below. This certification is made under the laws of the State of California.

☐ **OPTION #3 – WRITTEN PERMISSION FROM DGS**

Pursuant to Public Contract Code section 10477(b), the Director of the Department of General Services may permit a scrutinized company, on a case-by-case basis, to bid on or submit a proposal for a contract with a state agency for goods or services, if it is in the best interests of the state. If you are a scrutinized company that has obtained written permission from the DGS to submit a bid or proposal, complete the information below.

We are a scrutinized company as defined in Public Contract Code section 10476, but we have received written permission from the Department of General Services to submit a bid or proposal pursuant to Public Contract Code section 10477(b). A copy of the written permission from DGS is included with our bid or proposal.

<i>Company/Vendor Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County and State of</i>	

**ATTACHMENT 8  
BIDDER DECLARATION**

State of California—Department of General Services, Procurement Division  
GSPD-05-105 (REV 03/15)

Solicitation Number \_\_\_\_\_

**BIDDER DECLARATION**

1. Prime bidder information (Review attached Bidder Declaration Instructions prior to completion of this form):
- a. Identify current California certification(s) (MB, SB, NVSA, DVBE): \_\_\_\_\_ or None \_\_\_\_ (If "None," go to Item #2)
  - b. If you are a California certified DVBE, percentage of DVBE participation and/or incentive claimed? \_\_\_\_%
  - c. Will subcontractors be used for this contract? Yes \_\_\_\_ No \_\_\_\_ (If yes, indicate the distinct element of work your firm will perform in this contract e.g., list the proposed products produced by your firm, state if your firm owns the transportation vehicles that will deliver the products to the State, identify which solicited services your firm will perform, etc.). Use additional sheets, as necessary.
- 
- d. If you are a California certified DVBE:
- (1) Are you a broker or agent? Yes \_\_\_\_ No \_\_\_\_
  - (2) If the contract includes equipment rental, does your company own at least 51% of the equipment provided in this contract (quantity and value)? Yes \_\_\_\_ No \_\_\_\_ N/A \_\_\_\_

2. If no subcontractors will be used, skip to certification below. Otherwise, list all subcontractors for this contract. (Attach additional pages if necessary):

Subcontractor Name, Contact Person, Phone Number & Fax Number	Subcontractor Address & Email Address	CA Certification (MB, SB, NVSA, DVBE or None)	Work performed or goods provided for this contract	Corresponding % of bid price	Good Standing?	51% Rental?

**CERTIFICATION:** By signing the bid response, I certify under penalty of perjury that the information provided is true and correct.

**ATTACHMENT 8  
BIDDER DECLARATION**

State of California—Department of General Services, Procurement Division  
GSPD-05-105 (REV 08/09)

**BIDDER DECLARATION Instructions**

**All prime bidders (the firm submitting the bid) must complete the Bidder Declaration.**

**1.a.** Identify all current certifications issued by the State of California. If the prime bidder has no California certification(s), check the line labeled "None" and proceed to Item #2. If the prime bidder possesses one or more of the following certifications, enter the applicable certification(s) on the line:

- Micro business (MB)
- Small Business (SB)
- Nonprofit Veteran Service Agency (NVSA)
- Disabled Veteran Business Enterprise (DVBE)

**1.b.** Mark either "Yes" or "No" to identify whether subcontractors will be used for the contract. If the response is "No", proceed to Item #1.c. If "Yes", enter on the line the distinct element of work contained in the contract to be performed or the goods to be provided by the prime bidder. Do not include goods or services to be provided by subcontractors.

Bidders certified as MB, SB, NVSA, and/or DVBE must provide a commercially useful function as defined in Military and Veterans Code Section 999 for DVBEs and Government Code Section 14837(d)(4)(A) for small/micro businesses.

Bids must propose that certified bidders provide a commercially useful function for the resulting contract or the bid will be deemed non-responsive and rejected by the State. For questions regarding the solicitation, contact the procurement official identified in the solicitation.

**Note: A subcontractor is any person, firm, corporation, or organization contracting to perform part of the prime's contract.**

**1.c.** This item is only to be completed by the businesses certified by California as a DVBE.

(1) Declare whether the prime bidder is a broker or agent by marking either "Yes" or "No." The Military and Veterans Code Section 999.2(b) defines "broker" or "agent" as a certified DVBE Contractor or subcontractor that does not have title, possession, control, and risk of loss of materials, supplies, services, or equipment provided to an awarding department, unless one or more of the disabled veteran owners has at least 51-percent ownership of the quantity and value of the materials, supplies, services, and of each piece of equipment provided under the contract.

(2) If bidding rental equipment, mark either "Yes" or "No" to identify if the prime bidder owns at least 51% of the equipment provided (quantity and value). If **not** bidding rental equipment, mark "N/A" for "not applicable."

**2.** If no subcontractors are proposed, do not complete the table. Read the certification at the bottom of the form and complete "Page \_\_\_\_ of \_\_\_\_" on the form.

If subcontractors will be used, complete the table listing all subcontractors. If necessary, attach additional pages and complete the "Page \_\_\_\_ of \_\_\_\_" accordingly.

**2. (continued) Column Labels**

**Subcontractor Name, Contact Person, Phone Number & Fax Number**—List each element for all subcontractors.

**Subcontractor Address & Email Address**—Enter the address and if available, an Email address.

**CA Certification (MB, SB, NVSA, DVBE or None)**—If the subcontractor possesses a current State of California certification(s), verify on the OSDC website ([www.eprocure.pd.dgs.ca.gov](http://www.eprocure.pd.dgs.ca.gov)).

**Work performed or goods provided for this contract**—Identify the distinct element of work contained in the contract to be performed or the goods to be provided by each subcontractor. Certified subcontractors must provide a commercially useful function for the contract. (See paragraph 1.b above for code citations regarding the definition of commercially useful function.) If a certified subcontractor is further subcontracting a greater portion of the work or goods provided for the resulting contract than would be expected by normal industry practices, attach a separate sheet of paper explaining the situation.

**Corresponding % of bid price**—Enter the corresponding percentage of the total bid price for the goods and/or services to be provided by each subcontractor. Do not enter a dollar amount.

**Good Standing?**—Provide a response for each subcontractor listed. Enter either "Yes" or "No" to indicate that the prime bidder has verified that the subcontractor(s) is in good standing for all of the following:

- Possesses valid license(s) for any license(s) or permits required by the solicitation or by law
- If a corporation, the company is qualified to do business in California and designated by the State of California Secretary of State to be in good standing.
- Possesses valid State of California certification(s) if claiming MB, SB, NVSA, and/or DVBE status

**51% Rental?**—This pertains to the applicability of rental equipment. Based on the following parameters, enter either "N/A" (not applicable), "Yes" or "No" for each subcontractor listed.

Enter "N/A" if the:

- Subcontractor is NOT a DVBE (regardless of whether or not rental equipment is provided by the subcontractor) or
- Subcontractor is NOT providing rental equipment (regardless of whether or not subcontractor is a DVBE)

Enter "**Yes**" if the subcontractor is a California certified DVBE providing rental equipment and the subcontractor owns at least 51% of the rental equipment (quantity and value) it will be providing for the contract.

Enter "**No**" if the subcontractor is a California certified DVBE providing rental equipment but the subcontractor does NOT own at least 51% of the rental equipment (quantity and value) it will be providing.

**Read the certification at the bottom of the page and complete the "Page \_\_\_\_ of \_\_\_\_" accordingly.**



## ATTACHMENT 9

### CALIFORNIA DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) BID INCENTIVE INSTRUCTIONS (01/31/17)

**Please read the instructions carefully before you begin.**

**AUTHORITY.** The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for State contracts is established in Public Contract Code (PCC), §10115 et seq., Military and Veterans Code (MVC), §999 et seq., and California Code of Regulations (CCR), Title 2, §1896.60 et seq. **Recent legislation has modified the program significantly in that a bidder may no longer demonstrate compliance with program requirements by performing a “good faith effort” (GFE).**

**This solicitation does not include a minimum DVBE participation percentage or goal.**

**DVBE BID INCENTIVE.** A DVBE incentive will be given to bidders who provide DVBE participation. For evaluation purposes only, the State shall apply a DVBE Bid incentive to bids that propose California certified DVBE participation as identified on the Bidder Declaration, GSPD-05-105, (located elsewhere within the solicitation document) and confirmed by the State. The DVBE incentive amount for awards based on low price will vary in conjunction with the percentage of DVBE participation. Unless a table that replaces the one below has been expressly established elsewhere within the solicitation, the following percentages will apply for awards based on low price.

Confirmed DVBE Participation of:	DVBE Incentive:
5% or Over	5%
4% to 4.99% inclusive	4%
3% to 3.99% inclusive	3%
2% to 2.99% inclusive	2%
1% to 1.99% inclusive	1%

As applicable: (1) Awards based on low price - the net bid price of responsive bids will be reduced (for evaluation purposes only) by the amount of DVBE incentive as applied to the lowest responsive net bid price. If the #1 ranked responsive, responsible bid is a California certified small business, the only bidders eligible for the incentive will be California certified small businesses. The incentive adjustment for awards based on low price cannot exceed 5% or \$100,000, whichever is less, of the #1 ranked net bid price. When used in combination with a preference adjustment, the cumulative adjustment amount cannot exceed \$100,000.

(2) Awards based on highest score - the solicitation shall include an individual requirement that identifies incentive points for DVBE participation.

**INTRODUCTION.** Bidders must document DVBE participation commitment by completing and submitting a Bidder Declaration, GSPD-05-105, (located elsewhere within the solicitation document). Bids or proposals (hereafter called “bids”) that **fail to submit the required form to confirm the level of DVBE participation will not be eligible to receive the DVBE incentive.**

Information submitted by the intended awardee to claim the DVBE incentive(s) will be verified by the State. If evidence of an alleged violation is found during the verification process, the State shall initiate an investigation, in accordance with the requirements of the PCC §10115, et seq., and MVC §999 et

seq., and follow the investigatory procedures required by the 2 CCR §1896.80. Contractors found to be in violation of certain provisions may be subject to loss of certification, penalties and/or contract termination.

**Only State of California, Office of Small Business and DVBE Services (OSDS), certified DVBEs (hereafter called "DVBE")** who perform a commercially useful function relevant to this solicitation, may be used to qualify for a DVBE incentive(s). The criteria and definition for performing a commercially useful function are contained herein on the page entitled **Resources & Information**. Bidders are to verify each DVBE subcontractor's certification with OSDS to ensure DVBE eligibility.

At the State's option prior to award of the contract, a written confirmation from each DVBE subcontractor identified on the Bidder Declaration must be provided. As directed by the State, the written confirmation must be signed by the bidder and/or the DVBE subcontractor(s). The written confirmation may request information that includes but is not limited to the DVBE scope of work, work to be performed by the DVBE, term of intended subcontract with the DVBE, anticipated dates the DVBE will perform required work, rate and conditions of payment, and total amount to be paid to the DVBE. If further verification is necessary, the State will obtain additional information to verify compliance with the above requirements.

**THE DVBE BUSINESS UTILIZATION PLAN (BUP):** DVBE BUPs are a company's commitment to expend a minimum of 3% of its total statewide contract dollars with DVBEs -- this percentage is based on all of its contracts held in California, not just those with the State. A DVBE BUP does not qualify a firm for a DVBE incentive. Bidders with a BUP, must submit a Bidders Declaration (GSPD-05-105) to confirm the DVBE participation for an element of work on this solicitation in order to claim a DVBE incentive(s).

#### **THE FOLLOWING MAY BE USED TO LOCATE DVBE SUPPLIERS:**

**Awarding Department:** Contact the department's contracting official named in this solicitation for any DVBE suppliers who may have identified themselves as potential subcontractors, and to obtain suggestions for search criteria to possibly identify DVBE suppliers for the solicitation. You may also contact the department's SB/DVBE Advocate for assistance.

#### **Other State and Federal Agencies, and Local Organizations:**

**STATE:** Access the list of all certified DVBEs by using the Department of General Services, Procurement Division (DGS-PD), online certified firm database at <https://www.caleprocure.ca.gov/>. To begin your search, click on "SB/DVBE Search." Search by "Keywords" or "United Nations Standard Products and Services Codes (UNSPSC) that apply to the elements of work you want to subcontract to a DVBE. Check for subcontractor ads that may be placed on the California State Contracts Register (CSCR) for this solicitation prior to the closing date. You may access the CSCR at: <https://www.caleprocure.ca.gov/>. For questions regarding the online certified firm database and the CSCR, please call the OSDS at (916) 375-4940 or send an email to: [OSDSHelp@dgs.ca.gov](mailto:OSDSHelp@dgs.ca.gov).

**FEDERAL:** Search the U.S. Small Business Administration's (SBA) website at <https://www.sba.gov/> to identify potential DVBEs. Select the "Contracting" tab, select the "Resources for Finding Customers" tab, and click on the "Dynamic Small Business Search (DSBS) Database" link. Search options and information are provided on the Dynamic Small Business Search Database site. First time users should click on the "Help" button for detailed instructions. Remember to verify each firm's status as a California certified DVBE.

**LOCAL:** Contact local DVBE organization to identify DVBEs. For a list of local organizations, go to <http://www.dgs.ca.gov/pd/Resources.aspx> and select the blue Small Business & Disabled Veterans Business Enterprises tab and select: [DVBE Referral Organizations.pdf](#)

## RESOURCES AND INFORMATION

For questions regarding bid documentation requirements, **contact the contracting official at the awarding department for this solicitation.** For a directory of SB/DVBE Advocates for each department go to: <http://www.dgs.ca.gov/pd/Programs/OSDS/advocate.aspx>.

The Department of General Services, Procurement Division (DGS-PD) publishes a list of trade and focus publications to assist bidders in locating DVBEs for a fee. To obtain this list, please go to <http://www.dgs.ca.gov/pd/Resources.aspx> and select the blue Small Business & Disabled Veterans Business Enterprises tab and select:

- [DVBE Focus Paper Listing](#) (Excel)
- [DVBE Trade Paper Listing](#) (Excel)

### U.S. Small Business Administration (SBA):

Use the SBA website: <https://www.sba.gov/>

### FOR:

Service-Disabled Veteran-owned businesses in California (Remember to verify each DVBE's California certification.)

### Local Organizations: Go to

<http://www.dgs.ca.gov/pd/Resources.aspx> and select: [DVBE Referral Organizations.pdf](#)

### FOR:

List of potential DVBE subcontractors

### DGS-PD EProcurement

Website: <https://www.caleprocure.ca.gov/>

Phone: (916) 375-2000

Email: [custserv@dgs.ca.gov](mailto:custserv@dgs.ca.gov)

### FOR:

- SB/DVBE Search
- CSCR Ads
- Click on Training tab to Access eProcurement Training Modules including:  
Small Business (SB)/DVBE Search

### DGS-PD Office of Small Business and DVBE Services (OSDS)

707 Third Street, Room 1-400, West Sacramento, CA 95605

Website: <http://dgs.ca.gov/pd/programs/osds.aspx>

OSDS Receptionist, 8 am-5 pm: (916) 375-4940

PD Receptionist, 8 am-5 pm: (800) 559-5529

Fax: (916) 375-4950

Email: [osdshelp@dgs.ca.gov](mailto:osdshelp@dgs.ca.gov)

### FOR:

- Directory of California-Certified DVBEs
- Certification Applications
- Certification Information
- Certification Status, Concerns
- General DVBE Program Info.
- DVBE Business Utilization Plan
- Small Business/DVBE Advocates

## Commercially Useful Function Definition

As defined in MVC §999 and 2 CCR §1896.6(1), a person or an entity is deemed to perform a "commercially useful function" if a person or entity does **all** of the following:

- Is responsible for the execution of a distinct element of the work for the contract;
  - Carries out contractual obligations by actually performing, managing, or supervising the work involved;
  - Performs work that is normal for its business services and functions;
  - Is not further subcontracting a portion of the work that is greater than expected to be subcontracted by normal industry practices;
  - Is responsible, with respect to products, inventories, materials, and supplies required for the contract, for negotiating price, determining quality and quantity, ordering, installing, if applicable, and making payment; and,
  - Its role is not an extra participant in the transaction, contract or project through which funds are passed in order to obtain the appearance of DVBE participation.
-

**ATTACHMENT 10  
CONTRACTOR COST SHEET**

**(Note: After award, this becomes part of the contract as Exhibit B, Attachment 1)**

**Submission of this attachment is required.** Failure to complete and return this attachment will cause your bid to be rejected and deemed non-responsive. Bidder must provide the cost for each task listed below.

Please provide an all-inclusive cost for each task below. NOTE: All costs must include personnel, labor, subcontractors, materials, travel, reports, tax, and any other items necessary to perform and complete all tasks.

**Independent Medical Review Service**

<b>Review Type</b>	<b>Based Contract Period Price (10/01/2024 – 09/30/2027)</b>
Standard IBR Review	\$
Terminated Reviews*	\$
Terminated Reviews**	\$

\*Case is determined by ineligible or withdrawn prior to being sent to review

\*\*Case withdrawn after being sent to review

**ATTACHMENT 11**  
**DETAILED RESPONSE FOR MINIMUM QUALIFICATIONS**

This page is intentionally blank. This is a placeholder for the bidder's Detailed Response of Minimum Qualifications.

Submissions of this attachment is mandatory. Failure to complete and return this attachment with your proposal may cause your proposal to be rejected and deemed non-responsive.

The Proposer must provide a detailed response, outlining information as to how the Proposer meets each of the minimum qualifications listed below.

- a. Proposer shall have a minimum of five (5) years of experience working with workers' compensation fee schedules.
- b. Proposer shall have a minimum of three (3) years of demonstrated ability in handling high-volume case workload in a bill review setting.
- c. Proposer shall have a minimum of three (3) years of demonstrated ability to provide data regarding bill review status and outcomes.
- d. Proposer shall have experience with creating a case workflow tracking system for cases being submitted for independent bill review.
- e. Proposer shall have an office in California and shall have a minimum of three (3) years experience maintaining and recruiting qualified reviewers who are administratively and professionally capable of providing timely, complete and professional case analyses and determinations as described in Labor Code section 4603.6 and 8 C.C.R. section 9792.5.9, et seq.
- f. Proposer shall employ a medical director who shall be a physician and surgeon licensed by the Medical Board of California or the California Osteopathic Medical Board and who shall be responsible for advising Contractor on clinical issues.

**ATTACHMENT 12**  
**GenAI REPORTING & FACTSHEET FORM**  
**(Mandatory Submittal)**

Please download and complete this form: <https://www.documents.dgs.ca.gov/dgs/fmc/pdf/std1000.pdf>