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Lt. Governor (Sigundo Maga'låhi)

Procurement No. DOA/HRD/EB-RFP-GHI-22-001

Dear Prospective Offeror:

Buenas yan Hafa Adai!

We would like to thank you for your interest in submitting a proposal to provide health insurance services to the Government of Guam's Group Health Insurance Program.

On an annual basis, the Government of Guam issues a Request for Proposal (RFP) to interested health insurance companies licensed to do business on Guam under the laws of Guam, to provide group health insurance coverage to Government of Guam employees, retirees, survivors, their covered dependents and foster children under the legal custody of the Child Protective Services Division of the Department of Public Health and Social Services. Therefore, this is to invite your company to submit a proposal to this RFP. Negotiations are tentatively scheduled for June 2021.

To register as an interested company or potential offeror, you must complete and email the "Acknowledgment of Receipt of RFP" form to may.mediano@aon.com, leonora.candaso@doa.guam.gov, naomi.sablan@doa.guam.gov and michele.rabon@doa.guam.gov. In order to register as an interested company or potential offeror, a company must be an insurer, claims administrator, or reinsurer offering medical insurance products as of the date you submit the "Acknowledgement of Receipt of RFP". In the event any amendments to the RFP are issued, the acknowledgement will ensure that all interested parties are informed of such change(s). The Government of Guam and the Department of Administration shall not be liable for failure to provide notice to any party who did not register contact information.

Thank you in advance for your response and we look forward to working with your company.

Edward Birn, Director
Department of Administration

ACKNOWLEDGMENT OF RECEIPT OF RFP

Procurement No.: DOA/HRD/EB-RFP-GHI-22-001

Attention: Human Resources Division, Employee Benefits Branch

From: _____

Subject: Registration of interest to provide Health Insurance services
FY 2022 Health Insurance Program

To register as an interested company or potential offeror, you must complete and email the Acknowledgment of Receipt to the following individuals: may.mediano@aon.com, leonora.candaso@doa.guam.gov, naomi.sablan@doa.guam.gov and michele.rabon@doa.guam.gov. In order to register as an interested company or potential offeror, a company must be an insurer, claims administrator, or reinsurer offering medical insurance products as of the date you submit the Acknowledgement of Receipt of RFP. The Negotiating Team cannot guarantee that your company will receive any amendments or notices to the RFP that may be issued unless the information below is completed and submitted as provided herein. All carriers are advised to register as soon as the RFP is retrieved from the DOA website. A Word document is available for easy submission.

Date:	
Company Name:	
Contact Person & Title:	
Contact Information:	Telephone No.: ()
	Telephone No.: ()
	E-Mail address:
	E-Mail address:
Mailing address:	
Street address:	

Procurement No.: DOA/HRD/EB-RFP-GHI-22-001

Description: FY 2022 Health Insurance Program
Request for Proposal (RFP)

SPECIAL REMINDER TO PROSPECTIVE OFFERORS

Offerors shall carefully read all sections of this Request for Proposal (RFP) and be informed of all its terms and conditions. Offerors are especially alerted to the sections entitled “**Proposal Contents and Requirements**” in the RFP, and are asked to ensure that all required documents and information are included in their proposal.

Compliance with the following is mandatory, but not inclusive of all the requirements of the RFP:

1. Carriers are advised to produce proposals as follows:
 - a. Two (2) password protected thumb drives containing the entire proposal on each, in its original workbook formats (MS Excel, not PDF) and both labeled as original proposal.
 - b. Twelve (12) password protected thumb drives containing the entire proposal in a read only format. The 12 thumb drives must be labeled as copies and numbered as 1 of 12, 2 of 12, etc. All must be submitted to the Director, Department of Administration.
 - c. Offerors are advised to refer to notarized affidavit and audited financial statement requirements.
2. To be qualified, pursuant to Title 4 GCA § 4302(c), an offeror shall submit a non-exclusive proposal, and meet the minimum requirements specified in the RFP (see Exhibit A for list).
3. A non-exclusive proposal means a proposal based upon the assumption that the Government may contract with up to three health insurance carriers that negotiate best and final offers with the Negotiating Team. If only two Health Insurance Carriers submit qualified proposals, the Non-exclusive proposal shall mean a proposal based upon the assumption that the Government will contract with more than one Health Insurance Carriers that negotiate best and final offers with the Negotiating Team.
4. The non-exclusive proposal shall be submitted together as a single submittal by each offeror.
5. Each proposal must be organized, fully assembled and complete.
6. NOTICE TO ALL PROSPECTIVE OFFERORS: The Negotiation Team understands there to be a conflict between two sections of law, 4 GCA §4302(c)(8) and 4 GCA §4302(c)(9); the latter having been amended by P.L.35-092:2 (June 26, 2020). The intent of §4302(c)(9) is to present to the Governor, and ultimately offer to the employees and retirees of the Government of Guam, up to three non-exclusive proposals. It is the sense of the Negotiation Team that the requirements of §4302(c)(8), that all offers shall contain both an exclusive and a non-exclusive component, is not sensible in light of the amendment of 4302(c)(9), made in June 2020. This RFP, therefore, has no reference to an exclusive proposal despite the requirements of 4 GCA §4302(c)(8).

ANY PROSPECTIVE OFFEROR MAY QUESTION THIS DECISION BY THE NEGOTIATION TEAM, but is requested to do so during the question and answer period provided for, as set out herein.

7. All offerors should submit their cost proposal within the original response.

8. Affidavit Forms

- a. The Government requires five (5) different Affidavits and one (1) Declaration Form (Exhibit G Forms A, B, C, D, E & F).
 - b. Form A, Affidavit Disclosing Ownership and Commissions must be made between the dates of issuance of this RFP and the dates that proposals are due, so long as the ownership listing mentioned in the Affidavit is for the 365-day period preceding the date the offeror submits the proposal.
 - c. One original of each form must be submitted. The original forms shall be submitted with the thumbs drives.
9. The Questionnaire and Pricing information provided in Excel format with the RFP package, **must be completed and returned in Excel format, as well as in PDF format**, to ensure no changes were mistakenly made to the excel file during our analysis phase. Each proposal type (non-exclusive) must have the excel format responses completed entirely.
10. Redlined contract responses **must be returned in Word format**.
11. Copies of the Negotiating Team's desired plan designs and alternatives are included with this RFP. Offerors must specify in their proposal any components to which they cannot comply and any changes they desire to the proposed plan design.
12. Pursuant to Title 4 GCA § 4302(g), health insurance carriers contracted with the Government must provide specific claim level detail to the Government. Exhibit F is provided as a monthly claims summary by coverage. Claims data presented as Exhibit C in the RFP are enough for carriers to submit a proposal.
13. The Government will not accept proposals via brokers.

For Insured and Reinsurance Proposals:

14. All reinsurers that assume accident and health risks ceded by the offeror must be licensed to transact reinsurance business in Guam. A copy of the current certificate of authority of the insurer and the reinsurer and a summary of each reinsurance treaty (is) must be submitted together with the proposal.
15. The offeror must submit a copy of the reinsurance agreement or reinsurance treaty that transfers the risks for accident and health insurance. The submitted reinsurance agreement or reinsurance treaty must be duly authenticated by the reinsurer as the entire agreement between the offeror and the reinsurance company.

For Administration and Reinsurance Proposals:

16. All offerors must be licensed to transact reinsurance business in Guam. A copy of the current certificate of authority of the administrator and the reinsurer must be submitted together with the proposal.

For all Proposers:

17. Adherence to the Administrative Procedures and the Marketing Guidelines is required.
18. Offerors must read and review the Administrative Procedures (Exhibit H) and sign and submit the Administrative Procedures along with their proposal.

19. Offerors must read and review the Marketing Guidelines (Exhibit I) and sign and submit the Marketing Guidelines along with their proposal.
20. Premium, Enrollment and Claim information is included in the RFP as Exhibit C.
21. This solicitation does not commit the Government of Guam to enter into negotiations, award a contract, to award non-exclusive contracts, to pay costs incurred, or contract for any services.
22. The Government of Guam will conduct the health insurance program in compliance with all Federal and local statutes.
23. Prospective offerors are required to register as an interested party by completing the "Acknowledgment of Receipt of RFP" and submit the Acknowledgement of Receipt as soon as possible. **In order to register as an interested company or potential offeror, a company must be an insurer, claims administrator, or reinsurer offering medical insurance products as of the date you submit the "Acknowledgement of Receipt of RFP".** A Word document is attached for ease of submission.
24. DOA reserves the right to amend the RFP at any time during the procurement process. Potential offerors that submitted their Acknowledgment Receipt and information as instructed by this RFP will be notified of any amendments to the RFP.
25. Questions regarding this RFP must be submitted in writing **in Word or in email**, *not* PDF, and received by the Director of the Department of Administration as instructed in the RFP. **Prospective offerors are encouraged to submit their questions as soon as they are formulated**, although the due date is **no later than 4:00 p.m., 28 April , 2021, CHamoru standard time**
26. Proposal due dates:

All thumb drives of proposals, to include original affidavits and original audited statements, must be received by the Director of the Department of Administration no later than **2:00 p.m., 21 May, 2021 CHamoru standard time**. The complete set of proposals must be received by this due date and will be the determining factor for the purpose of timely submission. Proposals received after this time and date will not be accepted. Two (2) password protected thumb drives containing *the entire proposal* on each, in its **original workbook formats** (MS Excel, *not* PDF) must be submitted. In addition, twelve password protected thumb drives containing the entire proposal in a **read only format** must be submitted.
27. RFP packages are available online at the Department of Administration's website at www.hr.doa.guam.gov.

DEPARTMENT OF ADMINISTRATION

**Procurement No.: DOA/HRD/EB-RFP-GHI-22-001
FY 2022 GROUP HEALTH INSURANCE PROGRAM
REQUEST FOR PROPOSAL
(RFP)**

TABLE OF CONTENTS

I. GENERAL INFORMATION

- A. Purpose and Background
- B. General Authority for Procurement
- C. All Parties to Act in Good Faith
- D. Liability for Costs to Prepare Proposal
- E. Applicability of Guam Procurement Law and Guam Group Benefits Law
- F. Licensing and Other Statutory Requirements
- G. Registration as Interested Party or Offeror and Fee for RFP
- H. Restrictions Against Sex Offenders
- I. Duration of Contract
- J. Confidentiality and Proprietary Information
- K. Time is of the Essence
- L. Authority of Negotiating Team's Consultant
- M. Type of Contract
- N. Other Information
- O. Minimum Wage as Determined by U.S. Department of Labor
- P. Patient Protection and Affordable Care Act Benefits to Continue
- Q. Experience Participation Ratio
- R. Tax and Withholding Liability
- S. Status of Funding

II. PROPOSAL CONTENTS, REQUIREMENTS AND INSTRUCTIONS

- A. Proposal Contents and Requirements
- B. Proposal Instructions

III. GENERAL PROCEDURES

- A. Receipt and registration of proposals
- B. Opening of proposals
- C. Proposal evaluation and negotiation procedure
- D. Cancellation of RFP or Solicitation
- E. Rejection of Individual Proposals

Exhibits

- Exhibit A: Evaluation Forms
- Exhibit B: Questionnaire
- Exhibit C: Medical and Dental Current Rates, Enrollment, and Claims Data
- Exhibit D: Plan Design and Network
- Exhibit E: Premium Retention Quotation
- Exhibit F: Reporting Requirements
- Exhibit G: Affidavits Form A, Form B, Form C, Form D, Form E, Form F, and US DOL Wage Determination List
- Exhibit H: Administrative Procedures
- Exhibit I: Marketing Guidelines
- Exhibit J: Health Insurance Rules and Regulations and Negotiating Team Rules of Procedure
- Exhibit K: Mandatory Contract Provisions
- Exhibit L: Proposed Contract and Certificate of Insurance

I. GENERAL INFORMATION

A. Purpose and Background

Pursuant to Title 4, Chapter 4 of the Guam Code Annotated, Section 4301, the Governor of Guam is authorized to enter into contracts and reject proposals with one or more insurance companies for group insurance including but not limited to hospitalization, medical care, life and accident. In connection with such group benefits, the Government of Guam (Government) is accepting proposals from interested and qualified health insurance companies (including health maintenance organizations), and/or Third Party Administrators coupled with Reinsurance, licensed under applicable Guam laws, to provide health insurance coverage for eligible Government of Guam active employees, retired employees, survivors of retired employees and their covered dependents. This RFP is also issued to contract with health insurance carrier(s) to cover foster children under the legal custody of the Child Protective Services Division of the Department of Public Health and Social Services. All health insurance companies and/or Third Party Administrators coupled with Reinsurance must be licensed and comply with all regulatory requirements as promulgated by the Guam Insurance Commissioner, pursuant to the Insurance Statute of Guam and other applicable laws.

The intent, pursuant to Title 4 GCA §4302(c), is to present to the Governor of Guam the three most economical and beneficial healthcare insurance proposal plan defined as the lowest cost option.

All qualified proposals, consisting of one non-exclusive proposal, will be reviewed, evaluated and scored separately by the Negotiating Team. The Negotiating Team is established pursuant to Title 4 GCA §4302. The top three ranked non-exclusive proposals will be chosen, and those offerors will enter into negotiations with the Negotiating Team.

At the conclusion of negotiations, the Negotiating Team will use established criteria stated in the RFP and rank the three non-exclusive negotiated agreements. The most economical and beneficial non-exclusive options will be presented to the Governor. The executed contract or contracts will be offered to the employees and retirees of the Government of Guam.

We are looking for a one-year rate quote.

Currently, the Government has one (1) health insurance carrier: Aetna International. The carrier offers two (2) plans to active employees, retirees, survivors and their dependents: PPO 1500 and HSA 2000 deductible plans. The carrier also offers a Retiree Supplemental Plan to eligible retirees. All retired employees and survivors of a retired employee who are enrolled in Medicare (Parts A and B), and who participate by electing either Class I or Class II coverage, are required to enroll in the Retiree Supplemental Plan as mandated in Public Law 34-95. The network for all plans is a preferred provider organization. Enrollment into these plans is voluntary. Bidding carriers must refer to the required plan designs and options for the description of FY2022 desired plan designs.

There are approximately 378 (as of March 2021) foster children currently enrolled in the Foster Plan. Please refer to enrollment census data for those enrolled in the insurance plan under the Exhibit C.

The Negotiation Team adopted the standard: that a qualified proposer shall offer health insurance in a network of providers that includes civilian hospitals on Guam as well as provision of extensive medical services available to members including, but not limited to the following:

1. Allergy and Immunology
2. Anesthesiology
3. Behavioral Disorders
4. Cardiology (electrophysiology)
5. Critical Care Medicine

6. Dermatology
7. Diagnostic Radiology / Diagnostic Testing
8. Durable Medical Equipment
9. Ear, Nose and Throat (Otolaryngology)
10. Emergency medicine
11. Endocrinology
12. Endocrinology
13. Gastroenterology
14. Genetics
15. Geriatrics
16. Gynecology / Gynecologic Oncology
17. Infertility and reproductive oncology
18. Infectious Disease
19. Internal medicine
20. Maternal-Fetal Medicine
21. Nephrology
22. Neurology
23. Nuclear medicine
24. Obstetrics and gynecology
25. Occupational medicine
26. Ophthalmology
27. Orthopedic Surgery
28. Pathology
29. Pediatrics
30. Physical medicine and rehabilitation
31. Pharmacy (Drugs)
32. Podiatry
33. Preventive medicine
34. Psychiatry
35. Pulmonary Medicine
36. Radiation oncology
37. Rheumatology
38. Surgery (cardiac, colon and rectal, general, neurosurgery, oncology, plastic, thoracic, vascular)
39. Urology / Urogynecology

To ensure that our members have access to the widest possible network, the provider's network of those with qualified proposals must include the most coverage in Guam, Mainland (United States), Hawaii and Philippines.

The Group Health Insurance Rules and Regulations promulgated by the Department of Administration in April 1986, and the Rules of Procedure (PL32-083) for the Negotiating Team promulgated in November 2013 are attached as Exhibit J.

B. General Authority for Procurement

The Negotiating Team is issuing this Request for Proposal (RFP) subject to the competitive selection procedures for professional services found in the Guam Procurement Law (Title 5 GCA § 5001, *et seq.*) and its regulations (Title 2 GAR Div. 4 § 1101, *et seq.*) Specifically, the procedure for this RFP is found at Title 2 GAR Div. 4, § 3114 and its subsections. Title 4 GCA §§ 4301 and 4302 require the acquisition of group health insurance for government employees, retirees and survivors by virtue of a Request for Proposal.

The Guam Code Annotated (GCA) and the Guam Administrative Rules and Regulations (GARR) are available

from the web site of Guam's Compiler of Laws found at <http://www.guamcourts.org/CompilerofLaws/index.html>.

Nothing in this RFP or any process carried out pursuant to this RFP is meant to confer a right to any offeror to be awarded a contract or a right to enter into a contract with the Government.

C. All Parties to Act in Good Faith

The Guam Procurement Law and the Guam Procurement Regulations require that all parties involved in the preparation of proposals; the preparation of the RFP; the evaluation and negotiation of proposals; and the performance or administration of contracts to act in good faith.

D. Liability for Costs to Prepare Proposal

The Government is not liable for any costs incurred by any offeror in connection with the preparation of its proposal. By submitting a proposal, the offeror expressly waives any right it may have against the Government for any expenses incurred in connection with the preparation of its proposal.

E. Applicability of Guam Procurement Law and Guam Group Benefits Law

If any part of this RFP is contrary to the Guam Procurement Law (Title 5 GCA §§ 5001-5908), Guam Procurement Regulations (Title 2 GAR Div. 4 § 1101. - 12601), or Guam Group Benefits Law (Title 4 GCA §§ 4301 – 4308), Title 22 GCA Chapter 18, and any other applicable Guam law or regulation, or contains ambiguous terms, then such portion of the RFP shall be interpreted or resolved in favor of or according to the provisions of these laws and regulations. By submitting a Proposal, Offerors agree to be bound by all the laws and regulations of Guam.

F. Licensing and Other Statutory Requirements

All offerors must comply with Guam laws and procurement regulations and should provide a copy of a current Certificate of Authority issued by the Insurance Commissioner of Guam at the time of proposal submission. In the event any risks for accident and health is reinsured or transferred by the offeror to a reinsurance company, the reinsurer that assumes the risk must also have a current Certificate of Authority to transact reinsurance business on Guam. Any offeror that fails to submit the required copy of Certificate(s) of Authority and insurance license will not be permitted to enter into negotiations with the Negotiating Team. The requirements of having a Certificate of Authority by an insurance company and insurance licenses shall be continuous and shall be maintained during the period the carrier maintains an insurance service contract with the Government.

Pursuant to 22 GCA §18308.1 (form approval) and §18501.1 (rate approval), insurance health carriers are to file the proposed forms and rates for the GovGuam health insurance through System for Electronic Rate and Form Filing ("SERFF"). Every health insurance policy form/contract filed with the Commissioner for approval must be accompanied by a filing fee of Twenty Dollars (\$20.00) and every health insurance rate request filed with the Commissioner for approval must be accompanied by a filing fee of (\$200.00). Carriers are required to timely submit the proposed policy and proposed rate in order to meet the statutory time-line, noting the proposed rate is subject to the Governor's approval.

G. Registration as Interested Party or Offeror and Fee for RFP

The RFP is available on-line at the Department's web site without charge at www.hr.doa.guam.gov.

All parties who receive an RFP and who are possibly interested in submitting a proposal must register as an interested party by filling out the "Acknowledgment of Receipt of RFP" form and delivering it as instructed within

the time permitted. Only registered companies are assured of receiving any amendments to the RFP and responses to inquiries.

H. Restrictions Against Sex Offenders

If a contract is awarded, then the offeror must warrant that no person in its employment who has been convicted of a sex offense under the provisions of Title 9 GCA Chapter 25 or of an offense defined in Title 9 GCA Chapter 28 Article 2, or who has been convicted in any other jurisdiction of an offense with the same elements as heretofore defined, or who is listed on the Sex Offense Registry, shall provide services on behalf of the offeror while on Government property, with the exception of public highways.

If any employee of an offeror is providing services on Government property and is convicted subsequent to an award of a contract, then the offeror warrants that it will notify the Government of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services on Government property.

If the offeror is found to be in violation of any of the provisions of this section, then the Government will give notice to the offeror to take corrective action. The offeror shall take corrective action within twenty-four hours of such notice, and the offeror shall notify the Government when action has been taken. If the offeror fails to take corrective steps within twenty-four hours of notice, then the Government in its sole discretion may suspend the contract temporarily until corrective action has been taken.

I. Duration of Contract

The duration of any contract resulting from this RFP shall be for one year from October 1, 2021 through September 30, 2022.

J. Confidentiality and Proprietary Information

Pursuant to the procurement law, after an award of a services contract, the contract and proposal become public record. Proposals that are not awarded a contract remain private and the Government may not disclose them to the public. The full procurement record also becomes a public record, including the proposals of awarded offerors except for those portions designated as confidential. **Offerors must identify in their cover letter** what items they deem proprietary and request that those items be maintained in confidence in addition to marking those specific items in their proposal. See Title 2 GAR, Div. 4 §3114(h)(2).

Prospective offerors are advised that rate information contained in the best and final offer will be communicated to the Governor and the Legislature.

K. Time is of the Essence

The Government intends for the services requested by the RFP to go into effect on October 1, 2021. An offeror awarded a contract must file the health insurance policy with the Insurance Commissioner of Guam and pay the applicable fees **at least forty-five (45) days prior to the policy's effective date** of October 1, 2021 (**Monday, August 16, 2021**). No health insurance policy or endorsement shall become effective unless filed with the Insurance Commissioner for approval at least forty-five (45) days prior to its effective date. According to Title 22 GCA § 18311, failure to follow this time frame is a crime. Section 18311 provides:

Any person violating any of the provisions of this article shall be guilty of a misdemeanor, and shall, upon conviction be subject to a fine of not more than one thousand dollars (\$1,000.00) if the person convicted is not a natural person, or if the person convicted is a natural person, a fine of not more than five hundred

dollars (\$500.00) or imprisonment of not more than six (6) months, or both such fine and imprisonment.

Furthermore, the insurance laws prohibit advertisement of any rates unless the rates are filed with the Insurance Commissioner **at least forty-five (45) days prior** to the effective date of the rates or the advertisement of the rates, whichever comes first. Persons violating this provision are subject to a civil fine of up to \$5,000.00 pursuant to Title 22 GCA § 18504.

Therefore, time is of the essence, and all registered interested parties and potential offerors are asked to keep the applicable laws in mind, and to act accordingly.

L. Authority of Negotiating Team’s Consultant

The Negotiating Team has contracted with a consultant, Aon, to assist the Negotiating Team with this procurement. All proposals will be reviewed by the Negotiating Team and its consultant. The consultant is authorized to communicate with any offeror or registered party and to request and obtain information.

M. Type of Contract

The contract to be awarded is a Fixed Price contract.

N. Other Information

- a. This solicitation may be cancelled as provided for in the Guam procurement law and regulations.
- b. Any proposal may be rejected in whole or in part when in the best interest of the Territory of Guam as provided for in Guam procurement law and regulations.

O. Minimum Wage as Determined by U.S. Department of Labor

The offeror awarded a contract under this solicitation agrees to comply with Title 5, Sections 5801 and 5802. In the event that the offeror employs persons whose purpose, in whole or in part, is the direct delivery of service contracted by the Government, then the offeror awarded a contract under this solicitation shall pay such employees, at a minimum, in accordance with the U.S. Department of Labor Wage Determination for Guam and the Northern Marianas Islands in effect on the date of a contract. In the event that the contract is renewed by the Government, the offeror awarded a contract under this solicitation shall pay such employees in accordance with the Wage Determination for Guam and the Northern Marianas Islands promulgated on a date most recent to the renewal date.

The offeror awarded a contract under this solicitation agrees to provide employees whose purpose, in whole or in part, is the direct delivery of service contracted by the Government those mandated health and similar benefits having a minimal value as detailed in the U.S. Department of Labor Wage Determination for Guam and the Northern Marianas Islands, and guarantee such employees a minimum of ten (10) paid holidays per annum per employee.

The current U.S. Department of Labor Wage Determination for Guam and the Northern Marianas Islands is attached hereto as Exhibit G, Form F.

P. Patient Protection and Affordable Care Act Benefits To Continue

It is the intent of this RFP, and the contract to result from it, to enter into an agreement that provides for all of the benefits, rights and responsibilities afforded as a result of the Patient Protection and Affordable Care Act

(Public Law 111-148), and the regulations promulgated under the authority of the Act.

Q. Experience Participation Ratio

Consistent with Guam law, for purposes of any contract entered into as a result of this RFP:

Target Experience means the amount calculated by multiplying (1) the total premiums earned by the Health Insurance Provider for the full twelve (12) month Plan Year ending the last day of the fiscal year under the Participating Policies issued to the government of Guam with respect to such Plan Year, by (2) **a percentage not lower than eighty-six percent (86%);**

Actual Experience means an amount calculated by subtracting from the Target Experience all claims incurred during such Plan Year and paid in the time period ending six months after the end of the Plan Year by the Health Insurance Provider under all the Participating Policies (PPO 1500, HSA 2000, RSP, and Dental);

- Claims are defined as: Payments to Medical, Dental, and Pharmacy Providers; Gym Membership payments
- Excluded from Claims: Network access fees, Shared Savings or other cost containment programs, Wellness Incentives other than gym memberships, Quality Improvement incentives.
- Note: The intent of this RFP is that Wellness and Quality Improvement incentives, quantifiable and payable directly to the member, will be included as claims in the numerator of the loss ratio calculation. Other general Quality Improvement activities and other costs are intended to be administrative costs for the carrier and are not to be included in the numerator of this calculation.
- Subtracted from Claims: Pharmacy Rebates accrued during the plan year.
- Premiums are calculated as premiums due in the course of the plan year October 1, 2021 to September 30, 2022: monthly enrollment by Plan and Class, multiplied by applicable premium rates by Plan and Class. Supporting documentation of this calculation must be provided with the annual statement of reconciliation

Experience Refund means a positive Actual Experience. See Title 4 GCA §4302.3(g). The difference between: [86% (or higher, if specified) of Premiums] less [Claims defined above] will be refunded to the Government.

R. Tax and Withholding Liability

The Offeror assumes responsibility for its personnel and subcontractors providing services hereunder and will make all deductions and payments for social security and withholding taxes and for contributions to employment compensation funds, employee benefits, or any other payments required by the governments of the United States and Guam, if required. Offeror is responsible for paying when due any and all income taxes, gross receipts taxes, or any other taxes or assessments incurred as a result of the services performed by the Offeror and Offeror's employees or agents under this Agreement or the compensation paid to Offeror for services performed under this Agreement in accordance with 11 GCA § 71114 (PL 33-166). Specific information of taxes may be obtained from the Director of the Guam Department of Revenue and Taxation.

S. Status of Funding

Funds are not presently available for this solicitation. The government contribution is reasonably expected to be made available through an appropriation in the Fiscal Year 2022 Budget Act for the government of Guam. Subscriber contribution is reasonably expected to be made after enrollment in Fiscal Year 2022.

T. Withholding Assessment Fee

All procurements of professional services are subject to a withholding assessment fee for non-resident persons or companies without a valid Guam Business License, which is equal to four percent (4%) of the

total dollar value of any contract awarded for all government of Guam contracts for any professional services provided by a non-resident person or company residing outside of Guam, as a cost of doing business with the government of Guam, in accordance with 11 GCA § 71114 (P.L. 33-166).

U. Mandatory Prohibitions

1. Prohibition of Gratuities, Kickbacks, and Favors. *Gratuities.* It shall be a breach of ethical standards for any person to offer, give, or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or Proposal therefore.

Kickbacks. It shall be a breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime Contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

Favors to the government of Guam. It shall be a breach of ethical standards for any person who is or may become a contractor, a subcontractor under a contract to the prime contractor or higher tier contractor, or any person associated therewith, to offer, give or agree to give any employee or agent of the government of Guam or for any employee or agent of the government of Guam to solicit or accept from any such person or entity or agent thereof, a favor or gratuity on behalf of the government of Guam whether or not such favor or gratuity may be considered a reimbursable expense of the government of Guam, during the pendency of any matter related to procurement, including contract performance warranty periods.

2. Prohibition of Employment of Sex Offenders. No person convicted of a sex offense under the provisions of Chapter 25 of Title 9 Guam Code Annotated, or an offense as defined in Article 2 of Chapter 28, Title 9 GCA in Guam, or an offense in any jurisdiction which includes, at a minimum, all of the elements of said offenses, or who is listed on the Sex Offender Registry, and who is employed by a business contracted to perform services for an agency or instrumentality of the government of Guam, shall work for his employer on the property of the government of Guam other than a public highway.

3. Prohibition of Contingent Fees. It shall be a breach of ethical standards for a person to be retained, or to retain a person, to solicit or secure a territorial contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

4. Ethical Standard. It shall be a breach of ethical standards for an Offeror to knowingly influence a government employee to breach any of the ethical standards set forth in 5 GCA Chapter 5 Article 11 (Ethics in Public Contracting) of the Guam Procurement Law and in Article 11 of the government of Guam Procurement Regulations.

V. Mandatory Warranties

1. Representation Regarding Gratuities and Kickbacks. The Offeror represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks set

forth in §11-206 (Gratuities and Kickbacks) of the Guam Procurement Regulations.

2. **Covenant Against Contingent Fees.** The Offeror warrants that it has not employed any person to solicit or secure any contract resulting from this RFP upon agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give the Government of Guam the right to terminate the contract, or in its discretion, deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commissions payable by the Offeror upon contracts or sales secure or made through bona-fide established commercial or selling agencies maintained by the Offeror for the purpose of securing business.

4. **Representation Regarding Ethical Standard.** Offeror represents that it has not knowingly influenced and promises that it will not knowingly influence a government employee to breach any of the ethical standards set forth in 5 GCA Chapter 5 Article 11 (Ethics in Public Contracting) of the Guam Procurement Law and in Article 11 of the government of Guam Procurement Regulations.

W. Equal Employment Opportunities

By submitting a Proposal, the Offeror and all subcontractors agree to comply with the following policies: Executive Order 11246, 41 CFR 60, 29 CFR 1625-1627, Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Pa11

II. PROPOSAL CONTENTS, REQUIREMENTS AND INSTRUCTIONS

A. Proposal Contents and Requirements

INSTRUCTIONS CONSISTENT WITH P.L. 31-197.

A qualified proposal shall consist of a non-exclusive proposal. To be **qualified**, pursuant to Title 4 GCA §4302(c), an offeror shall submit a non-exclusive proposal, and meet the minimum requirements specified in the RFP (see Exhibit A for list).

A **non-exclusive proposal** means a proposal based upon the assumption that the Government will contract with up to three health insurance carriers, that negotiate best and final offers with the Negotiating Team. If only two Health Insurance Carriers submit qualified proposals the Non-exclusive proposal shall mean a proposal based upon the assumption that the Government will contract with two Health Insurance Carriers that negotiate best and final offers with the Negotiating Team.

NOTICE TO ALL PROSPECTIVE OFFERORS: Pursuant to 4 GCA §4302(c)(9), the Negotiating Team upon selection and review of the best available proposal by participating healthcare respondent(s)/provider(s), which reflect the most economical and beneficial healthcare insurance proposal plans for government of Guam employees and retirees, and foster children, shall forward the three (3) highest ranking qualified proposals to I Maga'hagan Guahan for consideration and selection of the most economical and beneficial health insurance plan. Notwithstanding any other provision of law, rule, or regulation, of the remaining qualifying plans, the employee or retiree may choose one (1) of the remaining qualified plans, and any difference in premiums shall be paid by the employee or retiree at their own cost. Notwithstanding any other provision of law, rule, or regulation, the most economical and beneficial healthcare insurance proposal plan for the government of Guam employees and retirees, and foster children, shall be defined as the lowest cost option.

In this RFP, if the context so requires, any reference to 'proposal' is a reference to the non-exclusive proposal.

All proposals must be in writing and contain the following information in the order listed below:

1. Cover letter. Include the name of the offeror, the location of the offeror's principal place of business and, if different, the place of performance of the proposed contract, and type of business. The offeror shall designate a contact person and include his or her address and contact numbers, including e-mail address, if different from the offeror's. The designated person must be able to answer any questions asked by the Negotiating Team and its consultant regarding the offeror's proposal and must be able to negotiate the fee and other contract terms. Obligations committed by such signatures must be fulfilled.
2. Acknowledgment of receipt of amendments. If the Negotiating Team issues any amendments to the RFP, the offeror must acknowledge receipt of each individual amendment in its cover letter.
3. Acknowledgment of responses: If the Negotiating Team issues any responses to questions received about the RFP, the offeror must acknowledge receipt of each individual response in its cover memo.
4. Description of company. The offeror must provide a brief description of its company, its capabilities and other information which illustrates to the Negotiating Team the level of expertise with which the company can provide the services requested.
5. Authorized signature. All proposals must be signed with the firm name and by an authorized officer, representative, agent, or employee of the offeror. Proof of authority may be requested by the Negotiating Team.
6. Administrative and Marketing Guidelines. All offerors are required to review and sign the Administrative and Marketing Guidelines and submit such with their proposal.
7. Consistency with 2 GAR Div. 4, § 3114(f)(2). The Guam Procurement Regulations at Title 2 GAR Div. 4, § 3114(f)(2) describes the minimum factors the Negotiating Team must evaluate in proposals. Those minimum factors are:
 - (A) the plan for performing the required services to include timelines to conduct the services, and explaining how the services will be performed;
 - (B) ability to perform the services as reflected by technical training and education, general experience, specific experience in providing the required services, and the qualifications and abilities of personnel proposed to be assigned to perform the services;
 - (C) the personnel, equipment, and facilities to perform the services currently available or demonstrated to be made available at the time of contracting and during the term of any resulting contract; and
 - (D) number of year's offeror's business has been in existence and a record of past performance of similar work to include a listing of other contracts under which services similar in scope, size or discipline to this RFP have been undertaken with contact names, addresses, and telephone numbers.

All offerors must substantiate their ability to provide the insurance services requested in this RFP consistent with the minimum factors described in § 3114(f)(2).

8. Financially Stable. The offeror must demonstrate that it is financially capable to perform the scope of services under the RFP. **Please note that the government only requires 1 original and 1 copy of the audited financial and NAIC statements.** Please refer to Section II, item B.5, Form and Number of Proposal for distribution instructions. At a minimum, a proposal must contain satisfactory responses to the following:
- a. Each offeror must provide the most recent audited financial statements (2018 or most recent, if 2019 not available) for the healthcare insurance business only for the underwriting insurance company.
 - b. Each offeror must provide the most recent Annual Statement and Risk-Based Capital Report that has been filed with the National Association of Insurance Commissioners.
 - c. The insurance company or third party administrator must also provide proof that it has errors and omissions insurance that will suitably protect the Government, or proof in the form of a written statement indicating that it is willing to obtain the errors and omissions insurance.
 - d. If some part or all of the funds of the plan are to be held by an administrator, the administrator must also provide its most recent audited financial statements and proof that it has errors and omissions insurance, or proof in the form of a written statement indicating that it is willing to obtain the errors and omissions insurance.
 - e. Each offeror must also indicate the amount of any payment obligations for eligible services rendered by the Guam Memorial Hospital, other hospitals, physicians, and other health service providers which are outstanding. The information for each hospital, physician, and other provider must be separate.
 - f. Each offeror must indicate the amount of any potential payment obligations which are unpaid pending utilization review.
 - g. If the offeror contracts with a third party for utilization review services, the offeror must indicate the cost of such service.
9. Submission of Guam business license. All offerors, to include reinsurers and underwriters, must submit a copy of a current Guam business license. If a current license or licenses have not been obtained yet, then they must be obtained and copies submitted prior to conclusion of negotiations, and the cover letter must explain that the offeror does not have a current Guam business license or licenses. If a copy of the required business licenses is not submitted by the time and date that all the terms and conditions of a contract are agreed to between the parties, then negotiations shall terminate and the offeror will be disqualified on the basis of being non-responsible.
10. Submission of cost proposal. All offerors must submit a cost proposal with their non-exclusive proposal. Please see Exhibit E. All offerors are required to submit fully insured medical and self-funded dental premiums and rates at a minimum. This information will be used along with current enrollment information to assist the Negotiating Team and its consultant in analyzing the cost portion of the proposal. The cost experience data must include the amounts spent in each of the categories specified in Section 500.3, paragraphs a through i of the group health insurance rules attached as Exhibit J. To assist with the offeror's preparation of its proposal, the Negotiating Team has provided certain information attached to this RFP and designated as Exhibits C through F. By submitting a proposal, the offeror certifies that the price submitted was independently arrived at without collusion. A Certification of the Cost or Pricing Data as provided in 2 GAR Div. 4 § 3118 will be required from the carrier(s) with whom a successful contract is negotiated.

11. Proposed plan design. Copies of the Negotiating Team's desired plan designs and alternatives are included with this RFP. Offerors must specify in their proposal any component to which they cannot comply and any changes they desire to the proposed plan design.
12. Responses to all questions in Exhibit B and Exhibit E. All offerors must answer questions found in Exhibit B and Exhibit E and attach the responses to non-exclusive proposals. These answers need to be submitted in the enclosed excel format provided in the RFP package, as well as in PDF format, within the formal response.
13. Submission of disclosure forms. The Guam Procurement Law requires each offeror to make a number of disclosures. Some of the disclosures are required for an offeror to qualify to submit a bid or a proposal. An explanation of each disclosure follows. For the ease of making these required disclosures, the Negotiating Team is providing sample disclosure forms. There are six (6) disclosure forms labeled Forms A through F, and they are found in Exhibit G. They must be completed and included with the offeror's proposal. Note that a qualified proposal requires submission of only one set of disclosure forms from an offeror. Failure to complete and submit the forms may disqualify the offeror's proposal as being non-responsive.
 - a. Affidavit Disclosing Ownership and Commissions (Form A). As a condition of bidding and doing business with the Government, an offeror must disclose in the form of an affidavit the names of all persons owning more than ten percent of the outstanding interest of the offeror's business during the twelve-month period immediately preceding the date the proposals are due, including the percentage owned by each such person or entity. The affidavit must be made between the date of issuance of this RFP and the date that proposals are due, so long as the ownership listing mentioned in the affidavit is for the 365-day period preceding the date the offeror submits the proposal.

The same affidavit must also disclose the identity of anyone who has received or is entitled to receive a commission, gratuity, percentage, brokerage or other compensation or contingent arrangement for procuring a contract with the Government or for assisting the offeror in obtaining business related to this RFP, and the value or amounts. Please note that commissions, gratuities, percentages, contingency fees, or other compensation for the purposes stated herein are prohibited by Guam law, except that this prohibition does not apply to fees payable by the offeror upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the offeror for the purpose of securing business.
 - b. Affidavit re Non-Collusion (Form B). The offeror must represent that the offer is genuine and not a sham and that the offeror is not in collusion with others, that the offeror has not colluded, conspired, connived or agreed, directly or indirectly, with any other person to put in a sham proposal, to fix the cost of the contract, to secure any advantage against the Government or any person interested in the contract.
 - c. Affidavit re No Gratuities or Kickbacks (Form C). The offeror must represent that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks set forth in the Guam Procurement Law. The prohibition is as follows: It is a breach of ethical standards for any person to offer, give, or agree to give any Government employee or former Government employee, or for any Government employee or former Government employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement

or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal thereof. Further, it shall be a breach of ethical standards for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement of the award of a contract or order.

- d. Affidavit re Ethical Standards (Form D). The offeror must represent that it has not knowingly influenced, and promises that it will not knowingly influence, a Government employee to breach any of the ethical standards set out in Guam's procurement code or regulations pertaining to ethics in public contracting.
 - e. Affidavit re Contingent Fees (Form E). The offeror must represent as a part of its proposal that such offeror has not retained any person or agency to solicit or secure a Government of Guam contract upon an agreement or understanding for a commission, percentage, brokerage, or other contingent fee or arrangement, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.
 - f. Declaration for Compliance with US DOL Wage Determination (Form F). Offerors are required to declare in a non-affidavit form that they are in compliance with 5 GCA § 5801 and § 5802 regarding wage determination, and the current applicable US DOL Wage Determination must be attached to the declaration.
14. Submission of Contract and Certificate of Insurance Changes and Additions. A proposed contract and a proposed certificate of insurance are included in the RFP at Exhibit L. **PLEASE NOTE: Each offeror is required to submit with its proposal any changes it desires to the proposed contract and to the proposed certificate of insurance. Without notice of requested changes from an offeror, the Negotiating Team will assume and rely upon the proposed contract and the proposed certificate of insurance as the basis of any agreement reached during negotiations.**

B. Proposal instructions

1. Inquiries. All questions regarding this RFP must be submitted in writing **in Word or in email**, *not* PDF, and received by the Director of Administration on or before **4:00 p.m., 28 April, 2021, Chamorro Standard time**. Only potential offerors who have obtained an RFP and registered may submit written questions. The Negotiating Team will not respond to inquiries received after the inquiry deadline. Oral statements made by the Negotiating Team, its members or its consultant are not binding. The Negotiating Team will respond in writing and send the response via electronic mail. Potential offerors are encouraged to submit their questions as soon as it is formulated. Delivery of inquiries to the Negotiating Team must be emailed to all individuals as follows:

may.mediano@aon.com and cc: to leonora.candaso@doa.guam.gov;
michele.rabon@doa.guam.gov and naomi.sablan@doa.guam.gov.

If an inquiry requires an interpretation of the RFP, then the Negotiating Team shall prepare a response in the form of an amendment to the RFP. All registered interested parties shall be provided the amendment. For responses which merely guide the inquirer, the Negotiating Team

has the discretion to provide the response to only the inquirer, or to all registered interested parties, depending on the content of the inquiry and response.

2. Sufficiency of proposals. Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective proposal are not desired. Elaborate artwork, expensive visuals or other presentations are neither necessary nor desired. The Negotiating Team will look instead for the quality of the information provided. The onus will be on the offeror to convince the Negotiating Team of the offeror's capability to perform services through the documentation enumerated above in this paragraph. As each offeror will have its own unique operation, its financial ability will be assessed individually based on its audited financial statements, convention form, A. M. Best report, and reinsurance treaties, as may be applicable. Factors that will be taken into consideration include, but are not limited to, the following:
 - a. Any qualified audit opinion
 - b. The ratio of current assets to current liabilities
 - c. Adequacy of reserves
 - d. Ability to generate underwriting gains
 - e. History of overall profits or losses
 - f. A. M. Best ratings
 - g. Reinsurance
 - h. Experience in health insurance or HMO underwriting
 - i. Experience in Third Party Administration
 - j. Risk-based capital report
3. Multiple representations of an insuring company. For the purposes of negotiating the costs and contractual terms, the insurance company shall designate a company representative who shall have full authority to make plan design and rating decisions at the negotiation table on behalf of the company.
4. Late proposals. No proposal will be accepted after the deadline for submitting proposals. If a proposal is delivered to the Government of Guam after the deadline for submission, it will be time-stamped and dated by the Government. However, late proposals are considered non-responsive and will not be considered by the Negotiating Team.
5. Form and number of proposals. Each offeror shall prepare all thumb drives, original affidavits and one (1) set of original audited statements and send to the Government.

Note: The original audited statement must be included in the original proposal.

Handwritten proposals are not acceptable. Information in the thumb drives must be organized, and complete.

Two (2) complete proposals on thumb-drives in original formats (MS Excel, *not* PDF) must be submitted. In addition, twelve (12) password protected thumb drives containing the entire proposal in a read only format must be submitted.

6. Where and how to submit proposals. Proposal packages must be sealed and mailed or delivered to the following names and addresses. The Government is not responsible for any delivery costs or postage due. Proposals will not be accepted via electronic mail (email) as this medium does not allow for the proposal to be sealed or submitted in an original form as required by law. Proposals should be marked "confidential."

Two (2) password protected thumb drives in original formulas, twelve (12) password protected read only file thumb drives, original affidavits and original audited financial statement, shall be sent to:

If mailed, to: Director, Department of Administration
P.O. Box 884
Hagatna, Guam 96932

If delivered, to: Department of Administration, Director's Office
590 S. Marine Corps Drive
Suite 224
International Trade Center (ITC) Building
Tamuning, Guam 96913

7. Due date and time for proposals. All hard and electronic copies of proposals, must be received by the Director of the Department of Administration no later than **2:00 p.m., 21 May, 2021, CHamoru Standard Time.** Thumb drives, hard copies of the original affidavits and original audited statements must be received by this due date and will be the determining factor for the purpose of timely submission. Proposals received after this time and date will not be accepted.

Please note that Guam is one day ahead of the continental United States. The offeror is responsible for submitting the proposals in a timely manner regardless of choice of delivery method. The offeror's transfer of its proposal to the U.S. Post Office or to a delivery company does not constitute receipt by the Government.

III. GENERAL PROCEDURES

A. Receipt and registration of proposals

Proposals and modifications to proposals will be time-stamped upon receipt and held in a secure place until the established due date. The Government will keep a Register of Proposals Received identifying the proposals, the names of the offerors, and the number of modifications received, if any, by each offeror. The Register is not open for public inspection until after award of a contract. Proposals of offerors not awarded contracts do not become public records.

B. Opening of proposals

After the deadline for submission of proposals and as soon as practical, the proposals will be unsealed by at least two authorized Government representatives who shall be procurement administrators for purposes of this RFP as assigned by the Director of Administration. They shall at all times conduct the administration of this procurement together in the presence of each other. Proposals will not be opened publicly, nor disclosed to unauthorized persons.

C. Proposal evaluation and negotiation procedure

1. Phase I. Phase I is the initial screening of all proposals to determine whether the minimum requirements specified in the RFP were met, including submission of qualified proposals as required by Title 4 GCA §§ 4302(c)(2) and 4301.1(e) and (g), submission of all disclosure forms, and whether the proposals were signed as required. The lack of any of the disclosure forms or other information required to be submitted may be cause for a finding of non-responsiveness. Proposals will then be re-sealed and held in safe-

keeping by one of the administrators until time for evaluation. If any proposal is determined to be non-responsive by the Negotiating Team, such offeror shall be notified in writing about the determination.

The Negotiating Team shall request of an offeror any documents or information for any proposals received and deemed to be non-responsive or not qualified that will cause said proposals to be responsive and qualified. A proposal shall only be disqualified or rejected if any offeror fails to submit the requested information to the Negotiating Team within three (3) business days after request.

At any time during Phase I, an offeror may be requested by the Negotiating Team or its consultant to provide clarification, documentation, data, or any other additional information to supplement its proposal. Failure to provide such additional information upon request and by the specified deadline may result in a determination that the offeror is non-responsive or non-responsible, whichever is applicable.

2. Phase II. Phase II consists of the evaluation of the information provided by the offerors pursuant to Section II of this RFP by the Negotiating Team and the ranking of the offerors based on the evaluation results. A relative weight is assigned to the factors which will be rated on a scale from zero (0) to one hundred (100), with zero (0) for no response and one hundred (100) being the highest possible score.

For purposes of evaluations, non-exclusive proposals will be evaluated and ranked together, for Phase II. The offerors will be ranked in accordance with the number of total points. The three highest ranked non-exclusive offerors will be invited to enter into negotiations with the Negotiating Team. After the benefit of reviewing all offers, ranking all offers and determining through the evaluation process the top three highest ranked offerors, the Team will determine the order of negotiations in Phase III. The Negotiating Team will negotiate with offerors in accordance with the decision made about the order of negotiations. Offerors shall be available for negotiations commencing in the month of June 2021. Otherwise, the evaluations, the assignment of points, and the ranking of offerors and their proposals is for the Negotiating Team's informational purposes only.

During the evaluations, the Negotiating Team and the Consultant may conduct discussions with any offeror, either in person or telephonically. Discussions are discretionary to the Negotiating Team and the Consultant. The purposes of such discussions shall be (a) to determine in greater detail the offeror's qualifications; or (b) to explore with the offeror the scope and nature of the required services, the offeror's proposed method of performance, and the relative utility of alternative methods of approach.

Discussions shall not disclose any information derived from proposals submitted by other offerors. If requested by the Negotiating Team or its Consultant the issues clarified during discussion should be put into writing by the offeror and submitted to the Negotiating Team within three (3) business days of conclusion of discussions, and may be submitted electronically. The Negotiating Team will provide further instructions as may be necessary.

If the qualified offeror marked any portion or portions of its proposal as being confidential because the information is proprietary information, then those portions shall be reviewed by the Negotiating Team to determine whether they contain confidential or proprietary material. If the Negotiating Team agrees, then the parties shall move on to Phase III. If the Negotiating Team does not agree, then the Negotiating Team must issue a written determination regarding the matter explaining why. If the offeror is dissatisfied with the written determination, then it may withdraw its proposal or submit a protest according to the procedures set out in the Guam Procurement Law.

Upon resolution of confidentiality issues, if any, the Negotiating Team will provide further instructions as may be necessary.

3. Phase III. Phase III is the negotiation process. The Negotiating Team will require that the offerors provide

the existing benefit based on the current plan design, at a minimum, any enhancements and or valued added features will be evaluated accordingly for a non-exclusive contract. Offerors selected to negotiate a non-exclusive contract with the Negotiating Team will be advised on the decisions of the Negotiating Team prior to commencement of negotiations for a non-exclusive contract.

Offerors, ranked based upon non-exclusive bid scoring, will be asked to negotiate a non-exclusive contract with the Negotiating Team and Consultant.

4. Phase IV. Phase IV is the evaluation, final ranking of non-exclusive contracts, and choice of the most economical and beneficial offer for later presentation to the Governor. The Negotiating Team, using those factors set out in this RFP, will evaluate, rank and select the best and final offer. The Negotiating Team shall notify each registered offeror of the evaluation results to the extent permissible by law via email.
5. Phase V. Phase V is the contract choice stage. The Governor of Guam decides whether to accept the recommendation of the Negotiating Team. By law, the contract must also be reviewed and approved by the Department of Revenue & Taxation,

Bureau of Budget and Management Research, and the Attorney General before the Governor will provide her final approval by signing the contract. No contract is valid and binding until it is signed by the Governor. All finalists acknowledge that only the Governor may bind the Government to this contract and that the issuance of this Request for Proposal does not commit the Government of Guam to award a contract.

D. Cancellation of RFP or solicitation

The Negotiating Team may cancel this RFP or solicitation, in whole or in part, at any time, or may reject all proposals so long as the-Negotiating Team makes a written determination that doing so is in the best interest of the Government and a contract has not yet been fully signed. In the event of cancellation or rejection of all proposals, proposals that have been unsealed shall remain the property of the Government and not returned to the respective offerors. A proposal that has not been unsealed (such as late proposals) will be returned to the offeror upon request of the offeror.

E. Rejection of individual proposals

The-Negotiating Team shall have the prerogative to reject proposals in whole or in part when doing so is in the best interest of the Government as provided for in the procurement laws.

Edward Birn, Director
Department of Administration

Date: April 21, 2021

EXHIBIT A

Evaluation Forms

See Attached

Exhibit B:
Questionnaire

See Attached

Exhibit C:

Medical and Dental Current Rates, Enrollment, and Claims Data

See Attached

Exhibit D:

Plan Design and Network

See Attached

Exhibit E:
Premium Retention Quotation

See Attached

Exhibit F:
Reporting Requirements

See Attached

EXHIBIT G

Form A
AFFIDAVIT DISCLOSING OWNERSHIP and COMMISSIONS

CITY OF _____)
_____) ss.
STATE OF _____)

A. I, the undersigned, being first duly sworn, depose and say that I am an authorized representative of the offeror and that [*please check only one*]:

[] The offeror is an individual or sole proprietor and owns the entire (100%) interest in the offering business.

[] The offeror is a corporation, partnership, joint venture, or association known as _____ [*please state name of offeror company*], and the persons, companies, partners, or joint ventures who have held more than 10% of the shares or interest in the offering business during the 365 days immediately preceding the submission date of the proposal are as follows [*if none, please so state*]:

<u>Name</u>	<u>Address</u>	<u>% of Interest</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. Further, I say that the persons who have received or are entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid or proposal for which this affidavit is submitted are as follows [*if none, please so state*]:

<u>Name</u>	<u>Address</u>	<u>Compensation</u>
_____	_____	_____

C. If the ownership of the offering business should change between the time this affidavit is made and the time an award is made or a contract is entered into, then I promise personally to update the disclosure required by 5 GCA §5233 by delivering another affidavit to the Government.

Signature of one of the following:
Offeror, if the offeror is an individual;
Partner, if the offeror is a partnership;
Officer, if the offeror is a corporation.

Subscribed and sworn to before me
this ____ day of _____, 202__.

NOTARY PUBLIC
My commission expires: _____

EXHIBIT G

Form B
AFFIDAVIT re NON-COLLUSION

CITY OF _____)
) ss.
STATE OF _____)

_____ [state name of affiant signing below], being first duly sworn,
deposes and says that:

1. The name of the offering company or individual is [state name of company]
_____.

2. The proposal for the solicitation identified above is genuine and not collusive or a sham. The offeror has not colluded, conspired, connived or agreed, directly or indirectly, with any other offeror or person, to put in a sham proposal or to refrain from making an offer. The offeror has not in any manner, directly or indirectly, sought by an agreement or collusion, or communication or conference, with any person to fix the proposal price of offeror or of any other offeror, or to fix any overhead, profit or cost element of said proposal price, or of that of any other offeror, or to secure any advantage against the Government of Guam or any other offeror, or to secure any advantage against the Government of Guam or any person interested in the proposed contract. All statements in this affidavit and in the proposal are true to the best of the knowledge of the undersigned. This statement is made pursuant to 2 GAR Division 4 § 3126(b).

3. I make this statement on behalf of myself as a representative of the offeror, and on behalf of the offeror's officers, representatives, agents, subcontractors, and employees.

Signature of one of the following:
Offeror, if the offeror is an individual;
Partner, if the offeror is a partnership;
Officer, if the offeror is a corporation.

Subscribed and sworn to before me

this _____ day of _____, 202__.

NOTARY PUBLIC
My commission expires _____, _____.

AG Procurement Form 003 (Jul. 12, 2010)

EXHIBIT G

Form C
AFFIDAVIT re NO GRATUITIES or KICKBACKS

CITY OF _____)
) ss.
STATE OF _____)

_____ [state name of affiant signing below], being first
duly sworn, deposes and says that:

1. The name of the offering firm or individual is [state name of offeror company]
_____. Affiant is _____ [state one of the
following: the offeror, a partner of the offeror, an officer of the offeror] making the foregoing identified bid or
proposal.

2. To the best of affiant's knowledge, neither affiant, nor any of the offeror's officers, representatives,
agents, subcontractors, or employees have violated, are violating the prohibition against gratuities and kickbacks
set forth in 2 GAR Division 4 § 11107(e). Further, affiant promises, on behalf of the offeror, not to violate the
prohibition against gratuities and kickbacks as set forth in 2 GAR Division 4 § 11107(e).

3. To the best of affiant's knowledge, neither affiant, nor any of the offeror's officers, representatives,
agents, subcontractors, or employees have offered, given or agreed to give, any Government of Guam employee
or former Government employee, any payment, gift, kickback, gratuity or offer of employment in connection with
the offeror's proposal.

4. I make these statements on behalf of myself as a representative of the offeror, and on behalf of the
offeror's officers, representatives, agents, subcontractors, and employees.

Signature of one of the following:
Offeror, if the offeror is an individual;
Partner, if the offeror is a partnership;
Officer, if the offeror is a corporation.

Subscribed and sworn to before me
this ____ day of _____, 202____.

NOTARY PUBLIC
My commission expires _____, _____.

AG Procurement Form 004 (Jul. 12, 2010)

EXHIBIT G

Form F
DECLARATION re COMPLIANCE WITH U.S. DOL WAGE DETERMINATION

Procurement No.: _____

Name of Offeror Company: _____

I, _____ hereby **certify under penalty of perjury**:

(1) That I am _____ [*please select one: the offeror, a partner of the offeror, an officer of the offeror*] making the bid or proposal in the foregoing identified procurement;

(2) That I have read and understand the provisions of 5 GCA § 5801 and § 5802 which read:

§ 5801. Wage Determination Established.

In such cases where the Government of Guam enters into contractual arrangements with a sole proprietorship, a partnership or a corporation ("contractor") for the provision of a service to the Government of Guam, and in such cases where the contractor employs a person(s) whose purpose, in whole or in part, is the direct delivery of service contracted by the Government of Guam, then the contractor shall pay such employee(s) in accordance with the Wage Determination for Guam and the Northern Mariana Islands issued and promulgated by the U.S. Department of Labor for such labor as is employed in the direct delivery of contract deliverables to the Government of Guam.

The Wage Determination most recently issued by the U.S. Department of Labor at the time a contract is awarded to a contractor by the Government of Guam shall be used to determine wages, which shall be paid to employees pursuant to this Article. Should any contract contain a renewal clause, then at the time of renewal adjustments, there shall be made stipulations contained in that contract for applying the Wage Determination, as required by this Article, so that the Wage Determination promulgated by the U.S. Department of Labor on a date most recent to the renewal date shall apply.

§ 5802. Benefits.

In addition to the Wage Determination detailed in this Article, any contract to which this Article applies shall also contain provisions mandating health and similar benefits for employees covered by this Article, such benefits having a minimum value as detailed in the Wage Determination issued and promulgated by the U.S. Department of Labor, and shall contain provisions guaranteeing a minimum of ten (10) paid holidays per annum per employee.

(3) That the offeror is in full compliance with 5 GCA § 5801 and § 5802, as may be applicable to the procurement referenced herein;

(4) That I have attached the most recent wage determination applicable to Guam issued by the U.S. Department of Labor. [*INSTRUCTIONS - Please attach!*]

Signature _____

Date _____

AG Procurement Form 006 (Feb. 16, 2010)

EXHIBIT G

Wage Determination List

"REGISTER OF WAGE DETERMINATIONS UNDER
THE SERVICE CONTRACT ACT
By direction of the Secretary of Labor

U.S. DEPARTMENT OF LABOR
EMPLOYMENT STANDARDS ADMINISTRATION
WAGE AND HOUR DIVISION
WASHINGTON D.C. 20210

Daniel W. Simms Division of
Director Wage Determinations

Wage Determination No.: 2015-5694
Revision No.: 12
Date Of Last Revision: 07/24/2020

Note: Under Executive Order (EO) 13658 an hourly minimum

wage of \$10.80 for calendar year 2020 applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1 2015. If this contract is covered by the EO the contractor must pay all workers in any classification listed on this wage determination at least \$10.80 per hour (or the applicable wage rate listed on this wage determination if it is higher) for all hours spent performing on the contract in calendar year 2020. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

States: Guam Northern Marianas Wake Island

Area: Guam Statewide

Northern Marianas Statewide

Wake Island Statewide

****Fringe Benefits Required Follow the Occupational Listing****

OCCUPATION CODE - TITLE	FOOTNOTE	RATE
01000 - Administrative Support And Clerical Occupations		
01011 - Accounting Clerk I		13.57
01012 - Accounting Clerk II		15.23
01013 - Accounting Clerk III		17.04
01020 - Administrative Assistant		21.43
01035 - Court Reporter		17.40
01041 - Customer Service Representative I		11.51
01042 - Customer Service Representative II		12.94

01043 - Customer Service Representative III	14.12
01051 - Data Entry Operator I	12.15
01052 - Data Entry Operator II	13.25
01060 - Dispatcher Motor Vehicle	15.81
01070 - Document Preparation Clerk	13.85
01090 - Duplicating Machine Operator	13.85
01111 - General Clerk I	10.35
01112 - General Clerk II	11.29
01113 - General Clerk III	12.68
01120 - Housing Referral Assistant	19.39
01141 - Messenger Courier	11.37
01191 - Order Clerk I	12.57
01192 - Order Clerk II	13.71
01261 - Personnel Assistant (Employment) I	15.95
01262 - Personnel Assistant (Employment) II	17.85
01263 - Personnel Assistant (Employment) III	19.89
01270 - Production Control Clerk	21.78
01290 - Rental Clerk	11.10
01300 - Scheduler Maintenance	15.55
01311 - Secretary I	15.55
01312 - Secretary II	17.40
01313 - Secretary III	19.39
01320 - Service Order Dispatcher	14.00
01410 - Supply Technician	21.43
01420 - Survey Worker	16.79
01460 - Switchboard Operator/Receptionist	9.67
01531 - Travel Clerk I	13.01
01532 - Travel Clerk II	14.12
01533 - Travel Clerk III	15.09
01611 - Word Processor I	14.53
01612 - Word Processor II	16.31
01613 - Word Processor III	18.26
05000 - Automotive Service Occupations	
05005 - Automobile Body Repairer Fiberglass	14.82
05010 - Automotive Electrician	13.92
05040 - Automotive Glass Installer	13.02
05070 - Automotive Worker	13.02
05110 - Mobile Equipment Servicer	11.16
05130 - Motor Equipment Metal Mechanic	14.82
05160 - Motor Equipment Metal Worker	13.02
05190 - Motor Vehicle Mechanic	14.82
05220 - Motor Vehicle Mechanic Helper	10.22
05250 - Motor Vehicle Upholstery Worker	12.11
05280 - Motor Vehicle Wrecker	13.02
05310 - Painter Automotive	13.92
05340 - Radiator Repair Specialist	13.02
05370 - Tire Repairer	12.34
05400 - Transmission Repair Specialist	14.82
07000 - Food Preparation And Service Occupations	
07010 - Baker	10.47
07041 - Cook I	12.05
07042 - Cook II	14.05
07070 - Dishwasher	9.28
07130 - Food Service Worker	9.34
07210 - Meat Cutter	11.86
07260 - Waiter/Waitress	9.23

09000 - Furniture Maintenance And Repair Occupations	
09010 - Electrostatic Spray Painter	18.04
09040 - Furniture Handler	10.95
09080 - Furniture Refinisher	18.04
09090 - Furniture Refinisher Helper	13.27
09110 - Furniture Repairer Minor	15.70
09130 - Upholsterer	18.04
11000 - General Services And Support Occupations	
11030 - Cleaner Vehicles	9.35
11060 - Elevator Operator	9.35
11090 - Gardener	13.00
11122 - Housekeeping Aide	9.44
11150 - Janitor	9.44
11210 - Laborer Grounds Maintenance	9.82
11240 - Maid or Houseman	9.26
11260 - Pruner	8.79
11270 - Tractor Operator	11.90
11330 - Trail Maintenance Worker	9.82
11360 - Window Cleaner	10.54
12000 - Health Occupations	
12010 - Ambulance Driver	17.77
12011 - Breath Alcohol Technician	17.77
12012 - Certified Occupational Therapist Assistant	24.38
12015 - Certified Physical Therapist Assistant	24.38
12020 - Dental Assistant	15.02
12025 - Dental Hygienist	32.84
12030 - EKG Technician	25.99
12035 - Electroneurodiagnostic Technologist	25.99
12040 - Emergency Medical Technician	17.77
12071 - Licensed Practical Nurse I	15.88
12072 - Licensed Practical Nurse II	17.77
12073 - Licensed Practical Nurse III	19.81
12100 - Medical Assistant	12.26
12130 - Medical Laboratory Technician	18.82
12160 - Medical Record Clerk	13.61
12190 - Medical Record Technician	17.77
12195 - Medical Transcriptionist	15.88
12210 - Nuclear Medicine Technologist	39.04
12221 - Nursing Assistant I	11.34
12222 - Nursing Assistant II	12.75
12223 - Nursing Assistant III	13.91
12224 - Nursing Assistant IV	15.61
12235 - Optical Dispenser	17.77
12236 - Optical Technician	15.88
12250 - Pharmacy Technician	15.49
12280 - Phlebotomist	15.33
12305 - Radiologic Technologist	23.03
12311 - Registered Nurse I	22.53
12312 - Registered Nurse II	27.56
12313 - Registered Nurse II Specialist	27.56
12314 - Registered Nurse III	33.34
12315 - Registered Nurse III Anesthetist	33.34
12316 - Registered Nurse IV	39.96
12317 - Scheduler (Drug and Alcohol Testing)	22.01
12320 - Substance Abuse Treatment Counselor	22.01
13000 - Information And Arts Occupations	

13011 - Exhibits Specialist I	20.35
13012 - Exhibits Specialist II	25.20
13013 - Exhibits Specialist III	30.83
13041 - Illustrator I	20.35
13042 - Illustrator II	25.20
13043 - Illustrator III	30.83
13047 - Librarian	27.91
13050 - Library Aide/Clerk	16.20
13054 - Library Information Technology Systems Administrator	25.20
13058 - Library Technician	16.64
13061 - Media Specialist I	18.18
13062 - Media Specialist II	20.35
13063 - Media Specialist III	22.68
13071 - Photographer I	18.18
13072 - Photographer II	20.35
13073 - Photographer III	25.20
13074 - Photographer IV	30.83
13075 - Photographer V	37.30
13090 - Technical Order Library Clerk	20.35
13110 - Video Teleconference Technician	17.38
14000 - Information Technology Occupations	
14041 - Computer Operator I	15.71
14042 - Computer Operator II	17.22
14043 - Computer Operator III	19.19
14044 - Computer Operator IV	21.33
14045 - Computer Operator V	23.62
14071 - Computer Programmer I	(see 1) 15.73
14072 - Computer Programmer II	(see 1) 19.50
14073 - Computer Programmer III	(see 1) 23.84
14074 - Computer Programmer IV	(see 1)
14101 - Computer Systems Analyst I	(see 1) 24.23
14102 - Computer Systems Analyst II	(see 1)
14103 - Computer Systems Analyst III	(see 1)
14150 - Peripheral Equipment Operator	15.71
14160 - Personal Computer Support Technician	21.33
14170 - System Support Specialist	21.24
15000 - Instructional Occupations	
15010 - Aircrew Training Devices Instructor (Non-Rated)	24.23
15020 - Aircrew Training Devices Instructor (Rated)	29.32
15030 - Air Crew Training Devices Instructor (Pilot)	34.91
15050 - Computer Based Training Specialist / Instructor	24.23
15060 - Educational Technologist	27.61
15070 - Flight Instructor (Pilot)	34.91
15080 - Graphic Artist	20.47
15085 - Maintenance Test Pilot Fixed Jet/Prop	34.91
15086 - Maintenance Test Pilot Rotary Wing	34.91
15088 - Non-Maintenance Test/Co-Pilot	34.91
15090 - Technical Instructor	17.67
15095 - Technical Instructor/Course Developer	21.62
15110 - Test Proctor	14.27
15120 - Tutor	14.27
16000 - Laundry Dry-Cleaning Pressing And Related Occupations	
16010 - Assembler	9.88
16030 - Counter Attendant	9.88
16040 - Dry Cleaner	11.30

16070 - Finisher Flatwork Machine	9.88
16090 - Presser Hand	9.88
16110 - Presser Machine Drycleaning	9.88
16130 - Presser Machine Shirts	9.88
16160 - Presser Machine Wearing Apparel Laundry	9.88
16190 - Sewing Machine Operator	11.94
16220 - Tailor	12.44
16250 - Washer Machine	10.36
19000 - Machine Tool Operation And Repair Occupations	
19010 - Machine-Tool Operator (Tool Room)	18.04
19040 - Tool And Die Maker	22.67
21000 - Materials Handling And Packing Occupations	
21020 - Forklift Operator	13.96
21030 - Material Coordinator	21.78
21040 - Material Expediter	21.78
21050 - Material Handling Laborer	11.37
21071 - Order Filler	9.66
21080 - Production Line Worker (Food Processing)	13.96
21110 - Shipping Packer	15.92
21130 - Shipping/Receiving Clerk	15.92
21140 - Store Worker I	14.76
21150 - Stock Clerk	20.75
21210 - Tools And Parts Attendant	13.96
21410 - Warehouse Specialist	13.96
23000 - Mechanics And Maintenance And Repair Occupations	
23010 - Aerospace Structural Welder	22.76
23019 - Aircraft Logs and Records Technician	17.70
23021 - Aircraft Mechanic I	21.67
23022 - Aircraft Mechanic II	22.76
23023 - Aircraft Mechanic III	23.91
23040 - Aircraft Mechanic Helper	15.07
23050 - Aircraft Painter	20.35
23060 - Aircraft Servicer	17.70
23070 - Aircraft Survival Flight Equipment Technician	20.35
23080 - Aircraft Worker	19.12
23091 - Aircrew Life Support Equipment (ALSE) Mechanic I	19.12
23092 - Aircrew Life Support Equipment (ALSE) Mechanic II	21.67
23110 - Appliance Mechanic	18.04
23120 - Bicycle Repairer	14.49
23125 - Cable Splicer	19.59
23130 - Carpenter Maintenance	16.07
23140 - Carpet Layer	16.86
23160 - Electrician Maintenance	18.05
23181 - Electronics Technician Maintenance I	16.86
23182 - Electronics Technician Maintenance II	18.04
23183 - Electronics Technician Maintenance III	19.55
23260 - Fabric Worker	15.70
23290 - Fire Alarm System Mechanic	15.43
23310 - Fire Extinguisher Repairer	14.49
23311 - Fuel Distribution System Mechanic	19.21
23312 - Fuel Distribution System Operator	14.49
23370 - General Maintenance Worker	11.96
23380 - Ground Support Equipment Mechanic	21.67
23381 - Ground Support Equipment Servicer	17.70

23382 - Ground Support Equipment Worker	19.12
23391 - Gunsmith I	14.49
23392 - Gunsmith II	16.86
23393 - Gunsmith III	19.21
23410 - Heating Ventilation And Air-Conditioning Mechanic	17.16
23411 - Heating Ventilation And Air Contidioning Mechanic (Research Facility)	18.25
23430 - Heavy Equipment Mechanic	18.35
23440 - Heavy Equipment Operator	17.12
23460 - Instrument Mechanic	19.21
23465 - Laboratory/Shelter Mechanic	18.04
23470 - Laborer	11.37
23510 - Locksmith	18.04
23530 - Machinery Maintenance Mechanic	23.13
23550 - Machinist Maintenance	19.21
23580 - Maintenance Trades Helper	10.67
23591 - Metrology Technician I	19.21
23592 - Metrology Technician II	20.42
23593 - Metrology Technician III	21.63
23640 - Millwright	19.21
23710 - Office Appliance Repairer	18.04
23760 - Painter Maintenance	13.95
23790 - Pipefitter Maintenance	18.39
23810 - Plumber Maintenance	17.27
23820 - Pneudraulic Systems Mechanic	19.21
23850 - Rigger	19.21
23870 - Scale Mechanic	16.86
23890 - Sheet-Metal Worker Maintenance	16.09
23910 - Small Engine Mechanic	16.86
23931 - Telecommunications Mechanic I	19.01
23932 - Telecommunications Mechanic II	19.91
23950 - Telephone Lineman	18.24
23960 - Welder Combination Maintenance	17.95
23965 - Well Driller	19.21
23970 - Woodcraft Worker	19.21
23980 - Woodworker	14.49
24000 - Personal Needs Occupations	
24550 - Case Manager	14.72
24570 - Child Care Attendant	10.09
24580 - Child Care Center Clerk	13.25
24610 - Chore Aide	11.62
24620 - Family Readiness And Support Services Coordinator	14.72
24630 - Homemaker	16.12
25000 - Plant And System Operations Occupations	
25010 - Boiler Tender	19.21
25040 - Sewage Plant Operator	21.59
25070 - Stationary Engineer	19.21
25190 - Ventilation Equipment Tender	13.27
25210 - Water Treatment Plant Operator	21.59
27000 - Protective Service Occupations	
27004 - Alarm Monitor	10.90
27007 - Baggage Inspector	9.40
27008 - Corrections Officer	12.05
27010 - Court Security Officer	12.05

27030 - Detection Dog Handler	10.90
27040 - Detention Officer	12.05
27070 - Firefighter	12.05
27101 - Guard I	9.40
27102 - Guard II	10.90
27131 - Police Officer I	12.05
27132 - Police Officer II	13.40
28000 - Recreation Occupations	
28041 - Carnival Equipment Operator	12.79
28042 - Carnival Equipment Repairer	13.97
28043 - Carnival Worker	9.45
28210 - Gate Attendant/Gate Tender	13.18
28310 - Lifeguard	11.01
28350 - Park Attendant (Aide)	14.74
28510 - Recreation Aide/Health Facility Attendant	11.84
28515 - Recreation Specialist	18.26
28630 - Sports Official	11.74
28690 - Swimming Pool Operator	17.71
29000 - Stevedoring/Longshoremen Occupational Services	
29010 - Blocker And Bracer	23.62
29020 - Hatch Tender	23.62
29030 - Line Handler	23.62
29041 - Stevedore I	21.98
29042 - Stevedore II	25.26
30000 - Technical Occupations	
30010 - Air Traffic Control Specialist Center (HFO) (see 2)	39.89
30011 - Air Traffic Control Specialist Station (HFO) (see 2)	27.50
30012 - Air Traffic Control Specialist Terminal (HFO) (see 2)	30.29
30021 - Archeological Technician I	17.49
30022 - Archeological Technician II	19.56
30023 - Archeological Technician III	24.21
30030 - Cartographic Technician	23.18
30040 - Civil Engineering Technician	23.08
30051 - Cryogenic Technician I	25.57
30052 - Cryogenic Technician II	28.24
30061 - Drafter/CAD Operator I	17.49
30062 - Drafter/CAD Operator II	19.56
30063 - Drafter/CAD Operator III	20.77
30064 - Drafter/CAD Operator IV	25.57
30081 - Engineering Technician I	14.84
30082 - Engineering Technician II	16.66
30083 - Engineering Technician III	18.64
30084 - Engineering Technician IV	23.08
30085 - Engineering Technician V	28.24
30086 - Engineering Technician VI	34.16
30090 - Environmental Technician	23.08
30095 - Evidence Control Specialist	23.08
30210 - Laboratory Technician	20.77
30221 - Latent Fingerprint Technician I	25.57
30222 - Latent Fingerprint Technician II	28.24
30240 - Mathematical Technician	23.34
30361 - Paralegal/Legal Assistant I	19.44
30362 - Paralegal/Legal Assistant II	23.94
30363 - Paralegal/Legal Assistant III	29.29
30364 - Paralegal/Legal Assistant IV	35.44
30375 - Petroleum Supply Specialist	28.24

30390 - Photo-Optics Technician	21.93
30395 - Radiation Control Technician	28.24
30461 - Technical Writer I	23.08
30462 - Technical Writer II	28.24
30463 - Technical Writer III	34.16
30491 - Unexploded Ordnance (UXO) Technician I	25.35
30492 - Unexploded Ordnance (UXO) Technician II	30.67
30493 - Unexploded Ordnance (UXO) Technician III	36.76
30494 - Unexploded (UXO) Safety Escort	25.35
30495 - Unexploded (UXO) Sweep Personnel	25.35
30501 - Weather Forecaster I	25.57
30502 - Weather Forecaster II	31.09
30620 - Weather Observer Combined Upper Air Or Surface Programs	(see 2) 20.77
30621 - Weather Observer Senior	(see 2) 23.08
31000 - Transportation/Mobile Equipment Operation Occupations	
31010 - Airplane Pilot	30.67
31020 - Bus Aide	8.15
31030 - Bus Driver	9.69
31043 - Driver Courier	9.69
31260 - Parking and Lot Attendant	9.91
31290 - Shuttle Bus Driver	10.59
31310 - Taxi Driver	10.37
31361 - Truckdriver Light	10.59
31362 - Truckdriver Medium	11.61
31363 - Truckdriver Heavy	13.92
31364 - Truckdriver Tractor-Trailer	13.92
99000 - Miscellaneous Occupations	
99020 - Cabin Safety Specialist	14.95
99030 - Cashier	9.48
99050 - Desk Clerk	9.70
99095 - Embalmer	25.35
99130 - Flight Follower	25.35
99251 - Laboratory Animal Caretaker I	22.67
99252 - Laboratory Animal Caretaker II	24.77
99260 - Marketing Analyst	21.54
99310 - Mortician	25.35
99410 - Pest Controller	14.61
99510 - Photofinishing Worker	13.32
99710 - Recycling Laborer	15.75
99711 - Recycling Specialist	21.66
99730 - Refuse Collector	14.91
99810 - Sales Clerk	9.66
99820 - School Crossing Guard	16.75
99830 - Survey Party Chief	22.02
99831 - Surveying Aide	12.52
99832 - Surveying Technician	16.27
99840 - Vending Machine Attendant	22.67
99841 - Vending Machine Repairer	28.88
99842 - Vending Machine Repairer Helper	22.67

Note: Executive Order (EO) 13706 Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1 2017. If this contract is covered by the EO the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness injury or other health-related needs including preventive care; to assist a family member (or person who is like family to the employee) who is ill injured or has other health-related needs including preventive care; or for reasons resulting from or to assist a family member (or person who is like family to the employee) who is the victim of domestic violence sexual assault or stalking. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

ALL OCCUPATIONS LISTED ABOVE RECEIVE THE FOLLOWING BENEFITS:

HEALTH & WELFARE: Life accident and health insurance plans sick leave pension plans civic and personal leave severance pay and savings and thrift plans. Minimum employer contributions costing an average of \$4.54 per hour computed on the basis of all hours worked by service employees employed on the contract.

HEALTH & WELFARE EO 13706: Minimum employer contributions costing an average of \$4.22 per hour computed on the basis of all hours worked by service employees employed on the covered contracts. *

*This rate is to be used only when compensating employees for performance on an SCA-covered contract also covered by EO 13706 Establishing Paid Sick Leave for Federal Contractors. A contractor may not receive credit toward its SCA obligations for any paid sick leave provided pursuant to EO 13706.

VACATION: 2 weeks paid vacation after 1 year of service with a contractor or successor; and 4 weeks after 3 years. Length of service includes the whole span of continuous service with the present contractor or successor wherever employed and with the predecessor contractors in the performance of similar work at the same Federal facility. (Reg. 29 CFR 4.173)

HOLIDAYS: A minimum of ten paid holidays per year: New Year's Day Martin Luther King Jr.'s Birthday Washington's Birthday Memorial Day Independence Day Labor Day Columbus Day Veterans' Day Thanksgiving Day and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in

accordance with a plan communicated to the employees involved.) (See 29 CFR 4.174)

THE OCCUPATIONS WHICH HAVE NUMBERED FOOTNOTES IN PARENTHESES RECEIVE THE FOLLOWING:

1) COMPUTER EMPLOYEES: Under the SCA at section 8(b) this wage determination does not apply to any employee who individually qualifies as a bona fide executive administrative or professional employee as defined in 29 C.F.R. Part 541. Because most Computer System Analysts and Computer Programmers who are compensated at a rate not less than \$27.63 (or on a salary or fee basis at a rate not less than \$455 per week) an hour would likely qualify as exempt computer professionals (29 C.F.R. 541.400) wage rates may not be listed on this wage determination for all occupations within those job families. In addition because this wage determination may not list a wage rate for some or all occupations within those job families if the survey data indicates that the prevailing wage rate for the occupation equals or exceeds \$27.63 per hour conformances may be necessary for certain nonexempt employees. For example if an individual employee is nonexempt but nevertheless performs duties within the scope of one of the Computer Systems Analyst or Computer Programmer occupations for which this wage determination does not specify an SCA wage rate then the wage rate for that employee must be conformed in accordance with the conformance procedures described in the conformance note included on this wage determination.

Additionally because job titles vary widely and change quickly in the computer industry job titles are not determinative of the application of the computer professional exemption. Therefore the exemption applies only to computer employees who satisfy the compensation requirements and whose primary duty consists of:

(1) The application of systems analysis techniques and procedures including consulting with users to determine hardware software or system functional specifications;

(2) The design development documentation analysis creation testing or modification of computer systems or programs including prototypes based on and related to user or system design specifications;

(3) The design documentation testing creation or modification of computer programs related to machine operating systems; or

(4) A combination of the aforementioned duties the performance of which requires the same level of skills. (29 C.F.R. 541.400).

2) AIR TRAFFIC CONTROLLERS AND WEATHER OBSERVERS - NIGHT PAY & SUNDAY PAY: If you work at night as part of a regular tour of duty you will earn a night differential and receive an additional 10% of basic pay for any hours worked between 6pm and 6am.

If you are a full-time employed (40 hours a week) and Sunday is part of your regularly scheduled workweek you are paid at your rate of basic pay plus a Sunday premium of 25% of your basic rate for each hour of Sunday work which is not overtime (i.e. occasional work on Sunday outside the normal tour of duty is considered overtime work).

**** HAZARDOUS PAY DIFFERENTIAL ****

An 8 percent differential is applicable to employees employed in a position that represents a high degree of hazard when working with or in close proximity to ordnance explosives and incendiary materials. This includes work such as screening blending dying mixing and pressing of sensitive ordnance explosives and pyrotechnic compositions such as lead azide black powder and photoflash powder. All dry-house activities involving propellants or explosives. Demilitarization modification renovation demolition and maintenance operations on sensitive ordnance explosives and incendiary materials. All operations involving re-grading and cleaning of artillery ranges.

A 4 percent differential is applicable to employees employed in a position that represents a low degree of hazard when working with or in close proximity to ordnance (or employees possibly adjacent to) explosives and incendiary materials which involves potential injury such as laceration of hands face or arms of the employee engaged in the operation irritation of the skin minor burns and the like; minimal damage to immediate or adjacent work area or equipment being used. All operations involving unloading storage and hauling of ordnance explosive and incendiary ordnance material other than small arms ammunition. These differentials are only applicable to work that has been specifically designated by the agency for ordnance explosives and incendiary material differential pay.

**** UNIFORM ALLOWANCE ****

If employees are required to wear uniforms in the performance of this contract (either by the terms of the Government contract by the employer by the state or local law etc.) the cost of furnishing such uniforms and maintaining (by laundering or dry cleaning) such uniforms is an expense that may not be borne by an employee where such cost reduces the hourly rate below that required by the wage determination. The Department of Labor will accept payment in accordance with the following standards as compliance:

The contractor or subcontractor is required to furnish all employees with an adequate number of uniforms without cost or to reimburse employees for the actual cost of the uniforms. In addition where uniform cleaning and maintenance is made

the responsibility of the employee all contractors and subcontractors subject to this wage determination shall (in the absence of a bona fide collective bargaining agreement providing for a different amount or the furnishing of contrary affirmative proof as to the actual cost) reimburse all employees for such cleaning and maintenance at a rate of \$3.35 per week (or \$.67 cents per day). However in those instances where the uniforms furnished are made of "wash and wear" materials may be routinely washed and dried with other personal garments and do not require any special treatment such as dry cleaning daily washing or commercial laundering in order to meet the cleanliness or appearance standards set by the terms of the Government contract by the contractor by law or by the nature of the work there is no requirement that employees be reimbursed for uniform maintenance costs.

**** SERVICE CONTRACT ACT DIRECTORY OF OCCUPATIONS ****

The duties of employees under job titles listed are those described in the "Service Contract Act Directory of Occupations" Fifth Edition (Revision 1) dated September 2015 unless otherwise indicated.

**** REQUEST FOR AUTHORIZATION OF ADDITIONAL CLASSIFICATION AND WAGE RATE Standard Form 1444 (SF-1444) ****

Conformance Process:

The contracting officer shall require that any class of service employee which is not listed herein and which is to be employed under the contract (i.e. the work to be performed is not performed by any classification listed in the wage determination) be classified by the contractor so as to provide a reasonable relationship (i.e. appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination (See 29 CFR 4.6(b)(2)(i)). Such conforming procedures shall be initiated by the contractor prior to the performance of contract work by such unlisted class(es) of employees (See 29 CFR 4.6(b)(2)(ii)). The Wage and Hour Division shall make a final determination of conformed classification wage rate and/or fringe benefits which shall be paid to all employees performing in the classification from the first day of work on which contract work is performed by them in the classification. Failure to pay such unlisted employees the compensation agreed upon by the interested parties and/or fully determined by the Wage and Hour Division retroactive to the date such class of employees commenced contract work shall be a violation of the Act and this contract. (See 29 CFR 4.6(b)(2)(v)). When multiple wage determinations are included in a contract a separate SF-1444 should be prepared for each wage determination to which a class(es) is to be conformed.

The process for preparing a conformance request is as follows:

1) When preparing the bid the contractor identifies the need for a conformed occupation(s) and computes a proposed rate(s).

2) After contract award the contractor prepares a written report listing in order the proposed classification title(s) a Federal grade equivalency (FGE) for each proposed classification(s) job description(s) and rationale for proposed wage rate(s) including information regarding the agreement or disagreement of the authorized representative of the employees involved or where there is no authorized representative the employees themselves. This report should be submitted to the contracting officer no later than 30 days after such unlisted class(es) of employees performs any contract work.

3) The contracting officer reviews the proposed action and promptly submits a report of the action together with the agency's recommendations and pertinent information including the position of the contractor and the employees to the U.S. Department of Labor Wage and Hour Division for review (See 29 CFR 4.6(b)(2)(ii)).

4) Within 30 days of receipt the Wage and Hour Division approves modifies or disapproves the action via transmittal to the agency contracting officer or notifies the contracting officer that additional time will be required to process the request.

5) The contracting officer transmits the Wage and Hour Division's decision to the contractor.

6) Each affected employee shall be furnished by the contractor with a written copy of such determination or it shall be posted as a part of the wage determination (See 29 CFR 4.6(b)(2)(iii)).

Information required by the Regulations must be submitted on SF-1444 or bond paper.

When preparing a conformance request the "Service Contract Act Directory of Occupations" should be used to compare job definitions to ensure that duties requested are not performed by a classification already listed in the wage determination. Remember it is not the job title but the required tasks that determine whether a class is included in an established wage determination. Conformances may not be used to artificially split combine or subdivide classifications listed in the wage determination (See 29 CFR 4.152(c)(1))."

EXHIBIT H

GOVERNMENT OF GUAM ADMINISTRATIVE PROCEDURES

A. Good Faith Negotiations

Both teams shall be fully committed to good faith negotiations. Both teams shall carefully and respectfully listen to the other and shall make best efforts to reach satisfactory agreements on all issues. Both teams shall fully cooperate in providing any clarification or documentation reasonably requested by the other. If one team disagrees with a position taken by the other, the disagreeing team will detail its concerns, which will be duly considered and responded to by the other team.

B. Expenses

The Government will make every effort to secure a site conducive to negotiations on Government facilities. In the event such arrangements cannot be made, the offerors will make such arrangements. If arrangements are made by the offeror, expenses relating to the accommodations for the negotiations site are the responsibility of the offeror. The site will include basic office equipment and a caucus room for both parties. Equipment includes a flip chart or white board, access to a telephone, and a photocopier machine. The offeror will advise the Government of Guam of the negotiation site for the approval of the Government. The government of Guam may change the negotiations platform to comply with social distancing requirements in light of the Covid-19 pandemic.

C. Confidentiality

1. During the course of the negotiations, no matters regarding the negotiations shall be discussed with anyone except members of the negotiating teams or officials of either the Government of Guam or the Insurance Company who are directly involved with the negotiations.
2. Utmost care shall be taken to ensure that no other person gains access to any negotiation information or materials.

D. Media/Ex Parte Communications

If any communications are to be made to the media or other persons outside those immediately involved in the negotiations, such communications shall be prepared and presented jointly by the negotiating teams. Further, except for necessary information on benefits and administration, no carrier shall release any information to the media, or to any enrollee or other person regarding any aspect of the plan, including its profitability or the reasons for rate or benefit changes, without the Government of Guam's written approval.

E. Copies

If one team submits a document to the other team, the submitting team shall, at the same time, provide a copy of such document to each member of the other team.

F. Caucusing

1. Either team may call a caucus at any time. However, both teams shall make best efforts to consolidate issues to discuss during caucuses and to use the designated caucus times rather than interrupting the negotiations.
2. The team calling the caucus may remain in the negotiating room and the other team will excuse itself, unless otherwise agreed.

G. Negotiated Changes

Negotiated contractual changes shall be memorialized in writing and signed by the authorized insurance representative and Chairperson during the negotiations and, if needed, taped at the conclusion of the negotiations.

H. Tape Recording

Pursuant to Title 5 GCA § 5249(c) and 2 GAR, Div. 4 § 3129(3), each procurement officer shall maintain a complete record of each procurement and shall include sound recordings. Negotiations will be recorded for compliance purposes.

I. Allotted Time

Each offeror’s negotiations shall be concluded within three days. If additional time is requested by the plan, such may be granted by the Government of Guam’s team at its sole option.

J. Impasses

1. If the teams cannot reach an agreement on a particular issue, that issue shall be set aside, if at all possible, and the negotiations proceeded with. Such issues may be revisited at a later stage in the negotiations.
2. If an agreement is not reached on all issues by the close of the negotiations, the Government of Guam’s team will recommend against contracting with such an Insurance Company.

K. Approval by the Governor

All written or taped agreements made by the Government of Guam’s negotiating team are subject to the final approval by the Governor of Guam.

L. Other Approval

Each insurance company shall have a final decision maker at the negotiating table at all times. However, if the commitments made require approval from a company officer or board not at the negotiating table, the Insurance Company shall disclose the officer’s name and title or the name of the board on the following line: _____.

M. Marketing

The plan selected shall comply with the Government of Guam’s Marketing Guidelines (Exhibit I). No plan shall market its proposed plan to Government of Guam employees or retirees or dependents thereof prior to receiving written approval from the Director of the Department of Administration.

N. Agreement to Administrative Procedures

The Government of Guam and the Insurance Company shall adhere to these administrative procedures, which are pertinent to the Group Health Insurance Negotiations.

Insurance Company: _____

Print/Signature/Date: _____

EXHIBIT I
GOVERNMENT OF GUAM
MARKETING GUIDELINES FOR HEALTH INSURANCE CARRIERS

These marketing guidelines apply to all Health insurance carriers contracting with or intending to contract with the Government of Guam.

A. MARKETING MATERIALS

1. Each carrier is required to follow the SOB format for publication and inclusion in the marketing brochures. No deviation to the format is allowed. SOB format will be provided by the Government of Guam to carriers awarded a contract.
2. Each carrier shall prepare a Government of Guam plan brochure, setting forth the benefits and conditions of the plan, for distribution to subscribers and prospective subscribers. Brochures must identify items such as cheat sheets, Q & A's, highlights of changes, information on how to access benefits and changes to benefits should they become Medicare eligible, guidance to seek assistance at urgent care as supposed to GMHA in case of non-emergency situations, etc.
3. Carriers must insert language advising subscribers that providers change during the contract period.
4. Carriers must provide a listing of providers who accept Medicare in the RSP brochure.
5. Carriers shall make available, upon requests, marketing products to include provisions of alternative format/services (audio tape, radio announcements, large print braille, and use of ASL Interpreters, open/closed captions for videos, ASCII, HTML or word processing form on a computer diskette or CD, or HTML on an accessible website) upon request.
6. Each carrier may prepare other marketing materials, including newspaper and other media advertising copy, in addition to those required in paragraphs 1 above. Each carrier may also include with the marketing materials company-branded items such as pens, pencils, note pads, ID card wallets, and other similar items. The aggregate value of such items *shall not* exceed Five Dollars (\$5.00) per set of marketing materials.
7. All marketing materials, including company-branded items, must be submitted to the Government of Guam's Director of the Department of Administration or his or her designee with a written statement signed by an appropriate officer of the carrier certifying that the materials have been prepared in accordance with these guidelines.
8. The Government of Guam's Director of the Department of Administration must approve the content of all marketing materials and company-branded items in writing. Such written approval, however, does not guarantee the carrier that its marketing materials will be free from future scrutiny or that the carrier will not attract penalties should the marketing materials later be determined to be out of compliance with these guidelines.
9. Marketing materials and company-branded items which have not been approved for content may not be distributed or displayed. Further, no marketing materials may be distributed or displayed prior to the date specified in writing by the Director of the Department of Administration. No marketing

materials will be approved for distribution or display prior to the conclusion of negotiations with all carriers.

10. Once approved for content and distribution and display, all marketing materials, excluding newspaper and other media advertising copy, must be made available to the Government of Guam subscribers, prospective subscribers, agencies and departments as quickly as possible.

B. MARKETING STANDARDS

1. All marketing materials, including newspaper and other media advertising and open enrollment presentations, must be truthful and not misleading.
2. All marketing materials must be worded simply, clearly and concisely so that they are readily understandable.
3. All marketing materials must contain sufficient detail to ensure accuracy.
4. At least the plan brochure should contain a statement that full details of the plan are contained in the carrier's contract with the Government of Guam.
5. If an insurance company markets wrongful products, benefits or advertises in their brochure incorrect information, the insurance company must place at least 2 media advertisements, in addition to giving memos to all enrollees, satisfactory to DOA, of correct version. Plans must also prepare an insert of corrected information and include it in all brochures, if not already corrected the language in the brochure.

C. PENALTIES FOR NON-COMPLIANCE

1. Failure to conform to these guidelines may result in corrective action by the Department of Administration. Such corrective action will be appropriate to the circumstances. For example, if a carrier indicates benefits or other plan provisions that are more favorable to enrollees than those specified in the Government of Guam contract, the carrier will be required to provide those more generous benefits or provisions without additional compensation for the entire contract year(s).
2. Interpretation and enforcement of these guidelines *shall be at the sole discretion* of the Director of the Department of Administration. The Government of Guam shall have no liability with regard to the alleged or actual failure to enforce these guidelines.

D. EXPENSES

1. A Personnel/Payroll Officers meeting will be conducted prior to the Open Enrollment Period. The **purpose of this meeting** is to advise all department representatives of the benefits available and premiums for the Health insurance program. The insurance company awarded the contract will secure and absorb the cost of the Personnel/Payroll Officers Meeting. The insurance company shall make best efforts to limit its costs to those items necessary to meet the purpose of the meeting. Specifications will be provided by the Government.
2. All expenses involved in the preparation and distribution of marketing materials shall be borne by

the respective carrier. The Government of Guam shall have no liability with regard to any marketing materials or any costs which may be incurred because of any alleged or actual delay in the approval or a carrier's marketing materials."

E. AGREEMENT TO MARKETING GUIDELINES

By signing below, the offeror agrees to comply with the Marketing Guidelines.

Insurance Company: _____

Print/Signature/Date _____

EXHIBIT J

GOVERNMENT OF GUAM
GROUP HEALTH INSURANCE
RULES AND REGULATION

APRIL, 1986

GOVERNMENT OF GUAM NEGOTIATING TEAM
RULES OF PROCEDURE

Adopted by virtue of Public Law 32-083

November 2013

**EXHIBIT J GROUP HEALTH INSURANCE
RULES AND REGULATION**

100.0 STATUTORY AUTHORITY:

100.1 Pursuant to the authority vested in the Director of Administration by Section 4302 (b), Title 4 of the Guam Code Annotated, as amended by Public Law 18-17:52, the following rules and regulations are promulgated setting forth the information the Director of Administration requires from the companies or legal entities interest in providing health care coverage and the method by which such information shall be reported.

In accordance with that authority, all information and documentation required to be submitted under these rules and regulations shall be confidential and may not be disclosed or released by the Government of Guam without the prior written approval of the carrier. Note, however, that audited financial statements acquired by the Government of Guam pursuant to Section 4302(a), Title 4 of the Guam Code Annotated, shall be public records.

200.0 PURPOSE AND POLICY:

200.1 The purpose of these rules and regulations is to set up the standardization of the information the Director of Administration shall require from all existing or prospective carriers that desire to provide or continue to provide health care services to the Government of Guam active employees, retired employees, survivors of retired employees and covered dependents thereof.

The government is cognizant that not all carriers, insurance companies or legal entities operate on the same fiscal year or maintain universal fiscal, utilization, claim or similar health care industry required data. Consequently, each carrier shall make a good faith effort to supply the information required under these rules and regulations. If the carrier is unable to comply with a particular requirement, it shall submit a written statement to the Director of Administration prior to the deadline established in Section 300.1 explaining how it was not able to comply and what information it submitted in an effort to satisfy the requirements under these rules and regulations. The negotiating team shall review the documentation and determine whether the carrier has complied with the requirements. Nothing in these rules and regulations shall restrict the negotiating team from requiring additional information in order to ensure that uniform information is provided by each carrier.

200.2 By statute, the negotiating team has the authority to recommend for the scope and content of the Government of Guam group health/dental insurance programs.

200.3 The Director of Administration and the negotiating team are committed to the concept of providing Government of Guam enrollees with comprehensive health benefit plan and ensuring that such benefits are delivered efficiently and economically for all participants in the plan.

200.4 It is the policy of the Government of Guam to provide its enrollees to be covered by health benefits plan to be covered by health benefits plan under a minimum benefits package arrangement. The minimum benefits package is to be used uniformly when soliciting bids from any interested carriers authorized to provide these services pursuant to applicable laws. All benefits in any proposal are to be at least equal to those of the Government of Guam standard medical expense plan as mandated by Section 4302(d), Title 4 of the Guam Code Annotated. The carrier may propose additional benefits.

200.5 The minimum benefit package will be made available to all lawfully authorized carriers interested in providing coverage for the medical expenses of the Government of Guam enrollees.

200.6 The negotiating team shall require sufficient data from each carrier making a bid to be satisfied that the Government of Guam and its enrollees shall receive good value for their premium payments. In addition, each carrier that submits a proposal which has previously provided coverage for the Government of Guam enrollees shall provide reports of its past financial experience of the plan. All procedural and regulatory requirements shall be complied with on or before the deadline described in Section 300.1, unless the Director of Administration or the negotiating team determines that it is in the best interest of the enrollees to grant a waiver.

300.0 DEADLINE FOR SUBMISSION OF PROPOSAL:

300.1 All information required to be submitted by carriers under these rules and regulations shall be submitted no later than ten (10) days prior to the scheduled negotiation or within ten (10) days upon receipt of subsequent written notice of the Director of Administration. If a carrier fails to submit the required information, in part or in whole, the negotiating team need not negotiate or consider the carrier's proposal unless it determines that it is in the best interest of the Government to do so.

400.0 GENERAL BIDDING AND OPERATIONAL REQUIREMENTS:

400.1 Each carrier seeking to contract or continue to contract with the Government of Guam under the group health insurance plan shall provide the information in Section 500 of these rules and regulations and shall also furnish to the negotiating team or Director of Administration, as the case may be; information in writing on the points listed below. If the carrier is currently providing health benefits to GovGuam enrollees, any changes contained in its proposal set forth in items C and E of this paragraph shall be reported in writing to the negotiating team.

A. A written statement to the negotiating team affirming the financial capacity of the plan to provide the proposed benefits. At a minimum, this demonstration shall include the carrier's audited profit and loss statement sheet and balance sheet for its preceding fiscal year.

If the company is not organized in the United States or Guam, the annual statements of its United States department shall be submitted to the Director of Administration. If the benefits are guaranteed in whole or in part by an insurance company, the post recent "convention form" of annual statement is to be furnished.

If some part or all of the funds of the plan are to be held by an administrator for such purposes as paying claims or refunds, the administrator is to indicate in writing to the negotiating team if he or she is willing to provide a fidelity bond and errors and omissions insurance that will suitably protect the Government of Guam in the event a contract is made with the administrator. The audited financial statements of the administrator for the most recent twelve (12) month period are also to be furnished to the Director of Administration.

B. Carriers will be required to submit documentation to the Director of Administration that there exists an adequate mechanism for maintaining records on enrollees. The above-mentioned administrator or carrier shall provide a written statement to the negotiating team stating whether or not funds received from the Government of Guam have been maintained in a separate fiduciary account prior to payments made pursuant to its contractual obligation.

C. Documentation to the Director of Administration that the carrier has an effective program for

containing costs for medical services, hospital confinements and any other benefits shall be provided. This includes, but is not limited to, arrangements for:

1. Effective peer review and utilization review mechanisms for monitoring health care costs. This includes pre-admission authorization of the need for and allowable period of hospitalization, and ongoing review of hospital confinements that exceed the pre-authorized periods. Carrier shall be required to submit to the Director of Administration the most recent peer review and utilization report of the Government of Guam's account, but no later than 30 days after the date of the report.
 2. A mechanism for coordinating benefits when a person is insured by more than one health insurance plan for the same condition, to at least keep benefits from exceeding covered expenses incurred.
- D. Each carrier shall submit to the Director of Administration statistical report(s) showing utilization and claims data on the Government of Guam enrollees covered thereunder. If the plan's premium is community-rated, then the carrier shall provide some indication of the percentage the Government of Guam enrollees group represents of the total community covered by the carrier and the percentage of claims and expenses of the carrier incurred by the Government of Guam enrollees. The method of making this allocation is to be equitable and is to be explained to the Director of Administration. Each carrier shall provide specific information about the portion of costs due to specific benefits. These benefits shall include but are not limited to hospitalization, physical examinations and mental care in and outside the hospital. Each carrier shall also provide enrollment information by age and sex of member, separately for enrollees.
- E. Each carrier shall set forth in writing to the Director of Administration the manner in which it handles medical costs and services provided to an enrolled individual in the event of an accident or illness which occurs while off-island, whether in a state of the United States or a foreign country. The carrier shall also indicate its practice for sending enrollees to a state or foreign country for treatment not obtainable in Guam.

500.0 RATES AND RETENTIONS:

500.1 Each carrier shall include in its proposal to the Director of Administration Form GHI-1. Each carrier shall identify whether the rate which will be proposed represents a community rate (actuarially factored if necessary for difference time periods or benefits provisions), or an experience rate based on past claims/benefits adjusted or anticipated experience of the Government of Guam's group. The Director of Administration requires each carrier to factor out the results of the Government of Guam's group when the premium rate structure was based on the total experience of all covered individuals in Guam.

500.2 Each carrier shall submit an explanation to the Director of Administration of how adverse or favorable experience of the GovGuam plan will be reflected in future rates. The plan is ordinarily to be based on the experience of the GovGuam enrollees covered by the carrier under their program. If applicable, the plan must demonstrate and explain differences in assumptions between the Government of Guam program and the community or prospective rated groups.

500.3 If a plan is not experience rated, the carrier must identify the assumptions used to derive the monthly premium rate for or the portion of it due to at least each of the following, plus such others as the carrier considers appropriate. However, whether carrier is experience rated or is not experience rated, it will be required, where applicable, to submit data on the following:

- a. Capitation rate for physician's services
- b. Off-island referrals
- c. Hospitalization
- d. Prescription drugs
- e. Administrative expenses
- f. Specialist referrals (on-island)
- g. Physical examinations
- h. Maternity and obstetrical benefits
- i. Savings from Medicare, coordination of benefits (COB), discounts from PPOs or others.

Each Carrier shall submit additional information to the Director of Administration about features of or conditions developing with its program that warrant consideration by the negotiating team. This could be because of such reasons as actual or potential excessive utilization of the benefit(s) or because new medical developments may warrant changing a benefit. It is expected that the items which will require evaluation of emerging experience will be investigated and reviewed by the consulting actuary of the Government of Guam, who will verify relevant factors such as the reasonableness of trend factors, claim or service costs, and expense charges, and make such necessary recommendations to the negotiating team and the Director of Administration.

500.4 The Director of Administration in concert with the negotiating team may from time-to-time establish the premium categories. Each carrier shall submit its proposal in the following premium class categories, and each carrier in order to contract under the group health insurance program shall provide coverage for each premium class category below as defined in existing contract of participating carriers:

- | | | |
|------------------|---|---------------------|
| CLASS I | - | Single employees |
| CLASS II and III | - | Employee and family |

500.5 The following items are required:

- A. Each Carrier shall submit as part of its proposal For GHI-1.
- B. Each Carrier that has previously contracted with the Government of Guam under the group health insurance program must submit Form GHI-2 for the previous contract year. In addition, each Carrier shall submit as far as practicable, a current or updated Form GHI-2.

600.0 OTHER PROVISIONS:

600.1 Severability Clause: If any provision of these rules and regulations, or any rule, regulation or order promulgated hereunder, or the application of any such rule, regulation or order to any person or circumstances shall be held invalid, by a court of competent jurisdiction, the remainder of these rules and regulations or orders to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

600.2 Superseding Clause: These rules and regulations supersede any and all subsequent contracts between the Government and a carrier for the provision of health care service and coverages to Government of Guam employees and retirees; and all administrative rules, regulations, directives, orders and provisions affecting these rules and regulations at the time these rules and regulations are lawfully promulgated under the Administrative Adjudication Law of Guam, and furthermore, that these rules and regulations may be subordinated to legislative laws enacted subsequent to

the date of promulgation of these rules and regulations.

700.0

DEFINITIONS:

“Benefits” means hospital services, professional services and other authorized health care services. Alternatively, “benefits” means the various coverages provided by a carrier under the health benefit plan of the Government of Guam.

“Carriers” means a voluntary association, corporation, partnership, or other nongovernmental organization which is engaged in providing, paying for, or reimbursing all or part of the cost of health benefits under group insurance policies and contracts, or under medial or hospital service agreements, in consideration of premiums or other periodic charges payable to the carrier.

“Community rating system” (Community rate) means a system of fixing rates of payments for health services. Under such a system, rates of payments may be determined on a per person or per family basis and may vary with the number of persons in a family, and rates must be equivalent for all individuals and for all families of similar composition. This does not preclude changes in the rates of payments for health services based on a community rating system which are established for new enrollments or re-enrolments and which changes do not apply to existing contracts until the renewal of such contracts.

“Days” means calendar days unless otherwise specified.

“Director of Administration” means the Director of the Department of “Administration.

“Enrollee” means a subscriber or a dependent of a subscriber who is entitled to receive health services under a health insurance contract.

“Enrollment” means the process of converting an eligible population having the HMO or indemnity option to the HMO subscriber population or vice versa; alternatively, the aggregate of subscribers to an HMO or indemnity insurance.

“Subscriber” means an individual who enters into a health service contract, or on whose behalf a health maintenance contract is entered into, with a licensed health maintenance organization or a health insurance carrier and to whom evidence of coverage is issued. “The subscriber is differentiated from the enrollees, who are defined as anyone covered under the contract.

“Utilization review” means prospective, concurrent and retrospective review and analysis of date related to utilization of health care resources in terms of cost, effectiveness, efficiency, control and quality.

EXHIBIT J (continued)
Rules of Procedures PL32-083
Government of Guam Group Health Negotiating Team

I. Authority. The Negotiating Team for the government of Guam, responsible for the solicitation of group health insurance benefits for employees and retirees of the government, is established by statute. Pursuant to law, the Negotiating Team shall develop its rules of procedure in accordance with the Administrative Adjudication Law. 4 GCA § 4302(c). The responsibilities and roles of the Negotiating Team are those set out by law at Title Four, Chapter Four, Article Three, of the Guam Code Annotated (“Group Benefits Laws”). At any time that these Rules of Procedure come into conflict with the Group Benefits Laws, the Group Benefits Laws shall preempt these rules.

II. Membership.

- A. The Negotiating Team is comprised of individuals identified by statute at 4 GCA §4302(c).
- B. The Negotiating Team may obtain technical support from other financial, legal and health-related agencies. The Director of Administration, upon the approval of the Negotiating Team, may invite representatives of government departments, agencies, bureaus and other government entities to Negotiating Team meetings as seen fit to serve as consultants in aid of the Negotiating Team in its duties. No unilateral consultations shall be conducted by the Chairperson or any member of the Negotiating Team nor shall they hold independent meetings or consultations with persons outside of the Negotiating Team and its consultants prior to the conclusion of the Negotiating Team proceedings.
- C. The Attorney General or his designee shall act as legal advisor during all phases of the solicitation or procurement process for group health insurance benefits for employees and retirees of the government.
- D. Non-delegation of representation. The following members of the Negotiating Team are not permitted, by law, to delegate to another individual the authority to serve in their stead as a substitute or proxy for purposes of participation in Negotiating Team activities:
1. Director of Administration
 2. The employee representative of the Judiciary of Guam to be appointed by the Chief Justice of the Supreme Court of Guam.
 3. The employee representative of the Legislative Branch to be appointed by the Speaker of / *Liheslaturan Guåhan*.
 4. The retiree who is a member of the Government of Guam Retirement Fund appointed by the Board of Trustees of the Government Guam Retirement Fund.
 5. The member of the general public appointed *by / Maga'låhen Guåhan*.
- E. Delegation of representation. The following members of the Negotiating Team are permitted, by law, to delegate to another individual the authority to serve in their stead as a substitute or proxy for purposes of participation in Negotiating Team activities:
1. The Administrator of the Department of Integrated Services for Individuals with Disabilities.

2. The Director of the Bureau of Budget and Management Research.
 3. The Superintendent of the Department of Education.
4. The Director of the Government of Guam Retirement Fund.
 5. The Chairperson of the Committee on Health or the successor committee of *I Liheslaturan Guåhan*.
 6. The Chairperson of the Committee on Appropriations, or the successor committee of *I Liheslaturan Guåhan*.
- F. Delegation in writing. A member of the Negotiating Team who is permitted, by law, to delegate to another individual the authority to serve in their stead as a substitute or proxy shall designate such delegation in writing and have such a written delegation delivered to the Chairperson of the Negotiating Team prior to the delegation being effective. Any member of the Negotiating Team with the authority to delegate shall delegate only one representative for the entire process to ensure for continuity of communications and to safeguard the dissemination of information. A written delegation may be repealed in writing.

III. **Voting.**

A. Voting Members. The following members of the Negotiating Team are voting members:

1. The Director of Administration, who shall be Chairperson of the Negotiating Team.
2. The employee representative from the Judicial Branch appointed by the Chief Justice of the Supreme Court of Guam.
3. The employee representative of the Legislative Branch to be appointed by the Speaker of *I Liheslaturan Guåhan*.
4. The retiree who is a member of the Government of Guam Retirement Fund to be appointed by the Board of Trustees of the Government of Guam Retirement Fund.
5. The member of the general public, appointed by *I Maga'låhen Guåhan*.
6. The Administrator of the Department of Integrated Services for Individuals with Disabilities, or his or her designee.
7. The Director of the Bureau of Budget and Management Research, or his or her designee.
8. The Superintendent of the Department of Education, or his or her designee.
9. The Director of the Government of Guam Retirement Fund, or his or her designee.

B. Non-Voting Members. The following members of the Negotiating Team are non-voting members:

1. The Chairperson of the Committee on Health or the successor committee of *I Liheslaturan Guåhan*, or his or her designee.
2. The Chairperson of the Committee on Appropriations, or the successor committee of *I Liheslaturan Guåhan*, or his or her designee.

IV. Confidentiality. Members, delegates of members, consultants of the Negotiating Team and applicable Department of Administration staff as determined by the Director of Administration must adhere to the strictest of confidentiality and acknowledge that the proposals received are confidential in nature. Team members, delegates of members, consultants and applicable Department of Administration staff acknowledge that no information contained in the proposals, meetings or negotiations can be divulged to

any person outside of the Negotiating Team. Team members, delegates of members, consultants and applicable Department of Administration staff must sign a confidentiality agreement attesting to such. Confidentiality agreements shall be signed prior to the predetermined meeting date and time for opening proposals referenced in Section IX. A delegate may brief the member of the Negotiating Team who made the delegation about the business of the Negotiating Team but both parties are subject to strict confidentiality throughout the entire process. Copies of all correspondence between the negotiating team and the Judiciary or Governor, shall also be transmitted to the Legislature.

- V. No conflict-of-interest.** A member, consultant or advisor of the Negotiating Team that has a conflict of interest (as understood and regulated by 5 GCA §§ 5625-5633) because of a financial interest with an offeror or due to employment of a family member shall recuse him or herself from being a member, consultant or advisor of the Negotiating Team during the pendency of the solicitation. Members, consultants and advisors of the Negotiating Team must sign an affidavit that no conflict of interest exists with any offerors once knowledge of the names of the carriers who submitted proposals is known and prior to receiving any information contained in the proposals. Any member, consultant or advisor who later realizes that a conflict of interest exists must recuse himself or herself from being a member of the Negotiation Team.
- VI. Meetings.** Meetings of the Negotiating Team shall be called by the Chairperson, or by a majority of the voting members of the Negotiating Team.
- A. The Chairperson shall set the time, day and place of meetings with the intent to permit the largest number of voting members of the Negotiating team to attend to the meeting. The Chairperson shall establish an agenda for each meeting. The agenda shall be adopted or amended by the Negotiating Team at the start of a meeting.
 - B. Notice of meetings of the Negotiating Team shall be provided to each member of the Negotiating Team in writing, by business email, and by other acceptable written or telephonic format as may be determined by the Negotiating Team from time to time, at least one business day in advance of the meeting.
 - C. Notwithstanding the foregoing, the Negotiating Team, at a properly noticed meeting with a quorum present, may adjourn its business and schedule a subsequent meeting for a time, day and place certain even though notice as prescribed here cannot be given one business day before the meeting. Nonetheless, written notice, by business email of such subsequent meeting shall be provided to each member. Nothing here prohibits additional forms of providing notice to ensure that all members receive actual notice of a scheduled meeting.
 - D. The Chairperson is responsible for providing timely notice to all members of the Negotiating Team of each meeting, as provided for in this rule.
- VII. Quorum.** The Negotiating Team may conduct official business if a quorum of its voting members is present at any properly noticed meeting. A quorum of the Negotiating Team is seven (7) voting members.
- VIII. Decisions.** At any properly noticed meeting of the Negotiating Team where a quorum is present, the Negotiating Team shall make decisions based upon an affirming vote of at least five (5) of the voting

members present, after a motion is made by any member, and seconded by any other member. In any circumstance, a failure to get an affirming vote of at least five (5) of the voting members present shall mean that the motion being voted on fails for lack of a majority. Upon the casting of votes, team members shall sign off on a voting sheet to document the decision made.

- IX. Opening of Proposals.** Provisions shall be made in each Request For Proposals that establish the process for receiving proposals, documenting the reception of proposals, the initial opening of proposals to insure a proper count, documenting the count, and for adequately securing proposals received so that they shall only be viewed by persons having legitimate access to proposals. Provisions made for the initial opening of proposals may include the involvement of the Negotiating Team and/or representatives of offerors, as determined by the Negotiating Team and set out in the Request For Proposals.
- X. Communication by Offerors and Sub-Contractors.** Unsolicited communication by offerors and sub-contractor's by phone, mobile phone, email, or any other mode of delivery about any facet of the RFP prior to negotiations is prohibited and may result in disqualification of proposals of any offending offeror. Prior to disqualification, the Negotiating Team shall request the Attorney General's office to conduct an investigation to verify the veracity of such communication and shall provide its recommendation to the negotiating team for action.
- XI. Authority to Clarify Proposals.** The Negotiation Team shall request any documents or information for any proposals received and deemed to be non-responsive or not qualified that will cause said proposals to be responsive and qualified. A proposal shall only be disqualified or rejected if any offeror fails to submit the requested information to the Negotiating Team within three business days after request.
- XII. Proceeding to the Next Phase.** After the conclusion of each phase identified in the RFP, Team Members must acknowledge, via signature, such approval or disapproval to proceed to the next phase.
- XIII. Weighting and Ranking.** During the planning stage of each solicitation for group health and dental insurance, the Negotiating Team shall establish the processes and mechanisms for evaluating proposals submitted in response to a solicitation for the purpose of the ultimate ranking of proposals, to include the factors to be evaluated, the weighting of the various factors, the process of scoring the evaluation factors, the development of a scoring sheet or sheets, and all other processes that lead to the ultimate ranking of proposals. The Negotiating Team, and each Team member, shall follow the evaluation process developed for a given solicitation and as set out in the Request For Proposals for that solicitation.
- XIV. Review and Audit.** The Negotiating Team reserves the right and obligation to review and audit its evaluation determination during the solicitation process, consistent with the instructions and procedures provided for in a Request For Proposals, Guam law and regulations.
- XV. Roles of Team Members.** The following are the responsibilities of the Department of Administration personnel, consultant and negotiating team members. Any additional duties identified in the Consultant contract, 4 GCA, § 4301 and other pertinent sections that may arise hereafter are also included under these Rules of Procedures.
- A. Recording of Meetings.** All meetings between the Negotiating Team's consultants and any offerors shall be recorded and be made available to members of the Negotiating Team upon request.

B. Consultant: Consultant is responsible for duties as defined in consultant contract and any amendments thereof.

C. DOA: The Department of Administration is responsible for the following:

1. Preparation of RFP to include comments and recommendations submitted by team members, finalization and issuance of RFP, advertisements, recordings of meetings with team, scheduling and notifications of meetings, compilation of voting sheets of motions made, responding to inquiries posed during the issuance of the RFP as guided by consultant, collection of incoming proposals, review of proposals to ensure for initial compliance as defined in the RFP, preparation of negotiations materials, securing site for negotiations, logistics, communications to carriers as directed by Negotiation Team members and communications to the consultant except during designated official team meetings.
2. The publication date of the RFP is determined by the Chairperson of the Negotiation Team.

D. Negotiation Team Members: Negotiation Team members are responsible for the development of the minimum qualifications for proposals, development of the ranking system used to rank proposals, reviewing proposals upon conclusion of initial review by consultant, examination of the financial information, rating of proposals, determination of qualified carriers after review, approval and recommendation from the consultant and Department of Administration, ranking of carriers, negotiations, development of contractual language requirements, and the final recommendation, after obtaining guidance from the Consultant, Insurance Commissioner and Attorney General, to the Governor for approval.

XVI. Amendment. These Rules of Procedure may be amended by the Negotiating Team pursuant to the Administrative Adjudication Law, GCA, § 9301.

XVII. Compliance With Law. The Negotiating Team shall retain consultants cognizant of Federal and Guam laws as applicable to the provision of health and dental insurance and health and dental services, and as applicable to the solicitation and acquisition of group health and dental insurance programs for government employees, retirees, families and survivors.

XVIII. Vice Chairperson. There shall be a Vice Chairperson of the Negotiating Team chosen from among the members of the Negotiating Team by a majority vote of the Negotiating Team. The Vice Chairperson shall serve as Chairperson at any meeting of the Negotiating Team at which the Director of Administration is unable to attend.

EXHIBIT K

GOVERNMENT OF GUAM MANDATORY CONTRACT REQUIREMENTS FY 2022 GROUP HEALTH INSURANCE PROGRAM

Government of Guam Group Health Insurance Contract Requirements

Offerors must comply with the Government of Guam Group Health Insurance Contract requirements which include PPACA. A summary of PPACA benefits and uniform glossary of terms is included on the following website: <http://www.cciio.cms.gov/resources/other/index.html#sbcug>

It is the intent of this contract to provide all of the benefits, rights and responsibilities afforded as a result of the Patient Protection and Affordable Care Act (Public Law 111-148), and the regulations promulgated under the authority of this Act.

Participating Contract

A fully participating contract will be implemented effective 10/1/21 that allows for an annual accounting settlement – no later than 4/1/22 – which will produce either a positive or negative balance after accounting for Incurred claims and guaranteed retention. This surplus will be returned to GovGuam either toward reducing any needed rate increase or in cash.

Guaranteed Renewability of Health Insurance Coverage

In the event that the government of Guam invokes the protection afforded by the Health Insurance Portability and Accountability Act of 1996, as amended, found at Section 2712 of the Public Health Services Act, and its regulations, for the guaranteed renewability of health insurance coverage the parties agree that coverage would be continued until a new contract is in place with the first ninety (90) days of coverage guaranteed at the same rate and plan designs.

Important Requirement of any Certificate of Insurance or Group Health Insurance Agreement:

The process to resolve disputes between the insurance carrier and the covered person (the subscriber and eligible dependents) related to denial of coverage by the insurance provider, to include rescissions, eligibility, pre-exclusion, medical necessity denial, and post-service reimbursement, must be consistent with the Patient Protection and Affordable Care Act and applicable regulations to include 45 CFR 147.136 and 29 CFR 2560.503. Requirements or provisions for an arbitration process to resolve disputes related to denial of coverage by the insurance carrier, to include rescissions, eligibility, pre-exclusion, medical necessity denial, and post-service reimbursement are not acceptable and will not be agreed to.

EXHIBIT L

Certificates and Contract samples

GOVERNMENT OF GUAM

And

GROUP HEALTH INSURANCE AGREEMENT

October 1, 2021– September 30, 2022

Preamble

This Agreement is made effective by and between the GOVERNMENT OF GUAM ("GovGuam") and ****COMPANY****. The effective date of this Agreement is October 01, 2021.

Recitals

WHEREAS, Company is an insurance company duly licensed to do business in Guam; and
WHEREAS, Company is qualified to provide a group health insurance program to GovGuam;
and

WHEREAS, GovGuam selected Company to provide group health insurance benefits to GovGuam active and retired employees, their dependents, and survivors of retired employees who receive annuity benefits; and

WHEREAS, Company offers group health insurance program benefits, as hereinafter set forth, under a group health insurance plan known as the "Government of Guam Plan", and

WHEREAS, the parties wish to enter into an agreement defining their mutual rights and obligations.

NOW, THEREFORE, in consideration of the premises, mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1

Preamble and Recitals

The preamble and recitals set forth above are hereby incorporated into and made a part of this Agreement.

ARTICLE 2

General Provisions

2.1 Scope: This Agreement supersedes any and all prior agreements, either oral or in writing, if any, between the Parties hereto with respect to the retainer of Company by GovGuam and contains all of the covenants and agreements between the parties with respect to the subject matter of this Agreement. Each party to this Agreement acknowledges that no representation, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which is not embodied herein, and that any other agreement, statement, or promise not contained in this Agreement shall not be valid or binding on the Parties with respect to the subject matter of this Agreement. This Agreement, and any modification hereto, is not binding until approved by the Attorney General of Guam and executed by the Governor of Guam. Any modification of this Agreement will be effective only if it is in writing, approved by the Attorney General of Guam and executed by the Governor of Guam.

It is hereby mutually agreed that the following list of documents which are attached hereto, bound herewith or incorporated herein by reference shall constitute the "Contract Documents," all of which are made part hereof, and collectively evidence and constitute this Agreement between the parties hereto, and they are as fully a part of this Agreement, as if they were set out verbatim and in full herein:

- a. The Request for Proposals, and all notices, conditions, attachments, and instructions for *AGENCY* RFP 2022-001, which includes the Specifications contained in the Scope of Services.
- b. Any addendum to, or *AGENCY* responses to questions submitted for Request for Proposals *AGENCY* RFP 2022-001
- c. Company's Proposal submitted in response to Request for Proposals, *AGENCY* RFP 2022-001
- d. This Agreement, any of its Attachments, Exhibits, or Schedules, and any duly executed Amendment or Change Order thereto.

This Agreement, including its Attachments, Exhibits and Schedules, and all Contract Documents, constitutes the entire agreement between the Parties and supersedes all prior written or oral understandings. No agreement, oral or written, expressed or implied, has been made by any Party hereto, except as expressly provided herein. All prior agreements and negotiations are superseded hereby. This Agreement and the Contract Documents contain all of the covenants and agreements between the Parties with respect to the subject matter of this contract. By executing this Agreement, the Contractor and AGENCY each acknowledge that no representations, inducements, promises or agreement, orally or otherwise, have been made by any Party, or anyone acting on behalf of any Party, which are not embodied herein, and that any

other agreement, statement, or promise which is not contained in the Agreement shall not be valid or binding on the Parties with respect to the subject matter of this contract.

2.2 Definitions: The following words and phrases shall have the following meanings, unless a different meaning is required by the context. Words in the singular shall include the plural unless the context indicates otherwise. These are general definitions and are not an indication of the existence of a benefit. The definitions shall control the interpretation of this Agreement, Enrollment forms, any identification cards, any supplements and the performance hereunder, unless the term is otherwise specifically defined or modified within a particular section of this Agreement.

- 2.2.2 Agreement:** Shall be defined as this Group Health Insurance Agreement including the Group Health Insurance Certificate and Exhibits A through D.
- 2.2.3 Covered Services:** Shall be defined as Medically Necessary Services, that are not specifically excluded from coverage by this Agreement and other Services which are specifically included.
- 2.2.4 Currency:** Shall be defined as money accepted as a medium of exchange for payment of debts such as the United States Dollar in the United States and the Peso in the Philippines.
- 2.2.5 Deductible:** Shall be defined as the amount paid by a Covered Person or Family for Covered Services during a Plan Year before Covered Services shall be paid by the Company under this Agreement. No deductible shall apply to preventive services as defined by PPACA and applicable Guam statute and regulation, annual refraction eye exam, primary physician care, specialty care visits, prescription drugs, routine laboratory, urgent care, outpatient executive checkup and routine x-ray.
- 2.2.6 Domicile:** Shall be defined as the place where a person has his or her true, fixed, and permanent home and principal establishment, and to which whenever that person is absent that person has the intention of returning. A person shall have only one domicile at a time.
- 2.2.7 Eligible Charge(s):** Shall be defined as the portion of charges made to a Covered Person for Covered Services rendered which are payable to the Provider under this Agreement. For a Participating Provider, the Eligible Charges shall be the reimbursement amounts agreed to between the Company and the Participating Provider. For a Non-Participating Provider, the Eligible Charges for covered medical Services rendered by a provider who is not a Participating Provider, shall be limited to the lesser of (a) the actual charge made by the provider, or (b) in the United States, the Medicare Participating Provider fees in the geographic area where the Service was rendered; or (c) in Asia, the fees most recently contracted by the Company at St. Luke's Medical Center, Manila, Philippines, or (d) elsewhere, the Medicare National Standard Fee. For a Non-Participating Provider, the Eligible Charges for covered dental Services shall be the lesser of (a) the actual charges made by the provider or (b) the usual customary and reasonable charge, as determined by the Company, for the dental Service in the geographic region in which that Service was rendered.

- 2.2.8 Enrollment:** Shall be defined as the acceptance, as of a specified date, of a written application for coverage under the Plan on forms provided by the Company.
- 2.2.9 HIPAA:** Shall be defined as the Health Insurance Portability and Accountability Act of 1996, as amended (including amendments by PPACA), including all provisions codified at 42 U.S.C. §300gg, and the regulations promulgated thereunder.
- 2.2.10 Other Plan:** Shall be defined as any other health insurance or health benefits program offered to GovGuam's employees, retirees and their eligible Dependents, through an Agreement with GovGuam.
- 2.2.11 Participating Providers, Non-Participating Providers, Providers and Network:**
- 2.2.11.1** "Providers" shall be defined as health care providers who are duly licensed in their jurisdiction and acting within the scope of their license. Such term shall include, without limitation, Physicians, Hospitals, ancillary health Services facilities and ancillary health care providers.
 - 2.2.11.2** "Participating Providers" shall be defined as Providers who: (i) have directly, or indirectly through Company's agreements with other networks, entered into an agreement with the Company to provide the Covered Services; and (ii) are assigned from time to time by the Company to participate in the Network or any other network of Company pursuant to this Agreement.
 - 2.2.11.3** "Network" shall be defined as the network of Participating Providers. Network may also be referred to as "Plan Network".
 - 2.2.11.4** "Non-Participating Provider" shall be defined as Providers who have NOT been contracted by the Company to provide medical or dental services to Covered Persons.
 - 2.2.11.5** Payment of claims to Providers: Claims shall be paid based on the agreements that Company has with its providers whenever the services are rendered by a participating provider; and based on the Usual, Customary, and Reasonable whenever the services are rendered by a non- participating provider.
- 2.2.12 PHSA:** Shall mean the Public Health Service Act provisions that are part of HIPAA (as defined above), some of which have been added to the PHSA by PPACA.
- 2.2.13 Plan:** Shall be defined as the group health insurance benefits provided in accordance with this Agreement.
- 2.2.14 Plan Year:** Shall be defined as the twelve (12) month period during which group health insurance benefits are provided under this Agreement.

2.2.15 PPACA: Shall mean the Patient Protection and Affordable Care Act of 2010, as amended.

2.2.16 Premium: Shall be defined as the dollar amount paid to the Company for the provision of this Plan to Covered Persons, including any contributions required from the Covered Persons.

2.2.17 Services: Shall be defined as medical, dental or other health care services, treatments, supplies, medications and equipment.

2.2.18 Service Area: Shall be defined as Guam and the Commonwealth of the Northern Mariana Islands. Enrollment to this Plan is limited to individuals residing in the Service Area. However, residence in the service area shall not be a requirement for enrollment for dependent children below 26 years of age.

2.2.19 Subscriber: Shall be defined as a Covered Person who is not a Dependent.

2.3 PPACA Requirements: It is the intent of this Agreement to provide, at a minimum, all of the benefits, rights and responsibilities afforded as a result of the Patient Protection and Affordable Care Act (Public Law 111-148), and the regulations promulgated under the authority of this Act, except for the benefits, rights and responsibilities as specifically excluded by GovGuam.

2.4 Guaranteed Renewability of Health Insurance Coverage: In the event that GovGuam invokes the protection afforded by the Health Insurance Portability and Accountability Act of 1996, as amended, found at Section 2712 of the Public Health Services Act, and its regulations, for the guaranteed renewability of health insurance coverage the parties agree that coverage would be continued until a new contract is in place with the first ninety (90) days of coverage guaranteed at the same rate and plan designs.

ARTICLE 3

Services

3.1 Company shall provide Covered Persons with the group health insurance benefits, subject to the applicable limitations and conditions, set forth in this Agreement and the Certificate incorporated herein.

ARTICLE 4

Rates, Premiums and Experience Participation

4.1 Rates. Company shall provide the group health insurance benefits set forth in the Certificate for the rates contained herein.

4.2 Premium Payment. GovGuam shall pay the Premium due under this Agreement to Company within fifteen (15) business days after the close of each GovGuam pay period. Each such Premium payment shall be for the preceding pay period. Payment in full of all Premiums due constitutes a discharge of GovGuam's responsibility for the cost of benefits and administration provided under this Agreement. Should GovGuam fail to pay any Premium when due under this Agreement, Company shall have the right to suspend performance under this Agreement with respect to any Covered Person whose Premium payments have not been paid by GovGuam, in addition to the right of termination under Article 5.2.1 and Article 5.3. However, such suspension may only take place after Company provides written notice to GovGuam at least ten (10) days prior to the suspension stating the names of the Covered Persons at risk of suspension and the amount of Premium owed for each.

4.3 Experience Participation. No later than January 31, 2021, the Company shall present to GovGuam an annual experience participation accounting, which will produce either a positive or negative balance after accounting for all incurred claims and the 14% of premium guaranteed retention for the Company, such experience participation to be determined as follows,

4.3.1 The term "Target Experience" shall mean the amount calculated by multiplying (a) the total Premiums paid by the Company for the full 12-month Plan Year ending the last day of the fiscal year under the Participating Policies issued to the government of Guam with respect to such Plan Year, by (2) **a percentage not lower than eighty-six percent (86%)**; The term "Actual Experience" shall be an amount calculated by subtracting from the Target Experience all claims incurred during such Plan Year and paid in the time period ending six months after the end of the Plan Year by the Health Insurance Provider under all the Participating Policies (PPO 1500, HSA 2000, Foster Care and RSP);

4.3.1.1 Claims are defined as: Payments to Medical, Dental, and Pharmacy Providers; Gym Membership payments

4.3.1.2 Excluded from Claims: Network access fees, Shared Savings or other cost containment programs, Wellness Incentives other than gym memberships, Quality Improvement incentives

4.3.1.3 Note: The intent of this RFP is that Wellness and Quality Improvement incentives, quantifiable and payable directly to the member, will be

included as claims in the numerator of the loss ratio calculation. Other general Quality Improvement activities and other costs are intended to be administrative costs for the carrier and are not to be included in the numerator of this calculation.

4.3.1.4 Subtracted from Claims: Pharmacy Rebates accrued during the plan year

4.3.1.5 Premiums are calculated as premiums paid in the course of the plan year October 1, 2020 to September 30, 2021: monthly enrollment by Plan and Class, multiplied by applicable premium rates by Plan and Class. Supporting documentation of this calculation must be provided with the annual statement of reconciliation

4.3.2 The term "Experience Refund" shall be a positive Actual Experience. See Title 4 GCA §4302.3(g). The difference between: 86% of Premiums less Claims defined above will be refunded to the Government.

4.3.3 To the extent the Actual Experience is positive (i.e., an amount greater than zero), such amount will be called an "Experience Refund," and the Company shall remit such amount to GovGuam for placement into the "Section 2718 Fund" established by Title 4, Guam Code Annotated, Section 4302.3 (P.L. 31-233:XII:18).

4.3.4 To the extent the Actual Experience is negative (i.e., an amount less than zero), the Company may add this amount to the premium needed for the Plan Year beginning on October 1, 2021, but only if the Company is the health insurance provider during such Plan Year.

4.3.5 This Experience Participation provision determines the combined Actual Experience of the Participating Policies. Identical provisions, describing the combined calculation, are included in each of the Participating Policies for convenience, but the result of the combined calculation shall be applied only once. If necessary to determine the distribution of any positive or negative amount of Actual Experience between the two Participating Policies, such amount may be allocated between the two policies in any share, at the discretion of GovGuam, as long as the total of the shares is equal to the combined amount of the Actual Experience.

4.3.6 If PPACA's Minimum Loss Ratio ("MLR") requirements result in payment, from the Company to GovGuam, of a refund for the 2019 calendar year MLR calculations, any Experience Refund calculated above in section 4.3.3, will be reduced by the portion of the MLR refund payable to GovGuam and applicable to the Participating Policies. The portion applicable to the Participating Policies is determined by multiplying the MLR refund by the ratio of the Participating Policies' earned premium in the calendar year to the total of the GovGuam paid premium in that calendar year.

ARTICLE 5

Term and Termination

5.1. Term. The Agreement is for a one-year Firm Fixed-Price Contract beginning October 1, 2021 and ending September 30, 2022, unless terminated for major default in services, given by written notice from GovGuam to Company not less than ninety (90) calendar days or unless modified by mutual agreement.

5.2. Termination:

5.2.1. By Company. If GovGuam fails to make any Premium payment within fifteen (15) days after receipt of a written notice of non-payment from Company, Company may terminate this Agreement by providing at least fifteen (15) days prior written notice of termination to GovGuam and all Subscribers under this Agreement.

5.2.2. Individual termination.

5.2.2.1. Non-payment of Premium. Company may, in accordance with the notice provisions contained in §5.2.1, terminate the coverage of one or more individual Covered Persons for non-payment of Premium without terminating this Agreement as to other Covered Persons for whom Premiums have been received by Company. **Company must provide individual termination notices to the subscriber and advise the government of such termination.**

5.2.2.2. Other Reasons. Except for non-payment of Premiums, Company may only terminate a Covered Person as provided in Article 5 of the Group Health Insurance Certificate attached hereto.

5.2.2.3. Review of Termination. Any Covered Person whose coverage is terminated pursuant to this Section 5.3 shall be entitled to a review through the PPACA Claims Procedure set forth in this Agreement, if so requested.

5.3. Effect of Termination. In the event of termination of this Agreement for a Covered Person, Company shall be responsible for providing the benefits contained in this Agreement up to the effective date of termination and GovGuam shall be responsible for payment of the Premiums up to said effective date.

5.4. Termination of Subscriber's Coverage. If a Subscriber's coverage terminates, the coverage of all of that Subscriber's Covered Dependents also terminates as of the same date.

ARTICLE 6

Enrollment

6.1 Regular Open Enrollment. The parties to this Agreement shall establish one (1) open Enrollment period, which shall be the same period as for all Other Plans offering health insurance and/or health benefits programs to GovGuam. During such period GovGuam shall provide Company with the assistance and cooperation detailed in Article 8. Except as provided in §6.1.1, §6.2 and §6.3 below, the open Enrollment period is the only time during which current and potential Covered Persons shall be allowed to enroll in this Plan or to disenroll from this Plan. The effective date of such Enrollment or disenrollment shall be the effective date of this Agreement, unless otherwise specified by GovGuam in accordance with this Agreement, or unless otherwise required under HIPAA.

6.1.1 Special Open Enrollments. If GovGuam holds a special open Enrollment during the Plan Year, Company shall participate in such special open Enrollment, unless otherwise agreed by the parties, or unless the Plan is no longer to be offered as of the entry date of the special open Enrollment period. If the special open Enrollment shall impact on rates, the parties shall negotiate an appropriate change prior to the participation of Company in such special open Enrollment.

6.2 Newly Eligible Persons. Subject to §6.3, any individual who becomes a GovGuam employee, or for any other reason first becomes eligible to be a Covered Person outside the open Enrollment period, shall have thirty (30) days after the date on which he/she became eligible to become a Covered Person. The effective date of such Enrollment shall be as specified in §5.7 of the Certificate.

6.3 Otherwise Eligible. Enrollment shall be restricted to only those occasions provided for in this Article 6 unless an individual is eligible for Enrollment under the HIPAA provisions allowing special enrollment rights. Enrollment shall be in accordance with HIPAA and PPACA requirements.

6.4 Disenrollment Permitted. Covered persons for whom this group health insurance is secondary to Medicare coverage, shall be permitted to disenroll with 30 days' notice to the Company, and enroll in the Retiree Supplemental Plan.

ARTICLE 7

Company's Responsibilities

7.1 Marketing. Company shall print and provide necessary brochures, announcements, instructions, Enrollment forms, and certificates for Enrollment purposes and for distribution to potential Covered Persons. Company shall be responsible for the dissemination of information to potential Covered Persons regarding the Plan. Company shall provide agreed upon quarterly communication to members clearly defining the benefits of the current plans in place. Company will work directly with the Government of Guam to determine their needs in

distribution, and type of communication desired.

7.2 Benefits to be Provided. Company shall, in consideration of receipt of applicable Premiums, provide the benefits contained in this Agreement through the earlier of the effective date of a Covered Person's termination or the termination of this Agreement.

7.3 Financial and Medical Cost Information. In accordance with Title 4 GCA, Section 4302 (b) and (g), Company shall provide GovGuam detailed claims utilization and cost information, and shall provide upon reasonable request, the most recent audited financial statements, experience data, and any other information pertaining to this Agreement.

7.4 Confidential Information. The parties hereto shall maintain the confidentiality of any and all medical records which shall be in their possession and control, and such information shall only be released or disseminated pursuant to the valid authorization of the Covered Person whose medical condition is reflected in such medical records or as shall be otherwise permitted under applicable law. Upon request and subject to applicable law, Company shall make available to GovGuam medical records to assure Covered Persons are receiving adequate and appropriate benefits in accordance with the Certificate.

7.5 Errors and Omission Insurance. The Company shall use all reasonable efforts to secure and maintain current errors and omission liability insurance of at least One Million Dollars (\$1,000,000) during the term of this Agreement.

7.6 Payment of Claims. Company shall pay claims in accordance with the Guam Health Care Prompt Payment Act of 2000 and the applicable claims payment requirements of PPACA. Appeals of claim denials shall comply with applicable requirements of PPACA Section 2719 and regulations thereto on internal claims appeal process and external appeals process review requirements.

7.7 Prompt Payment Report. Company shall send a status report on a claim filed by Covered Person against a Provider within forty-five (45) days after receipt if the claim is still pending disposition by the Company and Provider. At a minimum the report shall indicate that the claim is under review and the Company is working to resolve the claim with the Provider. The Company shall send another status report on the claim to the Covered Person with a copy to the Provider thirty (30) days from the date the first status report was sent to the Covered Person if the claim has not been resolved.

7.8 Notification. Company shall fulfill the notice requirements of the Women's Health and Cancer Rights Act of 1998, and the Newborns' and Mothers' Health Protection Act of 1996, and shall be responsible for notice requirements applicable to PPACA requirements.

7.9 Termination Notification. If the Company terminates this Agreement, Company shall provide notice announcing its termination at least fifteen (15) days prior to the date of termination on the Company's website, an ad in any of the local newspaper publications, and email to subscribers of the Company's Plan. Further, Company shall fully cooperate with GovGuam in transitioning Covered Persons to Other Plans.

7.10 Sole Source Provider. If there is a Covered Service which is provided on Guam by only one provider who is not a Participating Provider, the eligible Charges for such services shall

be as if the sole source provider were a participating provider.

7.11 Online Access Capabilities. The Company shall provide, for the benefit of the Covered Person and GovGuam, the following online access capabilities:

7.11.1 Online access is available twenty-four (24) hours a day, seven (7) days a week in accordance with Section 508 standards of the Rehabilitation Act of 1973 as amended.

7.11.2 For the Covered Person, access to a Personal Claim Record (“PCR”), whichever is applicable to the Company, to include historical health conditions, prescription medications, office visit summary and procedures where a medical claim has been filed.

7.11.3 For the Covered Person, access to record of medical and drug claims.

7.11.4 For the Covered Person, ability to verify eligibility.

7.11.5 Ability of Providers to submit claims through a separate portal rather than through Company’s website for payment.

7.11.6 For the Covered Person, GovGuam, and Providers access to Schedule of Benefits, Member Handbooks and Provider Network Information.

7.11.7 For the Covered Person, ability to print PHR or PCR, whichever is applicable to the Company, to federal compliance standard file formats or plain text file.

7.11.8 For the Covered Person, ability to print online membership cards.

7.11.9 For the Covered Person, access to interactive tools for researching health issues, treatments, and risk assessment tools for health conditions.

7.12 Performance Guarantees. Performance guarantees have the appropriate annual penalties listed by each guarantee as stated in Exhibit ___ with a maximum amount of \$ _____ annually. The penalties, if any are to be paid annually upon an annual review meeting within thirty (30) days after the end of the plan year.

ARTICLE 8

GovGuam’s Responsibilities

8.1 Marketing. GovGuam shall give Company reasonable assistance and cooperation to enable Company to contact all sources of Enrollment, to disseminate all information, to distribute and post literature, to provide access to employees during working hours, to provide all employees’ names and addresses, and to instruct department heads to provide Company’s representatives reasonable opportunity for personal contact with employees, consistent with that given other GovGuam contracted health plans, for the purpose of explaining Company’s

Plan to GovGuam employees.

8.2 Responsible Persons. GovGuam shall designate persons within each agency, department and branch, who shall be responsible for the handling of health insurance problems, Enrollment, and cancellations within their particular department. These designated persons shall be available to attend meetings on government time for the purpose of reviewing administrative procedures, and to assist in problem solving relating to this Agreement.

8.3 Personnel Changes. GovGuam shall provide written notice to Company of terminations, resignations, department transfers, and the like, so that coverage can be terminated at the appropriate time. GovGuam shall make available to Company a computer listing of each employee receiving an applicable payroll deduction for Premiums no later than fifteen (15) working days following each pay period.

8.4 Individual with Questionable Status. If GovGuam does not provide the list of employees as required in 8.3, Company shall have the right to charge an individual whose Enrollment is in question for any Covered Services rendered prior to receipt of written verification of eligibility and Enrollment by GovGuam. If such individual is subsequently determined to be a Covered Person, and GovGuam remits a Premium payment for the Covered Person for the period for which the Covered Services were rendered, Company shall cancel all charges to the Covered Person and return any amounts collected. If Company files a written objection to an Enrollment list forwarded by GovGuam, then within thirty (30) days after the filing, GovGuam shall provide Company with the applicable change of status forms, Enrollment cards, and other documentation substantiating the accuracy of the Enrollment records and meet with Company to reconcile any differences. Evaluation of such individual's entitlement shall be handled in accordance with PPACA's applicable Claims Procedure requirements, taking into account any applicable PPACA prohibition on rescissions and any applicable PPACA requirement that costs of care be provided or continued during evaluation period

8.5 No restrictions on Enrollment. GovGuam shall place no restriction or limitation on the percentage or number of Enrollments in the Plan.

ARTICLE 9

Covered Person's Responsibilities

9.1 Acceptance. By Enrolling in the Plan, all Covered Persons agree to the terms, provisions and conditions of this Agreement.

9.2 Continued Residency. Except as specifically stated in this Agreement, Enrollment in the Plan shall be limited to Covered Persons domiciled in the Service Area, and who do not reside outside the service area for more than one hundred eighty-two (182) days per plan year, Company shall be entitled to require substantiation from a Covered Person to determine the Covered Person's Domicile and may deny benefits under this Agreement for

lack thereof. For a Covered Person Domiciled in the Service Area, time spent receiving continuous medical Services out of the Service Area shall not count toward the one hundred eighty-two (182) day maximum, provided the receipt of such Services precludes returning to the Service Area. Further, time spent by a parent or Spouse of such covered person shall not count toward the one hundred eighty-two (182) day maximum, provided the parent or Spouse is providing necessary assistance to the Covered Person and further provided that under no circumstance can there be more than one such caregiver hereunder for any incident of care out of the Service Area.

ARTICLE 10

Notices

10.1 Address of Record. For the purpose of communication and services of notice under this Agreement, the parties' addresses are as follows:

****Company****

To: GovGuam

Director

Department of Administration

Government of Guam

590 S. Marine Corps Dr., Ste. 224

Tamuning, Guam 96913

10.2 Method of Service. Notices shall be in writing and effective upon either receipt of a hand-delivered notice or the posting of notice by first class mail, postage prepaid, to the address listed herein or such other address as a party may designate by providing written notice to the other party from time to time.

ARTICLE 11

Dispute Resolution

11.1 Mandatory Disputes Resolution Clause (As amended but consistent with 2 GAR Div. 4 § 9103(g) and applicable law). GovGuam and the Company agree to attempt resolution of all controversies which arise under, or are by virtue of, this Agreement through mutual agreement. If the controversy is not resolved by mutual agreement, then the Company shall request GovGuam in writing to issue a final decision within sixty days after receipt of

the written request. If GovGuam does not issue a written decision within sixty days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the Company may proceed as though GovGuam had issued a decision adverse to the Company. GovGuam shall immediately furnish a copy of the decision to the Company, by certified mail with a return receipt requested, or by any other method that provides evidence of receipt. GovGuam's decision shall be final and conclusive, unless fraudulent or unless the Company appeals the decision. This subsection applies to appeals of GovGuam's decision on a dispute. For money owed by or to GovGuam under this Agreement, the Company shall appeal the decision in accordance with the Government Claims Act by initially filing a claim with the Office of the Attorney General no later than eighteen months after the decision is rendered by GovGuam or from the date when a decision should have been rendered. For all other claims by or against GovGuam arising under this Agreement, the Office of the Public Auditor has jurisdiction over the appeal from the decision of GovGuam. Appeals to the Office of the Public Auditor must be made within sixty days of GovGuam's decision or from the date the decision should have been made. The Company shall exhaust all administrative remedies before filing an action in the Superior Court of Guam in accordance with applicable laws. The Company shall comply with GovGuam's decision and proceed diligently with performance of this Agreement pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, this Agreement, except where the Company claims a material breach of this Agreement by GovGuam. However, if GovGuam determines in writing that continuation of services under this Agreement is essential to the public's health or safety, then the Company shall proceed diligently with performance of the Agreement notwithstanding any claim of material breach by GovGuam.

ARTICLE 12

Governing Law

- 12.1** The rights and responsibilities of the parties and their respective officers, directors, employees, agents and representatives under this Agreement and their performance hereunder shall be governed by the laws of Guam.

ARTICLE 13

Miscellaneous

- 13.1 Government Laws and Regulation.** Company guarantees the negotiated rates shall remain in effect for the Plan Year. However, if during such year the Government of the United States or GovGuam enacts statutes or promulgates regulations which (i) require that the Company offer different coverage to Covered Persons than that specifically provided in this Agreement; or (ii) causes an increase or decrease in Provider rates or other costs, the parties reserve the right on thirty (30) days written notice to the other to adjust the Premiums if the parties mutually determine that such mandate or law shall change Company's costs under this Agreement by more than five percent (5%). Where

the Agreement indicates that a PPACA requirement might override a specific limitation, this section 13.1 shall apply if it is determined that a PPACA override is in fact required.

- 13.2 Contingent Fee Warranty.** Company warrants that it has not retained anyone to solicit or secure this Agreement for payment of a commission, percentage, brokerage, or contingent fee, except for Company's bona fide employees or any bona fide established commercial selling agencies which Company may disclose to GovGuam.
- 13.3 Gratuity Warranty.** Company warrants that it has not violated, is not violating, and promises it shall not violate the prohibition against gratuities and kickbacks set forth in Guam Procurement Regulations at Title 2, GAR, Div. 4 §11107.
- 13.4 Personal Interest Disclaimer.** Company warrants that no member of any governing body of any agency of GovGuam and no officer, employee, or agent of GovGuam who exercises any functions or responsibilities in connection with the work to which this Agreement pertains has or shall have any personal interest, direct or indirect, in this Agreement, except that such members, officers or employees may be Covered Persons under the Plan. Company further warrants that no member of the Guam Legislature and no other official of GovGuam who exercises functions and responsibilities in connection with the work to which this Agreement pertains has or shall have any personal interest, direct or indirect, in this Agreement except as possible Covered Persons under the Plan.
- 13.5 Captions.** The captions, section numbers and article numbers and marginal notes appearing in this Agreement or in any copies of this Agreement are placed there only as a matter of convenience and in no way define, limit, or describe the scope or intent of this Agreement.
- 13.6 Waiver.** The waiver of any breach of this Agreement by either party shall not be deemed a waiver of any other breach or a waiver of any subsequent breach of the same nature.
- 13.7 Excused Non-Performance.** The parties' performance hereunder shall be excused when the failure of performance is caused by fire, explosion, acts of God, civil disorder, war, riot or other event not reasonably within the control of the party.
- 13.8 Entire Agreement.** This Agreement, including the Certificate and Exhibits A through D, is the entire Agreement between the parties. There are no terms or obligations other than those contained herein applicable to this Agreement. This instrument shall supersede all previous communications or representations, whether verbal or written between the parties.
- 13.9 Amendment.** This Agreement may only be amended upon the written consent of both parties.
- 13.10 Time of Essence.** Time is expressly made of the essence in this Agreement and for performance hereunder.
- 13.11 Limitation of Actions.** Any action in relation to this Agreement must be brought no later than one (1) year from the time such claim arises or should have been reasonably discovered.

- 13.12 Third Party Rights.** Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the parties to this Agreement and their respective successors and assigns.
- 13.13 Successors in Interest.** Each and all of the covenants, conditions, and restrictions in this Agreement shall inure to the benefit of and shall be binding upon the assignees and successors in interest of Company. However, Company shall not be entitled to assign its interest in this Agreement, or any prior or future agreement with GovGuam, without the express written consent of GovGuam.
- 13.14 Severability.** If any term or provision of this Agreement or the application thereof shall to any extent be determined to be invalid or unenforceable, the remainder of this Agreement or the application of such remainder, other than as held invalid or unenforceable, shall not be affected and each term and condition of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.
- 13.15 Counterparts.** This Agreement, including the Certificate and Exhibits A through D, may be executed by the parties in several counterparts, each of which shall be deemed to be an original copy.
- 13.16 Legal Compliance.** Company shall comply with applicable federal and local statutes and regulations, including the certification requirements of HIPAA and applicable requirements of PPACA and the PHSA. To the extent not preempted by the laws of the United States, this Agreement will be construed in accordance with and governed by the laws of Guam. In the event of conflict between any provision of this Agreement and applicable law, the law shall govern.
- 13.17 Determination of Currency Exchange Payments.** When a service is rendered outside of the United States, the claims shall be paid in accordance with Company's agreements with its participating providers. Claims for nonparticipating providers will be reimbursed using the Philippines fees as a reference. Additionally, claims incurred outside of the United States will be based on the date of service and will be converted according to the conversion rate, for cash transactions, against the U.S. Dollar as found in XE.Com and for credit card transactions, against the utilized specific conversion rate for the card used. For multiple dates of service, the rate will be calculated based on the last date of service or payment, whichever is earlier in time.
- 13.18 Restriction Against Contractor Employing Sex Offenders to Work at Government of Guam Venues.** The Company warrants that no person convicted of a sex offense under the provisions of Chapter 25 of Title 9 Guam Code Annotated, or an offense as defined in Article 2 of Chapter 28, Title 9 Guam Code Annotated, in Guam, or an offense in any jurisdiction which includes, at a minimum, all of the elements of said offenses, or who is listed on the Sex Offender Registry, shall work for the Company on property of the government of Guam other than a public highway. Further, the Company warrants that if any person providing services on behalf of the Company is convicted of a sex offense under the provisions of Chapter 25 of Title 9 Guam Code Annotated or an offense as defined in Article 2 of Chapter 28, Title 9 Guam Code Annotated or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on

the Sex Offender Registry, that such person will be immediately removed from working at such agency and that the administrator of said agency be informed of such within twenty-four (24) hours of such conviction.

13.19 Ethical Standards. With respect to this Agreement and any other contract the Company may have, or wish to enter into, with any government of Guam agency, Company represents that it has not knowingly influenced, and promises that it will not knowingly influence, any government employee to breach any of the ethical standards set forth in the Guam Procurement Law and in any of the Guam Procurement Regulations.

13.20 Minimum Wages As Determined by U.S. Government. Company agrees to comply with Title 5, Guam Code Annotated, Sections 5801 and 5802. In the event that Company employs persons whose purpose, in whole or in part, is the direct delivery of service contracted by the Government, then the Company shall pay such employees, at a minimum, in accordance with the U.S. Department of Labor Wage Determination for Guam and the Commonwealth of the Northern Marianas Islands in effect on the date of this Agreement. In the event that this Agreement is renewed by the Government and the Contractor, at the time of the renewal, Company shall pay such employees in accordance with the Wage Determination for Guam and the Commonwealth of the Northern Marianas Islands promulgated on a date most recent to the renewal date. Company agrees to provide employees whose purpose, in whole or in part, is the direct delivery of service contracted by the Government those mandated health and similar benefits having a minimal value as detailed in the U.S. Department of Labor Wage Determination for Guam and the Commonwealth of the Northern Marianas Islands, and guarantee such employees a minimum of ten (10) paid holidays per annum per employee.

13.21 Access to Records. Company, including its subcontractors, if any, shall maintain all books, documents, papers, accounting records and other evidence pertaining to costs incurred and relative to its cost or pricing data, and shall make such materials available at all reasonable times during the contract term and for three (3) years from the date of final payment under this Formal Agreement, for inspection in Guam by AGENCY. Each subcontract by the Contractor pursuant to this Agreement shall include a provision containing the conditions of this Section.

13.22 Right to Audit. Company shall establish and maintain a reasonable accounting system that enables AGENCY to readily identify Company's assets, expenses, costs of goods, and use of funds. AGENCY and its authorized representatives shall have the right to audit, to examine, and to make copies of or extracts from all financial and related records (in whatever form they may be kept, whether written, electronic, or other) relating to or pertaining to this Agreement kept by or under the control of the Company, including, but not limited to those kept by the Company, its employees, agents, assigns, successors, and subcontractors.

13.23 Right to Enter and Inspect. GovGuam may, at any time, without notice, enter and inspect a Contractor's or subcontractor's facilities, place(s) of business, or any place(s) of performance of this Agreement. GovGuam may enter and inspect any plans, supplies, services, equipment, work and records at these locations which are related to the performance of this Agreement, and may conduct any testing deemed necessary to determine the Contractor's or subcontractor's compliance or conformity to the solicitation or contract requirements. GovGuam may enter and audit the cost or pricing data, books, and records of the Contractor or any subcontractor, and/or investigate in connection with an action to debar or suspend a person

from consideration for award of contracts pursuant to §9102 (Authority to Debar or Suspend) of the Guam Procurement Rules and Regulations.

Article 14

Transmission of Data in Digital Form

If the parties intend to transmit any information or documentation in digital form, they shall establish necessary protocols governing such transmissions, unless otherwise already provided in this Agreement.

DRAFT

****SIGNATURE PAGE FOLLOWS****

IN WITNESS WHEREOF, GovGuam and Company have signed this Agreement on the
aforementioned date.

Government of Guam

By: _____ By: _____
Director, Department of Administration

Date: _____ Date: _____

By: Insurance Commissioner,
Department of Revenue & Taxation

Effective Date

Date:

October 1, 2020

By: Director, Bureau of Budget and
Management Research

Date:

Approved as to Legality and Form:

By: Attorney General

Date:

By: Governor of Guam

Date:
