

To: Connect for Health Colorado Board of Directors

From: Patty Fontneau, CEO; Cammie Blais, CFO; Proteus Duxbury, CTO

Subject: Service Center Managed Services Vendor Evaluation and Recommendation

Date: May 12, 2014

Recommendation

Based on evaluation of four proposals, three oral presentations, two reference interviews, and an on-site visit, it is recommended that Connect for Health Colorado (C4HCO) enter contract negotiations with 3t Systems (based in Greenwood Village, CO) to provide managed services for the C4HCO Service Center. A summary of the evaluation process is provided below.

Background

In March and April 2014, C4HCO conducted a rigorous acquisition process for an IT managed services provider. The acquisition process was managed by EVENTUS Solutions Group. The acquisition process consisted of seven phases:

1. Proposal Release, 2/19/2014
2. Question & Clarification
3. Submission Review
4. Oral Presentations
5. Proposal Scoring
6. Reference Check
7. Final Selection

Evaluation

Proposals were received by four (4) vendors, and one (1) vendor (reVision) withdrew their proposal.

- 3t Systems
- Critigen
- Simpleworks
- Symmetrix

Simpleworks' proposal was eliminated from consideration as it did not adequately address all requirements laid out in the RFP.

Methodology

The respondents were scored across four components (proposal completeness, aggregate proposal score, oral presentations, catalog pricing), with each of these being equally weighted. Each component received a 0-4 score. The range definitions were 0 (zero) as a non-response, 1 was a response yet the lowest possible score, and 4 the highest possible score. Those component scores were multiplied by 0.25 (weighting each component by 25%) and then added for an overall score.

Weighted Components

1. Proposal Completeness: 1-4 score on the completeness of the proposal (i.e. did the respondent answer all of the questions in a complete and understandable manner?).

2. Aggregate Proposal Scoring: an aggregate average of reviewer scores (1-4) based on 75+ line items such as application monitoring, hosted security and firewall, compliance with privacy and security regulations, ticketing & alerts. References and technology improvement initiatives were other factors considered.
3. Presentations: scored through discuss of comments calibrated across reviewers.
4. Price given Offered Catalog: price positioning with consideration to the included catalog of services in “top-line” price relative to other proposals.

Scoring Results

Vendor	Overall Score*	Proposal Completeness	Aggregate RFP Scoring Average	Orals	Price
3t Systems	3.50	3	2.98	4	4
Vendor 2	3.09	4	3.36	3	2
Vendor 3	1.96	1	2.85	2	2

* Calculated as the sum of each component after multiplying each component by 0.25.

Catalog Pricing

Catalog pricing was provided by each vendor to address costs beyond the annual operational pricing.

Base pricing for annual operations, as well as a summary of the proposal evaluation, are presented in the table below:

Reviewed and ranked technical and cost proposals

Proposers	Overall Evaluation of Technical Proposal	First Year Cost*	Three Year Cost*
3t Systems	<ul style="list-style-type: none"> • Good proposal. Lots of flexibility especially as communicated in the demo. Has HIPAA, but lacks other federal experience. • 3t committed to a lot of scope/responsibilities for the price. Don't expect to see too many change requests (CR's). 	\$218,816	\$622,784
Vendor 2	<ul style="list-style-type: none"> • Good proposal. Been around with a good track record. Have dealt with federal programs before. • Additional costs for many of the services that are in scope for 3t 	\$258,700	\$776,100
Vendor 3	<ul style="list-style-type: none"> • Proposal was underwhelming. It did not address the sections of the RFP as the other two did. • Was anticipating a proposal (and demo) that stressed a theme of “learned a lot; ready to grow”, but did not get that leaning forward type message. 	\$300,768	\$878,904

* Proposal dollars include Startup, Monitoring, and Onsite Help Desk; Back Up and Asset Management are not included in this sum. The chart “First Year Pricing with Category Breakdown” graphically shows all proposed category pricing in the first year.

Among the four proposals, 3t Systems was determined to be the “best fit” for C4HCO for the following reasons:

1. 3t Systems proposed a fixed monthly price for comprehensive support of all services (including onsite contact center support) outlined in the C4HCO RFP.
2. 3t will implement a remote desktop management system to streamline upgrading service center rep workstations.
3. 3t Systems is focused only in the health care industry and understands protection of PII and PHI.
4. 3t Systems has a good understanding of partnering and balanced relationships based on feedback from their references. From discussions during their oral presentation they appear to be flexible with respect to alternate pricing models based on annual fluctuations in Marketplace activity.