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 Robert J. Conlin
 SECRETARY

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Correspondence Memorandum

Date: October 16, 2018
To: Group Insurance Board
From: Tricia Sieg, Supplemental Plans Manager
 Office of Strategic Health Policy
Subject: Updates to Supplemental Plans Administrative Documents

The Department of Employee Trust Funds (ETF) recommends the Group Insurance Board (Board) approve modifications to the *Supplemental Insurance Plan Guidelines (ET-7422)* and *Long-Term Care Insurance Standards (ET-7423)* for contracts effective for the 2020 plan year.

Background

The Board oversees several supplemental benefit plans, including supplemental dental, vision, accidental death and dismemberment (AD&D) and long-term care (LTC). Supplemental plans are offered to members with no employer contribution. Currently, supplemental benefits are only available to state employees, continuants and state retirees.

To participate in the state’s supplemental benefit program an insurer must submit a proposal annually in accordance to the *Supplemental Insurance Plan Guidelines (ET-7422)* or the *Long-Term Care Insurance Standards (ET-7423)*. ETF reviews the proposals, consults with the Board’s actuary and makes contract recommendations to the Board annually.

With the Board’s approval, ETF has over the last two years made changes to ET-7422 and ET-7423 for supplemental plans to include basic plan design criteria, program administration simplification and clarifications to requirements for service level agreements. These updates ensure that services, performance and administrative requirements are clearly defined and agreed upon by the proposing insurer.

Currently, three supplemental dental providers offer six different plans; two vision providers offer three different plans; and there are two AD&D providers and one long-term care provider. For 2019 the Board has signed contracts for one supplemental dental provider with two different plans; one vision provider with a single plan; and one AD&D provider. There is no long-term care provider with a signed contract for 2019.

Reviewed and approved by Eileen K Mallow, Director, Office of Strategic Health Policy
 Electronically Signed 10/26/18

Board	Mtg Date	Item #
GIB	11.14.18	11

Following the proposal and contract negotiation cycle for 2019, ETF identified some additional ways to improve the *Supplemental Insurance Plan Guidelines* and the *Long-Term Care Insurance Standards* that would ultimately improve contracting for the 2020 program year.

Proposed Changes to *Supplemental Insurance Plan Guidelines* (ET-7422)

- Provides details on how an insurer's administrative fee is calculated
- Ensures insurer pays third-party actuarial review fee with proposal
- Adds a *Designation of Confidential and Proprietary Information Form*
- Brings reporting and performance standards in-line with Group Health Insurance Program (GHIP) when applicable
- Sets penalties for not meeting reporting and performance standards
- Removes unneeded statutory references
- Updates references from "Annuitants" to "Retirees"
- Establishes the insurer will submit information to ETF's data warehouse vendor upon ETF's request

Proposed Changes to *Long-Term Care Insurance Standards* (ET-7423)

- Establishes reporting standards for insurers and penalties if reporting standards are not met
- Sets timeline for contract negotiations between ETF and insurers
- Provides details on how an insurer's administrative fee is calculated
- Ensures insurer pays third-party actuarial review fee with proposal
- Requires insurer to manage premiums through an automated system for payroll deduction that interfaces with state payroll systems
- Makes clear that all marketing to members be approved by ETF
- Updates statute and administrative code references
- Adds a *Designation of Confidential and Proprietary Information Form*

An itemized list of the individual changes to the Supplemental Insurance Plan Guidelines and the Long-Term Care Insurance Standards is attached for your reference.

The revised ET-7422 and ET-7423 are attached for reference.

Staff will be available at the Board meeting to answer questions.

Attachment A: Revised Supplemental Insurance Plan Guidelines (ET-7422)
Attachment B: Revised Long-Term Care Insurance Standards (ET-7423)
Attachment C: Itemized Changes to Guides Table

Supplemental Insurance

Plan Guidelines



Department of Employee Trust Funds
Group Insurance Board
4822 Madison Yards Way
Madison, Wisconsin 53705-9100

Effective for Plan Year January 1, 2020 through December 31, 2020

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Supplemental Insurance

1. Purpose

This document, “Supplemental Insurance Plan Guidelines,” or Guidelines, serves as a resource for insurers interested in offering the State of Wisconsin employees supplemental insurance plans. It sets forth the requirements insurers must meet to offer these plans, provides the instructions insurers must follow for submitting a proposal, and outlines the criteria the Group Insurance Board (Board) uses in approving or denying an insurer’s proposal.

2. Definitions

- A. Group Insurance Board (Board): Eleven (11) member board that sets policy and oversees administration of the group health, life insurance, and income continuation insurance plans for state employees, retirees and the local employers who choose to offer them. The Board also can provide other insurance plans, if employees pay the entire premium. The Board’s authority is governed by [Wis. Stat. § 40.03 \(6\)](#). For more information on the Board visit: http://www.etf.wi.gov/boards/board_gib.htm
- B. Contract: Contract between an Insurer/Contractor and the Board related to the offering of a Supplemental Insurance Plan(s) to State of Wisconsin employees.
- C. Supplemental Insurance Plan(s): This term has the same meaning as, “Other group insurance plans” as provided in [Wis. Stat. § 40.03 \(6\)](#). It includes insurance plans that are approved by the Board as voluntary group plan offerings for state employees with 100% of the premium paid by employees through payroll deduction. Examples of insurance plans falling under this definition include: accidental death & dismemberment (AD&D), supplemental vision and supplemental dental plans. Note that group health insurance, life insurance, income continuation insurance and long-term care insurance are part of different programs.

3. Statutory and Administrative Authority

- A. The Board is given the following statutory and administrative authority related to Supplemental Insurance Plans:
 - 1. The Board is given authority under [Wis. Stat. §40.03\(6\)\(b\)](#) to provide group insurance plans in addition to plans provided for in [Wis. Stats. Chapter 40](#) to retirees, employees and their dependents.
 - 2. The Board is charged by [Wis. Stat. §20.921\(1\)\(a\)\(3\)](#) and [Wis. Admin. Code §ETF 10.20](#) to approve or disapprove group insurance plans for which payment of premium is made through payroll deductions.
 - 3. Fees for program administration are authorized under [Wis. Stat. §40.04\(2\)](#) (see Administrative Fee below).

4. Supplemental Insurance Plan Requirements

In order to be considered for approval, each proposed plan must:

- A. Be approved as an Accident & Health insurance policy by the State of Wisconsin Office of the Commissioner of Insurance (OCI).
- B. Be a group insurance plan; not individual policies marketed as a group plan.
 - 1. For rating purposes, the “group” consists of all eligible employees, their spouses and other dependents, and retiring members within limits proposed by the insurer.
- C. Meet all applicable requirements listed in Attachments A through D.

5. Insurer Responsibilities

Insurers interested in offering a Supplemental Insurance Plan must meet and agree to the requirements as listed below.

A. General

1. The insurer must hold a license from the State of Wisconsin OCI to conduct the business of insurance in this state.
2. The insurer must have at least two years of operating experience in the State of Wisconsin.
3. The insurer must satisfy payment of the annual Administrative Fee which Employee Trust Funds (ETF) will assess for administration of the plan(s). ETF will invoice Supplemental Insurance Contractors an Administrative Fee of one percent (1%) of their total yearly premium collected by Contractor. By April 15 of each year, Contractors will report their total first-quarter premium collected from January 1 through March 31. (see Attachment D Reporting and Performance Standards).

B. Plan Administration

1. Each plan must maintain a minimum annual claim/premium loss ratio of 75%.
2. Each plan's premium increase may not exceed 5% annually.
3. Each plan must offer an open enrollment opportunity every year.
4. Newly-eligible employees must be allowed to enroll, provided an application is submitted within 30 days of eligibility.
5. The insurer will work directly with ETF staff and assist payroll centers and employers with technical implementation and ongoing maintenance of each plan.
6. The insurer must be able to accept eligibility file transmissions and offer an online enrollment portal for small employers.
7. Eligible employees and his/her eligible dependents must be allowed to enroll without restrictions or benefit limitations due to a Health Insurance Portability and Accountability (HIPAA) qualifying event, such as loss of other comparable coverage, marriage, birth or adoption.
8. Retirees must be allowed to enroll in the plan unless the proposal can demonstrate negative impacts on premium rates, or substantial constraints for continuing to administer the plan if retirees are included. This must be approved by the Board.
9. Submit data regarding enrollment, provider networks, utilization, service level statistics and performance standards which must be reported on a quarterly basis, including an aggregate data submission annually.

C. Marketing, Materials and Member Resources

1. A Contract with the Group Insurance Board must be in place prior to any marketing activity or distribution of materials to State of Wisconsin members.
2. All marketing and informational materials provided to State of Wisconsin members must have prior approval from ETF, including materials distributed plan-wide. Approval of marketing materials by OCI is not a substitute for ETF approval.
3. The insurer must have a phone number for State of Wisconsin members, staffed to adequately answer member, employer, or payroll center calls with questions about enrollment, claims, or benefits in a timely manner.
4. The insurer must provide hard copies of brochures, applications, and reporting forms to State of Wisconsin employers, agencies, or payroll centers upon request. The insurer must notify ETF of all requests for materials.
5. The insurer must notify the ETF program manager of any requests for presentations to employers, agencies, or payroll centers. The insurer must notify ETF of the request prior to accepting the invitation to present and provide ETF with the opportunity to review any presentation materials no less than five (5) days prior to the materials being due.

6. The insurer must provide a State of Wisconsin Employer Group-specific website available to members prior to the annual open enrollment period. This website must include the following at a minimum:
 - a. Information summarizing benefits and exclusions,
 - b. Provider directory or provider search function, where applicable,
 - c. Links or access to all plan forms for members and employers without requiring login,
 - d. Access to online processes for enrollment,
 - e. Information on continuation coverage and how to report status changes,
 - f. Customer service phone number and email address for members, and
 - g. Resources for members to file a grievance or appeal.

D. Member Complaints and Grievances

The insurer agrees to provide the following to members:

1. A method whereby the insured who filed the grievance, or the insured's authorized representative, has the right to appear in person or by telephone before the grievance panel to present written or oral information.
2. A written notification to the insured of the time, telephone number to use to appear via telephone, and physical location of the grievance meeting at least 7 calendar days before the meeting.
3. A written acknowledgement to the insured or the insured's authorized representative confirming receipt of the grievance within 5 business days of receipt of a grievance.
4. Detailed complaint and grievance process in the policyholder certificate. The ETF [Insurance Complaint Form](#) details the ETF process.

6. Board Responsibilities

- A. In accordance with [Wis. Admin. Code §ETF 10.20\(1\)\(a\)](#), the Board will determine whether a vendor qualifies to offer a particular program through consideration of, but not limited to, the following factors:
 1. Number of employees affected
 2. Amount and variation in premiums
 3. Adequacy of other approved coverage providing the same or similar protection
 4. History, performance, and acceptance of the plan by the employees
 5. Reference checks
- B. The Board will limit the number of approved vendors to **one plan for each plan type**.
- C. The Board reserves the right to deny an insurer and/or plan proposal for up to three (3) years if the insurer has in the past been unable to meet the minimum loss ratio. Any plan proposal from an insurer who has a history of not meeting the minimum loss ratio will need to include a detailed explanation of how the proposed plan will meet ETF's minimum loss ratio.
- D. The Board may withdraw its approval if insurers and the Supplemental Insurance Plans they offer fail to meet requirements detailed in the Guidelines or its attachments, or the Contract.

7. Submitting a Proposal

The process for submitting a proposal is as follows:

- A. Insurer reviews this document and all attachments thoroughly to understand all requirements and expectations.
- B. Insurer should contact ETF with any questions about the insurer responsibilities and requirements **prior to submitting the signed proposal**.
- C. Insurer submits a complete proposal to ETF including all attachments with applicable signatures and payment of \$5,000 to ETF for each proposal submitted as payment for the third-party actuarial review fee.
- D. Submit a completed "Proposal Submission Checklist (Attachment A).

- E. All proposals are due January 31st of each year and will be considered at the following May Group Insurance Board meeting for the upcoming plan year starting January first.

8. Review & Approval Process

- A. ETF notifies an insurer within ten (10) business days that the submission has been received and whether it is deemed complete.
 - 1. If ETF does not receive a complete proposal within five (5) business days of notification to the insurer that a proposal is missing information, the proposal may not be considered.
- B. ETF reviews the proposal.
 - 1. Review by the Board's consulting actuary may be necessary and will range from brief to extensive, based on the features of the plan and clarity of the proposal submitted.
 - 2. The review process may include discussions between the insurer and ETF, an advisory committee of employer representatives, and/or the consulting actuary.
 - 3. Any modifications by the insurer to the proposal must be received electronically by ETF no later than six (6) weeks prior to the scheduled Board meeting where the proposal will be discussed
 - 4. ETF will contact all references provided in the proposal on behalf of the Board.
- C. ETF finalizes the review and prepares a recommendation for the Board.
 - 1. ETF will notify the insurer selected for each benefit type at least sixty (60) days prior to the May Board meeting.
 - 2. ETF will provide the selected insurer with the program agreement for review with notification of their selection.
 - 3. The insurer must provide a signed copy of the agreement to ETF prior to the Board meeting, for signature by the Board chair.
 - 4. ETF will provide advance notification of the recommendation to non-selected insurers at least two (2) weeks prior to the May Board meeting.
- D. The Board will determine whether to approve the proposal at a publicly noticed Board meeting.
 - 1. A spokesperson for the insurer should be present at the Board meeting.
 - 2. The agenda and documents for Board meetings are posted to etf.wi.gov prior to each meeting.
- E. If the Board approves a proposal, ETF will provide the vendor-signed final version of the Contract to the Board Chair for signature at the May Board Meeting.

9. Additional Information

- A. Please send questions related to the Supplemental Plan approval process to:
ETF SMBInsuranceSubmit@etf.wi.gov
- B. The attachments to these Guidelines are:
 - 1. Attachment A: Proposal Submission Checklist
 - 2. Attachment B: Benefit Design Proposals
 - 3. Attachment C: Insurer Acknowledgement
 - 4. Attachment D: Reporting and Performance Standards
 - 5. Attachment E: Designation of Confidential and Proprietary Information

Attachments

Attachment A

Proposal Submission Checklist

Insurers must submit the following information electronically to the Department of Employee Trust Funds (ETF) Office of Strategic Health Policy at: ETFSMInsuranceSubmit@ef.wi.gov

ETF reserves the right to request paper copies. Requested paper copies are expected within ten (10) business days of the proposal submission.

Tab 1: General Information

- Cover letter, including an executive summary of the proposal
- Table of Contents, clearly labeled with page numbers
- This Proposal Submission Checklist, complete
- Contact information for the representative(s) responsible for responding to follow up questions related to the proposal:

Name of Proposal Contact:	
Title:	
Mailing Address:	
Phone Number (direct):	
Email Address:	

- Provide the name, title, phone number, and e-mail address for the representative(s) who will manage contract negotiation and administration.

Name of Account Manager:	
Title:	
Mailing Address:	
Phone Number (direct):	
Email Address:	

- Provide the name of the specific insurance plan the insurer is interested in offering state employees. *Note:* this is the name of the plan presented within the proposal; other plans not listed will not be considered for approval.

Also provide the Office of the Commissioner of Insurance (OCI) identification number and date the insurer was most recently licensed by Wisconsin OCI.

Specific Name of Insurance Plan Proposed:	
OCI Identification Number:	
Date of Most Recent WI OCI license:	

- Provide **three** client references below.
References must include two large-group employers and one public-sector group at minimum.

Reference #1

Organization Name:	
Contact First and Last Name:	
Contact Phone:	
Contact Email:	
Product Lines Offered:	
Number of Covered Lives:	
Contracted Years:	

Reference #2

Organization Name:	
Contact First and Last Name:	
Contact Phone:	
Contact Email:	
Product Lines Offered:	
Number of Covered Lives:	
Contracted Years:	

Reference #3

Organization Name:	
Contact First and Last Name:	
Contact Phone:	
Contact Email:	
Product Lines Offered:	
Number of Covered Lives:	
Contracted Years:	

Tab 2: Benefits and Materials

- Complete Attachment A for the corresponding type of plan(s) proposed.
- Provide an itemization of costs for any bundled benefit proposals, include a breakdown by benefit type and member type (active employee, retiree, etc.)
- Provide a detailed list of any exclusions and limitations for each proposed benefit plan.
- Provide a sample brochure, specifically drafted plans available to the State of Wisconsin Group.
- Submit a marketing plan, detailing the electronic and print materials that will be available to State of Wisconsin members. For reference, the State of Wisconsin employee & annuitant benefit information is found at www.etf.wi.gov.
- Submit a Premium Schedule for each plan Note: A minimum loss ratio of 75% must be maintained annually. Insurers must submit actuarial data to justify any ratio below 75%. Include the forecasted loss ratio for each premium schedule submitted. Any loss ratio below 75% without actuarial data justifying the ratio and a plan in increase the loss ratio may lead to a return of a portion or the entirety of premiums to members.

Tab 3: Actuarial Analysis

- Submit an actuarial analysis of the proposed plan for the State of Wisconsin Group.
- Submit a detailed description of the insurer's rating process.
- Submit the following financial documents to demonstrate financial stability:
 1. Balance sheet
 2. Statement of operations
 3. Audited financial statement by a certified public accountant in accordance with generally accepted accounting principles
 4. Utilization statistics
 5. Results from the most recent financial examination completed by the state insurance regulator.

Tab 4: Performance Standards & Reporting

- Submit current service level guarantees in the areas of:
 1. Customer Service Grievances and Appeals
 2. Enrollment Claims Accuracy & Timeliness
- Review and agree to meet the performance standards contained in Attachment D.
- Confirm whether the Insurer's service level guarantees currently align with the performance standards defined in Attachment D.

If not, explain in detail how you intend to ensure those standards will be met within six (6) months of entering into a Contract with the Group Insurance Board. Include a list of steps you plan to take to meet these standards.

Attachment B
Benefit Design

State of Wisconsin Supplemental Insurance Program

Use the Excel workbook at this link to complete Attachment B:

<http://etf.wi.gov/publications/GuidelinesAttachmentB-BenefitDesign-Page9.xlsx>

For All Supplemental Plan Proposals:

- Complete one table for each plan proposed; use additional sheets if necessary.
- Incomplete benefit design submissions will not be considered.
- If the proposed plan type does not appear in a tab within the spreadsheet, please email ETFSMInsuranceSubmit@etf.wi.gov for further instruction.

Attachment C

Insurer Acknowledgment

State of Wisconsin Supplemental Insurance Program

- A. Insurer agrees to all Department Terms and Conditions on page 15 of this document. **Exceptions to the Department Terms and Conditions language will not be considered.** Any clarifications by ETF must be sought and determined prior to the submission of the proposal.
- B. Insurer agrees to all responsibilities and requirements outlined in the *Supplemental Plan Guidelines* (ET-7422), including all Attachments A through D.
- C. Insurer has the ability to exchange data electronically with existing or emerging State of Wisconsin benefits systems for payroll and annuities, including but not limited to:
 - a. Exchange of enrollment data in the 834 eligibility file format,
 - b. Reconciliation of premiums,
 - c. Flexibility to accommodate retroactive enrollment changes which may result in premium and/or claim adjustments.
- D. Insurer agrees not to modify benefits or premiums during the coverage period, unless such change is necessary to comply with state or federal law, regulation, or court order.
- E. Insurer agrees to satisfy payment of the annual fee assessed by the Department of Employee Trust Funds (ETF) for administration of the plan within 30 days of receipt
- F. Insurer has submitted payment of \$5,000 to ETF for each proposal submitted as payment for the third-party actuarial review fee.
- G. Insurer has no outstanding debts to ETF or ETF's third-party actuary.
- H. Insurer agrees to submit accurate claims and provider data to ETF's data warehouse vendor for internal business use, upon Department request.
- I. Insurer agrees to send informational materials to members at ETF's discretion (i.e. in the event of a large-scale error or legislative change, upon the insurer's acceptance into or termination from the program, etc.)
- J. Insurer acknowledges that a complete contract must be signed by the Insurer prior to the Board meeting where the Board will approve or deny plan proposals for the following plan year. Failure to sign the contract timely will disqualify the Insurer from consideration.

By signing hereunder, the Insurer hereby agrees to the responsibilities as outlined in Attachment C above.

Authorized Representative Signature

Name and Title (Printed)

Date

Attachment D

Reporting & Performance Standards

State of Wisconsin Supplemental Plan Guidelines

Customer Service

Standard	Performance Measure	Threshold
Inquiry from Payroll office	Acknowledge within 1 business days	95%
	Complete response within 3 business days	95%
Inquiry from ETF staff on behalf of another agency	Acknowledge within 1 business day	95%
	Complete response within 5 business days	95%
Direct Member Inquiry	Acknowledge within 2 business days	95%
	Complete Response within 10 business days	95%
Direct Bill Members	Accurate invoices/bills provided to direct-billed members	95%
Refunds	Accurate refund issued within 15 days of receipt of complete documentation	98%
Member Grievance	Process and timeline from Ins Ch. 18, Wis. Adm. Code is followed	99%
Telephone response time	Calls dropped while in queue	<3%
Telephone access for members	Available 7:30AM – 5 PM (CST) Monday-Thursday, 7:30AM-4:30PM except legal holidays	98%
Claim Processing Timeliness/ Turnaround Time	Claim paid within 10 days of receipt of complete claim information	90%
Claim Processing Accuracy	Claims processed correctly	97%
Web Portal Availability	Portal cannot be unavailable for full member access for more than 6 non-peak hours per month	99%

Enrollment Accuracy and Timeliness

Standard	Performance Measure	Threshold
STAR agency	Upload enrollment files successfully, as scheduled	99%
Non-STAR agency	Open enrollment - Complete enrollment within 15 business days after close of open enrollment period	98%
	New hire or change in eligibility – within 5 business days of receipt of completed paperwork	
Census file accuracy	Reconcile to agency payroll records within 5 business days of receipt	99%

ID cards to member	Open Enrollment: by January 15th of each year	98%
	New hire or life event changes: within 10 business days of processing enrollment or change	
Disenrollment	Processed within 5 business days of receipt	98%

Expectations and Penalties

Standard	Performance Measure	Penalty
A minimum loss ratio of 75% must be maintained annually	Insurers must submit actuarial data to justify any ratio below 75%.	The return of a portion or the entirety of premiums to members.

Reports and Penalties

Frequency	Activity	Due Date	Penalty
Monthly	Submit appropriate billing or invoicing to payroll centers and continuation members	10 days after month ends	\$50/day
Quarterly	Submit customer service and enrollment statistics spreadsheet to ETF	30 days after quarter end	\$50/day
Annually	Submit report of member grievances and resolution	April 15 of each year for preceding calendar year	\$50/day
Annually	Submit Report to ETFSMBInsuranceSubmit@etf.wi.gov, Include: <ul style="list-style-type: none"> • Total number of subscribers (include active and retired); • Number of dependents; • Subscriber gender; • Number of subscribers per agency; • Number of subscribers by state • Total Premiums • Total Amount Paid in Claims; • Number of claims Incurred; • Loss Ratio 	April 15 of each year – reporting on January 1 through March 31 of current calendar year	\$50/day

Attachment E

Designation of Confidential and Proprietary Information

The material my company has submitted in response to *Supplemental Insurance Plan Guidelines* (ET-7422) includes proprietary and confidential information that qualifies as a trade secret, as provided in § 19.36(5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, my company requests that certain pages of our Proposal, as indicated below, be treated as confidential material and not be released without our written approval. I understand other information cannot be kept confidential unless it is a trade secret. Trade secret is defined in § 134.90(1)(c), Wis. Stats. as follows: “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique or process to which all the following apply:

- The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
- The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

Prices always become public information when Proposals are opened, and therefore cannot be kept confidential.

Failure to include this form with your Proposal may mean that all information provided as part of your Proposal will be open to examination and copying. The state of Wisconsin (State) will consider other markings of confidentiality in your Proposal to be insufficient. **If you are not including any confidential or proprietary materials with your Proposal, please write “none” in the first row below.**

My company requests the following documents/sections/pages not be released:

Proposal Section/Attachment Name	Page #	Topic

Attach additional copies of this form if necessary.

In the event the designation of confidentiality of the above-listed information is challenged, my company hereby agrees to provide legal counsel or other necessary assistance to defend the designation of confidentiality and to hold the State harmless for any costs or damages arising out of the State withholding the materials. My company agrees to hold the State harmless for any damages arising out of the release of any materials unless they are specifically identified above.

Proposer Company Name:	
Name & Title of Authorized Representative:	
Authorized Representative Signature:	
Signature Date:	

Attachment F

Department Terms and Conditions (non-RFP)

1.0 ENTIRE AGREEMENT: This Contract, its exhibits, subsequent amendments and the documents incorporated by order of precedence contain the entire understanding between the parties on the subject matter hereof, and no representations, inducements, promises, or agreements, oral or otherwise, not embodied herein shall be of any force or effect. This Contract supersedes any other oral or written agreement entered into between the parties on the subject matter hereof.

This Contract may be amended at any time by written mutual agreement, but any such amendment shall be without prejudice to any claim arising prior to the date of the change. No one, except duly authorized officers or agents of the Contractor and the Department, shall alter or amend this Contract. No change in this Contract shall be valid unless evidenced by an amendment that is signed by such officers of the Contractor and the Department.

2.0 COMPLIANCE WITH THE CONTRACT AND APPLICABLE LAW: In the event of a conflict between this Contract and any applicable federal or state statute, administrative rule, or regulation; the statute, rule, or regulation will control.

In connection with the performance of work under this Contract, the Contractor agrees not to discriminate against employees or applicants for employment because of age, race, religion, creed, color, handicap, physical condition, developmental disability as defined in Wis. Stat. § 51.01 (5); marital status, sex, sexual orientation, national origin, ancestry, arrest record, conviction record; or membership in the national guard, state defense force, or any reserve component of the military forces of the United States or this state.

The Contractor shall comply with all applicable requirements and provisions of the Americans with Disabilities Act (ADA) of 1990. Evidence of compliance with ADA shall be made available to the Department upon request.

The Contractor acknowledges that Wis. Stat. § 40.07 specifically exempts information related to individuals in the records of the Department of Employee Trust Funds from the Wisconsin Public Records Law. Contractor shall treat any such records provided to or accessed by Contractor as nonpublic records as set forth in Wis. Stat. § 40.07.

Contractor will comply with the provisions of Wis. Stat. § 134.98.

3.0 LEGAL RELATIONS: The Contractor shall at all times comply with and observe all federal and State laws, local laws, ordinances, and regulations which are in effect during the period of this Contract and which in any manner affect the work or its conduct. This includes but is not limited to laws regarding compensation, hours of work, conditions of employment and equal opportunities for employment.

In carrying out any provisions of this Contract or in exercising any power or authority granted to the Contractor thereby, there shall be no liability upon the Department, it being understood that in such matters that the Department acts as an agent of the State.

The Contractor accepts full liability and agrees to hold harmless the State, the Department's governing boards, the Department, its employees, agents and contractors for any act or omission of the Contractor, or any of its employees, in connection with this Contract.

No employee of the Contractor may represent himself or herself as an employee of the Department or the State.

4.0 CONTRACTOR: The Contractor will be the sole point of contact with regard to contractual matters, including the performance of Services and the payment of any and all charges resulting from contractual obligations.

None of the Services to be provided by the Contractor shall be subcontracted or delegated to any other organization, subdivision, association, individual, corporation, partnership or group of individuals, or other such entity without prior written notification to, and approval of, the Department.

The Contractor shall be solely responsible for its actions and those of its agents, employees or subcontractors under this Contract. The Contractor will be responsible for Contract performance when subcontractors are used. Subcontractors must abide by all terms and conditions of this Contract.

Neither the Contractor nor any of the foregoing parties has the authority to act or speak on behalf of the State of Wisconsin.

The Contractor will be responsible for payment of any losses by subcontractors or agents.

Any notice required or permitted to be given shall be deemed to have been given on the date of delivery or three (3) Business Days after mailing by the United States Postal Service, certified or registered mail-receipt requested. In the event the Contractor moves or updates contact information, the Contractor shall inform the Department of such changes in writing within ten (10) Business Days. The Department shall not be held responsible for payments delayed due to the Contractor's failure to provide such notice.

5.0 CONTRACTOR PERFORMANCE: Work under this Contract shall be performed in a timely, professional and diligent manner by qualified and efficient personnel and in conformity with the strictest quality standards mandated or recommended by all generally-recognized organizations establishing quality standards for the work of the type to be performed hereunder. The Contractor shall be solely responsible for controlling the manner and means by which it and its employees or its subcontractors perform the Services, and the Contractor shall observe, abide by, and perform all of its obligations in accordance with all legal and Contract requirements.

Without limiting the foregoing, the Contractor shall control the manner and means of the Services so as to perform the work in a reasonably safe manner and comply fully with all applicable codes, regulations and requirements imposed or enforced by any government agencies. Notwithstanding the foregoing, any stricter standard provided in plans, specifications or other documents incorporated as part of this Contract shall govern.

The Contractor shall provide the Services with all due skill, care, and diligence, in accordance with accepted industry practices and legal requirements, and to the Department's satisfaction; the Department's decision in that regard shall be final and conclusive.

All Contractor's Services under this Contract shall be performed in material compliance with the applicable federal and state laws and regulations in effect at the time of performance, except when imposition of a newly enacted or revised law or regulation would result in an unconstitutional impairment of this Contract.

The Contractor will make commercially reasonable efforts to ensure that Contractor's professional and managerial staff maintain a working knowledge and understanding of all federal and state laws, regulations, and administrative code appropriate for the performance of their respective duties, as well as contemplated changes in such law which affect or may affect the Service under this Contract.

The Contractor shall maintain a written contingency plan describing in detail how it will continue operations and Services under the Contract in certain events including, but not limited to, strike and disaster, and shall submit it to the Department upon request.

6.0 AUDIT PROVISION: The Contractor and its authorized subcontractors are subject to audits by the State of Wisconsin, the Legislative Audit Bureau (LAB), an independent Certified Public Accountant (CPA), or other representatives as authorized by the State of Wisconsin. The Contractor will cooperate with such efforts and provide all requested information permitted under the law.

Authorized personnel shall have access to interview any Contractor's or subcontractor's employee or authorized agent involved with this Contract in conjunction with any audit, review, or investigation deemed necessary by the State of Wisconsin.

7.0 CRIMINAL BACKGROUND VERIFICATION: The Department follows the provisions in the Wisconsin Human Resources Handbook Chapter 246, Securing Applicant Background Checks (see <http://doa.wi.gov/Documents/DPM/Document%20Library/Chap246VerifyingApplicantInfoSecuringBackgroundChecks.pdf>). The Contractor is expected to perform background checks that, at a minimum, adhere to those standards. This includes the criminal history record from the Wisconsin Department of Justice (DOJ), Wisconsin Circuit Court Automation Programs (CCAP), and other State justice departments for persons who have lived in a state(s) other than Wisconsin. More stringent background checks are permitted. Details regarding the Contractor's background check procedures should be provided to the Department regarding the measures used by the Contractor to protect the security and privacy of program data and participant information. A copy of the result of the criminal background check the Contractor conducted must be made available to the Department upon request. The Department reserves the right to conduct its own criminal background checks on any or all employees or subcontractors of and referred by the Contractor for the delivery or provision of Services.

8.0 COMPLIANCE WITH ON-SITE PARTY RULES AND REGULATIONS: Contractor and the State of Wisconsin agree that their employees, while working at or visiting the premises of the other party, shall comply with all internal rules and regulations of the other party, including security procedures, and all applicable federal, state, and local laws and regulations applicable to the location where said employees are working or visiting.

The Department is responsible for allocating building and equipment access, as well as any other necessary Services available from the Department that may be used by the Contractor. Any use of the Department facilities, equipment, internet access, and/or services shall only be for project purposes as authorized by the Department. The Contractor will provide its own personal computers, which must comply with the Department security policies before connection to the Department's local computer network.

9.0 SECURITY OF PREMISES, EQUIPMENT, DATA AND PERSONNEL: The State of Wisconsin shall have the right, acting by itself or through its authorized representatives, to enter the premises of the Contractor at mutually agreeable times to inspect and copy the records of the Contractor and the Contractor's compliance with this section. In the course of performing Services under this Contract, the Contractor may have access to the personnel, premises, equipment, and other property, including data files, information, or materials (collectively referred to as "data") belonging to the State.

The Contractor shall be responsible for damage to the State's equipment, workplace, and its contents, or for the loss of data, when such damage or loss is caused by the Contractor, contracted personnel, or subcontractors, and shall reimburse the State accordingly upon demand. This remedy shall be in addition to any other remedies available to the State by law or in equity.

10.0 BREACH NOT WAIVER: A failure to exercise any right, or a delay in exercising any right, power or remedy hereunder on the part of either party shall not operate as a waiver thereof. Any express waiver shall be in writing and shall not affect any event or default other than the event or default specified in such waiver. A waiver of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The making of any payment to the Contractor under this Contract shall not constitute a waiver of default, evidence of proper Contractor performance, or acceptance of any defective item or Services furnished by the Contractor.

11.0 SEVERABILITY: The provisions of this Contract shall be deemed severable and the unenforceability of any one or more provisions shall not affect the enforceability of any of the other provisions. If any provision of this Contract, for any reason, is declared to be invalid, unenforceable, or illegal, the parties shall substitute an enforceable provision that, to the maximum extent possible in accordance with applicable law, preserves the original intentions and economic positions of the parties.

12.0 LIQUIDATED DAMAGES: The Contractor and Department acknowledge that it can be difficult to ascertain actual damages when a Contractor fails to carry out the responsibilities of this Contract. Because of that, the Contractor and Department will negotiate liquidated damages, as required by the State of Wisconsin, for this Contract. The Contractor agrees that the Department shall have the right to liquidate such damages, through deduction from the Contractor's invoices, in the amount equal to the damages incurred, or by direct billing to the Contractor.

The Department shall notify the Contractor in writing of any claim for liquidated damages pursuant to this section within thirty (30) Calendar Days after the Contractor's failure to perform in accordance with the terms and conditions of this Contract.

Notwithstanding the foregoing language, when necessary the Department will identify in the Contract specific financial penalties for failure of the Contractor to meet performance standards and guarantees.

13.0 CONTRACT DISPUTE RESOLUTION: In the event of any dispute or disagreement between the parties under this Contract, whether with respect to the interpretation of any provision of this Contract, or with respect to the performance of either party hereto, except for breach of Contractor's intellectual property rights, each party shall appoint a representative to meet for the purpose of endeavoring to resolve such dispute or negotiate for and adjustment to such provision.

Contractor shall continue without delay to carry out all its responsibilities under this Agreement which are not affected by the conflict. Should Contractor fail to perform its responsibilities under this Agreement that are not affected by the conflict without delay, any and all additional cost incurred by the Contractor and ETF as a result of such failure to proceed shall be borne by Contractor and Contractor shall not make any claim against ETF for such costs. ETF's non-payment of fees in breach of this Agreement that are overdue by sixty (60) days is a conflict that will always be considered to affect Contractor's responsibilities.

No legal action of any kind, except for the seeking of equitable relief in the case of the public's health, safety or welfare, may begin in regard to the dispute until this dispute resolution procedure has been elevated to the Contractor's highest executive authority and the equivalent executive authority within the Department, and either of the representatives in good faith concludes, after a good faith attempt to resolve the dispute, that amicable resolution through continued negotiation of the matter at issue does not appear likely.

The party believing itself aggrieved (the "Invoking Party") shall call for progressive management involvement in the dispute negotiation by delivering written notice to the other party. Such notice

shall be without prejudice to the Invoking Party's right to any other remedy permitted by this Contract. After such notice, the parties shall use all reasonable efforts to arrange personal meetings and/or telephone conferences as needed, at mutually convenient times and places, between authorized negotiators for the parties at the following successive management levels, each of which shall have a period of allotted time as specified below which to attempt to resolve the dispute:

Level	Contractor	Department	Allotted Time
First	Level 1 entity	Deputy Office Director	Ten (10) Business Days
Second	Level 2 entity	Office Director	Twenty (20) Business Days
Third	Level 3 entity	Secretary	Thirty (30) Business Days

The allotted time for the First Level negotiations shall begin on the date the Invoking Party's notice is received by the other party. Subsequent allotted time is days from the date that the Invoking Party's notice was originally received by the other party. If the Third Level parties cannot resolve the issue within thirty (30) business days of the Invoking Party's original notice, then the issue shall be designated as a dispute at the discretion of the Invoking Party and, if so, shall be resolved in accordance with the section below. The time periods herein are in addition to those periods for a party to cure provided elsewhere in this Contract, and do not apply to claims for equitable relief (e.g., injunction to prevent disclosure of Confidential Information). The Department may withhold payments on disputed items pending resolution of the dispute.

14.0 CONTROLLING LAW: All questions as to the execution, validity, interpretation, construction and performance of this Contract shall be construed in accordance with the laws of the State of Wisconsin, without regard to any conflicts of laws or choice of law principles. Any court proceeding arising or related to this Contract or a party's obligations hereunder shall be exclusively brought and exclusively maintained in the State of Wisconsin, Dane County Circuit Court, or in the District Court of the United States Western District (if jurisdiction is proper in federal court), or upon appeal to the appellate courts of corresponding jurisdiction, and Contractor hereby consents to the exclusive jurisdiction and exclusive venue therein and waives any right to object to such jurisdiction or venue. To the extent that in any jurisdiction Contractor may now or hereafter be entitled to claim for itself or its assets immunity from suit, execution, attachment (before or after judgment) or other legal process, Contractor, to the extent it may effectively do so, irrevocably agrees not to claim, and it hereby waives, the same.

15.0 RIGHT TO SUSPEND OPERATIONS: If, at any time during the period of this Contract, the Department determines that the best interest of the Department or its governing boards would be best served by the Contractor's temporarily holding of all Services, the Department will promptly notify the Contractor. Upon receipt of such notice, the Contractor shall suspend all Services.

16.0 TERMINATION OF THIS CONTRACT: The Department may terminate this Contract at any time at its sole discretion by delivering one-hundred eighty (180) Calendar Days written notice to the Contractor.

Upon termination, the Department's liability shall be limited to the prorated cost of the Services performed as of the date of termination plus expenses incurred with the prior written approval of the Department.

If the Contractor terminates this Contract, it shall refund all payments made hereunder by the Department to the Contractor for work not completed or not accepted by the Department. Such termination shall require written notice to that effect to be delivered by the Contractor to the Department not less than one-hundred eighty (180) Calendar Days prior to said termination.

Upon any termination of this Contract, the Contractor shall perform the Services specified in a transition plan if so requested by the Department; provided, however, that except as expressly set

forth otherwise herein, the Contractor shall not be obligated to perform such Services unless all amounts due to the Contractor under this Contract, including payment for the transition Services, have been paid. Failure of the Contractor to comply with a transition plan upon request and upon payment shall constitute a separate breach for which the Contractor shall be liable.

Upon the expiration or termination for any reason, each party shall be released from all obligations to the other arising after the expiration date or termination date, except for those that by their terms survive such termination or expiration.

17.0 TERMINATION FOR CAUSE: If the Contractor fails to perform any material requirement of this Contract, breaches any material requirement of this Contract, or if the Contractor's full and satisfactory performance of this Contract is substantially endangered, the Department may terminate this Contract. Before terminating this Contract, the Department shall give written notice of its intent to terminate to Contractor after a thirty (30) Day written notice and cure period.

The State of Wisconsin reserves the right to cancel this Contract in whole or in part without penalty in one (1) or more of the following occurrences:

1. If the Contractor intentionally furnished any statement, representation, warranty, or certification, which is materially false, incorrect, or incomplete;
2. If applicable, fails to follow the sales and use tax certification requirements of Wis. Stat. § 77.66;
3. Incurs a delinquent Wisconsin tax liability;
4. Fails to submit a non-discrimination or affirmative action plan per the requirements of Wis. Stat. § 16.765 and Wisconsin's Fair Employment Law, subch. II, Chapter 111 of the Wisconsin Statutes as required herein;
5. Is presently identified on the list of parties excluded from State of Wisconsin procurement and non-procurement Contracts;
6. Becomes a state or federal debarred Contractor, or becomes excluded from state Contracts, or;
7. Fails to maintain and keep in force all required insurance, permits and licenses as required per this Contract;
8. Fails to maintain the confidentiality of the State of Wisconsin's information that is considered to be Confidential Information or Protected Health Information;
9. Files a petition in bankruptcy, become insolvent, or otherwise takes action to dissolve as a legal entity; or,
10. If at any time the Contractor's performance threatens the health or safety of a State of Wisconsin employee, citizen, or customer.
11. Violation of any requirements in Section 22 regarding Confidential Information.

In the event of a termination for cause by the State of Wisconsin, the State of Wisconsin shall be liable for payments for any work accepted by the State of Wisconsin prior to the date of termination.

18.0 REMEDIES OF THE STATE: The State of Wisconsin shall be free to invoke any and all remedies permitted under Wisconsin law. In particular, if the Contractor fails to perform as specified in this Contract, the State of Wisconsin may issue a written notice of default providing for at least a seven (7) Business Day period in which the Contractor shall have an opportunity to cure, provided that cure is possible, feasible, and approved in writing by the State of Wisconsin. Time allowed for cure of a default shall not diminish or eliminate the Contractor's liability. If the default remains, after opportunity to cure, then the State of Wisconsin may: (1) exercise any remedy provided in law or in equity or (2) terminate Contractor's Services.

If the Contractor fails to remedy any delay or other problem in its performance of this Contract after receiving reasonable notice from the State of Wisconsin to do so, the Contractor shall

reimburse the State of Wisconsin for all reasonable costs incurred as a direct consequence of the Contractor's delay, action, or inaction.

In case of failure to deliver Services in accordance with or Services from other sources as necessary, Contractor shall be responsible for the additional cost, including purchase price and administrative fees. This remedy shall be in addition to any other legal remedies available to the State of Wisconsin.

19.0 TRANSITIONAL SERVICES: Upon cancellation, termination, or expiration of this Contract for any reason, the Contractor shall provide reasonable cooperation, assistance and Services, and shall assist the State of Wisconsin to facilitate the orderly transition of the work hereunder to the State of Wisconsin and or to an alternative Contractor selected for the transition upon written notice to the Contractor at least thirty (30) business days prior to termination or cancellation, and subject to the terms and conditions set forth herein.

20.0 ADDITIONAL INSURANCE RESPONSIBILITY: The Contractor shall exercise due diligence in providing Services under this Contract. In order to protect the Board's governing the Department and any Department employee against liability, cost, or expenses (including reasonable attorney fees) which may be incurred or sustained as a result of Contractor's errors or other failure to comply with the terms of this Contract, the selected Contractor shall maintain errors and omissions insurance including coverage for network and privacy risks, breach of privacy and wrongful disclosure of information in an amount acceptable to the Department with a minimum of **\$1,000,000** per claim in force during this Contract period and for a period of three (3) years thereafter for Services completed. Contractor shall furnish the Department with a certificate of insurance for such amount. Further, this certificate shall designate the State of Wisconsin Employee Trust Funds and its affiliated boards as additional insured parties. The Department reserves the right to require higher or lower limits where warranted.

21.0 OWNERSHIP OF MATERIALS: Except as otherwise provided in subsection (t) of section 22, all information, data, reports and other materials as are existing and available from the Department and which the Department determines to be necessary to carry out the scope of Services under this Contract shall be furnished to the Contractor and shall be returned to the Department upon completion of this Contract. The Contractor shall not use it for any purpose other than carrying out the work described in this Contract.

The Department will be furnished without additional charge all data, models, information, reports, and other materials associated with and generated under this Contract by the Contractor.

The Department shall solely own all customized software, documents, and other materials developed under this Contract. Use of software, documents, and materials by the Contractor shall only be with the prior written approval of the Department.

This Contract shall no way affect or limit the Department's rights to use, disclose or duplicate, for any purpose whatsoever, all information and data pertaining to the Department or Covered Individuals and generated by the claims administration and other Services provided by Contractor under this Contract.

All files (paper or electronic) containing any Wisconsin claimant or employee information and all records created and maintained in the course of the work specified by this Contract are the sole and exclusive property of the Department. Contractor may maintain copies of such files during the term of this Contract as may be necessary or appropriate for its performance of this Contract. Moreover, Contractor may maintain copies of such files after the term of this Contract (i) for one hundred twenty (120) days after termination, after which all such files shall be transferred to the Department or destroyed by Contractor, except for any files as to which a claim has been made, and (ii) for an unlimited period of time after termination for Contractor's use for statistical

purposes, if Contractor first deletes all information in the records from which the identity of a claimant or employee could be determined and certifies to the Department that all personal identifiers have been removed from the retained files.

22.0 CONFIDENTIAL INFORMATION AND HIPAA BUSINESS ASSOCIATE AGREEMENT: This Section is intended to cover handling of Confidential Information under state and federal law, and specifically to comply with the requirements of HIPAA and HITECH, and the Genetic Information Nondiscrimination Act (GINA) and federal implementing regulations for those statutes requiring a written agreement with business associates.

- (a) **DEFINITIONS:** As used in this Section, unless the context otherwise requires:
- (1) **Business Associate.** “Business Associate” has the meaning ascribed to it at 45 CFR 160.103 and in this Contract refers to the Contractor (insert name of Contractor).
 - (2) **Confidential Information.** “Confidential Information” means all tangible and intangible information and materials being disclosed in connection with the Contract, in any form or medium without regard to whether the information is owned by the State of Wisconsin or by a third party, which satisfies at least one of the following criteria: (i) Personally Identifiable Information; (ii) Protected Health Information under HIPAA, 45 CFR 160.103; (iii) Proprietary Information; (iv) non-public information related to the State of Wisconsin’s employees, customers, technology (including data bases, data processing and communications networking systems), schematics, specifications, and all information or materials derived therefrom or based thereon; (v) information expressly designated as confidential in writing by the State of Wisconsin; (vi) all information that is restricted or prohibited from disclosure by State or federal law, including Individual Personal Information and Medical Records as governed by Wis. Stat. § 40.07, Wis. Admin. Code ETF 10.70(1) and 10.01(3m); (vii) any material submitted by the Proposer in response to this RFP that the Proposer designates confidential and proprietary information and which qualifies as a trade secret, as provided in Wis. Stat. § 19.36 (5) or material which can be kept confidential under the Wisconsin public records law, and identified on a Designation of Confidential and Proprietary Information form (DOA-3027). Pricing information cannot be held confidential.
 - (3) **Covered Entity.** “Covered Entity” has the meaning ascribed to it at 45 CFR 160.103 and in this Contract refers to the Department of Employee Trust Funds.
 - (4) **HIPAA Rules.** “HIPAA Rules” mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
 - (5) **Individual Personal Information** “Individual Personal Information” has the meaning ascribed to it at Wis. Admin. Code ETF 10.70 (1).
 - (6) **Medical Record.** “Medical Record” has the meaning ascribed to it at Wis. Admin. Code ETF 10.01 (3m).
- (b) **PROVISION OF CONFIDENTIAL INFORMATION FOR CONTRACTED SERVICES:** ETF, a different business associate of ETF or a contractor performing Services for ETF may provide Confidential Information to the Contractor under this Contract as the Department determines is necessary for the proper administration of this Contract, as provided by Wis. Stat. § 40.07 (1m) (d) and (3).
- (c) **DUTY TO SAFEGUARD CONFIDENTIAL INFORMATION:** The Contractor shall safeguard Confidential Information supplied to the Contractor or its employees under this Contract. In addition, the Contractor will only share Confidential Information with its employees on a need-to know basis. Should the Contractor fail to properly protect Confidential Information, any cost the Department pays to mitigate the failure will be subtracted from the Contractor’s invoice(s).
- (d) **USE AND DISCLOSURE OF CONFIDENTIAL INFORMATION:** Contractor shall:

- (1) Not use or disclose Confidential Information for any purpose other than as permitted or required by this Contract or as required by law. Contractor shall not use or disclose member names, addresses, or other data for any purpose other than specifically provided for in this Contract;
 - (2) Make uses and disclosures and requests for any Confidential Information following the minimum necessary standard in the HIPAA Rules;
 - (3) Use appropriate safeguards to prevent use or disclosure of Confidential Information other than as provided for by this Contract, and with respect to Protected Health Information, comply with Subpart C of 45 CFR Part 164;
 - (4) Not use or disclose Confidential Information in a manner that would violate Subpart E of 45 CFR Part 164 or Wis. Stat. § 40.07 if done by ETF.
 - (5) If applicable, be allowed to use or disclose Confidential Information for the proper management and administration of the Contractor or to carry out the legal responsibilities of the Contractor, provided the disclosures are required by law, or Contractor obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, and the person notifies Contractor of any instances of which it is aware in which the confidentiality of the information has been or is suspected of being breached.
- (e) **COMPLIANCE WITH ELECTRONIC TRANSACTIONS AND CODE SET STANDARDS:** The Contractor shall comply with each applicable requirement of 45 C.F.R. Part 162 if the Contractor conducts standard transactions, as that term is defined in HIPAA, for or on behalf of ETF.
- (f) **MANDATORY REPORTING:** Contractor shall report to ETF in the manner set forth in Subsection (l) any use or disclosure or suspected use or disclosure of Confidential Information not provided for by this Contract, of which it becomes aware, including breaches or suspected breaches of unsecured Protected Health Information as required at 45 CFR 164.410.
- (g) **DESIGNATED RECORD SET:** Contractor shall make available Protected Health Information in a designated record set to the individual as necessary to satisfy ETF's obligations under 45 CFR 164.524.
- (h) **AMENDMENT IN DESIGNATED RECORD SET:** Contractor shall make any amendment to Protected Health Information in a designated record set as directed or agreed to by ETF pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy ETF's obligations under 45 CFR 164.526.
- (i) **ACCOUNTING OF DISCLOSURES:** Contractor shall maintain and make available the information required to provide an accounting of disclosures to the individual as necessary to satisfy ETF's obligations under 45 CFR 164.528.
- (j) **COMPLIANCE WITH SUBPART E OF 45 CFR 164:** To the extent Contractor is to carry out one or more of ETF's obligations under Subpart E of 45 CFR Part 164, Contractor shall comply with the requirements of Subpart E that apply to a covered entity in the performance of such obligation; and

- (k) **INTERNAL PRACTICES:** Contractor shall make its internal practices, books, and records available to the Secretary of the United States Department of Labor for purposes of determining compliance with the HIPAA Rules.
- (l) **CONTRACTOR REPORTING OF BREACH OR SUSPECTED BREACH OR DISCLOSURE TO ETF:**
- (1) Within twenty-four (24) hours after Contractor becomes aware of a suspected breach, impermissible use, or impermissible disclosure, notify in writing the ETF Program Manager and Privacy Officer. A suspected breach, impermissible use, or impermissible disclosure is considered to be discovered as of the first day on which such occurrence is known to Contractor, or, by exercising reasonable diligence, would have been known to Contractor. The notification must contain details sufficient for the ETF Program Manager and Privacy Officer to determine ETF's agency response. Sufficient details include, without limitation:
 - a. A list of any affected members (if available);
 - b. Information about the information included in the breach, impermissible use, or impermissible disclosure;
 - c. The date or dates of the suspected breach, impermissible use, or impermissible disclosure;
 - d. The date of the discovery by Contractor;
 - e. A list of the pro-active steps taken by Contractor and being taken to correct breach, impermissible use or impermissible disclosure; and
 - f. Contact information at Contractor for affected persons who contact ETF regarding the issue.
 - (2) Not less than one (1) business day before Contractor makes any external communications to the public, media, federal Office of Civil Rights (OCR), other governmental entity, or persons potentially affected by the breach, impermissible use, or impermissible disclosure, provide a copy of the planned communication to the ETF Program Manager and Privacy Officer.
 - (3) Within thirty (30) days after Contractor makes the initial report under this section, Contractor shall research the suspected breach, impermissible use, or impermissible disclosure Confidential Information and provide a report in writing to the ETF Program Manager. The report must contain, at a minimum:
 - a. A complete list of any affected members and contact information;
 - b. Copies of correspondence or notifications provided to the public, media, OCR, other governmental entity, or persons potentially affected;
 - c. Whether Contractor's Privacy Officer has determined there has been a reportable breach under HIPAA, or an unauthorized acquisition under Wis. Stat. §134.98 and the reasoning for such determination;
 - d. If Contractor determines there has been a breach, impermissible use, or impermissible disclosure, an explanation of the root cause of the breach, impermissible use, or impermissible disclosure;
 - e. A list of the corrective actions taken to mitigate the suspected breach, impermissible use, or impermissible disclosure; and
 - f. A list of the corrective actions taken to prevent a similar future breach, impermissible use, or impermissible disclosure.
- (m) **CLASSIFICATION LABELS:** Contractor shall ensure that all data classification labels contained on or included in any item of Confidential Information shall be reproduced by Contractor on any reproduction, modification, or translation of such Confidential Information. Contractor shall make a reasonable effort to add a proprietary notice or indication of confidentiality to any tangible materials within its possession that contain Confidential Information of the State, as directed by the Department.

- (n) **SUBCONTRACTORS:** If applicable, in accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), Contractor shall ensure that any subcontractors that create, receive, maintain, or transmit Confidential Information on behalf of Contractor agree to the same restrictions, conditions, and requirements that apply to Contractor with respect to such information.
- (o) **NOTICE OF LEGAL PROCEEDINGS:** If Contractor or any of its employees, agents, or subcontractors is legally required in any administrative, regulatory or judicial proceeding to disclose any Confidential Information, contractor shall give the Department prompt notice (unless it has a legal obligation to the contrary) so that the Department may seek a protective order or other appropriate remedy. In the event that such protective order is not obtained, Contractor shall furnish only that portion of the information that is legally required and shall disclose the Confidential Information in a manner reasonably designed to preserve its confidential nature.
- (p) **MITIGATION:** The Contractor shall take immediate steps to mitigate any harmful effects of the suspected or actual unauthorized use, disclosure, or loss of any Confidential Information provided to Contractor under this Contract. The Contractor shall reasonably cooperate with the Department's efforts to comply with the breach notification requirements of HIPAA, to seek appropriate injunctive relief or otherwise prevent or curtail such suspected or actual unauthorized use, disclosure or loss, or to recover its Confidential Information, including complying with a reasonable corrective action plan, as directed by the Department.
- (q) **COMPLIANCE REVIEWS:** The Department may conduct a compliance review of the Contractor's security procedures before and during this Contract term to protect Confidential Information.
- (r) **AMENDMENT:** The Parties agree to take such action as is necessary to amend the Contract as necessary for compliance with the HIPAA Rules and other applicable law.
- (s) **SURVIVAL:** The obligations of Contractor under this Section survive the termination of the underlying Contract.
- (t) **RETURN OR DESTRUCTION OF CONFIDENTIAL INFORMATION:** Upon termination of this Contract for any reason, Contractor, with respect to Confidential Information received from ETF, another contractor of ETF, or created, maintained, or received by Contractor on behalf of ETF, shall:
1. Retain only that Confidential Information which is necessary for Contractor to continue its proper management and administration or to carry out its legal responsibilities;
 2. Return to ETF or, if agreed to by ETF, destroy the remaining Confidential Information that Contractor still maintains in any form;
 3. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic Protected Health Information to prevent use or disclosure of the Protected Health Information, other than as provided for in this Subsection, for as long as Contractor retains the Protected Health Information;
 4. Not use or disclose the Confidential Information retained by Contractor other than for the purposes for which such Confidential Information was retained and subject to the same conditions set out above under Subsection (d) which applied prior to termination; and
 5. Return to ETF or, if agreed to by ETF, destroy the Protected Health Information retained by Contractor when it is no longer needed by Contractor for its proper management and administration or to carry out its legal responsibilities.

6. If required by ETF, transmit the Confidential Information to another contractor of ETF.

23.0 INDEMNIFICATION:

23.1 SCOPE OF INDEMNIFICATION FOR INTELLECTUAL PROPERTY RIGHTS

INFRINGEMENT: In the event of a claim against the Parties for Intellectual Property Rights Infringement associated with a claim for benefits, Contractor agrees to defend, indemnify and hold harmless Board and Department (“Indemnified Parties”) from and against any and all claims, actions, loss, damage, expenses, costs (including reasonable fees for Department’s staff attorneys and/or attorneys from the Wisconsin Attorney General’s Office) reasonable attorneys’ fees otherwise incurred by Board, Department and/or the Wisconsin Attorney General’s Office, court costs, and related reasonable legal expenses whether incurred in defending against such claims or enforcing this Section.

23.2 SCOPE OF OTHER INDEMNIFICATION: In addition to the foregoing Section, Contractor shall defend, indemnify and hold harmless the Indemnified Parties from and against any and all claims, actions, loss, damage, expenses, costs (including reasonable fees for Department’s staff attorneys and/or attorneys from the Wisconsin Attorney General’s Office) reasonable attorneys’ fees otherwise incurred by Department and/or the Wisconsin Attorney General’s Office, court costs, and related reasonable legal expenses whether incurred in defending against such claims or enforcing this Section, or liability arising from or in connection with the following: (a) Contractor’s performance of or failure to perform any duties or obligations under any agreement between Contractor and any third party; (b) injury to persons (including death or illness) or damage to property caused by the act or omission of Contractor or Contractor Personnel; (c) any claims or losses for Services rendered by any subcontractor, person, or firm performing or supplying Services, materials, or supplies in connection with the Contractor’s performance of this Contract; (d) any claims or losses resulting to any person or third party entity injured or damaged by the Contractor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under this Contract in a manner not authorized by this Contract, or by Federal or State statutes or regulations; and (e) any failure of the Contractor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.

23.3 INDEMNIFICATION NOTICE: Department shall give Contractor prompt written notice of such claim, suit, demand, or action (provided that a failure to give such prompt notice will not relieve Contractor of its indemnification obligations hereunder except to the extent Contractor can demonstrate actual, material prejudice to its ability to mount a defense as a result of such failure). Department will cooperate, assist, and consult with Contractor in the defense or investigation of any claim made or suit filed against Department resulting from Contractor’s performance under the Contract.

23.4 NO INDEMNIFICATION OBLIGATIONS: Contractor shall as soon as practicable, notify Department of any claim made or suit filed against Contractor resulting from Contractor’s obligations under this Contract if such claim may involve the Department. Department has no obligation to provide legal counsel or defense to Contractor if a suit, claim, or action is brought against Contractor or its subcontractors as a result of Contractor’s performance of its obligations under this Contract. In addition, Department has no obligation for the payment of any judgments or the settlement of any claims against Contractor arising from or related to this Contract. Department has not waived any right or entitlement to claim sovereign immunity under this Contract.

23.5 CONTRACTOR’S DUTY TO INDEMNIFY: Contractor shall comply with its obligations to indemnify, defend and hold the Indemnified Parties harmless with regard to claims, damages, losses and/or expenses arising from a claim for benefits under the Plan as provided herein.

Contractor shall be entitled to control the defense of any such claim and to defend or settle any such claim, in its sole discretion, with counsel of its own choosing; however, Contractor shall consult with Department regarding its defense of any claim and not settle or compromise any claim or action in a manner that imposes restrictions or obligations on Department, requires any financial payment by Department, or grants rights or concessions to a third party without first obtaining Department's prior written consent. Contractor shall have the right to assert any and all defenses on behalf of the Indemnified parties, including sovereign immunity.

In carrying out any provision of this Contract or in exercising any power or authority granted to the Contractor thereby, there shall be no liability upon the Department, it being understood that in such matters the Department acts as an agent of the State.

The Contractor shall at all times comply with and observe all federal and state laws and regulations which are in effect during the period of this Contract and which in any manner affect the work or its conduct.

24.0 EQUITABLE RELIEF: The Contractor acknowledges and agrees that the unauthorized use, disclosure, or loss of Confidential Information may cause immediate and irreparable injury to the individuals whose Confidential information is disclosed and to the State, which injury shall not be compensable by money damages and for which there is not an adequate remedy available at law. Accordingly, the parties specifically agree that the Department, on its own behalf or on behalf of the affected individuals, shall be entitled to obtain injunctive or other equitable relief to prevent or curtail any such breach, threatened or actual, without posting security and without prejudice to such other rights as may be available under this Contract or under applicable law.

25.0 RIGHT TO PUBLISH OR DISCLOSE: Throughout the term of this Contract, the Contractor must secure the Department's written approval prior to the release of any information which pertains to work or activities covered by this Contract.

The parties agree that it is a breach of this Contract to disclose any information to any person that the Department or its governing boards may not disclose under Wis. Stat. § 40.07. Contractor acknowledges that it will be liable for damage or injury to persons who's Confidential Information is disclosed by any officer, employee, agent, or subcontractor of the Contractor without proper authorization.

26.0 TIME IS OF THE ESSENCE: Timely provision of the Services required under this Contract shall be of the essence of the Contract, including the provisions of the Services within the time agreed or on a date specified herein.

27.0 IDENTIFICATION OF KEY PERSONNEL AND PERSONNEL CHANGES: The Department will designate a contract administrator, who shall have oversight for performance of the Department's obligations under this Contract. The Department shall not change the person designated without prior written notification to the Contractor.

The State of Wisconsin reserves the right to approve all individuals assigned to this project. The Contractor agrees to use its best effort to minimize personnel changes during the Contract term.

At the time of contract negotiations, the Contractor shall furnish the Department with names of all key personnel assigned to perform work under this Contract and furnish the Department with criminal background checks.

The Contractor will designate a contract administrator who shall have executive and administrative oversight for performance of the Contractor's obligations under this Contract. The Contractor shall not change this designation without prior written notice to the Department.

The Contractor may not divert key personnel for any period of time except in accordance with the procedure identified in this section. The Contractor shall provide a notice of proposed diversion or replacement to the single person of contact (SPOC) at least sixty (60) days in advance, together with the name and qualifications of the person(s) who will take the place of the diverted or replaced staff. At least thirty (30) days before the proposed diversion or replacement, the Department shall notify the SPOC whether the proposed diversion or replacement is approved or rejected, and if rejected shall provide reasons for the rejection. Such approval by the Department shall not be unreasonably withheld or delayed.

Replacement staff shall be on-site within two (2) weeks of the departure date of the person being replaced. The Contractor shall provide the Department with reasonable access to any staff diverted by the Contractor.

Replacement of key personnel shall be with persons of equal ability and qualifications. The Department has the right to conduct separate interviews of proposed replacements for key personnel. The Department shall have the right to approve, in writing, the replacement of key personnel. Such approval shall not be unreasonably withheld. Failure of the Contractor to promptly replace key personnel within thirty (30) Calendar Days after departure shall entitle the Department to terminate this Contract. The notice and justification must include identification of proposed substitute key personnel and must provide sufficient detail to permit evaluation of the impact of the change on the project and/or maintenance.

Any of the Contractor's staff that the Department deems unacceptable shall be promptly and without delay removed by the Contractor from the project and replaced by the Contractor within thirty (30) Calendar Days by another employee with acceptable experience and skills subject to the prior approval of the Department. Such approval by the Department will not be unreasonably withheld or delayed. An unauthorized change by the Contractor of any Contracted Personnel designed as key personnel will result in the imposition of liquidated damages, as defined in this Contract.

28.0 PRICING AND DISCOUNT: The State of Wisconsin qualifies for governmental discounts and its educational institutions also qualify for educational discounts. Unit prices shall reflect these discounts.

29.0 PAYMENT TERMS AND INVOICING: The State of Wisconsin normally will pay properly submitted vendor invoices within thirty (30) days of receipt providing goods and/or services have been delivered, installed (if required), and accepted as specified. Invoices presented for payment must be submitted in accordance with instructions contained on the purchase order including reference to purchase order number and submittal to the correct address for processing.

A good faith dispute creates an exception to prompt payment.

30.0 TAXES: The State of Wisconsin and its agencies are exempt from payment of all federal tax and Wisconsin state and local taxes on its purchases except Wisconsin excise taxes as described below. The State of Wisconsin, including all its agencies, is required to pay the Wisconsin excise or occupation tax on its purchase of beer, liquor, wine, cigarettes, tobacco products, motor vehicle fuel and general aviation fuel. However, it is exempt from payment of Wisconsin sales or use tax on its purchases. The State of Wisconsin may be subject to other states' taxes on its purchases in that state depending on the laws of that state. Contractors performing construction activities are required to pay state use tax on the cost of materials.

31.0 ANTITRUST ASSIGNMENT: The contractor and the State of Wisconsin recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the State of Wisconsin (purchaser). Therefore, the contractor hereby assigns to the State of

Wisconsin any and all claims for such overcharges as to goods, materials or services purchased in connection with this contract.

32.0 ASSIGNMENT: No right or duty in whole or in part of the contractor under this contract may be assigned or delegated without the prior written consent of the State of Wisconsin.

33.0 PATENT INFRINGEMENT: The contractor selling to the State of Wisconsin the articles described herein guarantees the articles were manufactured or produced in accordance with applicable federal labor laws. Further, that the sale or use of the articles described herein will not infringe any United States patent. The contractor covenants that it will at its own expense defend every suit which shall be brought against the State of Wisconsin (provided that such contractor is promptly notified of such suit, and all papers therein are delivered to it) for any alleged infringement of any patent by reason of the sale or use of such articles, and agrees that it will pay all costs, damages, and profits recoverable in any such suit.

34.0 SAFETY REQUIREMENTS: All materials, equipment, and supplies provided to the State of Wisconsin must comply fully with all safety requirements as set forth by the Wisconsin Administrative Code and all applicable OSHA Standards.

35.0 INSURANCE RESPONSIBILITY: The contractor performing services for the State of Wisconsin shall:

35.1 Maintain worker's compensation insurance as required by Wisconsin Statutes, for all employees engaged in the work.

35.2 Maintain commercial liability, bodily injury and property damage insurance against any claim(s) which might occur in carrying out this agreement/contract. Minimum coverage shall be one million dollars (\$1,000,000) liability for bodily injury and property damage including products liability and completed operations. Provide motor vehicle insurance for all owned, non-owned and hired vehicles that are used in carrying out this contract. Minimum coverage shall be one million dollars (\$1,000,000) per occurrence combined single limit for automobile liability and property damage.

35.3 The state reserves the right to require higher or lower limits where warranted.

36.0 CANCELLATION: The State of Wisconsin reserves the right to cancel any contract in whole or in part without penalty due to nonappropriation of funds or for failure of the contractor to comply with terms, conditions, and specifications of this contract.

37.0 VENDOR TAX DELINQUENCY: Vendors who have a delinquent Wisconsin tax liability may have their payments offset by the State of Wisconsin.

38.0 DISCLOSURE: If a state public official (s. 19.42, Wis. Stats.), a member of a state public official's immediate family, or any organization in which a state public official or a member of the official's immediate family owns or controls a ten percent (10%) interest, is a party to this agreement, and if this agreement involves payment of more than three thousand dollars (\$3,000) within a twelve (12) month period, this contract is voidable by the state unless appropriate disclosure is made according to s. 19.45(6), Wis. Stats., before signing the contract. Disclosure must be made to the State of Wisconsin Ethics Board, 44 East Mifflin Street, Suite 601, Madison, Wisconsin 53703 (Telephone 608-266-8123).

State classified and former employees and certain University of Wisconsin faculty/staff are subject to separate disclosure requirements, s. 16.417, Wis. Stats.

39.0 PROMOTIONAL ADVERTISING / NEWS RELEASES: Reference to or use of the State of Wisconsin, any of its departments, agencies or other subunits, or any state official or employee

for commercial promotion is prohibited. News releases pertaining to this procurement shall not be made without prior approval of the State of Wisconsin. Release of broadcast e-mails pertaining to this procurement shall not be made without prior written authorization of the contracting agency.

40.0 HOLD HARMLESS: The contractor will indemnify and save harmless the State of Wisconsin and all of its officers, agents and employees from all suits, actions, or claims of any character brought for or on account of any injuries or damages received by any persons or property resulting from the operations of the contractor, or of any of its contractors, in prosecuting work under this agreement.

41.0 FOREIGN CORPORATION: A foreign corporation (any corporation other than a Wisconsin corporation) which becomes a party to this Agreement is required to conform to all the requirements of Chapter 180, Wis. Stats., relating to a foreign corporation and must possess a certificate of authority from the Wisconsin Department of Financial Institutions, unless the corporation is transacting business in interstate commerce or is otherwise exempt from the requirement of obtaining a certificate of authority. Any foreign corporation which desires to apply for a certificate of authority should contact the Department of Financial Institutions, Division of Corporation, P. O. Box 7846, Madison, WI 53707-7846; telephone (608) 261-7577.

42.0 FORCE MAJEURE: Neither party shall be in default by reason of any failure in performance of this Agreement in accordance with reasonable control and without fault or negligence on their part. Such causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case the failure to perform such must be beyond the reasonable control and without the fault or negligence

43.0 DISCLOSURE OF INDEPENDENCE AND RELATIONSHIP:

43.1 Prior to award of any contract, a potential contractor shall certify in writing to the procuring agency that no relationship exists between the potential contractor and the procuring or contracting agency that interferes with fair competition or is a conflict of interest, and no relationship exists between the contractor and another person or organization that constitutes a conflict of interest with respect to a state contract. The Department of Administration may waive this provision, in writing, if those activities of the potential contractor will not be adverse to the interests of the state.

43.2 Contractors shall agree as part of the contract for services that during performance of the contract, the contractor will neither provide contractual services nor enter into any agreement to provide services to a person or organization that is regulated or funded by the contracting agency or has interests that are adverse to the contracting agency. The Department of Administration may waive this provision, in writing, if those activities of the contractor will not be adverse to the interests of the state.

44.0 DUAL EMPLOYMENT: Section 16.417, Wis. Stats., prohibits an individual who is a State of Wisconsin employee or who is retained as a contractor full-time by a State of Wisconsin agency from being retained as a contractor by the same or another State of Wisconsin agency where the individual receives more than \$12,000 as compensation for the individual's services during the same year. This prohibition does not apply to individuals who have full-time appointments for less than twelve (12) months during any period of time that is not included in the appointment. It does not include corporations or partnerships.

45.0 EMPLOYMENT: The contractor will not engage the services of any person or persons now employed by the State of Wisconsin, including any department, commission or board thereof, to

provide services relating to this agreement without the written consent of the employing agency of such person or persons and of the contracting agency.

46.0 CONFLICT OF INTEREST: Private and non-profit corporations are bound by ss. 180.0831, 180.1911(1), and 181.0831 Wis. Stats., regarding conflicts of interests by directors in the conduct of state contracts.

47.0 RECORDKEEPING AND RECORD RETENTION: The contractor shall establish and maintain adequate records of all expenditures incurred under the contract. All records must be kept in accordance with generally accepted accounting procedures. All procedures must be in accordance with federal, state and local ordinances.

The contracting agency shall have the right to audit, review, examine, copy, and transcribe any pertinent records or documents relating to this contract held by the contractor. The contractor will retain all documents applicable to the contract for a period of not less than three (3) years after final payment is made.

48.0 INDEPENDENT CAPACITY OF CONTRACTOR: The parties hereto agree that the contractor, its officers, agents, and employees, in the performance of this agreement shall act in the capacity of an independent contractor and not as an officer, employee, or agent of the state. The contractor agrees to take such steps as may be necessary to ensure that each subcontractor of the contractor will be deemed to be an independent contractor and will not be considered or permitted to be an agent, servant, joint venturer, or partner of t

Long-Term Care Insurance Standards



Department of Employee Trust Funds
Group Insurance Board
4822 Madison Yards Way
Madison, Wisconsin 53705-9100

Effective as of: January 1, 2019

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Long Term Care

1. Purpose

This document, “Long-Term Care Insurance Standards,” serves as a resource for Insurers interested in offering state employees and retirees long-term care insurance (LTCI). It sets forth the requirements Insurers must meet to offer these plans, provides the instructions Insurers must follow for submitting a proposal, and outlines the criteria the Group Insurance Board (Board) uses in approving or denying an Insurer’s proposal.

2. Definitions

- A. Agent: For purposes of this document, the Agent refers to any individual or organization that markets, solicits, or sells insurance policies underwritten by the Insurer for compensation. This includes, but is not limited to: brokers, marketing agents, selling agents, managing general agents, and any other intermediary. Agents must meet requirements as defined in [Wisconsin State Statute Chapter 628](#).
- B. Contract: Contract between an Insurer and the Board related to the offering of Long-Term Care insurance to state employees.
- C. Employee: Same as ‘Eligible Employee’ as defined in Wis. Stat. [§40.02\(25\) \(b\)](#). It includes state employees eligible for the WRS, elected state officials, and graduate assistants employed at least 1/3 time who are expected to be employed for at least six months.
- D. ETF: Department of Employee Trust Funds.
- E. Group Insurance Board (Board): Eleven (11) member board that sets policy and oversees administration of the group health, life insurance, and income continuation insurance plans for state employees, retirees and the local employers who choose to offer them. The Board also can provide other insurance plans, if employees pay the entire premium. The Board’s authority is governed by [Wis. Stat. § 40.03 \(6\)](#).
- F. Insured: The Employee, Retiree, or their spouses and parents that are covered by a long-term care insurance policy offered by the Board.
- G. Insurer: For purposes of this document, the Insurer refers to the company offering and underwriting the Long-Term Care insurance policy. The Insurer assumes the risk for the long-term care insurance policies.
- H. Long-Term Care Insurance (LTCI): Board-approved LTCI plans as defined under [Wisconsin Administrative Rule Ins 3.46](#). The Board may offer plans to eligible employees and Retirees, and to their spouses and parents. The LTCI plan may be made available based on underwriting to establish each subscriber’s initial eligibility and premium levels. The State does not contribute to LTCI plan premiums; subscribers pay 100% of the premium and may do so through payroll deduction.
- I. Retirees: A Wisconsin Retirement System (WRS) member who has retired and is eligible for group health insurance plans under the WRS or is the surviving Spouse of a Retiree.
- J. Spouse: Person in a marriage recognized in the State of Wisconsin.
- K. Subscriber: An active Employee or Retiree enrolled in a Supplemental Plan who is not enrolled as the Dependent of another Subscriber.
- L. Wisconsin Office of the Commissioner of Insurance (OCI): OCI is a cabinet level office under the executive branch that performs a variety of tasks to protect insurance consumers and ensure a competitive insurance environment.

3. Statutory and Administrative Authority

- A. The Board is given the following statutory and administrative authority related to LTCI plans:

1. [Wis. Stat. § 40.03 \(6\) \(a\) \(1\)](#) and [Wis. Stat. § 40.55](#) direct the Board to offer Long-Term Care insurance to eligible employees and state annuitants, as well as define eligible dependents.
2. [Wis. Stat § 40.05\(4m\)](#) authorizes approval of plan premiums to be paid through payroll or annuity deduction.

4. Long-Term Care Insurance (LTCI) Plan Requirements

In order to be considered for approval, each proposed plan must:

- A. Be approved by OCI prior to submitting a proposal.
- B. Be a group insurance plan; not individual policies marketed as a group plan.
 1. For rating purposes, the “group” consists of all eligible employees, their spouses and other dependents, and retiring members within limits proposed by the Insurer.
- C. Meet all applicable requirements listed in the Standards and all listed attachments and appendices.

5. Insurer Responsibilities

Insurers interested in offering or marketing a LTCI plan must meet and agree to the requirements as listed below.

- A. General
 1. Hold a license to sell LTCI from OCI, and be in good standing, including compliance with duties outlined in [Wis. Admin. Rule Ins 42.05](#).
 2. Comply with all applicable state and federal laws (including without limitation regulations) concerning the confidentiality, privacy, or security of personally identifiable information created, received, or otherwise accessed by the Insurer.
 3. Demonstrate ability to manage premiums through automated systems for payroll deduction that interface with State payroll systems for employees and Retirees.
 4. The Insurer must satisfy payment of the annual fee for administration of the proposed plan.
 - a. ETF will invoice the Insurer an Administrative Fee of one percent (1%) of their total yearly premium collected. By April 15 of each year, the Insurer will report their total first-quarter premium collected from January 1 through March 31. (see Attachment D Reporting and Performance Standards).
 5. Ensure that intermediaries and Agents, including a managing general agent licensed under [Wis. Stat. § 628.04](#), comply with the terms of these Standards and with terms of a contract between the Board and the Insurer. Only sell long LTCI plans to State Employees and/or Retirees which have been approved by the Board. The introduction or sale of any other insurance plan or product, where Insurer access to referral was gained through marketing an approved LTCI plan, is prohibited without prior Board approval.
 6. The Board reserves the right to withdraw its approval if Insurers and the LTCI plans they offer fail to meet requirements detailed in the Standards or its attachments, or the Contract
- B. Plan Administration
 1. Plan must be filed with OCI, and meet all statutory requirements including those related to benefit design, inflation protection, the WI Partnership Program, and premium increases.

(Examples: [Wis. Admin. Code § Ins. 3.45](#); [Wis. Admin Code § Ins. 3.455](#); [Wis. Admin. Code § Ins. 3.465](#); [Wis. Admin. Code § Ins. 3.46](#)).

2. Plan must meet additional requirements for minimum daily benefit and lifetime maximum benefit, as outlined in Attachment D.
3. Demonstrate a history of performance and acceptance by eligible participants and/or a record of positive assessment by other large group entities that make the same or similar plan available to their employees
4. The Insurer will work directly with ETF staff and assist payroll centers and employers with technical implementation and ongoing maintenance of the plan
5. Enrollment may begin not less than eight weeks after Board approval, with payroll or annuity deduction for premiums effective no sooner than January 1 of the year following the year the proposed plan was approved by the Board.

C. Marketing, Materials and Member Resources

1. A Contract with the Board must be in place prior to any marketing activity or distribution of materials to State of Wisconsin members. This contract must be signed by the Insurer and relevant Agent.
2. All marketing and informational materials provided to State of Wisconsin members must have prior approval by ETF, including materials distributed plan-wide every time the material is distributed. Approval of marketing materials by OCI is not a substitute for ETF approval.
3. The Insurer must provide hard copies of brochures, applications, and reporting forms to State of Wisconsin employers, agencies, or payroll centers upon request.
4. A Board-approved LTCI plan may be marketed to State employees, who are defined by [Wis. Stat. § 40.02 \(25\) \(bm\)](#) as:
 - a. Any employee of the state who received a salary or wages in the previous calendar year.
 - b. State Retirees under [Wis. Stat. § 40.02 \(54m\)](#).
 - c. Any participant who was formerly employed by the State who received a lump sum if paid as an annuity.
 - d. Any employee who is a resident of Wisconsin and has filed an application for an immediate annuity, regardless of whether final administration has been taken.
5. ETF will facilitate Insurer and/or Agent outreach to members by:
 - a. Providing the Insurer or its Agent with a list showing contact information for each state payroll center by request,
 - b. Providing and annual review, approval, and distribution of informational or outreach messaging provided by the Insurer or its Agent.
 - c. Annually preparing census list for direct marketing, if requested by the Insurer or Agent.

D. Member Complaints and Grievances

The Insurer agrees to provide the following to members:

1. A method whereby the Insured who filed the grievance, or the Insured's authorized representative, has the right to appear in person before the grievance panel to present written or oral information.

2. A written notification to the Insured of the time and place of the grievance meeting at least 7 calendar days before the meeting.
3. A written acknowledgement to the Insured or the Insured's authorized representative confirming receipt of the grievance within 5 business days of receipt of a grievance. Detailed complaint and grievance process in the policyholder certificate. The ETF [Insurance Complaint Form](#) details the ETF process.

E. Reporting

Insurers must annually report electronically to ETF for compilation and review by Board, data to include, at a minimum:

1. Number of member inquiries
2. Number of member inquiries that did not meet the suitability standard, as described in [Wis. Admin. Ins. 3.46 \(16\)](#)
3. Number of policies sold
4. Age ranges at time of purchase
5. Employers if active employees purchased policies
6. Number of employee/retiree/family
7. Premiums total
8. Average premium by gender
9. Age ranges at time of initial claim
10. Number of claims
11. Dollar amount of claims paid
12. Setting of subscribers in claim states (home, assisted living, skilled nursing facility)
13. Number of policies lapsed
14. Number of complaints and grievances in previous three years, and how resolved
15. Other data elements as requested

F. Inflation Protection

1. Refer to Attachment II for a comparison of inflation protection requirements against those required understate insurance law.
2. Policies must include inflation protection as follows:
 - a. Under Age 65: Automatic annual *compounded* inflation protection must be included:
 - 1) Level premiums, with benefits increasing at a rate of at least 3%, and
 - a) Guaranteed annual opportunity to adjust the compound inflation rate at minimum 0.5% intervals up or down (within the range of 3% to 5%), and

- b) with premium rates for higher amounts based on age at purchase, and
 - c) available until 20 years after purchase, or age 76, whichever is earlier; or
- 2) Level premiums with benefits increasing at a rate based on Consumer Price Index (CPI) changes; or
 - 3) Level premiums with benefits increasing at a rate of 5% for 20 years, or until age 76, whichever is earlier.
- c. At least age 65, but less than 76: Automatic annual *compounded* inflation protection described above. Additional options include:
- 1) Level premiums with at least 3% annual *simple* inflation protection until subscriber attains age 76, and
 - 2) Guaranteed bi-annual purchase option of the difference between current value and 5%, for the earlier of 10 years, or until age 76, or subscriber rejects two *non-consecutive* offers.
- d. **At least age 76:** Must offer same as above, but inflation protection is not required.

G. Premium Increases

1. Standards for premium increase by class.
 - a. The proposed plan must follow provisions in [Ins 3.46\(19\)](#), which outlines what constitutes a substantial premium increase allowing a non-forfeiture opportunity for the policy-holder.
 - b. In addition, the proposed plan must show procedures to notify ETF as the agent of the Board, at least 60 days before a class rate increase is scheduled to take effect.
 - c. ETF should have notice no later than the date notices are mailed or posted to subscribers.

6. Submitting a Proposal

The process for submitting a proposal is as follows:

- A. Insurer reviews this document and all attachments thoroughly to understand all requirements and expectations.
- B. Insurer should contact ETF with any questions about the Insurer responsibilities and requirements prior to submitting the signed proposal.
- C. Insurer submits a complete proposal to ETF including all attachments with applicable signatures.
- D. Submit a completed "Proposal Submission Checklist (Attachment A).
- E. All proposals are due January 31st of each year and will be considered at the following May Group Insurance Board meeting for the next plan year.
- F. Proposals must be labeled "LTCI Proposal" and electronically submitted to the following e-mail address: ETFSMBInsuranceSubmit@etf.wi.gov

7. Review & Approval Process

- A. ETF notifies an Insurer within ten (10) business days that the submission has been received and whether it is deemed complete.
 - 1. If ETF does not receive a complete proposal within five (5) business days of notification to the Insurer, the proposal may not be recommended to the Board for approval
- B. ETF reviews the proposal.
 - 1. Review by the Board's consulting actuary may be necessary and will range from brief to extensive, based on the features of the plan and clarity of the proposal submitted. The Insurer must submit payment of \$5,000 to ETF for each proposal submitted as payment for the third-party actuarial review fee or proposal will be returned to without review.
 - 2. The review process may include discussions between the Insurer, Agent, and ETF, an advisory committee of employer representatives, and/or the consulting actuary. Any modifications to the proposal must be received electronically by ETF no later than six (6) weeks prior to the scheduled Board meeting where the proposal will be discussed.
 - 3. ETF will contact all references provided in the proposal on behalf of the Board.
- C. ETF finalizes the review and prepares a recommendation for the Board.
 - 1. ETF will not present a recommendation for Board approval without a signed Contract.
- D. The Board will determine whether to approve the proposal at a publicly noticed Board meeting.
 - 1. A spokesperson for the Insurer should be present at the Board meeting.
 - 2. The agenda and documents for Board meetings are posted to etf.wi.gov prior to each meeting.
- E. If the Board approves a proposal, ETF will provide the final version of the Contact to the Board Chair for signature.

8. Additional Information

- A. Please send questions related to the Long-Term Care insurance approval process to: ETFSMBInsuranceSubmit@etf.wi.gov
- B. The attachments to these Standards are:
 - 1. Attachment A: Proposal Submission Checklist
 - 2. Attachment B: Insurer Acknowledgement
 - 3. Attachment C: Designation of Confidential and Proprietary Information
 - 4. Attachment D: Comparison of Benefit: Standards for Long Term Care Insurance
 - 5. Attachment E: Department Terms and Conditions

Attachments

Attachment A

Proposal Submission Checklist

Insurers must submit the following information electronically to the Department of Employee Trust Funds (ETF) Office of Strategic Health Policy at: ETFSMInsuranceSubmit@etf.wi.gov

A complete proposal that includes all elements required by the Standard must be received by ETF by 4:15 on the due date. ETF reserves the right to request paper copies. Requested paper copies are expected within ten (10) business days of the proposal submission.

Tab 1: General Information

- Cover letter, including an executive summary of the proposal
- Table of Contents, clearly labeled with page numbers
- This Proposal Submission Checklist, complete
- Contact information for the representative(s) responsible for responding to follow up questions related to the proposal:

Name of Proposal Contact:	
Title:	
Mailing Address:	
Phone Number (direct):	
Email Address:	

- Provide the name, title, phone number, and e-mail address for the representative(s) who will manage contract negotiation and administration, if different from above.

Name of Account Manager:	
Title:	
Mailing Address:	
Phone Number (direct):	
Email Address:	

- Provide the name of the specific insurance plan the insurer is interested in offering state employees. *Note:* this is the name of the plan presented within the proposal; other plans not listed will not be considered for approval.

Also provide the Office of the Commissioner of Insurance (OCI) identification number and date of OCI registry.

Specific Name of LTCI Plan Proposed:	
Plan's Marketing Title, if different:	
OCI Plan Identification Number:	
Date of OCI registry:	

List functional web addresses for Insurer and Agent, with links to related plans if possible.

Insurer Website	
Agent Website	
Third-Party Administrator Website, if applicable	
Additional Relevant Links	

List all selling agents relevant to the proposed plan. Attach additional sheets if needed.

Agent (Entity)Name	Agency Contact Name, Phone, and Email	Agent Website

Provide **three to five** client references below.

References must include three current or recent employers from which the insurer collects LTCI premiums via electronic fund transfer, including name and contact information for the employee benefits office. At minimum, provide a large group employer and a public employer as references.

Note: If administration of the proposed plan will be managed by an entity other than the insurer, references must also be provided for the administrator.

Reference #1

Organization Name:	
Contact First and Last Name:	
Contact Phone:	
Contact Email:	
Product Lines Offered:	
Number of Covered Lives:	
Contracted Years:	

Reference #2

Organization Name:	
Contact First and Last Name:	
Contact Phone:	
Contact Email:	
Product Lines Offered:	
Number of Covered Lives:	
Contracted Years:	

Reference #3

Organization Name:	
Contact First and Last Name:	
Contact Phone:	
Contact Email:	
Product Lines Offered:	
Number of Covered Lives:	
Contracted Years:	

Tab 2: Benefits and Materials

- Complete Attachment B for the proposed Long-Term Care insurance plan.
- Provide a detailed list of any exclusions and limitations for the proposed plan.
- Provide a sample brochure, specifically drafted for the State of Wisconsin Group.
- Sample application with clear identification of policy riders that apply to this proposed plan.
- Submit a marketing plan, detailing the electronic and print materials that will be available to State of Wisconsin members. For reference, the State of Wisconsin employee & annuitant benefit information is found at www.etf.wi.gov.
- Documentation that the plan meets necessary requirements for sale in this state. Include completed copy of [OCI's Form Filing Checklist-Long-Term Care Insurance](#).
- Submit a Premium Schedule for the proposed plan
- Summary of the proposed plan, suitable for comment from member advisors. This may be mock-up of brochure but must accurately depicts the proposed plan presented to the Board.

Tab 3: Actuarial Analysis

- Submit an actuarial analysis of the proposed plan for the State of Wisconsin Group.
- Submit a detailed description of the insurer's rating process. Include any assumptions used in the rating process.
- Submit the following financial documents to demonstrate financial stability:
 1. Balance sheet
 2. Statement of operations
 3. Audited financial statement by a certified public accountant in accordance with generally accepted accounting principles
 4. Utilization statistics
 5. Results from the most recent financial examination completed by the state insurance regulator

Attachment B

Long-Term Care Standards

- A. Insurer agrees to all responsibilities and requirements outlined in the Long-Term Care Standards (ET-7423), including all Attachments.
- B. Insurer has the ability to exchange data electronically with existing or emerging State of Wisconsin benefits systems for payroll and annuities, including but not limited to:
 - 1. Exchange of electronic enrollment data,
 - 2. Reconciliation of premiums, and
 - 3. Flexibility to accommodate retroactive enrollment changes which may result in premium and/or claim adjustments.
- C. Insurer agrees to satisfy payment of the annual fee assessed by the Department of Employee Trust Funds (ETF) for administration of the plan within 30 days of receipt
- D. Insurer agrees to submitted payment of \$5,000 to ETF for each proposal submitted as payment for the third-party actuarial review fee.
- E. Insurer has no outstanding debts to ETF or ETF’s third-party actuary.
- F. Insurer agrees to send limited informational materials to members at ETF’s discretion (i.e. in the event of a large-scale error or legislative change, upon the insurer’s acceptance into or termination from the program, etc.)
- G. Insurer acknowledges and understands all applicable laws that govern this program, including specific requirements and restrictions under [Wis. Stat. § 40.](#)
- H. Insurer acknowledges that a complete contract must be signed by the Insurer prior to the Board meeting at which the Board will approve or deny plan proposals. Failure to sign the contract timely will disqualify the Insurer from consideration.

By signing this agreement, the insurer hereby agrees to the responsibilities as outlined in Attachment B above.

INSURER: Authorized Representative
Signature

Name and Title (Printed)

Date

AGENT: Authorized Representative
Signature

Name and Title
(Printed)

Date

Attachment C

Designation of Confidential and Proprietary Information

The material my company has submitted in response to *Long-Term Care Insurance Standards* (ET-7423) includes proprietary and confidential information that qualifies as a trade secret, as provided in § 19.36(5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, my company requests that certain pages of our Proposal, as indicated below, be treated as confidential material and not be released without our written approval. I understand other information cannot be kept confidential unless it is a trade secret.

Trade secret is defined in § 134.90(1)(c), Wis. Stats. as follows: "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique or process to which all the following apply:

- The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
- The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

Prices always become public information when Proposals are opened, and therefore cannot be kept confidential.

Failure to include this form with your Proposal may mean that all information provided as part of your proposal will be open to examination and copying. The state of Wisconsin (State) will consider other markings of confidentiality in your Proposal to be insufficient. **If you are not including any confidential or proprietary materials with your Proposal, please write "none" in the first row below.**

My company requests the following documents/sections/pages not be released:

Proposal Section/Attachment Name	Page #	Topic

Attach additional copies of this form if necessary.

In the event the designation of confidentiality of the above-listed information is challenged, my company hereby agrees to provide legal counsel or other necessary assistance to defend the designation of confidentiality and to hold the State harmless for any costs or damages arising out of the State withholding the materials. My company agrees to hold the State harmless for any damages arising out of the release of any materials unless they are specifically identified above.

Proposer Company Name:	
Name & Title of Authorized Representative:	
Authorized Representative Signature:	
Signature Date:	

Attachment D

Comparison of Benefits: Standards for Long-Term Care (LTCI) Insurance State of Wisconsin

	<p>Office of the Commissioner of Insurance (OCI) standards, Wisconsin Administrative INS 3.46 and 3.465</p>	<p>Standards for Proposing and Providing LTCI with Approval by the Group Insurance Board (Board)</p>
<p>Levels of care covered</p>	<p>Defines Nursing Home, Home Health Care, Personal Care, Adult Day-Care, AND Assisted Living residential facility, with more adaptability. Specifically, cannot require home care to be Medicare-certified.</p>	<p>Follow OCI standards</p>
<p>Minimum \$ benefit</p>	<p>Minimum \$60 per day Option to purchase coverage for home or community care that is equal to Nursing Home coverage <i>or</i> Community care and home care must be at least 50% of Nursing Home coverage.</p>	<p>Whichever is higher: OCI standard or \$120/day for Nursing Home care Community care is 50% of Nursing Home base (i.e. \$60/day)</p>
<p>Lifetime Maximum</p>	<p>Minimum one year of coverage \$60 x 365 days= \$21,900</p>	<p>\$120,000 lifetime maximum (must retain minimum one year per OCI)</p>
<p>Previous Inpatient Care Requirement</p>	<p>Must provide benefit whether or not care is medically necessary but may require plan of care. Cannot require hospitalization.</p>	<p>OCI standards</p>

	Office of the Commissioner of Insurance (OCI) standards, Wisconsin Administrative INS 3.46 and 3.465	Long-Term Care Insurance Standards Approved by the Group Insurance Board (Board)
Elimination period	Ins 3.46(12): Cannot offer more than 180 days UNLESS clearly also shows alternative with less than 180 days.	Not more than 120 days
Protection -Unintended Lapse	Must offer non-forfeiture benefit that provides paid-up insurance if policy lapses for non-payment	OCI standards
Claim Threshold	Deficits in performing 2 or more Activities of Daily Living, or dementia affects safety (IIPRC 2010)	OCI standards
Tax Consequences	Must meet IRS definition of qualified LTCI under IRC 7702B(b)	OCI standards
Complaint and Appeal Procedure	Must describe benefit appeal procedure, and insurer must respond with decision in 30 days	OCI standards
Standards for premium increase by class	Ins 3.46(19): Triggers for substantial premium increase allowing non-forfeiture	OCI standards. Must also notify ETF of any class premium increase. Examples: Under 65: 50% Age 65-80: 30% Over 80: 10%

Inflation protection	OCI	Long-Term Care Insurance Standards with Approval by the Group Insurance Board (Board)
<p>“Partnership” By age at time of purchase:</p> <p>Under age 61</p>	<p>Ins 3.465 (5) (Partnership LTCI), Automatic annual compounded inflation protection</p> <ol style="list-style-type: none"> 1. At a rate of at least 3% compound, Or 2. At a rate based on changes in the consumer price index, Or 3. At a rate of at least 3% compound and increases automatically unless insured rejects an increase (rejection of increase negates Partnership status), <p>And</p> <ol style="list-style-type: none"> 4. Protection until insured reaches age 76. 5. Premiums may increase based on age for the additional coverage amounts. 	<p>Under Age 65 Automatic annual compounded inflation protection must be included:</p> <ol style="list-style-type: none"> 1. At a rate of at least 3% with guaranteed annual opportunity to adjust the compound inflation rate at minimum 1% intervals up or down (within the range of 3 to 5%) with rates for higher amounts based on age at purchase available until 20 years after purchase or age 76, whichever is earlier. <p>Or</p> <ol style="list-style-type: none"> 2. At a rate based on changes in the CPI. <p>Or</p> <ol style="list-style-type: none"> 3. At a rate of 5% for 20 years or until age 76, whichever is earlier.
<p>At least age 61 but less than 76</p>	<p>Automatic annual compounded inflation protection described above</p> <p style="text-align: center;">Or</p> <p>At least 3% annual simple inflation protection</p>	<p>At least age 65 but less than 76, Automatic annual compounded inflation protection described above, OR additional options include:</p> <ol style="list-style-type: none"> 1. At least 3% annual simple inflation protection until insured attains age 76 and 2. Guaranteed bi-annual purchase option for 10 years or until age 76 or rejects two <i>non-consecutive</i> offers
<p>At least age 76</p>	<p>No less restrictive than in all of the above, but inflation protection is not required.</p>	<p>At least 76: Must offer same as above, but inflation protection not required</p>

Activities of Daily Living include, at least, bathing, continence, dressing, eating, toileting, and transferring (such as from bed to chair).¹

Attachment E

Department Terms and Conditions (non-RFP)

- 1.0 ENTIRE AGREEMENT:** This Contract, its exhibits, subsequent amendments and the documents incorporated by order of precedence contain the entire understanding between the parties on the subject matter hereof, and no representations, inducements, promises, or agreements, oral or otherwise, not embodied herein shall be of any force or effect. This Contract supersedes any other oral or written agreement entered into between the parties on the subject matter hereof.

This Contract may be amended at any time by written mutual agreement, but any such amendment shall be without prejudice to any claim arising prior to the date of the change. No one, except duly authorized officers or agents of the Contractor and the Department, shall alter or amend this Contract. No change in this Contract shall be valid unless evidenced by an amendment that is signed by such officers of the Contractor and the Department.

- 2.0 COMPLIANCE WITH THE CONTRACT AND APPLICABLE LAW:** In the event of a conflict between this Contract and any applicable federal or state statute, administrative rule, or regulation; the statute, rule, or regulation will control.

In connection with the performance of work under this Contract, the Contractor agrees not to discriminate against employees or applicants for employment because of age, race, religion, creed, color, handicap, physical condition, developmental disability as defined in Wis. Stat. § 51.01 (5); marital status, sex, sexual orientation, national origin, ancestry, arrest record, conviction record; or membership in the national guard, state defense force, or any reserve component of the military forces of the United States or this state.

The Contractor shall comply with all applicable requirements and provisions of the Americans with Disabilities Act (ADA) of 1990. Evidence of compliance with ADA shall be made available to the Department upon request.

The Contractor acknowledges that Wis. Stat. § 40.07 specifically exempts information related to individuals in the records of the Department of Employee Trust Funds from the Wisconsin Public Records Law. Contractor shall treat any such records provided to or accessed by Contractor as nonpublic records as set forth in Wis. Stat. § 40.07.

Contractor will comply with the provisions of Wis. Stat. § 134.98.

- 3.0 LEGAL RELATIONS:** The Contractor shall at all times comply with and observe all federal and State laws, local laws, ordinances, and regulations which are in effect during the period of this Contract and which in any manner affect the work or its conduct. This includes but is not limited to laws regarding compensation, hours of work, conditions of employment and equal opportunities for employment.

In carrying out any provisions of this Contract or in exercising any power or authority granted to the Contractor thereby, there shall be no liability upon the Department, it being understood that in such matters that the Department acts as an agent of the State.

The Contractor accepts full liability and agrees to hold harmless the State, the Department's governing boards, the Department, its employees, agents and contractors for any act or omission of the Contractor, or any of its employees, in connection with this Contract.

No employee of the Contractor may represent himself or herself as an employee of the Department or the State.

4.0 CONTRACTOR: The Contractor will be the sole point of contact with regard to contractual matters, including the performance of Services and the payment of any and all charges resulting from contractual obligations.

None of the Services to be provided by the Contractor shall be subcontracted or delegated to any other organization, subdivision, association, individual, corporation, partnership or group of individuals, or other such entity without prior written notification to, and approval of, the Department.

The Contractor shall be solely responsible for its actions and those of its agents, employees or subcontractors under this Contract. The Contractor will be responsible for Contract performance when subcontractors are used. Subcontractors must abide by all terms and conditions of this Contract.

Neither the Contractor nor any of the foregoing parties has the authority to act or speak on behalf of the State of Wisconsin.

The Contractor will be responsible for payment of any losses by subcontractors or agents.

Any notice required or permitted to be given shall be deemed to have been given on the date of delivery or three (3) Business Days after mailing by the United States Postal Service, certified or registered mail-receipt requested. In the event the Contractor moves or updates contact information, the Contractor shall inform the Department of such changes in writing within ten (10) Business Days. The Department shall not be held responsible for payments delayed due to the Contractor's failure to provide such notice.

5.0 CONTRACTOR PERFORMANCE: Work under this Contract shall be performed in a timely, professional and diligent manner by qualified and efficient personnel and in conformity with the strictest quality standards mandated or recommended by all generally-recognized organizations establishing quality standards for the work of the type to be performed hereunder. The Contractor shall be solely responsible for controlling the manner and means by which it and its employees or its subcontractors perform the Services, and the Contractor shall observe, abide by, and perform all of its obligations in accordance with all legal and Contract requirements.

Without limiting the foregoing, the Contractor shall control the manner and means of the Services so as to perform the work in a reasonably safe manner and comply fully with all applicable codes, regulations and requirements imposed or enforced by any government agencies. Notwithstanding the foregoing, any stricter standard provided in plans, specifications or other documents incorporated as part of this Contract shall govern.

The Contractor shall provide the Services with all due skill, care, and diligence, in accordance with accepted industry practices and legal requirements, and to the Department's satisfaction; the Department's decision in that regard shall be final and conclusive.

All Contractor's Services under this Contract shall be performed in material compliance with the applicable federal and state laws and regulations in effect at the time of performance, except when imposition of a newly enacted or revised law or regulation would result in an unconstitutional impairment of this Contract.

The Contractor will make commercially reasonable efforts to ensure that Contractor's professional and managerial staff maintain a working knowledge and understanding of all federal and state laws, regulations, and administrative code appropriate for the performance of their respective duties, as well as contemplated changes in such law which affect or may affect the Service under this Contract.

The Contractor shall maintain a written contingency plan describing in detail how it will continue operations and Services under the Contract in certain events including, but not limited to, strike and disaster, and shall submit it to the Department upon request.

6.0 AUDIT PROVISION: The Contractor and its authorized subcontractors are subject to audits by the State of Wisconsin, the Legislative Audit Bureau (LAB), an independent Certified Public Accountant (CPA), or other representatives as authorized by the State of Wisconsin. The Contractor will cooperate with such efforts and provide all requested information permitted under the law.

Authorized personnel shall have access to interview any Contractor's or subcontractor's employee or authorized agent involved with this Contract in conjunction with any audit, review, or investigation deemed necessary by the State of Wisconsin.

7.0 CRIMINAL BACKGROUND VERIFICATION: The Department follows the provisions in the Wisconsin Human Resources Handbook Chapter 246, Securing Applicant Background Checks (see <http://doa.wi.gov/Documents/DPM/Document%20Library/Chap246VerifyingApplicantInfoSecuringBackgroundChecks.pdf>). The Contractor is expected to perform background checks that, at a minimum, adhere to those standards. This includes the criminal history record from the Wisconsin Department of Justice (DOJ), Wisconsin Circuit Court Automation Programs (CCAP), and other State justice departments for persons who have lived in a state(s) other than Wisconsin. More stringent background checks are permitted. Details regarding the Contractor's background check procedures should be provided to the Department regarding the measures used by the Contractor to protect the security and privacy of program data and participant information. A copy of the result of the criminal background check the Contractor conducted must be made available to the Department upon request. The Department reserves the right to conduct its own criminal background checks on any or all employees or subcontractors of and referred by the Contractor for the delivery or provision of Services.

8.0 COMPLIANCE WITH ON-SITE PARTY RULES AND REGULATIONS: Contractor and the State of Wisconsin agree that their employees, while working at or visiting the premises of the other party, shall comply with all internal rules and regulations of the other party, including security procedures, and all applicable federal, state, and local laws and regulations applicable to the location where said employees are working or visiting.

The Department is responsible for allocating building and equipment access, as well as any other necessary Services available from the Department that may be used by the Contractor. Any use of the Department facilities, equipment, internet access, and/or services shall only be for project purposes as authorized by the Department. The Contractor will provide its own personal computers, which must comply with the Department security policies before connection to the Department's local computer network.

9.0 SECURITY OF PREMISES, EQUIPMENT, DATA AND PERSONNEL: The State of Wisconsin shall have the right, acting by itself or through its authorized representatives, to enter the premises of the Contractor at mutually agreeable times to inspect and copy the records of the Contractor

and the Contractor's compliance with this section. In the course of performing Services under this Contract, the Contractor may have access to the personnel, premises, equipment, and other property, including data files, information, or materials (collectively referred to as "data") belonging to the State.

The Contractor shall be responsible for damage to the State's equipment, workplace, and its contents, or for the loss of data, when such damage or loss is caused by the Contractor, contracted personnel, or subcontractors, and shall reimburse the State accordingly upon demand. This remedy shall be in addition to any other remedies available to the State by law or in equity.

10.0 BREACH NOT WAIVER: A failure to exercise any right, or a delay in exercising any right, power or remedy hereunder on the part of either party shall not operate as a waiver thereof. Any express waiver shall be in writing and shall not affect any event or default other than the event or default specified in such waiver. A waiver of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The making of any payment to the Contractor under this Contract shall not constitute a waiver of default, evidence of proper Contractor performance, or acceptance of any defective item or Services furnished by the Contractor.

11.0 SEVERABILITY: The provisions of this Contract shall be deemed severable and the unenforceability of any one or more provisions shall not affect the enforceability of any of the other provisions. If any provision of this Contract, for any reason, is declared to be invalid, unenforceable, or illegal, the parties shall substitute an enforceable provision that, to the maximum extent possible in accordance with applicable law, preserves the original intentions and economic positions of the parties.

12.0 LIQUIDATED DAMAGES: The Contractor and Department acknowledge that it can be difficult to ascertain actual damages when a Contractor fails to carry out the responsibilities of this Contract. Because of that, the Contractor and Department will negotiate liquidated damages, as required by the State of Wisconsin, for this Contract. The Contractor agrees that the Department shall have the right to liquidate such damages, through deduction from the Contractor's invoices, in the amount equal to the damages incurred, or by direct billing to the Contractor.

The Department shall notify the Contractor in writing of any claim for liquidated damages pursuant to this section within thirty (30) Calendar Days after the Contractor's failure to perform in accordance with the terms and conditions of this Contract.

Notwithstanding the foregoing language, when necessary the Department will identify in the Contract specific financial penalties for failure of the Contractor to meet performance standards and guarantees.

13.0 CONTRACT DISPUTE RESOLUTION: In the event of any dispute or disagreement between the parties under this Contract, whether with respect to the interpretation of any provision of this Contract, or with respect to the performance of either party hereto, except for breach of Contractor's intellectual property rights, each party shall appoint a representative to meet for the purpose of endeavoring to resolve such dispute or negotiate for and adjustment to such provision.

Contractor shall continue without delay to carry out all its responsibilities under this Agreement which are not affected by the conflict. Should Contractor fail to perform its responsibilities under this Agreement that are not affected by the conflict without delay, any and all additional cost incurred by the Contractor and ETF as a result of such failure to proceed shall be borne by

Contractor and Contractor shall not make any claim against ETF for such costs. ETF's non-payment of fees in breach of this Agreement that are overdue by sixty (60) days is a conflict that will always be considered to affect Contractor's responsibilities.

No legal action of any kind, except for the seeking of equitable relief in the case of the public's health, safety or welfare, may begin in regard to the dispute until this dispute resolution procedure has been elevated to the Contractor's highest executive authority and the equivalent executive authority within the Department, and either of the representatives in good faith concludes, after a good faith attempt to resolve the dispute, that amicable resolution through continued negotiation of the matter at issue does not appear likely.

The party believing itself aggrieved (the "Invoking Party") shall call for progressive management involvement in the dispute negotiation by delivering written notice to the other party. Such notice shall be without prejudice to the Invoking Party's right to any other remedy permitted by this Contract. After such notice, the parties shall use all reasonable efforts to arrange personal meetings and/or telephone conferences as needed, at mutually convenient times and places, between authorized negotiators for the parties at the following successive management levels, each of which shall have a period of allotted time as specified below which to attempt to resolve the dispute:

Level	Contractor	Department	Allotted Time
First	Level 1 entity	Deputy Office Director	Ten (10) Business Days
Second	Level 2 entity	Office Director	Twenty (20) Business Days
Third	Level 3 entity	Secretary	Thirty (30) Business Days

The allotted time for the First Level negotiations shall begin on the date the Invoking Party's notice is received by the other party. Subsequent allotted time is days from the date that the Invoking Party's notice was originally received by the other party. If the Third Level parties cannot resolve the issue within thirty (30) business days of the Invoking Party's original notice, then the issue shall be designated as a dispute at the discretion of the Invoking Party and, if so, shall be resolved in accordance with the section below. The time periods herein are in addition to those periods for a party to cure provided elsewhere in this Contract, and do not apply to claims for equitable relief (e.g., injunction to prevent disclosure of Confidential Information). The Department may withhold payments on disputed items pending resolution of the dispute.

14.0 CONTROLLING LAW: All questions as to the execution, validity, interpretation, construction and performance of this Contract shall be construed in accordance with the laws of the State of Wisconsin, without regard to any conflicts of laws or choice of law principles. Any court proceeding arising or related to this Contract or a party's obligations hereunder shall be exclusively brought and exclusively maintained in the State of Wisconsin, Dane County Circuit Court, or in the District Court of the United States Western District (if jurisdiction is proper in federal court), or upon appeal to the appellate courts of corresponding jurisdiction, and Contractor hereby consents to the exclusive jurisdiction and exclusive venue therein and waives any right to object to such jurisdiction or venue. To the extent that in any jurisdiction Contractor may now or hereafter be entitled to claim for itself or its assets immunity from suit, execution, attachment (before or after judgment) or other legal process, Contractor, to the extent it may effectively do so, irrevocably agrees not to claim, and it hereby waives, the same.

15.0 RIGHT TO SUSPEND OPERATIONS: If, at any time during the period of this Contract, the Department determines that the best interest of the Department or its governing boards would be best served by the Contractor's temporarily holding of all Services, the Department will promptly notify the Contractor. Upon receipt of such notice, the Contractor shall suspend all Services.

16.0 TERMINATION OF THIS CONTRACT: The Department may terminate this Contract at any time at its sole discretion by delivering one-hundred eighty (180) Calendar Days written notice to the Contractor.

Upon termination, the Department's liability shall be limited to the prorated cost of the Services performed as of the date of termination plus expenses incurred with the prior written approval of the Department.

If the Contractor terminates this Contract, it shall refund all payments made hereunder by the Department to the Contractor for work not completed or not accepted by the Department. Such termination shall require written notice to that effect to be delivered by the Contractor to the Department not less than one-hundred eighty (180) Calendar Days prior to said termination.

Upon any termination of this Contract, the Contractor shall perform the Services specified in a transition plan if so requested by the Department; provided, however, that except as expressly set forth otherwise herein, the Contractor shall not be obligated to perform such Services unless all amounts due to the Contractor under this Contract, including payment for the transition Services, have been paid. Failure of the Contractor to comply with a transition plan upon request and upon payment shall constitute a separate breach for which the Contractor shall be liable.

Upon the expiration or termination for any reason, each party shall be released from all obligations to the other arising after the expiration date or termination date, except for those that by their terms survive such termination or expiration.

17.0 TERMINATION FOR CAUSE: If the Contractor fails to perform any material requirement of this Contract, breaches any material requirement of this Contract, or if the Contractor's full and satisfactory performance of this Contract is substantially endangered, the Department may terminate this Contract. Before terminating this Contract, the Department shall give written notice of its intent to terminate to Contractor after a thirty (30) Day written notice and cure period.

The State of Wisconsin reserves the right to cancel this Contract in whole or in part without penalty in one (1) or more of the following occurrences:

1. If the Contractor intentionally furnished any statement, representation, warranty, or certification, which is materially false, incorrect, or incomplete;
2. If applicable, fails to follow the sales and use tax certification requirements of Wis. Stat. § 77.66;
3. Incurs a delinquent Wisconsin tax liability;
4. Fails to submit a non-discrimination or affirmative action plan per the requirements of Wis. Stat. § 16.765 and Wisconsin's Fair Employment Law, subch. II, Chapter 111 of the Wisconsin Statutes as required herein;
5. Is presently identified on the list of parties excluded from State of Wisconsin procurement and non-procurement Contracts;
6. Becomes a state or federal debarred Contractor, or becomes excluded from state Contracts, or;

7. Fails to maintain and keep in force all required insurance, permits and licenses as required per this Contract;
8. Fails to maintain the confidentiality of the State of Wisconsin's information that is considered to be Confidential Information or Protected Health Information;
9. Files a petition in bankruptcy, become insolvent, or otherwise takes action to dissolve as a legal entity; or,
10. If at any time the Contractor's performance threatens the health or safety of a State of Wisconsin employee, citizen, or customer.
11. Violation of any requirements in Section 22 regarding Confidential Information.

In the event of a termination for cause by the State of Wisconsin, the State of Wisconsin shall be liable for payments for any work accepted by the State of Wisconsin prior to the date of termination.

18.0 REMEDIES OF THE STATE: The State of Wisconsin shall be free to invoke any and all remedies permitted under Wisconsin law. In particular, if the Contractor fails to perform as specified in this Contract, the State of Wisconsin may issue a written notice of default providing for at least a seven (7) Business Day period in which the Contractor shall have an opportunity to cure, provided that cure is possible, feasible, and approved in writing by the State of Wisconsin. Time allowed for cure of a default shall not diminish or eliminate the Contractor's liability. If the default remains, after opportunity to cure, then the State of Wisconsin may: (1) exercise any remedy provided in law or in equity or (2) terminate Contractor's Services.

If the Contractor fails to remedy any delay or other problem in its performance of this Contract after receiving reasonable notice from the State of Wisconsin to do so, the Contractor shall reimburse the State of Wisconsin for all reasonable costs incurred as a direct consequence of the Contractor's delay, action, or inaction.

In case of failure to deliver Services in accordance with or Services from other sources as necessary, Contractor shall be responsible for the additional cost, including purchase price and administrative fees. This remedy shall be in addition to any other legal remedies available to the State of Wisconsin.

19.0 TRANSITIONAL SERVICES: Upon cancellation, termination, or expiration of this Contract for any reason, the Contractor shall provide reasonable cooperation, assistance and Services, and shall assist the State of Wisconsin to facilitate the orderly transition of the work hereunder to the State of Wisconsin and or to an alternative Contractor selected for the transition upon written notice to the Contractor at least thirty (30) business days prior to termination or cancellation, and subject to the terms and conditions set forth herein.

20.0 ADDITIONAL INSURANCE RESPONSIBILITY: The Contractor shall exercise due diligence in providing Services under this Contract. In order to protect the Board's governing the Department and any Department employee against liability, cost, or expenses (including reasonable attorney fees) which may be incurred or sustained as a result of Contractors errors or other failure to comply with the terms of this Contract, the selected Contractor shall maintain errors and omissions insurance including coverage for network and privacy risks, breach of privacy and wrongful disclosure of information in an amount acceptable to the Department with a minimum of **\$1,000,000** per claim in force during this Contract period and for a period of three (3) years

thereafter for Services completed. Contractor shall furnish the Department with a certificate of insurance for such amount. Further, this certificate shall designate the State of Wisconsin Employee Trust Funds and its affiliated boards as additional insured parties. The Department reserves the right to require higher or lower limits where warranted.

21.0 OWNERSHIP OF MATERIALS: Except as otherwise provided in subsection (t) of section 22, all information, data, reports and other materials as are existing and available from the Department and which the Department determines to be necessary to carry out the scope of Services under this Contract shall be furnished to the Contractor and shall be returned to the Department upon completion of this Contract. The Contractor shall not use it for any purpose other than carrying out the work described in this Contract.

The Department will be furnished without additional charge all data, models, information, reports, and other materials associated with and generated under this Contract by the Contractor.

The Department shall solely own all customized software, documents, and other materials developed under this Contract. Use of software, documents, and materials by the Contractor shall only be with the prior written approval of the Department.

This Contract shall no way affect or limit the Departments rights to use, disclose or duplicate, for any purpose whatsoever, all information and data pertaining to the Department or Covered Individuals and generated by the claims administration and other Services provided by Contractor under this Contract.

All files (paper or electronic) containing any Wisconsin claimant or employee information and all records created and maintained in the course of the work specified by this Contract are the sole and exclusive property of the Department. Contractor may maintain copies of such files during the term of this Contract as may be necessary or appropriate for its performance of this Contract. Moreover, Contractor may maintain copies of such files after the term of this Contract (i) for one hundred twenty (120) days after termination, after which all such files shall be transferred to the Department or destroyed by Contractor, except for any files as to which a claim has been made, and (ii) for an unlimited period of time after termination for Contractor's use for statistical purposes, if Contractor first deletes all information in the records from which the identity of a claimant or employee could be determined and certifies to the Department that all personal identifiers have been removed from the retained files.

22.0 CONFIDENTIAL INFORMATION AND HIPAA BUSINESS ASSOCIATE AGREEMENT: This Section is intended to cover handling of Confidential Information under state and federal law, and specifically to comply with the requirements of HIPAA and HITECH, and the Genetic Information Nondiscrimination Act (GINA) and federal implementing regulations for those statutes requiring a written agreement with business associates.

1. DEFINITIONS: As used in this Section, unless the context otherwise requires:

- a. Business Associate. "Business Associate" has the meaning ascribed to it at 45 CFR 160.103 and in this Contract refers to the Contractor (insert name of Contractor).
- b. Confidential Information. "Confidential Information" means all tangible and intangible information and materials being disclosed in connection with the Contract, in any form or medium without regard to whether the information is owned by the State of Wisconsin or by a third party, which satisfies at least one of the following criteria: (i) Personally Identifiable Information; (ii) Protected Health Information under HIPAA, 45 CFR 160.103; (iii) Proprietary Information; (iv) non-public information related to the State of

Wisconsin's employees, customers, technology (including data bases, data processing and communications networking systems), schematics, specifications, and all information or materials derived therefrom or based thereon; (v) information expressly designated as confidential in writing by the State of Wisconsin; (vi) all information that is restricted or prohibited from disclosure by State or federal law, including Individual Personal Information and Medical Records as governed by Wis. Stat. § 40.07, Wis. Admin. Code ETF 10.70(1) and 10.01(3m); (vii) any material submitted by the Proposer in response to this RFP that the Proposer designates confidential and proprietary information and which qualifies as a trade secret, as provided in Wis. Stat. § 19.36 (5) or material which can be kept confidential under the Wisconsin public records law, and identified on a Designation of Confidential and Proprietary Information form (DOA-3027). Pricing information cannot be held confidential.

- c. Covered Entity. "Covered Entity" has the meaning ascribed to it at 45 CFR 160.103 and in this Contract refers to the Department of Employee Trust Funds.
- d. HIPAA Rules. "HIPAA Rules" mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
- e. Individual Personal Information "Individual Personal Information" has the meaning ascribed to it at Wis. Admin. Code ETF 10.70 (1).
- f. Medical Record. "Medical Record" has the meaning ascribed to it at Wis. Admin. Code ETF 10.01 (3m).

- 2. **PROVISION OF CONFIDENTIAL INFORMATION FOR CONTRACTED SERVICES:** ETF, a different business associate of ETF or a contractor performing Services for ETF may provide Confidential Information to the Contractor under this Contract as the Department determines is necessary for the proper administration of this Contract, as provided by Wis. Stat. § 40.07 (1m) (d) and (3).
- 3. **DUTY TO SAFEGUARD CONFIDENTIAL INFORMATION:** The Contractor shall safeguard Confidential Information supplied to the Contractor or its employees under this Contract. In addition, the Contractor will only share Confidential Information with its employees on a need-to know basis. Should the Contractor fail to properly protect Confidential Information, any cost the Department pays to mitigate the failure will be subtracted from the Contractor's invoice(s).
- 4. **USE AND DISCLOSURE OF CONFIDENTIAL INFORMATION:** Contractor shall:
 - a. Not use or disclose Confidential Information for any purpose other than as permitted or required by this Contract or as required by law. Contractor shall not use or disclose member names, addresses, or other data for any purpose other than specifically provided for in this Contract;
 - b. Make uses and disclosures and requests for any Confidential Information following the minimum necessary standard in the HIPAA Rules;
 - c. Use appropriate safeguards to prevent use or disclosure of Confidential Information other than as provided for by this Contract, and with respect to Protected Health Information, comply with Subpart C of 45 CFR Part 164;

- d. Not use or disclose Confidential Information in a manner that would violate Subpart E of 45 CFR Part 164 or Wis. Stat. § 40.07 if done by ETF.
 - e. If applicable, be allowed to use or disclose Confidential Information for the proper management and administration of the Contractor or to carry out the legal responsibilities of the Contractor, provided the disclosures are required by law, or Contractor obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, and the person notifies Contractor of any instances of which it is aware in which the confidentiality of the information has been or is suspected of being breached.
- 5. COMPLIANCE WITH ELECTRONIC TRANSACTIONS AND CODE SET STANDARDS:** The Contractor shall comply with each applicable requirements of 45 C.F.R. Part 162 if the Contractor conducts standard transactions, as that term is defined in HIPAA, for or on behalf of ETF.
- 6. MANDATORY REPORTING:** Contractor shall report to ETF in the manner set forth in Subsection (l) any use or disclosure or suspected use or disclosure of Confidential Information not provided for by this Contract, of which it becomes aware, including breaches or suspected breaches of unsecured Protected Health Information as required at 45 CFR 164.410.
- 7. DESIGNATED RECORD SET:** Contractor shall make available Protected Health Information in a designated record set to the individual as necessary to satisfy ETF's obligations under 45 CFR 164.524.
- 8. AMENDMENT IN DESIGNATED RECORD SET:** Contractor shall make any amendment to Protected Health Information in a designated record set as directed or agreed to by ETF pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy ETF's obligations under 45 CFR 164.526.
- 9. ACCOUNTING OF DISCLOSURES:** Contractor shall maintain and make available the information required to provide an accounting of disclosures to the individual as necessary to satisfy ETF's obligations under 45 CFR 164.528.
- 10. COMPLIANCE WITH SUBPART E OF 45 CFR 164:** To the extent Contractor is to carry out one or more of ETF's obligations under Subpart E of 45 CFR Part 164, Contractor shall comply with the requirements of Subpart E that apply to a covered entity in the performance of such obligation; and
- 11. INTERNAL PRACTICES:** Contractor shall make its internal practices, books, and records available to the Secretary of the United States Department of Labor for purposes of determining compliance with the HIPAA Rules.
- 12. CONTRACTOR REPORTING OF BREACH OR SUSPECTED BREACH OR DISCLOSURE TO ETF:**
- a. Within twenty-four (24) hours after Contractor becomes aware of a suspected breach, impermissible use, or impermissible disclosure, notify in writing the ETF Program Manager and Privacy Officer. A suspected breach, impermissible use, or impermissible disclosure is considered to be discovered as of the first day on which such occurrence is known to Contractor, or, by exercising reasonable diligence, would have been known to Contractor.

The notification must contain details sufficient for the ETF Program Manager and Privacy Officer to determine ETF's agency response. Sufficient details include, without limitation:

- i. A list of any affected members (if available);
 - ii. Information about the information included in the breach, impermissible use, or impermissible disclosure;
 - iii. The date or dates of the suspected breach, impermissible use, or impermissible disclosure;
 - iv. The date of the discovery by Contractor;
 - v. A list of the pro-active steps taken by Contractor and being taken to correct breach, impermissible use or impermissible disclosure; and
 - vi. Contact information at Contractor for affected persons who contact ETF regarding the issue.
- b.** Not less than one (1) business day before Contractor makes any external communications to the public, media, federal Office of Civil Rights (OCR), other governmental entity, or persons potentially affected by the breach, impermissible use, or impermissible disclosure, provide a copy of the planned communication to the ETF Program Manager and Privacy Officer.
- c.** Within thirty (30) days after Contractor makes the initial report under this section, Contractor shall research the suspected breach, impermissible use, or impermissible disclosure Confidential Information and provide a report in writing to the ETF Program Manager. The report must contain, at a minimum:
- i. A complete list of any affected members and contact information;
 - ii. Copies of correspondence or notifications provided to the public, media, OCR, other governmental entity, or persons potentially affected;
 - iii. Whether Contractor's Privacy Officer has determined there has been a reportable breach under HIPAA, or an unauthorized acquisition under Wis. Stat. §134.98 and the reasoning for such determination;
 - iv. If Contractor determines there has been a breach, impermissible use, or impermissible disclosure, an explanation of the root cause of the breach, impermissible use, or impermissible disclosure;
 - v. A list of the corrective actions taken to mitigate the suspected breach, impermissible use, or impermissible disclosure; and
 - vi. A list of the corrective actions taken to prevent a similar future breach, impermissible use, or impermissible disclosure.

13. CLASSIFICATION LABELS: Contractor shall ensure that all data classification labels contained on or included in any item of Confidential Information shall be reproduced by Contractor on any reproduction, modification, or translation of such Confidential Information. Contractor shall make a reasonable effort to add a proprietary notice or indication of confidentiality to any tangible materials within its possession that contain Confidential

Information of the State, as directed by the Department.

- 14. SUBCONTRACTORS:** If applicable, in accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), Contractor shall ensure that any subcontractors that create, receive, maintain, or transmit Confidential Information on behalf of Contractor agree to the same restrictions, conditions, and requirements that apply to Contractor with respect to such information.
- 15. NOTICE OF LEGAL PROCEEDINGS:** If Contractor or any of its employees, agents, or subcontractors is legally required in any administrative, regulatory or judicial proceeding to disclose any Confidential Information, contractor shall give the Department prompt notice (unless it has a legal obligation to the contrary) so that the Department may seek a protective order or other appropriate remedy. In the event that such protective order is not obtained, Contractor shall furnish only that portion of the information that is legally required and shall disclose the Confidential Information in a manner reasonably designed to preserve its confidential nature.
- 16. MITIGATION:** The Contractor shall take immediate steps to mitigate any harmful effects of the suspected or actual unauthorized use, disclosure, or loss of any Confidential Information provided to Contractor under this Contract. The Contractor shall reasonably cooperate with the Department's efforts to comply with the breach notification requirements of HIPAA, to seek appropriate injunctive relief or otherwise prevent or curtail such suspected or actual unauthorized use, disclosure or loss, or to recover its Confidential Information, including complying with a reasonable corrective action plan, as directed by the Department.
- 17. COMPLIANCE REVIEWS:** The Department may conduct a compliance review of the Contractor's security procedures before and during this Contract term to protect Confidential Information.
- 18. AMENDMENT:** The Parties agree to take such action as is necessary to amend the Contract as necessary for compliance with the HIPAA Rules and other applicable law.
- 19. SURVIVAL:** The obligations of Contractor under this Section survive the termination of the underlying Contract.
- 20. RETURN OR DESTRUCTION OF CONFIDENTIAL INFORMATION:** Upon termination of this Contract for any reason, Contractor, with respect to Confidential Information received from ETF, another contractor of ETF, or created, maintained, or received by Contractor on behalf of ETF, shall:
 1. Retain only that Confidential Information which is necessary for Contractor to continue its proper management and administration or to carry out its legal responsibilities;
 2. Return to ETF or, if agreed to by ETF, destroy the remaining Confidential Information that Contractor still maintains in any form;
 3. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic Protected Health Information to prevent use or disclosure of the Protected Health Information, other than as provided for in this Subsection, for as long as Contractor retains the Protected Health Information;
 4. Not use or disclose the Confidential Information retained by Contractor other than for the purposes for which such Confidential Information was retained and subject to the same conditions set out above under Subsection (d) which applied prior to termination; and

5. Return to ETF or, if agreed to by ETF, destroy the Protected Health Information retained by Contractor when it is no longer needed by Contractor for its proper management and administration or to carry out its legal responsibilities.
6. If required by ETF, transmit the Confidential Information to another contractor of ETF.

23.0 INDEMNIFICATION:

23.1 SCOPE OF INDEMNIFICATION FOR INTELLECTUAL PROPERTY RIGHT

INFRINGEMENT: In the event of a claim against the Parties for Intellectual Property Rights Infringement associated with a claim for benefits, Contractor agrees to defend, indemnify and hold harmless Board and Department (“Indemnified Parties”) from and against any and all claims, actions, loss, damage, expenses, costs (including reasonable fees for Department’s staff attorneys and/or attorneys from the Wisconsin Attorney General’s Office) reasonable attorneys’ fees otherwise incurred by Board, Department and/or the Wisconsin Attorney General’s Office, court costs, and related reasonable legal expenses whether incurred in defending against such claims or enforcing this Section.

23.2 SCOPE OF OTHER INDEMNIFICATION: In addition to the foregoing Section, Contractor shall defend, indemnify and hold harmless the Indemnified Parties from and against any and all claims, actions, loss, damage, expenses, costs (including reasonable fees for Department’s staff attorneys and/or attorneys from the Wisconsin Attorney General’s Office) reasonable attorneys’ fees otherwise incurred by Department and/or the Wisconsin Attorney General’s Office, court costs, and related reasonable legal expenses whether incurred in defending against such claims or enforcing this Section, or liability arising from or in connection with the following: (a) Contractor’s performance of or failure to perform any duties or obligations under any agreement between Contractor and any third party; (b) injury to persons (including death or illness) or damage to property caused by the act or omission of Contractor or Contractor Personnel; (c) any claims or losses for Services rendered by any subcontractor, person, or firm performing or supplying Services, materials, or supplies in connection with the Contractor’s performance of this Contract; (d) any claims or losses resulting to any person or third party entity injured or damaged by the Contractor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under this Contract in a manner not authorized by this Contract, or by Federal or State statutes or regulations; and (e) any failure of the Contractor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.

23.3 INDEMNIFICATION NOTICE: Department shall give Contractor prompt written notice of such claim, suit, demand, or action (provided that a failure to give such prompt notice will not relieve Contractor of its indemnification obligations hereunder except to the extent Contractor can demonstrate actual, material prejudice to its ability to mount a defense as a result of such failure). Department will cooperate, assist, and consult with Contractor in the defense or investigation of any claim made or suit filed against Department resulting from Contractor’s performance under the Contract.

23.4 NO INDEMNIFICATION OBLIGATIONS: Contractor shall as soon as practicable, notify Department of any claim made or suit filed against Contractor resulting from Contractor’s obligations under this Contract if such claim may involve the Department. Department has no obligation to provide legal counsel or defense to Contractor if a suit, claim, or action is brought against Contractor or its subcontractors as a result of Contractor’s performance of its obligations under this Contract. In addition, Department has no obligation for the payment

of any judgments or the settlement of any claims against Contractor arising from or related to this Contract. Department has not waived any right or entitlement to claim sovereign immunity under this Contract.

23.5 CONTRACTOR'S DUTY TO INDEMNIFY: Contractor shall comply with its obligations to indemnify, defend and hold the Indemnified Parties harmless with regard to claims, damages, losses and/or expenses arising from a claim for benefits under the Plan as provided herein. Contractor shall be entitled to control the defense of any such claim and to defend or settle any such claim, in its sole discretion, with counsel of its own choosing; however, Contractor shall consult with Department regarding its defense of any claim and not settle or compromise any claim or action in a manner that imposes restrictions or obligations on Department, requires any financial payment by Department, or grants rights or concessions to a third party without first obtaining Department's prior written consent. Contractor shall have the right to assert any and all defenses on behalf of the Indemnified parties, including sovereign immunity.

In carrying out any provision of this Contract or in exercising any power or authority granted to the Contractor thereby, there shall be no liability upon the Department, it being understood that in such matters the Department acts as an agent of the State.

The Contractor shall at all times comply with and observe all federal and state laws and regulations which are in effect during the period of this Contract and which in any manner affect the work or its conduct.

24.0 EQUITABLE RELIEF: The Contractor acknowledges and agrees that the unauthorized use, disclosure, or loss of Confidential Information may cause immediate and irreparable injury to the individuals whose Confidential information is disclosed and to the State, which injury shall not be compensable by money damages and for which there is not an adequate remedy available at law. Accordingly, the parties specifically agree that the Department, on its own behalf or on behalf of the affected individuals, shall be entitled to obtain injunctive or other equitable relief to prevent or curtail any such breach, threatened or actual, without posting security and without prejudice to such other rights as may be available under this Contract or under applicable law.

25.0 RIGHT TO PUBLISH OR DISCLOSE: Throughout the term of this Contract, the Contractor must secure the Department's written approval prior to the release of any information which pertains to work or activities covered by this Contract.

The parties agree that it is a breach of this Contract to disclose any information to any person that the Department or its governing boards may not disclose under Wis. Stat. § 40.07. Contractor acknowledges that it will be liable for damage or injury to persons who's Confidential Information is disclosed by any officer, employee, agent, or subcontractor of the Contractor without proper authorization.

26.0 TIME IS OF THE ESSENCE: Timely provision of the Services required under this Contract shall be of the essence of the Contract, including the provisions of the Services within the time agreed or on a date specified herein.

27.0 IDENTIFICATION OF KEY PERSONNEL AND PERSONNEL CHANGES: The Department will designate a contract administrator, who shall have oversight for performance of the Department's obligations under this Contract. The Department shall not change the person designated without prior written notification to the Contractor.

The State of Wisconsin reserves the right to approve all individuals assigned to this project. The Contractor agrees to use its best effort to minimize personnel changes during the Contract term.

At the time of contract negotiations, the Contractor shall furnish the Department with names of all key personnel assigned to perform work under this Contract and furnish the Department with criminal background checks.

The Contractor will designate a contract administrator who shall have executive and administrative oversight for performance of the Contractor's obligations under this Contract. The Contractor shall not change this designation without prior written notice to the Department.

The Contractor may not divert key personnel for any period of time except in accordance with the procedure identified in this section. The Contractor shall provide a notice of proposed diversion or replacement to the single person of contact (SPOC) at least sixty (60) days in advance, together with the name and qualifications of the person(s) who will take the place of the diverted or replaced staff. At least thirty (30) days before the proposed diversion or replacement, the Department shall notify the SPOC whether the proposed diversion or replacement is approved or rejected, and if rejected shall provide reasons for the rejection. Such approval by the Department shall not be unreasonably withheld or delayed.

Replacement staff shall be on-site within two (2) weeks of the departure date of the person being replaced. The Contractor shall provide the Department with reasonable access to any staff diverted by the Contractor.

Replacement of key personnel shall be with persons of equal ability and qualifications. The Department has the right to conduct separate interviews of proposed replacements for key personnel. The Department shall have the right to approve, in writing, the replacement of key personnel. Such approval shall not be unreasonably withheld. Failure of the Contractor to promptly replace key personnel within thirty (30) Calendar Days after departure shall entitle the Department to terminate this Contract. The notice and justification must include identification of proposed substitute key personnel and must provide sufficient detail to permit evaluation of the impact of the change on the project and/or maintenance.

Any of the Contractor's staff that the Department deems unacceptable shall be promptly and without delay removed by the Contractor from the project and replaced by the Contractor within thirty (30) Calendar Days by another employee with acceptable experience and skills subject to the prior approval of the Department. Such approval by the Department will not be unreasonably withheld or delayed. An unauthorized change by the Contractor of any Contracted Personnel designed as key personnel will result in the imposition of liquidated damages, as defined in this Contract.

28.0 PRICING AND DISCOUNT: The State of Wisconsin qualifies for governmental discounts and its educational institutions also qualify for educational discounts. Unit prices shall reflect these discounts.

29.0 PAYMENT TERMS AND INVOICING: The State of Wisconsin normally will pay properly submitted vendor invoices within thirty (30) days of receipt providing goods and/or services have been delivered, installed (if required), and accepted as specified.

Invoices presented for payment must be submitted in accordance with instructions contained on the purchase order including reference to purchase order number and submittal to the correct address for processing.

A good faith dispute creates an exception to prompt payment.

30.0 TAXES: The State of Wisconsin and its agencies are exempt from payment of all federal tax and Wisconsin state and local taxes on its purchases except Wisconsin excise taxes as described below. The State of Wisconsin, including all its agencies, is required to pay the Wisconsin excise or occupation tax on its purchase of beer, liquor, wine, cigarettes, tobacco products, motor vehicle fuel and general aviation fuel. However, it is exempt from payment of Wisconsin sales or use tax on its purchases. The State of Wisconsin may be subject to other states' taxes on its purchases in that state depending on the laws of that state. Contractors performing construction activities are required to pay state use tax on the cost of materials.

31.0 ANTITRUST ASSIGNMENT: The contractor and the State of Wisconsin recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the State of Wisconsin (purchaser). Therefore, the contractor hereby assigns to the State of Wisconsin any and all claims for such overcharges as to goods, materials or services purchased in connection with this contract.

32.0 ASSIGNMENT: No right or duty in whole or in part of the contractor under this contract may be assigned or delegated without the prior written consent of the State of Wisconsin.

33.0 PATENT INFRINGEMENT: The contractor selling to the State of Wisconsin the articles described herein guarantees the articles were manufactured or produced in accordance with applicable federal labor laws. Further, that the sale or use of the articles described herein will not infringe any United States patent. The contractor covenants that it will at its own expense defend every suit which shall be brought against the State of Wisconsin (provided that such contractor is promptly notified of such suit, and all papers therein are delivered to it) for any alleged infringement of any patent by reason of the sale or use of such articles, and agrees that it will pay all costs, damages, and profits recoverable in any such suit.

34.0 SAFETY REQUIREMENTS: All materials, equipment, and supplies provided to the State of Wisconsin must comply fully with all safety requirements as set forth by the Wisconsin Administrative Code and all applicable OSHA Standards.

35.0 INSURANCE RESPONSIBILITY: The contractor performing services for the State of Wisconsin shall:

35.1 Maintain worker's compensation insurance as required by Wisconsin Statutes, for all employees engaged in the work.

35.2 Maintain commercial liability, bodily injury and property damage insurance against any claim(s) which might occur in carrying out this agreement/contract. Minimum coverage shall be one million dollars (\$1,000,000) liability for bodily injury and property damage including products liability and completed operations. Provide motor vehicle insurance for all owned, non-owned and hired vehicles that are used in carrying out this contract. Minimum coverage shall be one million dollars (\$1,000,000) per occurrence combined single limit for automobile liability and property damage.

35.3 The state reserves the right to require higher or lower limits where warranted.

36.0 CANCELLATION: The State of Wisconsin reserves the right to cancel any contract in whole or in part without penalty due to nonappropriation of funds or for failure of the contractor to comply with terms, conditions, and specifications of this contract.

37.0 VENDOR TAX DELINQUENCY: Vendors who have a delinquent Wisconsin tax liability may have their payments offset by the State of Wisconsin.

38.0 DISCLOSURE: If a state public official (s. 19.42, Wis. Stats.), a member of a state public official's immediate family, or any organization in which a state public official or a member of the official's immediate family owns or controls a ten percent (10%) interest, is a party to this agreement, and if this agreement involves payment of more than three thousand dollars (\$3,000) within a twelve (12) month period, this contract is voidable by the state unless appropriate disclosure is made according to s. 19.45(6), Wis. Stats., before signing the contract. Disclosure must be made to the State of Wisconsin Ethics Board, 44 East Mifflin Street, Suite 601, Madison, Wisconsin 53703 (Telephone 608-266-8123).

State classified and former employees and certain University of Wisconsin faculty/staff are subject to separate disclosure requirements, s. 16.417, Wis. Stats.

39.0 PROMOTIONAL ADVERTISING / NEWS RELEASES: Reference to or use of the State of Wisconsin, any of its departments, agencies or other subunits, or any state official or employee for commercial promotion is prohibited. News releases pertaining to this procurement shall not be made without prior approval of the State of Wisconsin. Release of broadcast e-mails pertaining to this procurement shall not be made without prior written authorization of the contracting agency.

40.0 HOLD HARMLESS: The contractor will indemnify and save harmless the State of Wisconsin and all of its officers, agents and employees from all suits, actions, or claims of any character brought for or on account of any injuries or damages received by any persons or property resulting from the operations of the contractor, or of any of its contractors, in prosecuting work under this agreement.

41.0 FOREIGN CORPORATION: A foreign corporation (any corporation other than a Wisconsin corporation) which becomes a party to this Agreement is required to conform to all the requirements of Chapter 180, Wis. Stats., relating to a foreign corporation and must possess a certificate of authority from the Wisconsin Department of Financial Institutions, unless the corporation is transacting business in interstate commerce or is otherwise exempt from the requirement of obtaining a certificate of authority. Any foreign corporation which desires to apply for a certificate of authority should contact the Department of Financial Institutions, Division of Corporation, P. O. Box 7846, Madison, WI 53707-7846; telephone (608) 261-7577.

42.0 FORCE MAJEURE: Neither party shall be in default by reason of any failure in performance of this Agreement in accordance with reasonable control and without fault or negligence on their part. Such causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case the failure to perform such must be beyond the reasonable control and without the fault or negligence

43.0 DISCLOSURE OF INDEPENDENCE AND RELATIONSHIP:

43.1 Prior to award of any contract, a potential contractor shall certify in writing to the procuring agency that no relationship exists between the potential contractor and the procuring or contracting agency that interferes with fair competition or is a conflict of interest, and no relationship exists between the contractor and another person or organization that constitutes a conflict of interest with respect to a state contract. The Department of Administration may waive this provision, in writing, if those activities of the potential contractor will not be adverse to the interests of the state.

43.2 Contractors shall agree as part of the contract for services that during performance of the contract, the contractor will neither provide contractual services nor enter into any agreement to provide services to a person or organization that is regulated or funded by the contracting agency or has interests that are adverse to the contracting agency. The Department of Administration may waive this provision, in writing, if those activities of the contractor will not be adverse to the interests of the state.

44.0 DUAL EMPLOYMENT: Section 16.417, Wis. Stats., prohibits an individual who is a State of Wisconsin employee or who is retained as a contractor full-time by a State of Wisconsin agency from being retained as a contractor by the same or another State of Wisconsin agency where the individual receives more than \$12,000 as compensation for the individual's services during the same year. This prohibition does not apply to individuals who have full-time appointments for less than twelve (12) months during any period of time that is not included in the appointment. It does not include corporations or partnerships.

45.0 EMPLOYMENT: The contractor will not engage the services of any person or persons now employed by the State of Wisconsin, including any department, commission or board thereof, to provide services relating to this agreement without the written consent of the employing agency of such person or persons and of the contracting agency.

46.0 CONFLICT OF INTEREST: Private and non-profit corporations are bound by ss. 180.0831, 180.1911(1), and 181.0831 Wis. Stats., regarding conflicts of interests by directors in the conduct of state contracts.

47.0 RECORDKEEPING AND RECORD RETENTION: The contractor shall establish and maintain adequate records of all expenditures incurred under the contract. All records must be kept in accordance with generally accepted accounting procedures. All procedures must be in accordance with federal, state and local ordinances.

The contracting agency shall have the right to audit, review, examine, copy, and transcribe any pertinent records or documents relating to this contract held by the contractor. The contractor will retain all documents applicable to the contract for a period of not less than three (3) years after final payment is made.

48.0 INDEPENDENT CAPACITY OF CONTRACTOR: The parties hereto agree that the contractor, its officers, agents, and employees, in the performance of this agreement shall act in the capacity of an independent contractor and not as an officer, employee, or agent of the state. The contractor agrees to take such steps as may be necessary to ensure that each subcontractor of the contractor will be deemed to be an independent contractor and will not be considered or permitted to be an agent, servant, joint venturer, or partner of the state.

Attachment C

Itemized Supplement Insurance Plan Guidelines (ET-7422) Changes

Page Number	Change Made to Guidelines
1	Address updated to reflect new ETF Address
1	Effective date updated to 2020
2	Table of contents updated to reflect name changes of attachments
3	Changed the term Annuitant to Retiree
3	Added links to all State Statute and Administrative Code references
4	Added an explanation of how the Supplement Insurance Contractor Administrative Fee is calculated
4	Changed requirement that open enrollment opportunities be offered at least every two years to every year
4	Added: <i>Insurer must be able to accept eligibility file transmission and offer an online enrollment portal for small employers.</i>
4	Changed the term Annuitant to Retiree
4	Added: <i>The insurer must notify ETF program manager of any request for presentation to employers, agencies or payroll centers. The insurer must notify ETF of the request prior to accepting the invitation to present and provide ETF with the opportunity to review any presentation materials no less than five (5) days prior to the materials being due.</i>
5	Bolded the words one plan for each plan type
5	Added: <i>Any plan proposal from an insurer who has a history of not meeting the minimum loss ratio will need to include a detailed explanation of how the proposed plan will meet ETF's minimum loss ratio.</i>
5	Changed the term Group Master Contract to Contract
5	Bolded the words prior to submitting the signed proposal
5	Added: <i>and payment of \$5,000 to ETF for each proposal submitted as payment for the third-party actuarial review fee.</i>
6	Changed the wording from "the proposal may not be recommended to the Board for approval" to "the proposal may not be considered".
6	<p>Changed the line "ETF will provide advance notification of the recommendation to the insurer" to read: ETF will notify the insurer selected for each benefit type at least sixty (60) days prior to the May Board meeting.</p> <p>ETF will provide the selected insurer with the program agreement for review with notification of their selection.</p> <p>The insurer must provide a signed copy of the agreement to ETF prior to the Board meeting, for signature by the Board chair.</p> <p>ETF will provide advance notification of the recommendation to non-selected insurers at least two (2) weeks prior to the May Board meeting.</p>
6	Changed the term Group Master Contract to Contract
6	Made all attached forms guidelines
8	Changed the term annuitant to retiree

Attachment C

Page Number	Change Made to Guidelines
9	Updated references to reflect current names of attachments
10	Added link to Excel workbook
11	Updated references to reflect current names of attachments
11	Bolded the line <i>Exceptions to the Department Terms and Conditions language will not be considered.</i>
11	Added: <i>Insurer has submitted payment of \$5,000 to ETF for each proposal submitted as payment for the third-party actuarial review fee. Insurer has no outstanding debts to ETF or ETF's third-party actuary.</i>
12	Title changed to Attachment D
12	Hours of call center operation changed to mirror the ETF required hours of Group Health Insurance Program providers.
12	Claim Processing Timeliness/Turnaround Time threshold changed from 90% to 97% to reflect industry standard
12	Claim Processing Accuracy category added
13	Entire Expectations and Penalties section created and added
13	The criteria for what is to be in an annual report was added
14	Attachment E was added to the document

Attachment C

Itemized Long-Term Care Insurance Standards (ET-7423) Changes

Page Number	Changes Made to Guidelines
1	Address updated to reflect new ETF Address
1	Effective date updated to 2020
2	Table of contents updated to reflect name changes of attachments
3	Added statutory reference to the definition of an Agent
3	Changed the term Group Master Contract to Contract
3	Added definitions for Employee, ETF, Retiree, Spouse, Subscriber and OCI
3	Added statutory reference for definition of Long-Term Care Insurance
4	Added Wisconsin Administrative Rule link
4	Added an explanation of how Administrative Fee is calculated
4	Added Wisconsin State Statute link
4	Changed the term Group Master Contract to Contract
5	Updated Attachment reference
5	Updated requirement that Insurer work directly with ETF and payroll centers for technical implementation and ongoing maintenance of plan
5	Updated wording to makes clear all marketing to members be approved by ETF every time the material is distributed
5	Changed the term Group Master Contract to Contract
7	Added Wisconsin State Statute link
7	Added correct way to label LTCI Proposals
8	Changed the wording from “the proposal may not be recommended to the Board for approval” to “the proposal may not be considered”.
8	<i>Added: and payment of \$5,000 to ETF for each proposal submitted as payment for the third-party actuarial review fee.</i>
8	Updated references to reflect current names of attachments
8	Changed the term Group Master Contract to Contract
11	Updated the name and link for OCI’s Form Filing Checklist-Long-Term Care Insurance.
13	Updated reference to reflect current names of attachments
13	<i>Added: and payment of \$5,000 to ETF for each proposal submitted as payment for the third-party actuarial review fee.</i>
14	Attachment C was added to the document
15	Updated name of attachment