



**Request for Proposal #2024005**

**for**

**Actuarial Services**

**Proposal Due December 30, 2024**

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## I. Introduction

### A. Purpose of the Request for Proposal

The purpose of this Request for Proposals (RFP) is to procure an Offeror or Offerors (hereafter referred to simply as “Offeror”) to provide actuarial services to the New Mexico Medical Insurance Pool (NMMIP). The selected Offeror will be responsible for performing all actuarial duties and responsibilities outlined in the Scope of Work.

The New Mexico Medical Insurance Pool is a nonprofit created by the New Mexico legislature within the Office of Superintendent of Insurance. The NMMIP is governed by a board of directors consisting of public representatives and elected carrier representatives.

The NMMIP currently has 3,775 of policyholders. The NMMIP has also agreed to manage a part of a legislatively created statute titled The Healthcare Affordability Act, specifically the Coverage Expansion Program (CEP). This program will offer low cost health insurance to New Mexico residents who are not eligible for Medicaid or coverage by beWellNM (the NM Health Insurance Exchange). The CEP will become operational July 1, 2025. The NMMIP Actuary will be responsible for estimating the number of eligible CEP policyholders, setting premiums, reviewing all plans, and deadlines.

The statute creating NMMIP requires that NMMIP’s premiums be equal to the average premium from carriers participating in the Exchange. The statute calls this premium the “Standard Risk Rate”. The statute also requires that the benefits offered are the same as those in the plans used to determine the Standard Risk rate. The Actuary is responsible for calculating the Standard Risk Rate and analyzing the benefits in those plans to determining the benefits to be offered by NMMIP. In addition, the statute allows the board to increase the premium by up to 50% to encourage applicants to seek insurance elsewhere before coming to NMMIP. Further, NMMIP has discounts for policyholders with incomes below 400% of the federal poverty level. And NMMIP adjusts its premiums based on the geographical locations of its policyholders. The actuary, when calculating premiums, must take all of the above into account.

In addition, the board may from time to time consider adjusting benefits to be to respond the policy-holder needs, changes in available drugs, etc. and will ask the actuary to determine the cost of these new benefits.

Finally, the actuary in the past has assisted the board Legal and Policy committee to collect information for, and prepare, Requests for Proposals.

Offerors may find it helpful to know something about the history of NMMIP. NMMIP was created by the legislature in the late 1980’s with support from the major health insurance carriers. The carrier representatives and the public representatives on the board have always worked closely together.

NMMIP was originally very small—less than 1000 policyholders. The board recognized that NMMIP was small because its premiums were unaffordable by most New Mexicans. So the board created the Low Income Premium Plan (LIPP). The NMMIP then expanded to approximately 5,000 policyholders.

NMMIP was instrumental instrumental in assisting in the transition of individuals into beWellNM (the Exchange) as prior to beWellNM, the first program following the passage of the

Affordable Care Act was the Federal High Risk Pool. And NMMIP was the administrator of this program in New Mexico. At that point, NMMIP grew to about 10,000 policyholders. NMMIP staff became certified navigators to assist in enrolling individuals into beWellNM as well as into the Medicaid Expansion as well as transitioning individuals from the Federal High Risk Pool into beWellNM."

Once beWellNM became fully operational, the board deliberately encouraged policyholders to move onto the Exchange because premiums were lower. NMMIP, over a number of years, then shrank to approximately 6,000 policyholders. NMMIP then shrank again after many policyholders were unable to pay premiums after the healthcare emergency.

NMMIP was originally managed only by the board; that is, it had a Third Party Administrator but no executive staff. After LIPP, the board realized that it needed its own staff. It entered into a contract with a nonprofit, Delta Management Group to serve as the Executive Director. While there is a person whose title is "Executive Director", the executive director is actually a staff that supports the Executive Director and the board.

Over the last few years, the NMMIP has significantly expanded care management for its policyholders. This has often required that the actuary calculate the potential cost of these new services.

The NMMIP has separate contractors for Third Party Administrator, Provider Network, Pharmacy Benefit Management, and Care Management. The actuary is involved in contract negotiations with these contractors and in evaluation of their performance.

NMMIP reserves the right to cancel this RFP, to reject any and all proposals, and to negotiate with the selected provider prior to entering into any written agreement. An accepted proposal becomes the basis for a written agreement but is subject to negotiation prior to being finalized.

The electronic version of this document is available for download from the NMMIP website at [www.nmmip.org](http://www.nmmip.org).

## **B. Summary Scope of Work**

Qualified bidders must have extensive experience in pricing insurance policies, conducting rate reviews, and providing budget forecasts and statistical reports.

The scope of work includes but is not limited to the provision of actuarial services to NMMIP including pricing insurance policies, conducting rate reviews, and providing budget forecasts and statistical reports. The selected Offeror will be responsible for the provision of actuarial services to the NMMIP. Attendance at all NMMIP Board meetings and relevant Committee meetings is required.

See detailed Scope of Work under Section III.H, Response to Mandatory Specifications.

## **C. Scope of Procurement**

Following selection of a successful Offeror, a written contract will be executed between the Offeror and the NMMIP upon successful negotiation. It is the intent of the NMMIP that the contract shall be for an initial term of one year, with an option for up to three one-year renewals or any portion thereof.

**D. Offeror Qualifications/Conflict of Interest**

This RFP is open to an Offeror capable of performing the work describe in Section I.B. “Summary Scope of Work” and meeting the mandatory specifications in Section IV.A, subject to the following stipulations:

- Pursuant to the Governmental Conduct Act, NMSA 1978, §§ 10-16-1 et. seq., an Offeror will have no direct or indirect interest that conflicts with the performance of services covered under this RFP;
- Pursuant to NMSA 1978, §§ 13-19-191, 30-24-2, and 30-41-1 through 30-41-3, an Offeror may not provide or offer bribes, gratuities, or kickbacks to applicable state personnel; and
- The burden is on the Offeror to present sufficient assurance to, and as determined by, the NMMIP that the award of the contract to the Offeror shall not create a conflict of interest.

Offerors should fully disclose whether the Offeror is able to perform the work solely or will require the assistance of contractors, subcontractors, or other staff not directly employed by the Offeror. If contractors, subcontractors, or other staff not directly employed by the Offeror are needed, the Offeror should include a detailed description of the qualifications of the additional staff, all costs associated with use of additional staff, and a plan for the workflow, supervision, and points of contact for questions or assistance.

**E. Procurement Officer**

NMMIP has designated a Procurement Officer who is responsible for the conduct of this procurement. Please use only the following contact information:

Elizabeth Quirante, Procurement Officer  
New Mexico Medical Insurance Pool  
500 Marquette Ave NW, Ste 280  
Albuquerque, NM 87102  
Email: [equirante@nmmip.org](mailto:equirante@nmmip.org)

Any inquiries or requests regarding this procurement should be submitted to the Procurement Officer in writing. Offerors may contact only the Procurement Officer regarding the procurement. Other NMMIP employees, board members, or representatives do not have the authority to respond on behalf of the NMMIP.

**F. Definition of Terminology**

This section contains definitions and abbreviations that are used throughout this procurement document.

“Close of business” means 5:00 PM Mountain Standard or Mountain Daylight Time, whichever is in effect on the date given.

“CMS” means the Centers for Medicare and Medicaid Services, which is part of the Federal Health and Human Services Department.

“CCIIO” means the Center for Consumer Information and Insurance Oversight, which is part of the Federal Health and Human Services Department.

“Contract” means a written agreement for the procurement of items of tangible personal property or services.

“Contractor” means a successful Offeror who enters into a binding contract.

“Day” means business day unless otherwise specified.

“Deliverable” means any measurable, tangible, verifiable outcome, result, or item that must be produced to complete a project or part of a project.

“Determination” means the written documentation of a decision by the Procurement Officer including findings of fact supporting a decision. A determination becomes part of the procurement file.

“Desirable”: The terms “may,” “can,” “should,” “preferably,” or “prefers” identify a desirable or discretionary item or factor (as opposed to “mandatory”).

“Evaluation Committee” means a body appointed by the NMMIP to perform the evaluation of Offeror proposals.

“Evaluation Committee Report” means a document prepared by the Procurement Officer and the Evaluation Committee for submission to the NMMIP Board for contract award. It contains all written determinations resulting from the procurement.

“Finalist” is defined as an Offeror who meets all the mandatory specifications of this RFP and whose score on evaluation factors is sufficiently high to merit further consideration by the Evaluation Committee.

“HIPAA” means the Health Insurance Portability and Accountability Act.

“Mandatory”: The terms “must,” “shall,” “will,” “is required,” or “are required” identify a mandatory item or factor (as opposed to “desirable”). Failure to meet a mandatory item or factor will result in the rejection of the Offeror’s proposal.

“Medicaid” means the state medical assistance program in New Mexico operated by the Department through the Medial Assistance Division as authorized by the New Mexico Public Assistance Act and in compliance with the federal Social Security Act.

“Medical Insurance Pool Act” [59A-54-NMSA 1978] means the New Mexico statute creating and controlling the operations of the New Mexico Medical Insurance Pool.

“Offeror” is any person, corporation, or partnership who chooses to submit a proposal.

“PPACA” means the Patient Protection and Affordable Care Act.

“Procurement Officer” means the person or designee authorized by NMMIP to manage or administer a procurement requiring the evaluation of competitive sealed proposals.

“Project Manager” means the person designated by the NMMIP to manage the contractor work effort.

“Request for Proposal” or “RFP” means all documents, including those attached or incorporated by reference, used for soliciting proposals.

“Responsible Offeror” means an Offeror who submits a responsive proposal and who has furnished, when required, information and data to prove that their financial resources, production or service facilities, personnel, service reputation, and experience are adequate to make satisfactory delivery of the services or items of tangible personal property described in the proposal.

“Responsive Offer” or “Responsive Proposal” means an offer or proposal which conforms in all material respects to the requirements set forth in the RFP. Material respects of an RFP include, but are not limited to, price, quality, quantity, or delivery requirements.

“State” or “the State” means the State of New Mexico.

“Subcontract” means a written agreement between a contractor and a third party, or between a subcontractor and another subcontractor, to provide services.

“Subcontractor” means a third party who contracts with a contractor or a subcontractor for the provision of service.

**G. General Information**

The mission of NMMIP is to provide access to health insurance coverage to all residents of New Mexico who are denied adequate health insurance and are considered uninsurable.

**II. Conditions Governing the Procurement**

This section of the RFP contains the schedule for the procurement, describes the major procurement events and the conditions governing the procurement.

**A. Sequence of Events**

The Procurement Officer will make every effort to adhere to the following schedule:

Action	Responsibility	Date
Issuance of the RFP	NMMIP	11/27/24
Letter of Intent	Potential Offerors	12/4/24
Deadline to Submit Questions	Potential Offerors	12/4/24
Response to Written Questions/RFP Amendments	Procurement Officer	12/6/24
Submission of Proposals	Offerors	12/30/24
Bid Opening		12/30/24
Proposal Evaluation and Selection of Finalists	Evaluation Committee	1/17/25
Interviews, if determined necessary by the Evaluation Committee	Evaluation Committee	1/17/25

Action	Responsibility	Date
Final Selection by the Board of Directors	Board of Directors	1/31/25
Notice of Intent to Award Contract		1/31/25
Deadline for Protest Filing		2/15/25
Contract Negotiation (approximate)	Procurement Officer	2/15/25
Contract Award Effective Date (approximate)		2/15/25

**B. Explanation of Events**

The following paragraphs describe the activities listed in the sequence of events shown in Section II.A.

1. Issuance of the RFP

This RFP is being issued by NMMIP. Potential Offerors may obtain a copy of the RFP from the Procurement Officer or from the NMMIP website at [www.nmmip.org](http://www.nmmip.org).

2. Letter of Intent

While a Letter of Intent is not mandatory, it is highly recommended that a Letter of Intent be submitted to the Procurement Officer indicating a potential intent to submit a proposal. Potential Offerors who submit a Letter of Intent will be notified of all questions submitted by any Potential Offeror and answers provided by the NMMIP, as well as any changes made to the RFP. A Letter of Intent may be submitted at any time but must be submitted no later than the date listed in the Sequence of Events.

3. Deadline to Submit Questions

Potential Offerors may submit written questions as to the intent or to clarify this RFP until close of business on the date listed in the Sequence of Events. All written questions must be addressed to the Procurement Officer as noted in Section I.E. Questions must be clearly labeled and shall cite the Section(s) in the RFP or other document that forms the basis of the question.

4. Response to Written Questions/RFP Amendments

Written responses to written questions and any RFP amendments will be distributed on or about the date listed in the Sequence of Events to all potential Offerors whose organization name appears on the procurement distribution list. The NMMIP shall make every effort to provide answers by this deadline, as possible.

5. Submission of Proposals

All Offeror Proposals must be received for review and evaluation by the Procurement Officer no later than close of business on the date listed in the Sequence of Events. Proposals received after this deadline will not be accepted. The date and time of receipt will be recorded on each proposal by the Procurement Officer. Proposals must be delivered to the Procurement Officer at the address listed in Section I.E. Proposals must be sealed and labeled on the outside of the package to clearly indicate a response to this NMMIP RFP. Proposals submitted by facsimile will not be accepted.



6. **Proposal Evaluation and Selection of Finalists**  
The evaluation of proposals will be performed by an Evaluation Committee appointed by the NMMIP Board of Directors. The evaluation process will be completed on or about the date listed in the Sequence of Events. During this time, the Procurement Officer may initiate discussion with Offerors who submit responsive or potentially responsive proposals for the purpose of clarifying aspects of the previously submitted proposals. Discussions may not be initiated by Offerors.
7. **Interviews**  
At the discretion of the Evaluation Committee, interviews may be scheduled with one or more Offeror finalist. Interviews would take place on or about the date listed in the Sequence of Events.
8. **Final Selection by the Board of Directors**  
The recommendation of the Evaluation Committee for approval at the regularly scheduled meeting of the NMMIP Board of Directors listed on the Sequence of Events.
9. **Contract Negotiation**  
Following approval by the Board of Directors, contract negotiations will commence with the selected Offeror on or about the date listed in the Sequence of Events. In the event that mutually agreeable terms cannot be reached within the time specified, NMMIP reserves the right to finalize a contract with the next most advantageous Offeror without undertaking a new procurement process or cancelling the award. This process of moving to the next most advantageous Offeror without undertaking a new procurement may continue, at the discretion of the NMMIP, until all Offerors on the original list of finalists is exhausted.
10. **Contract Award**  
After review by and recommendation from the Evaluation Committee Report and the final selection by the NMMIP Board, the NMMIP will give notice of the award on or about the date listed in the Sequence of Events. This date is subject to change at the discretion of the NMMIP.  
  
This award shall be to the Offeror whose proposal is most advantageous to the NMMIP, taking into consideration the evaluation factors set forth in the RFP. The most advantageous proposal may or may not have received the most points.

### **C. General Requirements**

1. **Acceptance of Conditions Governing the Procurement and Other Factors**  
Submission of a proposal constitutes acceptance of the Evaluation Factors contained in Section IV of this RFP.
2. **Incurring Cost**  
Any costs incurred by the Offeror in preparation, transmittal, or presentation of any proposal or material submitted in response to this RFP shall be borne solely by the Offeror.
3. **Prime Contractor Responsibility**  
Any contract that may result from this RFP shall specify that the prime contractor is solely responsible for fulfillment of the contract with the NMMIP. The NMMIP will make contract payments only to the prime contractor.

4. **Subcontractors**  
Use of subcontractors must be clearly explained in the proposal, and major subcontractors must be identified by name. The prime contractor shall be wholly responsible for the entire performance whether or not subcontractors are used.
5. **Amended Proposals**  
An Offeror may submit an amended proposal before the deadline for receipt of proposals listed in the Sequence of Events. Such amended proposals must be complete replacements for a previously submitted proposal and must be clearly identified as such in the transmittal letter. NMMIP personnel will not merge, collate, or assemble proposal materials.
6. **Offerors' Rights to Withdraw Proposals**  
Offerors will be allowed to withdraw their proposals at any time prior to the deadline for the receipt of proposals listed in the Sequence of Events. The Offeror must submit to the Procurement Officer a written withdrawal request signed by the Offeror's duly authorized representative.
7. **Proposal Offer Firm**  
Responses to this RFP, including proposal prices, will be considered firm for ninety (90) days after the due date for receipt of proposals or sixty (60) days after the due date for the receipt of a best and final offer, if one is solicited.
8. **Disclosure of Proposal Contents**  
The proposal will, to the extent permitted by applicable law, be kept confidential until a contract is awarded. At that time, all proposals and documents pertaining to the proposals will be open to the public, except for the material that is proprietary or confidential. The Procurement Officer will not disclose or make public any pages of a proposal on which the Offeror has stamped or imprinted "proprietary" or "confidential" subject to the following requirements:
  - a. Proprietary or confidential data shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.
  - b. The price of products offered or the cost of services proposal shall not be designated as proprietary or confidential information.

If a request is received for disclosure of data for which an Offeror has made a written request for confidentiality, the Procurement Officer shall examine the request and make a written determination that specifies which portions of the proposal should be disclosed. Unless the Offeror takes legal action to prevent the disclosure, the proposal will be so disclosed.
9. **No Obligation**  
This procurement in no manner obligates the NMMIP to the use of any proposed professional services until a valid written contract is awarded and approved by the parties.
10. **Termination**  
This RFP may be canceled at any time and any and all proposals may be rejected in whole or in part when the NMMIP determines such action to be in the best interest of the NMMIP.

11. Legal Review

The NMMIP requires that all Offerors agree to be bound by the General Requirements contained in this RFP. Any Offeror's concerns must be promptly brought to the attention of the Procurement Officer.

12. Governing Law

This procurement and any agreement with Offerors that may result shall be governed by the laws of the State of New Mexico.

13. Basis for Proposal

Only information supplied by the NMMIP in writing through the Procurement Officer or in this RFP should be used as the basis for the preparation of Offeror proposals.

14. Contract Terms and Conditions

The contract between the NMMIP and a contractor will follow the format specified by the NMMIP and contain the terms and conditions set forth in Appendix A. However, the NMMIP reserves the right to negotiate with a successful Offeror provisions in addition to those or different than contained in this RFP or Appendix A.

The contents of this RFP, as revised and/or supplemented, and the successful Offeror's proposal will be incorporated into and become part of the contract.

15. Offerors' Terms and Conditions

Should an Offeror object to any of the NMMIP's terms and conditions, as contained in this Section or in Appendix A, that Offeror must propose specific alternative language. The NMMIP may or may not accept the alternative language. General references to the Offeror's terms and conditions or attempts at complete substitutions are not acceptable to the NMMIP and will result in disqualification of the Offeror's proposal.

Offerors must submit with the proposal a complete set of any additional terms and conditions that they expect to have included in a contract negotiated with the NMMIP. Only terms and conditions that are additional, and agreed to by the NMMIP, as evidenced by inclusion in a duly executed contract, will be included in the contract between the parties.

16. Contract Deviations

Any proposed additional terms and conditions, which may be the subject of negotiation, will be discussed only between the NMMIP and the selected Offeror and shall not be deemed an opportunity to amend the Offeror's proposal.

17. Offeror Qualifications

The Evaluation Committee may make such investigations as necessary to determine the ability of the Offeror to adhere to the requirements specified within this RFP. The Evaluation Committee will reject the proposal of any Offeror who is not a responsible Offeror or fails to submit a responsive offer.

18. Right to Waive Irregularities

The Evaluation Committee reserves the right to waive irregularities. The Evaluation Committee also reserves the right to waive mandatory requirements provided that all of the otherwise responsive proposals fail to meet the same mandatory requirements and/or doing so

- does not otherwise materially affect the procurement. This right is at the sole discretion of the Evaluation Committee.
19. **Change in Contractor Representatives**  
The NMMIP reserves the right to require a change in contractor representatives if the assigned representatives are not, in the opinion of the NMMIP, meeting their needs adequately.
  20. **Notice**  
New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kickbacks. Offeror will be required to attest to their compliance with these requirements. The NMMIP is subject to the terms of the New Mexico Procurement Code, except as otherwise provided in the Medical Insurance Pool Act.
  21. **NMMIP Rights**  
The NMMIP reserves the right to accept all or a portion of an Offeror's proposal.
  22. **Right to Publish**  
Throughout the duration of this procurement process and contract term, potential Offerors, Offerors, and contractors must secure from the NMMIP written approval prior to the release of any information that pertains to the potential work or activities covered by this procurement or the subsequent contract. Failure to adhere to this requirement may result in disqualification of the Offeror's proposal or termination of the contract.
  23. **Confidentiality**  
Any confidential information provided to, or developed by, the contractor in the performance of services under the services agreement resulting from the RFP shall be kept confidential and shall not be published or made available to any third party individual or organization by the contractor without the prior written approval of the NMMIP.
  24. **Electronic Mail Address Required**  
A large part of the communication regarding this procurement will be conducted by electronic mail (email). Offeror must have a valid email address to receive this correspondence.
  25. **Use of Electronic Versions of this RFP**  
This RFP is being made available by electronic means. If accepted by such means, the Offeror acknowledges and accepts full responsibility to ensure that no changes are made to the RFP. In the event of conflict between a version of the RFP in the Offeror's possession and the version maintained by the NMMIP, the version maintained by the NMMIP shall govern.

### **III. Response Format and Organization**

This section describes the format and organization of the Offeror's response. Failure to conform to these specifications may result in the disqualification of the proposal.

#### **A. Number of Responses**

Offerors may submit one (1) proposal.

#### **B. Number of Copies**

Offerors shall provide one (1) copy by email to the Procurement Officer at [equirante@nmmip.org](mailto:equirante@nmmip.org) on or before close of business of the Proposal Submission date listed in Section II.A, Sequence of Events.

One printed copy of the full proposal (including a signed letter of submission) should be mailed to the Procurement Officer no later than 4:00 PM Mountain time on the date shown in Section II.A, Sequence of Events.

The Offeror shall not distribute the proposal to any entity not specified in this RFP.

**C. Proposal Format**

All mailed proposals must be formatted on standard 8 ½" X 11" paper (larger paper is permissible for charts, spreadsheets, etc.) and placed within a binder with tabs delineating each section noted in Section III.D. The pages should generally have one-inch margins and the font size shall be no smaller than Times New Roman 12.

The printed proposal must be in the same format as the emailed proposal.

**D. Proposal Organization and Ordering**

The proposal must be organized and indexed in the following format and must contain, at a minimum, all listed items in the sequence indicated:

- Signed Letter of Transmittal
- Table of Contents
- Executive Summary
- Response to Mandatory Specifications
- Response to Desirable Specifications
- Response to NMMIP Terms and Conditions
- Offerors additional Terms and Conditions, if any
- Completed Cost Response Form (Appendix B)

Within each section of their proposal, Offerors should address the items in the order in which they appear in this RFP. All forms provided in the RFP must be thoroughly completed and included in the appropriate section of the proposal. Any proposal that does not adhere to these requirements may be deemed non-responsive and rejected on that basis.

**E. Letter of Transmittal**

Each proposal must be accompanied by a letter of transmittal. The letter of transmittal must:

- Identify the submitting organization
- Identify the name, title, telephone and fax numbers, and e-mail address of the person(s) authorized by the organization to negotiate and contractually obligate the organization
- Identify the names, titles, telephone and fax numbers, and e-mail addresses of persons to be contacted for clarification
- Explicitly indicate acceptance of the Conditions Governing the Procurement stated in Section II.
- Be signed by the person(s) authorized to contractually obligate the organization
- Acknowledge receipt of any and all amendments to this RFP

**F. Table of Contents**

The table of contents must contain a list of all sections of the proposal and the corresponding page numbers.

**G. Executive Summary**

The executive summary must be no more than two (2) pages. It shall provide the Evaluation Committee with an overview of the technical and business features of the proposal. This material will not be used in the evaluation process but may be used in public notifications regarding the successful Offeror's selection.

**H. Response to Mandatory Specifications**

The Mandatory Specifications are described in Section IV.A of this RFP. This section contains information required in the submission of proposals. Offerors must respond in the form of a thorough narrative to each numbered requirement in the order in which they appear in this section. The Offeror must identify, in full, the question being answered in its response to that question.

**I. Response to Desirable Specifications**

The Desirable Specifications are described in Section IV.B of this RFP. The information contained in this section will be relevant to the evaluation of proposals and inclusion in the proposal is strongly encouraged. Offerors must respond in the form of a thorough narrative to each numbered specification in the order in which they appear in this section. The Offeror must identify, in full, the question being answered in its response to that question.

**J. Response to Terms and Conditions**

The Offeror shall explicitly indicate acceptance of the General Requirements described in Section II.C and the Contract Terms and Conditions set forth in Appendix A. As provided in Section II.C, should the Offeror object to any of the NMMIP's terms and conditions, as contained in Appendix A, the Offeror must propose specific alternate language. The Offeror must provide a brief discussion of the purpose and impact, if any, of each proposed change followed by the specific proposed alternate wording.

**K. Offeror's Additional Terms and Conditions**

Offerors must submit with the proposal a complete set of any additional terms and conditions they expect to have included in a contract negotiated with the NMMIP.

## **IV. Specifications and Evaluation**

Unless otherwise specified, Offerors must respond in the form of a thorough narrative to each specification. Narratives should include details as to how Offeror proposes to accomplish each item.

**A. Mandatory Specifications**

Failure to respond to a mandatory specification will result in the disqualification of the proposal as non-responsive.

- Two (2) years minimum actuarial experience with high-risk or similar Pools
- Financial Stability
- Cost Response Form (Appendix B)
- Describe the performance for the following tasks to be contained in the contract Scope of Work, including time estimates and level of personnel required:
  1. Price a Standard Policy (describe your methodology)
    - Determination of benefits in the Pool's insurance programs
    - Determine standard risk rates

- Develop amount of the Pool's premiums and rate sets per state and federal law
2. Provide costs for variation of benefits
  3. Conduct semi-annual rate reviews (describe your methodology) and recommendations for rate changes
  4. Provide claim reserve and expenditure reviews and estimates on a quarterly basis
  5. Price additional insurance products the Board may develop
  6. Provide regular budget forecasts and statistical reports based upon data available from the administrator sufficient to permit the Board to fulfill its fiduciary responsibilities
  7. In cooperation with the Executive Director, provide analysis and reports for the Board, **the New Mexico Health Care Authority (formerly HHS)**, and the New Mexico State Legislature regarding annual performance and future projections, based upon historical trends and assumptions of potential future changes, incorporating any effects of federal or state legislation.
  8. Perform analysis for special projects pertaining to reinsurance and risk adjustment or other topics in conjunction with the implementation of health care reform.

#### **B. Desirable Specifications and Evaluation Factors**

##### **1. Accessibility and Flexibility (30 points)**

The NMMIP desires an Offeror with the ability to provide services on short notice. Please provide a narrative plan to describe how this specification may be met. Offerors are encouraged to submit a backup plan in case Offeror cannot be reached.

##### **2. Health Insurance Experience (20 points)**

Provide a narrative on the extent, quality, and nature of the Offeror's experience in commercial insurance. Provide detailed discussion of Offerors experience with high risk or similar Pools.

Offerors are encouraged to provide copies of résumés or curriculum vitae of any staff members who will be providing services under this RFP.

##### **3. Other Relevant Experience (10 points)**

Provide a narrative on the extent, quality, and nature of the Offeror's PPACA, Medicaid, Medicare, state procurement, and other relevant experience, knowledge, and resources.

##### **4. Cost (40 points)**

Offerors must submit a Cost Response Form (Appendix B) setting forth the hourly rate for each staff member who is anticipated to perform work under the contract. Offerors must include an estimated percentage of the amount of the work that will be performed by each position. The total of the estimated percentages must equal 100%.

The Cost Response Form must also fully disclose all standard charges for costs and fees to include any minimal charges or rounding of billable time. Offerors should submit a description of all anticipated charges of provision of actuarial services (e.g., long distance calls, copying fees, service).

#### **C. Evaluation Point Summary**

The following is a summary of evaluation factors with corresponding point values. These, along with the General Requirements, will be used in the evaluation of Offeror proposals.

Factor	Maximum Points Available
<b>Mandatory Specifications</b>	
Five (5) years' required experience	Pass/Fail
Financial Stability	Pass/Fail
Performance Plan for Scope of Work	Pass/Fail
Completion of Cost Response Form (Appendix B)	Pass/Fail
<b>Desirable Specifications</b>	
Accessibility and Flexibility	30
Commercial Insurance Experience	20
Other Relevant Experience	10
Cost	40
<b>Total Points</b>	
	100

**D. Evaluation Process**

The evaluation process will follow the steps listed below:

1. All Offeror proposals will be reviewed for compliance with the mandatory requirements stated within the RFP. Proposals deemed non-responsive will be eliminated from further consideration.
2. The Procurement Officer may contact the Offeror for clarification of the response as specified in Section II.B.6.
3. The Evaluation Committee may use other sources of information to perform the evaluation as specified in Section II.C.17.
4. Responsive proposals will be evaluated on the factors in Section IV that have been assigned a point value. The responsible Offerors with the highest scores will be selected as finalist Offerors based upon the proposals submitted.
5. Finalist Offerors who are asked or choose to submit revised proposals for the purpose of obtaining best and final offers will have their points recalculated accordingly.
6. The responsible Offeror whose proposal is most advantageous to the NMMIP, taking into considerations the evaluation factors in Section IV, will be recommended for contract award as specified in Section II.B.9. Please note, however, that a serious deficiency in the response to any one factor may be grounds for rejection regardless of the overall score.



## APPENDIX A

### Contract Terms and Conditions New Mexico Medical Insurance Pool Sample Professional Services Contract

This Professional Services Contract (PSC) is made and entered into by and between the New Mexico Medical Insurance Pool, hereinafter referred to as the “NMMIP,” and **NAME OF CONTRACTOR**, hereinafter referred to as the “Contractor,” and is effective as of the date set forth below.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

#### 1. Scope of Work

The Contractor shall provide the following actuarial duties and responsibilities:

- a. Price a Standard Policy
  - i. Determine benefits in the Pool’s insurance programs
  - ii. Determine standard risk rates
  - iii. Develop amount of the Pool’s premiums and rate sets per state and federal law
- b. Provide costs for variation of benefits
- c. Conduct semi-annual rate reviews and recommendations for rate changes
- d. Provide claim reserve and expenditure reviews and estimates on a quarterly basis
- e. Price additional insurance products the Board may develop
- f. Provide regular budget forecasts and statistical reports based upon data available from the administrator sufficient to permit the Board to fulfill its fiduciary responsibilities
- g. In cooperation with the Executive Director, provide analysis and reports for the Board, **the New Mexico Health Care Authority** (formerly HHS?), and the New Mexico State Legislature regarding annual performance and future projections, based upon historical trends and assumptions of potential future changes, incorporating any effects of federal or state legislation.
- h. Perform analysis for special projects pertaining to reinsurance and risk adjustment or other topics in conjunction with the implementation of health care reform.
- i. Attend all NMMIP Board and relevant Committee meetings to provide input on rating and cost-related issues. Attend special and additional meetings as required.

#### 2. Compensation

- a. The NMMIP shall pay to the Contractor in full payment for services satisfactorily performed **[at the rate of dollars (\$\_\_\_) per hour or based upon deliverables, milestones, budget, etc.]** such compensation not to exceed **(AMOUNT)**, including gross receipts tax. This amount is a maximum and not a guarantee that the work assigned to be performed by the Contractor under this PSC shall equal the amount stated herein. The New Mexico gross receipts tax levied on the amounts payable under this PSC shall be paid by the Contractor. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. The Contractor is responsible for notifying the NMMIP when the services provided under this PSC reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this PSC being amended in writing prior to those services in excess of the total compensation amount being provided.
- b. The Contractor must submit a statement accounting for all services performed and expenses incurred. If the NMMIP finds that the services are not acceptable, within thirty

(30) days after the date of receipt of written notice from the Contractor that payment is requested, NMMIP shall provide the Contractor a letter of exception explaining the defect or objection to the services, and outlining steps the Contractor may take to provide remedial action. Upon certification by the NMMIP that the services have been received and accepted, payment shall be tendered to the Contractor within thirty (30) days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, the NMMIP shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

3. Term

This PSC shall be for an **initial one-year term**, commencing on **DATE** and terminating on **DATE** unless terminated pursuant to paragraph 4 (Termination). This PSC may be renewed for up to **three one-year periods**. (Updated to match Section I.C.)

4. Termination

- a. Termination. This PSC may be terminated by either of the parties hereto upon written notice delivered to the other party at least thirty (30) days prior to the intended date of termination. Except as otherwise allowed or provided under this PSC, the NMMIP's sole liability upon such termination shall be to pay for acceptable work performed prior to the Contractor's receipt of the notice of termination, if the NMMIP is the terminating party, or the Contractor's sending of the notice of termination, if the Contractor is the terminating party; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this PSC. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination.
- b. Termination for Cause. Notwithstanding the foregoing, this PSC may be terminated immediately for cause upon written notice to the Contractor. Cause includes, but is not limited to:
  - i. Contractor furnishes any statement or representation in connection with this PSC which is materially false or deceptive; or
  - ii. Contractor fails to perform to the NMMIP's reasonable satisfaction any material requirement of the PSC or violates any specific provisions of the PSC; or
  - iii. The NMMIP determines that satisfactory performance of the PSC is substantially endangered or that unsatisfactory performance or a default is reasonably foreseeable; or
  - iv. Contractor ceases to be a licensed New Mexico attorney; or
  - v. Contractor becomes unable to perform the services contracted for; or
  - vi. Contractor or any of its officers, employees, or agents is indicted for fraud, embezzlement, or other crime due to misuse of funds.

This provision is not exclusive and does not waive NMMIP's other legal rights and remedies caused by the Contractor's default/breach of this PSC.

- c. Termination Management. Immediately upon receipt by either the NMMIP or the Contractor of notice of termination of this PSC, the Contractor shall: 1) not incur any further obligations for salaries, services, or any other expenditure of funds under this PSC without written approval of the NMMIP; 2) comply with all directives issued by the NMMIP in the notice of termination as to the performance of work under this PSC; and 3) take such action as the NMMIP shall direct for the protection, preservation, retention, or

transfer of all property titled to the NMIP and records generated under this PSC. Any non-expendable personal property or equipment provided to or purchased by the Contractor with contract funds shall become property of the NMMIP upon termination and shall be submitted to the NMMIP as soon as practicable.

5. Status of Contractor

The Contractor and its agents and employees are independent contractors performing professional services for the NMMIP and are not employees of NMMIP. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the NMMIP as a result of this PSC. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind NMMIP unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

6. Assignment

The Contractor shall not assign or transfer any interest in this PSC or assign any claims for money due or to become due under this PSC without the prior written approval of the NMMIP.

7. Subcontracting

The Contractor shall not subcontract any portion of the services to be performed under this PSC without the prior written approval of the NMMIP.

8. Release

Final payment of the amounts due under this PSC shall operate as a release of the NMMIP, its officers, and employees from all liabilities, claims, and obligations whatsoever arising from or under this PSC.

9. Confidentiality

Any confidential information provided to or developed by the Contractor in the performance of this PSC shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the NMMIP.

10. Conflict of Interest: Governmental Conduct Act

The Contractor warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the PSC. The Contractor certifies that the requirements of the Governmental Conduct Act, Sections 10-16-1 through 10-16-18 NMSA 1978, regarding contacting with a public officer or state employee or former state employee have been followed.

11. Amendment

- a. This PSC shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto and all other required signatories.
- b. If the NMMIP proposes an amendment to the PSC to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed amendment, have the option to terminate the PSC, pursuant to the termination provisions contained herein, or to agree to the reduced funding.

12. Merger

This PSC incorporates all the agreement, covenants, and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements, and understandings have been merged into this written PSC. No prior agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this PSC.

13. Penalties for Violation of Law

The Procurement Code, Sections 13-1-28 through 13-1-199 NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities, and kickbacks.

14. Equal Opportunity Compliance

In addition to the provisions concerning non-discrimination set forth in Section 29 (OF WHAT?), the Contractor agrees to abide by all federal and state laws, rules, and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this PSC. If the Contractor is found not to be in compliance with these requirements during the life of this PSC, the Contractor agrees to take appropriate steps to correct these deficiencies.

15. Applicable Law

The laws of the State of New Mexico shall govern this PSC, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction. By execution of this PSC, the Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this PSC.

16. Records

The Contractor shall maintain a complete file of records, documents, communications, and other materials, including time and expenditure records, pertaining to the delivery of services under this PSC. All files shall be maintained by the Contractor for a period of three (3) years from the final payment of services under this PSC. In the event of termination for cause, or otherwise, all files held by the Contractor relating to this PSC shall be forwarded to the NMMIP upon request. The records shall be subject to inspection by the NMMIP. The NMMIP shall have the right to audit billings both before and after payment. Payment under this PSC shall not foreclosed the right of the NMMIP to recover excessive or illegal payments.

17. Indemnification

The Contractor shall defend, indemnify, and hold harmless the NMMIP from all actions, proceeding, claims, demands, costs, damages, attorneys' fees, and all other liabilities and expenses of any kind from any source which may arise out of the performance of this PSC caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors, or agents, or if caused by the actions of any client of the Contractor resulting in injury or damage to persons or property during the time when the Contractor or any officer, agent, employee, servant, or subcontractor thereof has or is performing services pursuant to this PSC. In the event that any action, suit, or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant, or subcontractor under this PSC is brought against the Contractor, the

Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of the NMMIP by certified mail.

18. Invalid Term or Condition

If any term or condition of this PSC shall be held invalid or unenforceable, the remainder of this PSC shall not be affected and shall be valid and enforceable.

19. Enforcement of PSC

A party's failure to require strict performance of any provision of this PSC shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this PSC shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

20. Notices

Any notice required to be given to either party by this PSC shall be in writing and shall be delivered in person, by courier services, or by U.S. Mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To the NMMIP: Kristina Leeper, Executive Director  
New Mexico Medical Insurance Pool  
500 Marquette Ave NW, Ste 280  
Albuquerque, NM 87102  
[kleeper@nmmip.org](mailto:kleeper@nmmip.org)

To the Contractor: Name of Contractor  
Address  
Email address

21. Authority

If the Contractor is other than a natural person, the individual(s) signing this PSC on behalf of the Contractor represents and warrants that he or she has the power and authority to bind the Contractor, and that further action, resolution, or approval from the Contractor is necessary to enter into a binding contract.

IN WITNESS WHEREOF, parties have executed this Contract

By: \_\_\_\_\_  
NMMIP

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

By: \_\_\_\_\_  
Contractor

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

\_\_\_\_\_  
NM Tax ID Number

**APPENDIX B**

**Cost Response Form**

Submit Hourly Rate and % of Work for each position that will perform work under the Contract.

Position/Name	Hourly Rate	Estimated Percentage of Work Under the Contract

Fully describe all costs and fees to include minimal charges for services (e.g., billing is rounded to nearest quarter hour).

Cost/Fee	Minimal Charge	Description