



Solicitation for Partnership Proposals for Broker Enrollment Centers-FY 2019

*An Innovative Marketing & Sales Program for MNsure's
Broker Enrollment Center Initiative*

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Overview

MNsure is soliciting proposals from broker agencies interested in partnering with MNsure as broker enrollment centers (BECs). We are looking for broker agencies to operate and staff enrollment centers focused on enrolling consumers in qualified health plans (QHPs) in the individual health insurance market. Selected agencies must operate and staff a convenient walk-in site or sites for residents of surrounding communities in one or more of the regions as defined by MNsure. A map of the regions is available on the [MNsure Requests for Proposal \(RFP\) webpage](https://www.mnsure.org/about-us/rfp-contract/rfp.jsp) (<https://www.mnsure.org/about-us/rfp-contract/rfp.jsp>).

Proposals must be submitted by noon Central time on Friday, June 8, 2018, for consideration.

Fiscal Year 2019 Broker Enrollment Center Solicitation

MNsure is targeting approximately \$100,000 in matching funds to support the broker enrollment centers from July 1, 2018, until June 30, 2019. At MNsure's sole discretion, contracts can be extended for an additional year, not to exceed a total contract term of four years.

Matching funds are to support a collaborative MNsure/BEC marketing and outreach campaign and can be used for the development of creative materials, as well as media planning and buying. MNsure funds will be paid directly to the marketing agency; no funds will be provided directly to BECs.

For example, a BEC contributes \$4,000 to a collaborative MNsure/BEC marketing outreach and campaign. MNsure matches the \$4,000 for a total MNsure/BEC marketing and outreach campaign budget of \$8,000.

Examples of creative materials and media planning and buying could include:

- MNsure signage: High-impact signage designed to direct customers to enrollment centers for help with MNsure enrollment.
- Google paid search: BECs will appear among the top search results when consumers in the area search for certain key words (such as MNsure, health insurance, etc.).
- Local radio advertising: BEC's name and contact information included in local MNsure radio advertisements.
- Local print advertising: BEC's name and contact information included in print advertisements for local or community newspapers.

The goals of the BEC program are to:

- Build a year-round, statewide network of enrollment centers to provide consumers seeking individual market coverage with free and convenient walk-in service locations staffed by Minnesota-licensed and MNsure-certified professionals.
- Sustain a network of expert brokers offering comprehensive support to consumers in all aspects of the process, including submitting applications, selecting plans, responding to notices, reporting changes and completing renewals.

- Encourage creative outreach and innovative sales and marketing strategies in order to reach consumers.
- Establish broker and navigator relationship models to enhance consumer support.
- Ensure all eligible Minnesotans take advantage of financial help, including tax credits.

Broker agencies selected as BECs are required to:

- Commit between a minimum of \$2,500 and a maximum of \$10,000 towards a collaborative MNsure/BEC marketing and outreach campaign.
- Develop and operate a co-branded MNsure enrollment center or centers to offer education and enrollment services to Minnesotans for the contract period.
- Accept and respond to a high volume of consumer leads from the MNsure Contact Center throughout the year.
- Submit bi-weekly activity reports to MNsure providing details on the outreach activities, consumer touch points, enrollment activity and the status of referrals provided by MNsure.
- Coordinate with local navigator organizations to offer “no wrong door” application and enrollment opportunities for consumers.
- Collaborate with MNsure to achieve QHP enrollment goals by participating in conference calls, training and networking meetings organized by MNsure.
- Be appointed by all health insurance companies offering plans through MNsure.

MNsure will support selected BECs by:

- Providing matching funds towards the collaborative MNsure/BEC marketing and outreach campaign. MNsure funds will be paid directly to the marketing agency; no funds will be provided directly to BECs.
- Sending consumer referrals via email to BECs on a regular basis throughout the year. These referrals contain contact information for consumers who have reached the MNsure Contact Center seeking assistance applying for and/or enrolling in a qualified health plan.
- Highlighting BECs on MNsure’s website. To see how MNsure currently highlights the enrollment centers, visit MNsure’s [Broker Enrollment Centers](https://www.mnsure.org/help/find-assister/broker-enrollment-centers.jsp) webpage (https://www.mnsure.org/help/find-assister/broker-enrollment-centers.jsp).
- Providing BECs with priority access to MNsure’s Broker Line.

While it is our hope that these partnerships will lead to an increase in QHP enrollments through MNsure and a further reduction in Minnesota’s uninsured, it is of primary importance that the consumer receives the most suitable plan for their health care needs.

Background

MNsure Consumer Assistance Program

The goal of MNsure’s Consumer Assistance Program is to ensure all Minnesotans are connected to affordable and comprehensive health insurance coverage. This broker enrollment

center solicitation supports this goal by establishing strategic, contractually based and annually renewable partnerships with a diverse group of broker agencies that provide consumers with easy access to QHP enrollment support, plan selection guidance and renewal assistance throughout the state.

Over the past four years, the BEC program has been critical in building a network of broker agencies that demonstrate the following qualities:

- Experience serving as trusted experts to consumers seeking guidance on health insurance in Minnesota's individual market
- Ability to provide walk-in service at enrollment centers for Minnesotans throughout the year
- Established relationships with local populations that face barriers to enrollment or renewal
- Commitment to assisting consumers who need support to maintain their health insurance coverage through renewal periods or changes in life circumstances
- Proven marketing and outreach strategies

MNSure's BEC partners have contributed to the increase in health care coverage in Minnesota by completing over 50,000 enrollments in QHPs through MNSure since the program's inception.

MNSure

MNSure is a marketplace where individuals and families can compare, choose and enroll in affordable, high quality health insurance. The mission of MNSure is to ensure all Minnesotans have access to quality, affordable health insurance. MNSure is the only place where eligible consumers can get access to financial assistance in the form of tax credits. MNSure has completed over 480,000 qualified health plan enrollments since its inception in 2013. The hundreds of MNSure-certified brokers who enroll their clients through the marketplace have been an important contributor to MNSure's success.

Other consumer assistance partners that can assist with enrollment include navigators and certified application counselors (CACs).

For information about partnering with MNSure as a broker, navigator or CAC organization, please see the [MNSure website](https://www.mnsure.org/about-us/assister-program/index.jsp) (<https://www.mnsure.org/about-us/assister-program/index.jsp>).

MNSure Broker Certification Requirements

There are four primary requirements to maintain agent/broker certification to sell through MNSure:

1. Agree to comply with MNSure Individual Certification Agreement and the Notice of Monitored Broker Performance documents
2. Maintain active MN Producer's licensure
3. Complete required MNSure certification training coursework annually

4. Report timely changes in:
 - Organization name and/or address
 - Agent's name, employment status, desired directory address
 - Other relevant business information (such as MN Producer number, NPN, etc.)

Minnesota's Health Insurance Landscape

The Minnesota Department of Health (MDH) and the University of Minnesota recently released the results of the 2017 Minnesota Health Access Survey. This survey is conducted every two years and provides an in-depth look into the state of health insurance coverage in Minnesota. The survey results indicate that Minnesota's uninsured rate increased significantly from 4.3 percent in 2015, to 6.3 percent in 2017. Although MNsure has experienced record enrollment levels, Minnesota's individual market as a whole has been shrinking the last two years.

Minnesota's uninsurance rate in 2017 was still lower than the uninsurance rate prior to the implementation of the Affordable Care Act reforms (8.2 percent in 2013). However, disparities in health insurance coverage persist among certain populations. Those with the highest rates of uninsurance in Minnesota continue to be:

- Young adults, ages 18 to 34
- Persons with income below 200 percent of the federal poverty guidelines
- People with a high school education or less
- People of color and American Indians
- Non-citizens and those not born in the US
- Minnesotans living in areas of Greater Minnesota:
 - Northwest (Kittson, Marshall, Norman, Pennington, Polk, Red Lake, Roseau)
 - Headwaters (Beltrami, Clearwater, Hubbard, Lake of the Woods, Mahnomen)
 - Upper Minnesota Valley (Big Stone, Chippewa, Lac Qui Parle, Swift, Yellow Medicine)

The report also finds that there is a potential path to subsidized coverage for most uninsured Minnesotans. About 23 percent of the uninsured appeared to be eligible for tax credits through MNsure, while another 51 percent appeared to be eligible for Medical Assistance or MinnesotaCare.

A central goal of MNsure's Consumer Assistance Program is to build a strong broker infrastructure to reach these uninsured Minnesotans and connect them with affordable health insurance coverage. The ongoing dynamics in Minnesota's insurance market demonstrates the continued need for these focused marketing and enrollment efforts.

Additional Resources

- [Minnesota's Changing Health Insurance Landscape: Results from the 2017 Minnesota Health Access Survey \(PDF\)](#)
- [Minnesota's Uninsured in 2017: Rates and Characteristics \(PDF\)](#)
- [2017 Health Insurance Coverage Appendix Tables \(PDF\)](#)
- [Minnesota Health Access Survey Interactive Data Tool](#)

Eligibility

Eligible Applicants

Minnesota-based broker agencies and sole proprietors are eligible to submit a proposal in response to this solicitation. An individual entity may submit a proposal to operate a BEC in one or more regions of the state. A separate proposal must be submitted for each region. An individual entity may be selected to be a BEC in one or more regions of the state.

Potential BEC Structures

The following is a list of potential BEC structures:

- Single organization/one location/one region: A single broker agency applying to operate an enrollment center in one location within an established region. Example: ACME Broker Agency proposes to operate an enrollment center in Duluth (region 3).
- Single organization/multiple locations/one region: A single broker agency applying to operate multiple enrollment centers within one established region. Example: ACME Broker Agency applying to operate an enrollment center in Duluth and an enrollment center in Grand Marais (both in region 3).
- Single organization/multiple locations/multiple regions. Example: ACME Broker Agency applying to operate enrollment centers in Plymouth (region 11) and Mankato (region 9). The broker agency would need to submit a separate proposal for each region.
- Lead agency: A lead agency applying to lead a collaboration between the lead agency and another broker agency. Example: ACME broker agency applying to operate an enrollment center in Duluth (region 3) and to collaborate with Hometown broker agency to operate an enrollment center in Mankato (region 9). The lead agency would need to submit a separate proposal for each region in which it proposes to operate an enrollment center. The agency partnering with the lead agency does not have to submit a separate proposal.

Proposal Requirements

Summary of Proposal Requirements

Applicants must follow the instructions within this MNsure solicitation, and complete and submit all required forms and narrative requirements to MNsure at becicontracts@mnsure.org. These forms are located in Appendix 1, 2 and 3 of this solicitation. For most of the proposal sections, applicants will be required to respond to a series of questions and open text boxes to provide their narrative response. Please see the “How to Apply” section of this solicitation for instructions on submitting proposals.

Proposal sections:

- Applicant Information
- Overall Plan

- Enrollment Experience (and Lead Agency Questionnaire, if applicable)
- Location
- Physical Space
- Commitment to Matching Funds
- Responder Certification

Single agencies and lead agencies applying to operate an enrollment center in more than one region must submit a separate application for each region.

Overall Plan

Applicants must describe the overall plan for operating an enrollment center (or centers) in the selected region and their proposed strategies for educating and enrolling consumers in health insurance coverage through MNsure. The plan should cover proposed activities for July 1, 2018, to June 30, 2019.

Applicants will be scored on your response to the following:

- **Market assessment:** Provide a current market assessment, including an assessment of the uninsured in the proposed region and/or an analysis of the geographic or regional gaps, challenges, etc.
- **Target market:** Describe your target market, including a description of the demographic, geographic, business and/or economic segments that you plan to target with your broker enrollment center (or centers) and a justification for doing so.
- **Enrollment strategies and goals:** Indicate your enrollment goals for the contract period. Describe the strategies you will use to reach new consumers, the remaining uninsured in your region, and your plans to successfully renew your current consumers who enrolled through MNsure.
- **Capacity:** Explain how you will accommodate increased demand during the anticipated six-week open enrollment period (November 1, 2018, to December 15, 2018). Describe your ability to provide services to all consumers and plans for offering year-round service through your enrollment center (or centers).
- **Community outreach:** Describe your capacity to address community groups interested in learning more about enrolling in coverage through MNsure. Please indicate, with as much specificity as possible, your willingness to travel locally (distance) and to accommodate the frequency of such group talks (numbers per week).
- **Marketing plan and budget:** Provide detailed answers to the questions about your advertising, print, local TV, radio, social media and/or digital marketing plans, including a description of what sales tactics and enrollment activities you plan to implement in order to reach your target market.
- **Reporting:** Describe your capacity for collecting data and ability to provide bi-weekly reports to MNsure.

Lead agencies (if applicable):

- **Lead Agency Questionnaire (if applicable):**

- Describe the roles and responsibilities of the lead agency vs. the partner organization in operating the BEC and serving MNsure consumers.
- Why do you think a lead agency model is necessary to support consumers in this region? How will consumers benefit from this model?
- Describe how the lead agency will ensure that the partner agency and its staff will be prepared, trained and ready to operate as a BEC.
- Please describe any experience the lead agency has in serving consumers in the proposed region.
- Please describe any experience the lead agency has in overseeing the enrollment activities of another agency (lines of accountability, reporting, etc.).

Enrollment Experience

Applicants will be scored on your response to the following:

- **General experience:** Describe any experience serving the geographic area and target market(s) as a certified MNsure broker, and how you currently support consumers in the QHP application and enrollment process.
- **Previous experience:** Detail previous successes you have had enrolling consumers in health insurance as a MNsure partner. Estimate the percentage of QHP members enrolled or renewed you enrolled during the last open enrollment period, what percentage were enrolled through MNsure, and an estimate of the percentage who received advanced premium tax credits.
- **Staffing:** Provide a detailed description of the number of staff who will be participating in the program, any specialized skills and their experience with MNsure.
- **Partner experience:** Describe any existing relationships you may have already established with MNsure-certified navigators. If the applicant did not interact with certified navigators, indicate your willingness to do so, and describe any plans for building these relationships.
- **Medicare/MNsure open enrollment service:** Indicate whether the agency serves Medicare business and how the applicant plans to provide complete services to both Medicare and MNsure clients during overlapping enrollment periods.

Location

Applicants will be scored on your response to the following:

- Please indicate where your office will be located. Explain why this location is the best choice for serving consumers in your region.

Physical Space

Applicants will be scored on your response to the following:

- Please provide a description of available office space and associated amenities for the following functions for each location:

- Reception and office area
- Parking
- Technical capabilities and equipment availability

Commitment to Matching Funds

Applicants will be scored on their response to the following:

- Clear description of matching funds enrollment center will dedicate to advertising and marketing
- Budget and resources enrollment center will dedicate to meeting overall goals described in proposal (see budget template in Appendix 3)

Assister Certification, Data Security, Compliance and Ethics Requirements

Successful agency principal(s) and broker staff will be required to:

- Meet and maintain MNsure broker certification requirements (see p. 6).
- Comport oneself at all times with the highest professional ethics and conduct standards.
- Be in and remain in compliance with all applicable federal, state and local laws, as well as all established policies, rules and procedures of MNsure.

Ethics & Conduct

In addition to all applicable Minnesota Department of Commerce market conduct requirements, enrollment centers will be required to comply with all industry-accepted norms, ethics and conduct standards applicable to licensed brokers. Any egregious violation of an ethics and conduct standard may have consequences up to and including de-certification, and the violation will be reported to the Minnesota Department of Commerce and all other appropriate authorities.

Evaluation and Selection Criteria

Review Process, Criteria and Selection

All responsive proposals received by the deadline of noon Central time on June 8, 2018, will be evaluated by MNsure. The MNsure review and selection process will occur in two stages.

During the review and selection process, all information concerning the proposal submitted will remain non-public and will not be disclosed to anyone whose official duties do not require such knowledge.

Non-selection of any proposals will mean that either another proposal(s) was determined to be more advantageous to MNsure or that MNsure exercised the right to reject any or all proposals.

Stage 1: Evaluation Based upon Completeness, Compliance and Eligibility

This evaluation will occur immediately following submission of a proposal to ensure an application meets MNsure requirements. Applications that are deemed non-responsive will not be forwarded to Stage 2 review.

Stage 2: Merit Review (Evaluation of Proposal Requirements/ Relevance)

MNsure will utilize a review committee made up of a diverse group of internal (MNsure staff) and external stakeholders to review the merits of each proposal. The review committee will use a 100-point scale to evaluate the merit of each proposal. After scores are added up for each proposal, proposals are compared to each other by funding area.

Reviewers will consider the following selection criteria in determining overall merit scores. In each area, proposals will be rated on responsiveness to the solicitation, required elements and ability of the proposal to help MNsure meet the goals of the broker enrollment center program.

- A. Overall Plan: Proposed Activities and Enrollment Forecast (40)
- B. MNsure Enrollment Experience (35)
- C. Location (10)
- D. Physical Space (10)
- E. Commitment to MNsure Matching Funds (5)

Contact

Prospective responders should submit their questions via email to becicontracts@mnsure.org by 4 p.m. Central time on May 15, 2018. Responses to questions received will be made available on MNsure's website on May 25, 2018, by 4 p.m. Central time. MNsure will post generalized answers while maintaining the confidentiality of the potential applicant and any specifics about their proposal.

Questions sent to other email boxes such as an Assister Resource Center email box or individual staff member email boxes will not be responded to. Other personnel are NOT authorized to discuss this solicitation with responders at any time during the solicitation period. Contact regarding this solicitation with any MNsure personnel not following the process described herein could result in disqualification. MNsure will not be held responsible for oral responses to responders.

How to Apply - Proposal Submission

Applicants must submit their proposal by completing and emailing the following documents to becicontracts@mnsure.org:

- Appendix 1
- Appendix 2
- Appendix 3

All proposals must be received by email at the above email address **no later than noon Central time on Friday, June 8, 2018.**

Applications received after the deadline will not be considered. Responses sent by methods other than email (including courier, fax, US mail or express shipment) will not be considered or reviewed.

Rights of MNsure in Evaluating Partnership Proposals

Issuance of this solicitation for partnership proposals does not guarantee that MNsure will award a contract to any responder. MNsure reserves the right to withdraw, re-bid, extend or otherwise modify this solicitation or the related schedule and process, in any manner, solely at its discretion. All responses received by the deadline will be reviewed by the State or its agents, including representatives of MNsure. Proposals will first be reviewed for responsiveness to determine if the minimum requirements have been met. Proposals that fail to meet minimum requirements will not advance to the next phase of the evaluation. The State reserves the right, based on the scores of the proposals, to interview or conduct demonstrations/presentations. Any cost incidental for an interview, presentation or demonstration shall be borne entirely by the responder. The State reserves the right to seek best and final offers from one or more responders. Proposal materials will become public information following responder selection and the conclusion of contract negotiations with the selected responder.

MNsure also reserves the right to:

- Consider any source of information in evaluating proposals
- Omit any planned evaluation step if, in MNsure's view, the step is not needed
- At its sole discretion, reject any and all proposals at any time
- Extend any contract for up to three one-year renewals without requiring proposal submission

Disqualification

Any attempt by a responder to influence a member of the evaluation committee during the proposal review and evaluation process will result in the elimination of that responder's proposal from consideration.

Solicitation Schedule

Activity	Date	Day
Solicitation release date	May 1, 2018, by 4 p.m. Central time	Tuesday
Applicant webinar	May 10, 2018, 2 p.m. Central time	Thursday
Applicant questions are due	May 15, 2018, 4 p.m. Central time	Tuesday
MNsure response to questions posted	May 25, 2018, by 4 p.m. Central time	Friday
Proposals due	June 8, 2018, noon Central time	Friday
Finalists notified	June 22, 2018 (estimate)	Friday
Contract negotiations completed	June 29, 2018 (estimate)	Friday

The State anticipates implementation to commence on or about July 1, 2018, with full program readiness in place by October 1, 2018.

General Requirements

Proposal Contents

By submission of a proposal, the responder warrants that the information provided is true, correct and reliable for purposes of evaluation for potential contract award. The submission of inaccurate or misleading information may be grounds for disqualification from the award as well as subject the responder to suspension or debarment proceedings, and other remedies available by law.

Disposition of Responses

All materials submitted in response to this solicitation will become property of the State and will become public record in accordance with Minnesota Statutes, section 13.591, after the evaluation process is completed. Pursuant to the statute, completion of the evaluation process occurs when the government entity has completed negotiating the contract with the selected vendor. If the responder submits information in response to this solicitation that it believes to be trade secret materials, as defined by the Minnesota Government Data Practices Act, Minnesota Statute § 13.37, the responder must:

1. Clearly mark all trade secret materials in its response at the time the response is submitted.
2. Include a statement with its response justifying the trade secret designation for each item.
3. Defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless the State, its agents and employees, from any judgments or damages awarded against the State in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives the State's award of a contract. In submitting a response to this solicitation, the responder agrees

that this indemnification survives as long as the trade secret materials are in possession of the State.

Contingency Fees Prohibited

Pursuant to Minnesota Statutes Section 10A.06, no person may act as or employ a lobbyist for compensation that is dependent upon the result or outcome of any legislation or administrative action.

Sample Contract

You should be aware of the State's standard contract terms and conditions in preparing your response. A sample MNsure Professional/Technical Services Contract is available on the MNsure website (in the same section as this solicitation document) for your reference. Much of the language reflected in the contract is required by statute. If you take exception to any of the terms, conditions or language in the contract, you must indicate those exceptions in your response to the solicitation; certain exceptions may result in your proposal being disqualified from further review and evaluation. Only those exceptions indicated in your response to the solicitation will be available for discussion or negotiation.

Conflicts of Interest

Responder must provide a list of all entities with which it has relationships that create, or appear to create, a conflict of interest with the work that is contemplated in this SPP. The list should indicate the name of the entity, the relationship and a discussion of the conflict.

Organizational Conflicts of Interest

The responder warrants that, to the best of its knowledge and belief, and except as otherwise disclosed, there are no relevant facts or circumstances that could give rise to organizational conflicts of interest. An organizational conflict of interest exists when, because of existing or planned activities or because of relationships with other persons, a vendor is unable or potentially unable to render impartial assistance or advice to the State, or the vendor's objectivity in performing the contract work is or might be otherwise impaired, or the vendor has an unfair competitive advantage. The responder agrees that if after award an organizational conflict of interest is discovered, an immediate and full disclosure in writing must be made to the broker coordinator, which must include a description of the action that the contractor has taken or proposes to take to avoid or mitigate such conflicts. If an organizational conflict of interest is determined to exist, the State may, at its discretion, cancel the contract. In the event the responder was aware of an organizational conflict of interest prior to the award of the contract and did not disclose the conflict to MNsure, the State may terminate the contract for default. The provisions of this clause must be included in all subcontracts for work to be performed similar to the service provided by the prime contractor, and the terms "contract," "contractor," and "contracting officer" modified appropriately to preserve the State's rights.

Preference to Targeted Group and Economically Disadvantaged Business and Individuals

In accordance with Minnesota Rules, part 1230.1810, subpart B and Minnesota Rules, part 1230.1830, certified Targeted Group Businesses and individuals submitting proposals as prime contractors will receive a 6 percent preference in the evaluation of their proposal, and certified Economically Disadvantaged Businesses and individuals submitting proposals as prime contractors will receive a 6 percent preference in the evaluation of their proposal. Eligible Targeted Group Businesses must be currently certified by the Materials Management Division prior to the solicitation opening date and time. For information regarding certification, contact the Materials Management Helpline at 651-296-2600 or mmdhelp.line@state.mn.us. For TTY/TDD communications, contact the Helpline through the Minnesota Relay Services at 800-627-3529.

Veteran-Owned Preference

In accordance with Minn. Stat. § 16C.16, subd. 6a (a), except when mandated by the federal government as a condition of receiving federal funds, the commissioner shall award up to a 6 percent preference on state procurement to certified small businesses that are majority-owned and operated by veterans.

In accordance with Minn. Stat. § 16C.19 (d), a veteran-owned small business, the principal place of business of which is in Minnesota, is certified if it has been verified by the United States Department of Veterans Affairs as being either a veteran-owned small business or a service-disabled veteran-owned small business, in accordance with Public Law 109-461 and Code of Federal Regulations, title 38, part 74.

To receive a preference the veteran-owned small business must meet the statutory requirements above by the solicitation opening date and time.

If you are claiming the veteran-owned preference, check the correlating box on Appendix 2: Responder Certifications. Only eligible veteran-owned small businesses that meet the statutory requirements and indicate this on their response will be given the preference.

Resident Vendor

In accordance with Laws of Minnesota 2013, Chapter 142, Article 3, Section 16, amending Minn. Stat. § 16C.02, subd. 13, a “Resident Vendor” means a person, firm or corporation that:

1. is authorized to conduct business in the state of Minnesota on the date a solicitation for a contract is first advertised or announced. It includes a foreign corporation duly authorized to engage in business in Minnesota;
2. has paid unemployment taxes or income taxes in this state during the 12 calendar months immediately preceding submission of the bid or proposal for which any preference is sought;
3. has a business address in the state; and
4. has affirmatively claimed that status in the bid or proposal submission.

To receive recognition as a Minnesota Resident Vendor (“Resident Vendor”), your company must meet each element of the statutory definition above by the solicitation opening date and time. If you wish to affirmatively claim Resident Vendor status, you should do so by checking the correlating box on Appendix 2: Responder Certifications.

Resident Vendor status may be considered for purposes of resolving tied low bids or the application of a reciprocal preference.

Foreign Outsourcing of Work Prohibited

All services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision also applies to work performed by subcontractors at all tiers.

Insurance Requirements

- A. Contractor shall not commence work under the contract until they have obtained all the insurance described below and the State of Minnesota has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of the contract.
- B. Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:

- 1. **Workers’ Compensation Insurance:** Except as provided below, Contractor must provide Workers’ Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers’ Compensation insurance in accordance with the statutory requirements of the State of Minnesota, including Coverage B, Employer’s Liability. Insurance **minimum** limits are as follows:

- \$100,000 – Bodily Injury by Disease per employee
 - \$500,000 – Bodily Injury by Disease aggregate
 - \$100,000 – Bodily Injury by Accident

If Minnesota Statute 176.041 exempts Contractor from Workers’ Compensation insurance or if the Contractor has no employees in the State of Minnesota, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers’ Compensation requirements.

If during the course of the contract the Contractor becomes eligible for Workers’ Compensation, the Contractor must comply with the Workers’ Compensation Insurance requirements herein and provide the State of Minnesota with a certificate of insurance.

- 2. **Commercial General Liability Insurance:** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from

claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Contractor or by a subcontractor or by anyone directly or indirectly employed by the Contractor under the contract. Insurance **minimum** limits are as follows:

\$1,000,000 – per occurrence

\$1,000,000 – annual aggregate

\$1,000,000 – annual aggregate – Products/Completed Operations

The following coverages shall be included:

Premises and Operations Bodily Injury and Property Damage

Personal and Advertising Injury

Blanket Contractual Liability

Products and Completed Operations Liability

Other; if applicable, please list _____

State of Minnesota named as an Additional Insured, to the extent permitted by law

- 3. Commercial Automobile Liability Insurance:** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired and non-owned autos which may arise from operations under this contract, and in case any work is subcontracted the contractor will require the subcontractor to maintain Commercial Automobile Liability insurance. Insurance **minimum** limits are as follows:

\$1,000,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

In addition, the following coverages should be included:

Owned, Hired, and Non-owned Automobile

- 4. Professional/Technical, Errors and Omissions, and/or Miscellaneous Liability Insurance**

This policy will provide coverage for all claims the contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error or omission related to Contractor's professional services required under the contract.

Contractor is required to carry the following **minimum** limits:

\$1,000,000 – per claim or event

\$1,000,000 – annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of the State. If the Contractor

desires authority from the State to have a deductible in a higher amount, the Contractor shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that the State can ascertain the ability of the Contractor to cover the deductible from its own resources.

The retroactive or prior acts date of such coverage shall not be after the effective date of this Contract and Contractor shall maintain such insurance for a period of at least three (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by Contractor to fulfill this requirement.

C. Additional Insurance Conditions:

1. Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to the State of Minnesota with respect to any claim arising out of Contractor's performance under this contract;
2. If Contractor receives a cancellation notice from an insurance carrier affording coverage herein, Contractor agrees to notify the State of Minnesota within five (5) business days with a copy of the cancellation notice, unless Contractor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to the State of Minnesota;
3. Contractor is responsible for payment of Contract-related insurance premiums and deductibles;
4. If Contractor is self-insured, a Certificate of Self-Insurance must be attached;
5. Contractor's policy(ies) shall include legal defense fees in addition to its liability policy limits, with the exception of B.4 above;
6. Contractor shall obtain insurance policy(ies) from insurance company(ies) having an "AM BEST" rating of A- (minus), Financial Size Category (FSC) VII or better; and authorized to do business in the State of Minnesota; and
7. An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.

D. The State reserves the right to immediately terminate the contract if the contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the contractor. All insurance policies must be open to inspection by the State, and copies of policies must be submitted to the State's authorized representative upon written request.

E. The successful responder is required to submit Certificates of Insurance acceptable to the State of MN as evidence of insurance coverage requirements prior to commencing work under the contract.