NEW MEXICO HEALTH INSURANCE ALLIANCE

REQUEST FOR PROPOSALS

For Information Technology and Integrated Services
New Mexico Health Insurance Exchange (NMHIX)

Proposal Due Date: November 30, 2012

Issue Date: November 2, 2012

Table of Contents

Table of Contents
(Continued)

Table of Contents
(Continued)

I. INTRODUCTION

A. PURPOSE OF THIS REQUEST FOR PROPOSALS (RFP)

The New Mexico Health Insurance Alliance (NMHIA), on behalf of the State of New Mexico, is seeking proposals for professional services from qualified vendors to manage the information technology and systems integration for the implementation and establishment of a state based Health Insurance Exchange (NMHIX). The NMHIX solution will include services for eligibility, enrollment, Small Business Health Options Plan (SHOP), and shop and compare information technology systems.

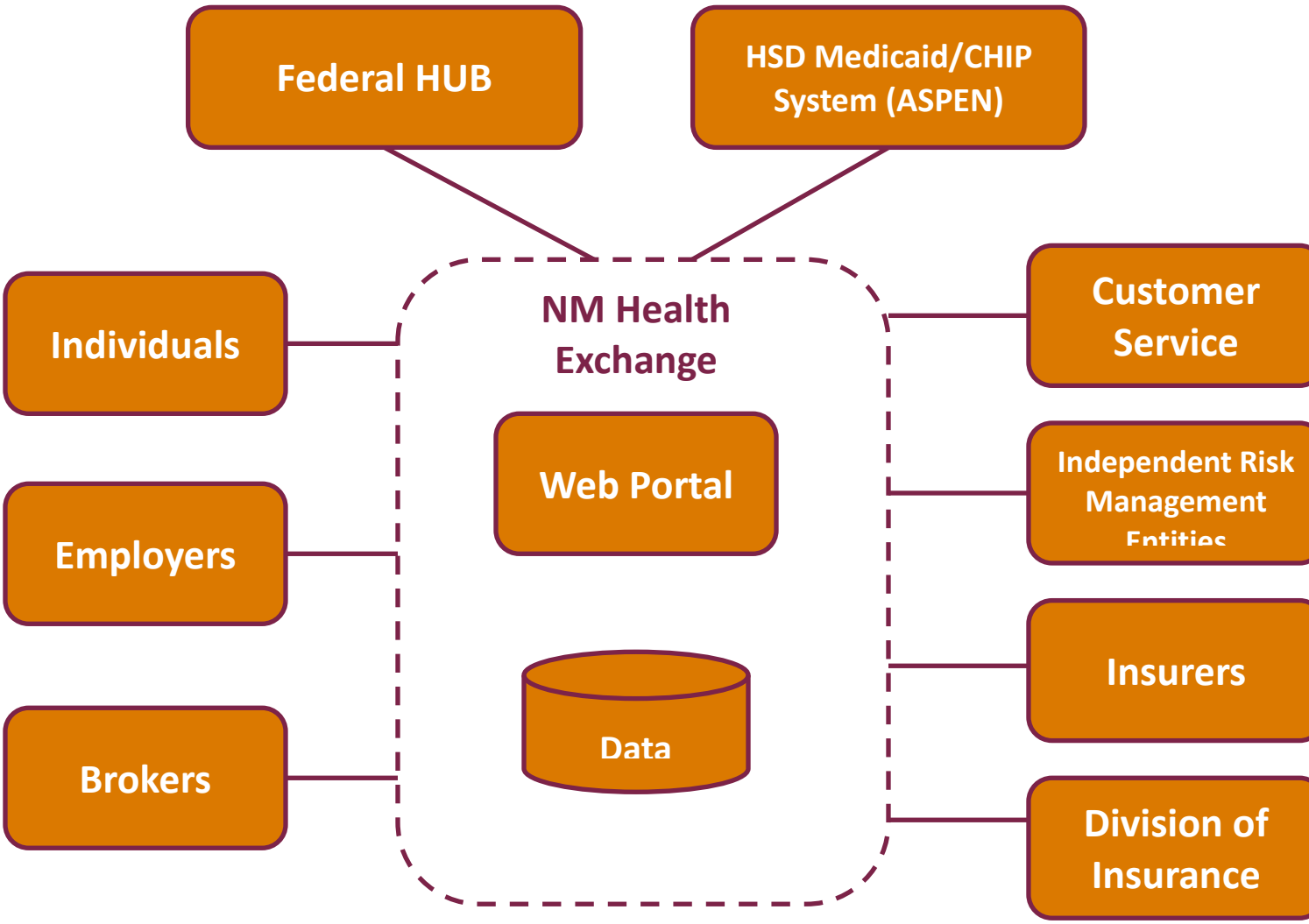
The NMHIX's Information Technology (IT) system must comply with federally mandated business, technical and other functional requirements as stated in the NMHIX Concepts of Operation document as provided in Appendix C. The NMHIX must be implemented and fully operational prior to the mandated deadlines. Under the current deadlines, the NMHIX must be prepared to enroll qualified individuals and small employer groups by October 1, 2013, and must also be fully operational by January 1, 2014.

NMHIA reserves the right to cancel this RFP, to reject any and all proposals, and to negotiate with the selected provider prior to entering into any written agreement. The proposal becomes the basis for a written agreement, and is subject to negotiation prior to being finalized. Any Offeror that cannot positively affirm their ability to provide requested services or required capabilities will not be considered.

The electronic version of this document is available for download from NMHIA website at http://www.nmhia.com/nmhix.

B. VISION

HIX services and functionality will be designed, developed and implemented over 2013 and 2014. The vision proposed is illustrated in the chart below:



The integration with Medicaid Eligibility determination process will migrate from its present state (human intervention) to future real-time determination process (for some cases) anticipated in 2015, however, may be subject to change.

C. SUMMARY SCOPE OF WORK

The United States Department of Health and Human Services ("HHS") has identified the following core areas for NMHIX establishment:

- Stakeholder Consultation
- Program Integration
- Health Insurance Market Reforms
- Business Operations of the Exchange
- Background Research
- Legislative and Regulatory Action
- Governance
- Exchange IT Systems

- Financial Management Oversight and Program Integrity
- Providing Assistance to Individuals and Small Businesses, Coverage Appeals, and Complaints

Objective measure of success and specific dates and milestones with deliverables shall be negotiated by NMHIA and the Contractor. NMHIA and the Contractor will work closely to ensure maximum coordination with ongoing Federal and State health care reform initiatives. Proposals to this RFP should describe how such coordination will occur, including key milestones and timelines in the proposed Scope of Work.

NMHIA may allow for services to be subcontracted, therefore, if an Offeror intends to subcontract specific services, the Offeror should identify the intent to subcontract, the services to be subcontracted and the identity of the subcontractor, including sufficient information about the subcontractor to establish the subcontractor's expertise in the subject area. Evidence of the subcontractor's qualifications to perform subcontracted work should be included in the Proposal for evaluation purposes.

HIX IT SYSTEM

The Offeror/Contractor must establish an IT system with integrated services as outlined in the concepts of operations document provided in Appendix C. The
Offeror must provide a single source solution or provide a partnership solution. If a partnership solution is proposed, a lead Offeror should be identified and assume the overall responsibility and manage the other partners to deliver a single NMHIX solution.

The table below identifies anticipated key operational processes that will be evaluated and incorporated in the implementation process:

Description	Key Operations Effective January 1, 2014	Key Operations Effective January 1, 2015
Medicaid, Tax credit or HIX eligibility assessments	Medicaid Enrollment – average days to enroll[1]	Real time determination
Medical Qualified Health Plans (QHP) responsible for premium and billing functions and if standalone dental and visions plans allowed, also responsible for ancillary premium payments to dental and vision carriers.	YES	YES
SHOP premium and billing functions and introduction of defined contributions if feasible in 2014 or 2015	Evaluation Out-sourcing vs. in-sourcing of SHOP Premium billing and collection functions	Ongoing Out-sourcing or in-sourcing of SHOP Premium billing and collection functions
Defined Contributions for SHOP	Potential integration of defined contributions	Ongoing or Potential integration of defined contributions if not implemented in 2014
System Hosting	Evaluation of NMHIX vs. Vendor Hosting	Ongoing NMHIX or Vendor Hosting
Integration with SERFF as the source path for QHP rate and plan DOI filings in a reusable format for transmission of approved plans and rates to HIX	YES	Ongoing
Processing and Reconciliation of Off Cycle Enrollments & Other Changes	Yes	Yes

[1] Type of Enrollment - Average Days to enroll:

New Borns	11
Children	14
Pregnant women	14

D. SCOPE OF PROCUREMENT

Subsequent to an award to a successful offeror, the contract shall begin upon the date it is fully executed by NMHIA. The contract shall be implemented for a term of two (2) years, with an option for three (3) one-year renewals or any portion thereof. In no case will the contract, including all renewals thereof, exceed a total of five (5) years in duration.

E. OFFEROR QUALIFICATIONS/CONFLICT OF INTEREST

This RFP is open to an offeror that is capable of performing the work described in the Scope of Work (Section I Paragraph C) and meeting the mandatory specifications in Appendix B-1, Mandatory Specifications, subject to the following stipulations:

- The burden is on the offeror to present sufficient assurance to, and as determined by, NMHIA that the award of the contract to the offeror shall not create a conflict of interest.

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

F. OFFEROR QUALIFICATIONS

The Offeror must be able to provide a comprehensive response as outlined in Section III and Appendix B-1 and Appendix B-2.

G. DEFINITION OF TERMINOLOGY

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

"Agency," "HSD" or the "Department" means the New Mexico Human Services Department.

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

"CMS" means the Centers for Medicare and Medicaid Services, which is part of the United States Health and Human Services Department.

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

"Contractor" means a successful offeror who enters into a binding contract.

"Day" means business day unless otherwise specified.

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

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

"Evaluation Committee" means a body appointed by NMHIA management to perform the evaluation of offeror proposals.

"Evaluation Committee Report" means a document prepared by NMHIA's Executive Director and the Evaluation Committee for submission to NMHIA Board for contract award. It contains all written determinations resulting from the procurement.

"Exchange" or "NMHIX" means the planned New Mexico Health Insurance Exchange.

"Finalist" is defined as an offeror who meets all the mandatory specifications of this Request for Proposals and whose score on evaluation factors is sufficiently high to merit further consideration by the Evaluation Committee.

"Mandatory" The terms "must", "shall", "will", "is required", or "are required", identify a mandatory item or factor (as opposed to "desirable"). Failure to meet a mandatory item or factor will result in the rejection of an offeror's proposal.

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

"New Mexico Health Insurance Alliance" or "NMHIA" is a nonprofit organization delegated by the State of New Mexico, via a Memorandum of Understanding, to establish the NMHIX.

"New Mexico Employee" means any resident of the State of New Mexico, performing the majority of his or her work within the State of New Mexico, for any employer regardless of the location of the employer's office or offices.

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

"PPACA" means the Affordable Care Act, collectively, the Patient Protection and Affordable Care Act [Public Law 111-148] and the Health Care and Education Reconciliation Act of 2010.

"Request for Proposals" or "RFP" means all documents, including those attached or incorporated by reference, used for soliciting proposals.

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

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

"State" means the State of New Mexico.

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

"Subcontractor" means a third party who contracts with a contractor or a subcontractor for the provision of services.

H. GENERAL INFORMATION

PPACA, signed into law on March 23, 2010, allows states to develop health insurance exchanges to help individuals and small businesses compare and purchase health insurance. Under the current deadlines, the NMHIX must be prepared to enroll qualified individuals by October 1, 2013, and be fully operational by January 1, 2014.

New Mexico applied for and, on November 29, 2011, received a Level One Health Insurance Exchange Establishment Notice of Award to establish the NMHIX. Funding will help modernize the state's health insurance market based on the fundamental principles of real consumer choice, competition, shared responsibility, and value to create the NMHIX. The Centers for Medicare & Medicaid Services (CMS) Notice of Award (available in the NMHIX Procurement Library) was for $34,279,483 to establish a state operated health insurance exchange, of which $23,950,000 was budgeted for the NMHIX information technology solution.

New Mexico faces many challenges in developing and implementing NMHIX, including a high rate (~23%) of uninsured; health workforce shortages, language and cultural barriers, significant poverty, poor educational attainment, and that a majority of its small businesses do not offer health insurance to employees.

Of New Mexico's population of two million, Medicaid covers 550,000 individuals, Medicare covers 300,000 and 430,000 are uninsured. Of the uninsured, an estimated 175,000 may become eligible for Medicaid and up to 250,000 for NMHIX between 2014 and 2020. An estimated 135,000 uninsured will enroll in 2014; 80,000 through Medicaid expansion, and 55,000 in the NMHIX.

NMHIX should be high quality, cost-efficient, self-sustaining, and tailored to meet the diverse needs of New Mexicans. NMHIX should complement and expand the commercial insurance market, streamline government bureaucracy and regulation, and facilitate private sector solutions. Insurance regulation reform should foster a modernized, transparent and accountable system that assures high quality, value and cost efficiency.

II. CONDITIONS GOVERNING THE PROCUREMENT

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

A. SEQUENCE OF EVENTS

The Executive Director will make every effort to adhere to the following schedule:

Action	Responsibility	Date
Issuance of RFP	NMHIA	11/2/2012
Acknowledgement of Receipt Form	Offerors	11/7/2012
Offerors Conference	NMHIA, Offerors	11/9/2012
Deadline to Submit Questions	Potential Offerors	11/13/2012

Action	Responsibility	Date
Response to Written Questions/RFP Amendments	NMHIA	11/16/2012
Submission of Mandatory Requirements	NMHIA, Offerors	11/21/2012
Submission of Proposal	Offerors	11/30/2012
Proposal Evaluation	Evaluation Committee	12/7/2012
Selection of Finalists	Evaluation Committee	12/7/2012
Vendor Interviews & demonstration of installed or production ready solutions	Evaluation Committee	12/14/12
Best and Final	NMHIA, Offerors	12/19/12
Finalize Contract	NMHIA, Offerors	12/28/12
Contract Award	NMHIA	1/7/2013
Note: Dates are subject to change based on number of evaluations and final approval from federal partners, if applicable.		

B. EXPLANATION OF EVENTS

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

1. Issuance of RFP

This RFP is being issued by NMHIA. Potential Offerors may obtain a copy of the RFP from the NMHIA website at http://www.nmhia.com/nmhix.

2. Acknowledgement of Receipt Forms

Potential offerors shall hand-deliver or return by facsimile, email or by registered or certified mail the "Acknowledgement of Receipt Form" that accompanies this document (See Appendix A). The form should be signed by an authorized representative of the organization, dated and returned to NMHIA by November 7, 2012, 5:00 p.m. Mountain Daylight Time. Failure to return this form shall constitute a presumption of receipt and rejection of the RFP, and the potential offeror's organization name shall not appear on the distribution list. The procurement distribution list will be used for the distribution of written responses to questions and any RFP amendments.

3. Offerors Conference

The Offerors Conference will be held on November 9, 2012. All offerors who submit a timely "Acknowledgement of Receipt" Form to NMHIA will be notified via email regarding the location and time of the Offerors Conference.

4. Deadline to Submit Questions

Potential offerors may submit written questions as to the intent or clarity of this RFP until November 21, 2012, 5:00 p.m. Mountain Daylight Time. All written questions must be addressed to NMHIA. Questions shall be clearly labeled and shall cite the Section(s) in the RFP, or other document that forms the basis of the question.

5. Response to Written Questions/RFP Amendments

Written responses to written questions and any RFP amendments will be distributed on or about November 16, 2012 to all potential offerors whose organization name appears on the procurement distribution list. NMHIA shall make every effort to meet this timeline or provide answers as close to the deadline as possible.

6. Submission of Mandatory Requirements

Offerors must hand-deliver or return by facsimile, email, or by registered or certified mail the responses to Appendix B-1 "Submission of Mandatory Requirements" on November 21, 2012, 5:00 p.m. Mountain Daylight Time. Failure to do so shall constitute a presumption of receipt and rejection of the RFP.

7. Submission of Proposal

ALL PROPOSALS MUST BE RECEIVED FOR REVIEW AND EVALUATION BY NMHIA NO LATER THAN 12:00 Noon MOUNTAIN *STANDARD* TIME ON November 30, 2012. Proposals received after this deadline will not be accepted. The date and time of receipt will be recorded on each proposal. Submissions must be addressed and delivered to NMHIA at the address listed below. Proposals must be sealed and labeled on the outside of the package to clearly indicate a Proposal to Health Insurance Exchange Request for Information. Submissions by email or facsimile will not be accepted.

All deliveries, including hand deliveries or express mail deliveries, must be submitted to the following address:

Mike Nuñez, Executive Director
New Mexico Health Insurance Alliance
506 Agua Fria Street
Santa Fe, New Mexico 87501
mnunez@nmhia.com

8. Proposal Evaluation

The evaluation of proposals will be performed by an evaluation committee appointed by NMHIA management. The evaluation process will take place December 7, 2012. During this time, the Executive Director may initiate discussion with Offerors who submit responsive or potentially responsive proposals for the purpose of clarifying aspects of the previously submitted proposals. Discussions SHALL NOT be initiated by the Offerors.

9. Selection of Finalists

The Evaluation Committee will select and the NMHIA Executive Director will notify the finalists (Offeror(s)) on December 7, 2012.

10. Vendor Interviews

The Evaluation Committee will select and NMHIA will notify qualified vendor(s) to participate in a Presentation scheduled for December 14, 2012. Prospective Offerors should save the Date on your calendars.

The Presentation format will include the following:

- NMHIA is seeking business and consulting partner(s) that will take NMHIX from our current state to full operations (10/1/2013) and beyond. Brief description of your experience with commercial insurance/Medicaid or specific state exchange or other experience for your company and any vendor partners proposed.
- Identification of project management team, vendor partners as applicable. Identify current and projected capacity and demand on resources expected in 2013 and 2014.
- Describe project management and/or integration experience (including identified subcontractors) with similar projects in size and scope as requested in this RFP.
- Provide a New Mexico specific solution for implementation of the exchange by October 1, 2013 based on the scope of work detailed in this RFP.
    - If it is concluded that the approach suggested will not result in a fully compliant, "exchange lite" functioning exchange, please be prepared to offer alternative strategies that will result in an operational exchange by October 1, 2013.
- Provide your comments and approach on NMHIX functional and technical requirements as they appear in Appendix D and E respectively.
- Due to time constraints, an accelerated contracting review is being requested by NMHIA. Describe how the Offeror can meet this request.
- Primary contractor and key subcontractors must be available for vendor interviews on December 14, 2012.
- Provide a cost proposal for:
    - Not to exceed pricing for IT system integration services for consultant fees, licensing fees, vendor fees, hardware and software and hosting fees deemed appropriate in your New Mexico Exchange solution. Provide estimated average hourly fees for each contract year. We would be requesting a warranty period of through 2014 and would negotiate fees and costs for a period of 4 additional years beyond 2014 subject to the meeting of mutually identified milestones. We would request that your proposal include specific performance guarantees (i.e. performance bonds or retainage) for the initial year and subsequent year - 2013 and 2014 respectfully, and maintenance performance guarantees for a 3 year period - 2015 through 2017.

- Describe any other processes that are necessary to ensure compliance with Federal law.

11. Finalize Contract

The contract will be finalized with the most advantageous offeror on or about December 28, 2012. In the event that mutually agreeable terms cannot be reached within the time specified, NMHIA reserves the right to finalize a contract with the next most advantageous offeror without undertaking a new procurement process or to cancel the award. This process of moving to the next most advantageous offeror without undertaking a new procurement may continue, at the discretion of NMHIA, until all Offerors on the original list of finalists is exhausted.

12. Contract Award

After review of the Evaluation Committee Report, the recommendation of NMHIA management, and the contract being signed by NMHIA, NMHIA will give notice of award. This date is subject to change at the discretion of NMHIA.

This contract shall be awarded to the offeror whose proposal is most advantageous to NMHIA, taking into consideration the evaluation factors set forth in the RFP. The most advantageous proposal may or may not have received the most points.

C. GENERAL REQUIREMENTS

1. Incurring Cost

Any costs incurred by the offeror in preparation, transmittal, presentation of any proposal or material submitted in response to this RFP shall be borne solely by the offeror.

2. Prime Contractor Responsibility

Any contract that may result from this RFP shall specify that the prime contractor is solely responsible for fulfillment of the contract with NMHIA. NMHIA will make contract payments only to the prime contractor.

3. Subcontractors

Use of subcontractors must be clearly explained in the proposal, and major subcontractors must be identified by name. The Prime Contractor shall be wholly responsible for the entire performance whether or not subcontractors are used.

4. Offerors' Rights to Withdraw Proposal

Offerors may withdraw their proposals at any time prior to the deadline for receipt of proposals. The offeror must submit a written withdrawal request signed by the offeror's duly authorized representative addressed to the Executive Director.

5. Proposal Offer Firm

Responses to this RFP, including proposal prices, will be considered firm for ninety (90) days after the due date for receipt of proposals or sixty (60) days after the due date for the receipt of a best and final offer, if one is solicited.

6. Disclosure of Proposal Contents

The proposals will be kept confidential until a contract is awarded. At that time, all proposals and documents pertaining to the proposals will be open to the public, except for the material that is proprietary or confidential. The Executive Director will not disclose or make public any pages of a proposal on which the offeror has stamped or imprinted "proprietary" or "confidential" subject to the following requirements.

Proprietary or confidential data shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal. Confidential data is normally restricted to confidential financial information concerning the offeror's organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act, NMSA 1978, §§57-3A-1 to 57-3A-7. The price of products offered or the cost of services proposed shall not be designated as proprietary or confidential information.
If a request is received for disclosure of data for which an offeror has made a written request for confidentiality, the Executive Director shall examine the offeror's request and make a written determination that specifies which portions of the proposal should be disclosed. Unless the offeror takes legal action to prevent the disclosure, the proposal will be so disclosed. The proposal shall be open to public inspection subject to any continuing prohibition on the disclosure of confidential data.

7. No Obligation

This RFP in no manner obligates NMHIA or the State of New Mexico to use any information on professional services until a valid written contract is awarded and approved by the appropriate authorities.

8. Termination

This RFP may be canceled at any time and any and all proposals may be rejected in whole or in part when NMHIA determines such action to be in its own best interest.

9. Legal Review

NMHIA requires that all offerors agree to be bound by the General Requirements contained in this RFP. Any offeror concerns must be promptly brought to the attention of NMHIA's Executive Director.

10. Governing Law

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

11. Basis for Proposal

Only information supplied by NMHIA in writing through the Executive Director or in this RFP should be used as the basis for the preparation of offeror proposals.

12. Contract Terms and Conditions

The contract between NMHIA and the Contractor will follow the format specified by NMHIA and contain the terms and conditions set forth in Appendix F, "Sample Contract." However, NMHIA reserves the right to negotiate with a successful Offeror from those contained in this RFP. The contents of this RFP, as revised and/or supplemented, and information collected from the submitted proposals will be incorporated into and become part of the contract.

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

Offerors must provide a brief discussion of the purpose and impact, if any, of each proposed change followed by the specific proposed alternate wording.

13. Offerors' Terms and Conditions

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

14. Offeror's Qualifications

The Evaluation Committee may make such investigations as necessary to determine the ability of the Offeror to adhere to the requirements specified within this RFP. The Evaluation Committee will reject any Offeror that does not meet all qualifications as outlined in Mandatory Requirements outlined in Mandatory Requirements, Appendix B-1.

15. Right to Waive Irregularities

The Evaluation Committee reserves the right to waive irregularities. The Evaluation Committee also reserves the right to waive mandatory requirements provided that all of the otherwise responsive proposals fail to meet the same mandatory requirements and/or doing so does not otherwise materially affect the procurement. This right is at the sole discretion of the Evaluation Committee and the NMHIA Board.

16. Change in Contractor Representatives

NMHIA reserves the right to require a change in contractor representatives if the assigned representatives are not, in the opinion of NMHIA, meeting its needs adequately.

17. NMHIA Rights

NMHIA reserves the right to accept all or portions of the Offeror's proposal.

18. Right to Publish

Throughout the duration of this procurement process and contract term, potential offerors, offerors, and contractors must secure from NMHIA written approval prior to the release of any information that pertains to the potential work or activities covered by this procurement or the subsequent contract. Failure to adhere to this requirement may result in disqualification of the offeror's proposal or termination of the contract.

19. Ownership of Proposals

All documents submitted in response to the RFP shall be available to be picked up by the offerors after the expiration of the protest period with the following exception: two complete copies of all proposals, including the Best and Final Offer if one was submitted, shall be placed into the procurement file. Those documents will become the property of NMHIA.

20. Confidentiality

Any confidential information provided to, or developed by, the Contractor in the performance of services under the services agreement resulting from this RFP shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of NMHIA. The Contractor agrees to protect the confidentiality of all confidential information and to not publish or disclose such information to any third party without NMHIA's prior written permission.

21. Electronic Mail Address Required

A large part of the communication regarding this procurement will be conducted by electronic mail (e-mail). Offeror must have a valid e-mail address to receive this correspondence.

22. Use of Electronic Versions of this RFP

This RFP is being made available by electronic means. If accepted by such means, the offeror acknowledges and accepts full responsibility to insure that no changes are made to the RFP. In the event of conflict between a version of the RFP in the offeror's possession and the version maintained by NMHIA, the version maintained by NMHIA shall govern.

23. New Mexico Employees Health Coverage

The offeror must agree with the terms in Appendix H, the New Mexico Employee Health Coverage Form, and submit a signed Appendix H with their proposal.

III. PROPOSAL FORMAT

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

A. NUMBER OF COPIES

Offerors shall provide one (1) original and fourteen (14) identical copies of their proposal to the location specified in Section II Paragraph B.6, on or before the closing date and time for receipt of proposals. The Offeror shall not distribute their proposal to any entity not specified in this RFP.

B. PROPOSAL FORMAT

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

C. PROPOSAL ORGANIZATION AND ORDERING

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

- Signed Letter of Transmittal
- Table of Contents
- Summary Capabilities
- Mandatory Specifications
- Offeror's New Mexico Solution
- NMHIA Terms and Conditions
- (OPTIONAL) Offeror's Additional Terms and Conditions
- Completed Cost Response Form
- New Mexico Employees Health Coverage Form

Within each section of their Proposal, Offerors should address the items in the order in which they appear in this RFP. All forms provided in the RFP must be thoroughly completed and included in the appropriate section of the proposal. Any proposal that does not adhere to these requirements may be deemed non-responsive and rejected on that basis. The proposal summary may be included by Offerors to provide the Evaluation Committee with an overview of the technical and business features of the proposal; however, this material will not be used in the evaluation process unless specifically referenced from other portions of the Offeror's proposal.

D. LETTER OF TRANSMITTAL

Each Proposal must be accompanied by a letter of transmittal. The letter of transmittal MUST include:

- Identify the submitting organization;

- Identify the name, title, telephone and fax numbers, and e-mail address of the person authorized by the organization to contractually obligate the organization;
- Identify the name, title, telephone and fax numbers, and e-mail address of the person authorized to negotiate the contract on behalf of the organization;
- Identify the names, titles, telephone and fax numbers, and e-mail addresses of persons to be contacted for clarification;
- Be signed by the person authorized to contractually obligate the organization; and
- Acknowledge receipt of any and all amendments to this RFP.

E. TABLE OF CONTENTS

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

F. SUMMARY OF CAPABILITIES

The summary of services must be five (5) pages or less. It shall provide the Evaluation Committee with an overview of the technical and business features of the proposal. This material will not be used in the evaluation process but may be used in public notifications regarding the successful Offeror's selection.

G. PROPOSAL SPECIFICATIONS

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

H. NMHIA'S TERMS AND CONDITIONS

The Offeror shall explicitly indicate acceptance of the General Requirements (Section II Paragraph C) and the Contract terms and conditions as set forth in Appendix F, Scope of Work of the Sample Contract, attached as Exhibit A. The Offeror should object to any of the NMHIA's terms and conditions, as contained in Appendix F, the Offeror must propose specific alternate language. The Offeror must provide a justification why NMHIA's terms are not acceptable, brief discussion of the purpose and impact, if any, of each proposed change followed by the specific proposed alternate wording.

I. OFFEROR'S ADDITIONAL TERMS AND CONDITIONS

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

IV. PROPOSAL SPECIFICATIONS

A. NEW MEXICO HEALTH INSURANCE EXCHANGE EXPECTATIONS:

- The offeror will review this RFP and become familiar with NMHIA's priorities and concerns about the Health Insurance Exchange program.
- The offeror will become educated about the Health Insurance Exchange laws and rules.

PROPOSAL Requirements:

- The offeror will submit an overarching plan for the development and implementation of the New Mexico Health Insurance Exchange program that addresses NMHIA's concerns and priorities for the program.
- Within the plan's description, the offeror must respond to Appendix B-1 and Appendix B-2 of this RFP.

B. ORGANIZATIONAL CAPACITY AND EXPERIENCE

General Expectations:

The offeror will:

- Demonstrate the ability and resources necessary to develop and help implement the Exchange;
- Demonstrate national experience in the development of a Health Insurance Exchange;
- Demonstrate the ability to bring national expertise to the project;
- Demonstrate experience in effectively dealing with the general public; and
- Demonstrate expertise in the federal regulations specifically concerning the PPACA.

Offeror's Proposed New Mexico Health Insurance Exchange Solution

Offerors to discuss strategies, approach, and experience to implement the following RFP Requirements

1. Technical Requirements
   - Analytics
   - Auditing
   - Consumer Assistance
   - Disaster Recovery
   - Document Management
   - General
   - Hosting

   Identity management and authentication
   - IT Help Desk
   - Interfaces (Including but not limited to HIPAA X12 5010, Proprietary formats, Web API's)
   - Maintenance and operations
   - Payments

- System Performance

Regulations & Statutory Compliances
- Security
- Training

2. Functional Requirements

Eligibility and enrollment
- individual application
- Verification
- Renewal
- Eligibility determination
- Change Reporting
- individual exemptions
- Exception processing
- Plan selection
- Enrollment

Financial management
- APTCs and CSRs
- Premium processing
- Issuer payment transfers
- User fees
- Interfaces
- Reports

SHOP
- Employer plan and rate review
- Employer plan selection
- Employer & Employee applications
- Employer & Employee enrollment
- Employer & Employee renewal process
- Employer appeals process
- Employer & Employee updates and changes
- Web portal

3. Development of a Health Insurance Exchange under the Concepts of Operations structure presented in Appendix C.

4. Strategies and approach to meet operational date of October 1, 2013.

Specifically address:
1. Design and implementation phase
2. Quality assurance testing
3. User acceptance testing
4. Website development
5. Integration with federal hub, carriers, NMDOI SERFF, Medicaid, NMHIX
6. Financial and eligibility reconciliation of:

- Carrier information to NMHIX
- NMHIX information to Carriers
- NMHIX information to Federal HUB
- Fed information to NMHIX
- Carrier information to Federal Hub
- Federal Hub information to Carriers

C. COST PROPOSAL

Offerors must propose the total cost of the contract as outlined in Appendix G. Total cost proposed shall include all costs associated with the work to be done, and shall include gross receipts tax, listed separately.

VI. EVALUATION PROCESS, FACTORS AND SCORING

A. EVALUATION PROCESS

NMHIA will conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this RFP. All proposals shall be reviewed for compliance with the PROPOSAL requirements as stated within the RFP. Proposals deemed non-responsive, missing key elements or received after the deadline shall be eliminated from further consideration and a letter will be generated to the offeror, stating the reason for elimination. An Evaluation Committee shall be appointed, which shall evaluate each responsive proposal on the basis of its technical merit. NMHIA reserves the right to use technical advisors in this process.

The evaluation process will follow the steps listed below:

1. All offeror proposals will be reviewed for compliance with the PROPOSAL requirements stated within the RFP. Proposals deemed non-responsive will be eliminated from further consideration.

2. The Executive Director may contact the offeror for clarification of the response as specified in Section II, Paragraph B.8.

3. The Evaluation Committee may use other sources of information to perform the evaluation as specified in Section II, Paragraph C.14.

4. Responsive proposals will be evaluated on the factors in Section IV that have been assigned a point value. The responsible offerors with the highest scores will be selected as finalist offerors based upon the proposals submitted. Finalist offerors who are asked or choose to submit revised proposals for the purpose of obtaining best and final offers will have their points recalculated accordingly. The responsible offeror whose proposal is most advantageous to NMHIA, taking into consideration the evaluation factors in Section IV, will be recommended for contract award as specified in Section II, Paragraph B.12. Please note, however, that a serious deficiency in the response to any one factor may be grounds for rejection regardless of overall score.

B. EVALUATION FACTORS AND SCORING

The following is a summary of Section IV specifications identifying points assigned to each factor.

Factor	Points Available
Proposed NMHIX Solution	300
Experience of Dedicated Team	200
Demonstration of Existing Capabilities	200
Performance Guarantees	100
Cost Proposal	200
Subtotal	1,000
Vendor Presentation	400
Total	1,400

APPENDIX A

ACKNOWLEDGEMENT OF RECEIPT FORM

In acknowledgement of receipt of this RFP the undersigned agrees that he/she has received a complete copy, beginning with the title page and table of contents, and ending with Appendix H.

The acknowledgement of receipt should be signed and returned to NMHIA no later than close of business on the date specified in Section II A, Sequence of Events. Only potential offerors who elect to return this form completed with the intention of submitting a proposal will receive copies of all offeror written questions and NMHIA's written responses to those questions as well as RFP amendments if any are issued.

FIRM: _____

REPRESENTED BY: _____

TITLE: _____ **PHONE NO.:** _____

E-MAIL: _____ **FAX NO.:** _____

ADDRESS: _____

CITY: _____ **STATE:** _____ **ZIP CODE:** _____

SIGNATURE: _____ **DATE:** _____

This name and address will be used for all correspondence related to the RFP.

Firm does/does not (circle one) intend to respond to this RFP.

RETURN TO:

Mike Nuñez, Executive Director
New Mexico Health Insurance Alliance
506 Agua Fria Street
Santa Fe, New Mexico 87501
Phone: 800-204-4700
Fax: 505-988-3461

APPENDIX B-1
SUBMISSION OF MANDATORY REQUIREMENTS

In responding to the questions below, provide a thorough explanation by discussing your firm's capabilities, including subcontractors (if applicable), its available resources, and adhering to Federal and State requirements. These confirmations must be submitted on November 21. Any Offeror not confirming their abilities to provide the following services or resources may be disqualified.

1. Confirm the Offeror has the intellectual capacity to design, test and implement the functional and technical requirements established in this RFP. Yes __ No __

2. Confirm the Offeror has available personnel resources necessary under the NMHIX Concepts of Operations Structure (Appendix C), to implement the functional and technical requirements (Appendix D through Appendix E) of this RFP. Yes __ No __

3. Identify any functional or technical requirements (Appendix D through Appendix E) that you cannot meet and provide alternative solutions.

4. Confirm that the Offeror has the depth of knowledge of Medicaid systems so as to implement/integrate Medicaid eligibility determinations with NMHIX. Yes __ No __

5. Confirm your ability to provide required services necessary to meet the NMHIX operational date of October 1, 2013 as stipulated by CMS. Provide a timeline to complete key milestones you would deem appropriate for this implementation. Yes __ No __

6. Confirm your ability to design and establish an integrated call center. Yes __ No __

7. Confirm the Offeror has the ability to integrate interfaces with Federal Hub for purposes of Advanced Premium Tax Credits, Cost Sharing Reductions, Risk adjustments, reinsurance and corridors. Yes __ No __

8. Confirm the Offeror has the ability to establish a website with plan compare, rate compare, individual decision tools, employer decision tools, and premium calculators. Yes __ No __

9. Confirm the Offeror has the ability to establish any National Association of Insurance Commissioners, SERFF interfaces necessary to operate the plan management functions of the NMHIX. Yes __ No __

10. Confirm your willingness to provide onsite (ABQ or SF) IT systems and integration services. Yes __ No __

11. Confirm that your capabilities and resources are sufficient to meet the mandated operational deadlines. Yes __ No __

APPENDIX B-2
OFFEROR QUESTIONNAIRE

In responding to the questions below, provide a thorough explanation by discussing your firm's capabilities, including subcontractors (if applicable), its available resources, and adhering to Federal and State requirements.

1. Briefly describe the Offeror's structure and primary lines of business. Provide related exchange experience or other related eligibility, enrollment, premium billing/collection, financial reporting, website development and /or call center service categories and any affiliated partners that will discuss your experience, availability and other project priorities.

2. Identify any affiliated exchange vendor partners companies joining your company by their participation. Describe any vendor partner company's structure and primary lines of business. Provide your vendor partner company's related exchange experience or other related eligibility, enrollment, premium billing/collection, financial reporting, website development and /or call center service categories.

3. Discuss your approach in completing both the functional and technical requirements, by topic, as identified in Appendix D through Appendix E.

4. Please describe your current call center capabilities that include but are not limited to translation services, electronic tracking, etc.

5. Can you provide a strategic plan identifying the approach, resources involved, and services provided (including subcontractors), in order to meet Federal and State requirements.
   Yes __ No __

6. Provide bios for the primary project management team and executive management assigned to the project. Identify by title the remaining members of the implementation team and their resident location by City and State.

Other comments not related to mandatory requirements:

7. Provide your estimated development and implementation total cost on a not to exceed basis and include the number of hours required to establish the NMHIX Concepts of Operations Structure by implementing the functional and technical requirements provided herein as well as HHS gate reviews, documentation, and testing. Provide estimated costs to include two (2) warranty periods and three (3) years maintenance.

<u>Proposal Requirements</u>:

1. Submit a narrative, limited to no more than three (3) pages, describing relevant experience within the last five (5) years, including the experience of any subcontractors included in the offeror's proposal. The offeror's statement should, among other things, include descriptions of the relevant

work the offeror has previously executed; how the offeror will apply the experience in previous work to the requirements of the work being solicited in this RFP; and the form(s) of expertise the offeror will bring to the project.

2. Provide the name and address of the offeror and its parent company (if applicable), including any "doing business as" either in New Mexico or elsewhere.

3. Provide an organizational chart or table, including an explanation of the functions of any significant operating units within New Mexico and/or in other locations for this contract.

4. Describe how the offeror's business is organized (sole proprietorship, corporation, personal corporation, etc.), and as appropriate, provide the names and titles of the business's owners and/or officers.

5. Provide the names, titles, job descriptions, and resumes of key personnel proposed for the contract.

6. As appropriate, provide documentation describing the offeror's relationship to parent, affiliated or related business entities including, but not limited to, subsidiaries, joint ventures, or sister corporations.

7. List any pending lawsuit or bankruptcy petitions, any lawsuit or bankruptcy that has been concluded within the last five years, or any current investigation of the offeror, its parent, affiliates, or subsidiaries that may be relevant to the scope of work in this RFP.

8. Provide three (3) external references from clients who have received similar services to those proposed for this contract, especially those projects that have occurred within the past five (5) years. If the offer proposes to use subcontractors for significant portions of the scope of work, the offeror shall provide an additional three (3) external references for each major subcontractor, as applicable. Each reference must include the name of the company, company current address, name of the contact person, telephone number, and the date and description of the services provided.

9. In three (3) pages or less, the offeror will:

   - Describe the key elements the offeror will include in the strategic plan.

   - Describe the offeror's previous experiences with developing and managing projects, in particular health insurance exchange-related projects, and experiences with overcoming obstacles that threaten project deadlines.

   - Describe the offeror's experience working with multiple stakeholders.

   - Describe the offeror's experience with government-financed health care systems in states and/or large cities.

APPENDIX C
NMHIX CONCEPTS OF OPERATIONS

1. INTRODUCTION

The purpose of this Concept of Operations (CoNoPs) is to describe the critical components of New Mexico's plan to develop and deploy a state-based Health Insurance Exchange. This CoNoPs will describe the system that is envisioned for New Mexico's Health Insurance Exchange (NMHIX) and how it will be readily available by January 1, 2014.

NMHIX will not replace an existing system. Instead, it is being created as an original system to fulfill New Mexico's requirements for an NMHIX. This CoNoPs is the conceptual foundation for the Project Management Plan (PMP), which will specify the lifecycle of NMHIX, as well as its related design, events, actions and resources. It is subject to review and evaluation by CMS and has been prepared in accordance with guidelines for those reviews. Based on feedback from CMS, future federal guidance and rules, vendor ideas in response to the RFP, and other stakeholder input, this CoNoPs will be further refined.

CURRENT SYSTEM

NMHIX is being developed as an original system. There is no current system.

Functional Description: N/A
User Community Description: N/A
Technical Architecture: N/A

2. GOALS, OBJECTIVES, AND RATIONALE FOR NEW OR SIGNIFICANTLY MODIFIED SYSTEM

Project Purpose

The purpose of this project is to create an original Health Insurance Exchange system. It will be a consumer-oriented system for New Mexico that will allow the consumer to not only perform online eligibility determination and enrollment processing, but also allow them to review a variety of available health insurance alternatives. The project team will work closely with the Medical Assistance Division (MAD) and Income Support Division (ISD) of HSD, so that the Medicaid/CHIP eligibility determination and enrollment portion will be integrated with the Automated System Program and Eligibility Network (ASPEN) project.

System Goals and Objectives

Creation of this system will allow New Mexico to fulfill the business, technical and other requirements for a NMHIX in New Mexico. The system, under current deadlines, must be prepared to enroll qualified individuals by 10/1/13, and be fully operational by 1/1/14.

Proposed System

NMHIX will be created to insure more New Mexicans while fostering competitiveness, encouraging efficiency, and creating sound individual and small employer private health insurance choices. Qualified individuals and small employers will be able to shop, compare, and choose a Qualified Health Plan (QHP) on the Exchange. The NMHIX will:

1) Create an integrated Health Insurance Exchange that provides the following functionalities:
   a. Individual Eligibility & Enrollment
   b. Individual Responsibility Exemption
   c. Small Business Health Options Plan (SHOP) Eligibility & Enrollment
   d. Verify Eligibility for Individual Federal Subsidy of Insurance Premium
   e. Data Exchanges/Interfaces
   f. Carrier and Plan Certification and Recertification
   g. Monitor Carrier and Plan Certification Compliance
   h. Establish Issuer and Plan Renewal and Recertification
   i. Review Rate Increase Justifications
   j. Display Carrier Ratings by Price and Quality
   k. Maintain Operational Data
   l. Process Change in Plan Enrollment Availability
   m. Advanced Payments in Premium Tax Credit and Cost Sharing Reduction
   n. Premium Processing/Payment Aggregation
   o. Data Collection
   p. Risk Adjustment and Reinsurance
   q. Issuer Payment Transfers
   r. Allocate Cost for NMHIX IT Maintenance and Operations
   s. Call Center Module
   t. Navigator Module
   u. Tribal Assistance Module
   v. Marketing and Outreach
   w. Broker Module
   x. Client Correspondences
   y. Management of Exchange Operations
   z. Federal, State and Management Reporting
   aa. Interface with Federal Data Hub
   bb. Interface with Medicaid (Aspen)
   cc. Interface with NAIC SERFF

2) Meet as prudently as possible the critical deadlines associated with Health Care Reform requirements set forth in the Patient Protection and Affordable Care Act (PPACA) and NMHIX related regulations.

3) Provide integrated screening, choice, coordination, eligibility and enrollment; aligning systems to support health plan selection; and aggregating payments.

4) Implement a modern technology that meets New Mexico's business needs, is flexible to changing requirements, and is easily maintainable.

5) Create a single integrated solution built on an n-tier (distributed among three or more separate computers in a distributed network) architecture that complies with industry approved Service Oriented Architecture (SOA) standards.

System Scope

The vision for the new Health Insurance Exchange is to create a custom, web-based portal solution that must be accessible by external customers and stakeholders, including brokers, navigators, and providers. It must also be integrated with back office functionality in order to support NMHIX staff, as well as with the CMS Federal Data Services Hub (CMS Hub) which includes:

An intuitive web portal (including mobile device access) through which New Mexico residents can access subsidized and unsubsidized health insurance including:

- Individual enrollment and plan selection
- SHOP portal supporting plan selection and enrollment for small employers and their employees in qualified SHOP health plans

A consumer focus - the portal will streamline health plan selection, offer Health Insurance Exchange real-time eligibility determination, and facilitate enrollment. During a single, streamlined session, consumers must be able to enter required information, receive an eligibility determination, compare insurance plans, select a plan and complete the enrollment transaction.

Automated interaction with stakeholders - it is anticipated that Issuers, Navigators, Third Party Administrators, Insurance Providers, Centers for Medicare and Medicaid Services (CMS), and the Division of Insurance (DOI) will interact with the NMHIX web portal and/or data exchanges, wherever possible, to avoid manual transactions and re-keying information.

Integration with existing system - it is the NMHIA's intent to utilize the existing ASPEN solution to provide eligibility determination and notification services for the NMHIX for Medicaid and CHIP. ASPEN will transmit notifications to Omnicaid for Medicaid and CHIP enrollments. The NMHIX web portal must be able to assess Medicaid and CHIP eligibility and interface with ASPEN to perform the necessary services and transmissions.

Back office functions include:

- Interface with the state's eligibility system, ASPEN, to refer applicants who may be eligible for Medicaid or CHIP
- Use system components to provide for monthly "window" for American Indians/Alaska Natives (AI/AN) to enroll in Plans
- Determine tax credit and subsidy credits for enrollees in the NMHIX
- Use system components to facilitate enrollments into qualified health plans
- Use system components to certify and manage insurance issuer, health plan and provider data
- Provide financial management components (such as: billing, receivables, general and subsidiary ledgers, premium aggregation, reporting, reconciliation, reduced cost-sharing for AI/AN individual's enrolling in QHP)
- Allocate cost for system utilization between entities (ex. NMHIX and Medical Assistance Division for Medicaid)
- Have reporting and business analytics capability
- Provide identity and account management

- Have document/content management
- Provide notification services

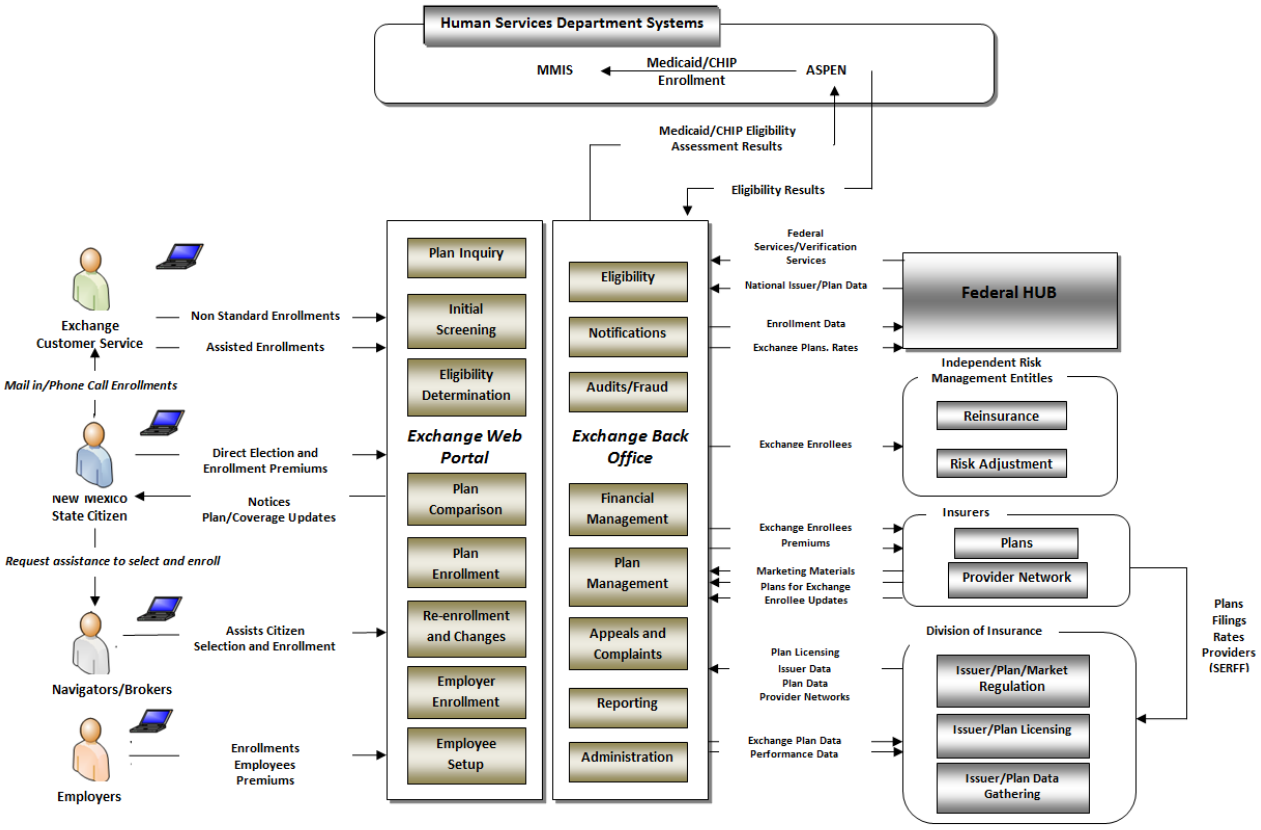
Operations and Maintenance – The NMHIX RFP, which is currently in development, Offerors will be asked to include maintenance and operations years in their base proposal.

Because it is expected that consumers will access the Exchange from their homes and other locations, the Exchange web portal is expected to be available to consumers twenty-four (24) hours a day, seven (7) days a week.

Business Processes Supported

The following business processes are supported by the proposed NMHIX. Of particular importance is the integration of NMHIX with (1) the exchange web portal; (2) New Mexico's public assistance eligibility system, Automated System Program and Eligibility Network (ASPEN); (3) the New Mexico MMIS system; and (4) myriad ancillary systems required for ACA compliance. These are illustrated in Figure 1:

Figure 1 - Business Processes Supported By the Proposed NMHIX



1. Individual Eligibility Requirements

NMHIX envisions a single Exchange portal to allow individuals to anonymously shop and compare QHPs and to determine eligibility for APTCs or CSRs. This portal will provide an online application process for QHPs that is specific to individuals wishing to purchase health insurance coverage in the individual market.

Using data from the federal data services hub and possible other sources, the Exchange portal will assess Medicaid and CHIP eligibility and automatically forward the results to the Medicaid/CHIP eligibility system, ASPEN. The Exchange will store all notices and coordinate subsequent enrollment / disenrollment activities for QHPs. The ASPEN system and the Medicaid Management Information System (MMIS) will continue to coordinate enrollment activities for individuals who have been found eligible for Medicaid and CHIP. All reporting of enrollment plan selection, and Exchange program eligibility related to Exchange programs to CMS, will be handled by the Exchange.

NMHIX must collect the needed eligibility data, verify the data, determine and verify eligibility, and notify individuals and insurance carriers regarding eligibility changes. The business and functional requirements for processing and screening applications, determining eligibility, renewing eligibility, and handling appeals includes the following core processes:

1. Prepare Initial Individual Application
2. Verify Individual Citizenship, Status as a National or Lawful Presence
3. Determine Individual Exchange
4. Verify Individual Incarceration Status
5. Renew Individual Eligibility and
6. Appeal Individual Eligibility
7. Verify whether an Individual is a Native American (NA/IA)
8. Verify Individual Residency in Exchange Service
9. Verify Eligibility for Other Public Minimum Essential Coverage
10. Verify Income
11. Qualify Individual for Enrollment Period
12. Communicate Eligibility Determination and Coordinate Enrollment
13. Determine Individual Exemption Eligibility
14. Renew Individual Exemption Eligibility
15. Change Reporting
16. Access to Referral

2. Individual Enrollment Requirements

The NMHIX Individual Enrollment processes will coordinate seamlessly with its Individual Eligibility processes. For QHP selections, the Exchange system will be responsible for creating enrollment transactions and providing them directly to insurance issuers or allowing the individual to complete enrollment directly through the insurance issuers' websites.

The Exchange will track all health plan enrollments for individuals who have applied for coverage through the Exchange. It will also be responsible for reporting enrollment, as required by CMS, to the Federal Data Services Hub.

Enrollment will include the following core processes:

- Select Individual
- Communicate to Issuer Regarding Individual Enrollment in selected QHP
- Disenroll Individual from QHP
- Conduct Periodic Enrollment Reporting and Reconsideration

3. Plan Management Requirements

NMHIX envisions a Plan Management solution providing integrated, seamless functionality to support all Plan Management functions described above for individual and Small Business Health Options (SHOP) plans. To meet the requirements, the solution will provide:

a. Web-based access to view and manage plan management data
b. Secure access to appropriate fields and screens by plan management staff, issuers
c. Ability to send electronic notifications to authorized users and user groups
d. Ability to configure process steps and allow users to track progress against processes
e. Ability to receive electronic data from Issuers
f. Interfaces to the Federal Data Services Hub to share and receive data
g. Data sharing with Division of Insurance (DOI) – importing data and creating files to send to DOI
h. Ability to store electronic content related to plans and Issuers, and access electronic content linked to plans and issuers
i. Store and manage historical information about plans and issuers.

The NMHIX Plan Management function consists of the following core processes:

- Establish Issuer and Plan Initial Certification and Agreement
- Monitor Issuer and Plan Certification
- Establish Issuer and Plan Renewal and Recertification
- Maintain Operational Data
- Process Change in Plan Enrollment
- Review Rate Increase Justifications

NMHIX intends to leverage the SERFF system from the NAIC for the following functions:

- Marketing Standards
- Accreditation and Quality
- Notice of Intent
- Reporting Requirements
- QHP and state mandate standards
- Submission at Plan Level
- Indication of Metal Level
- Verification of Metal Level
- Quality measures
- Benefit Package
- Cost Sharing and Limits
- Rating Tables
- Final Determination
- Issuer and QHP Status
- Renewal and Certification
- Decertification of Issuer
- Decertification of Plan
- SHOP Plan Changes
- Individual Plan Changes

4. Eligibility and Enrollment Small Business Health Options Plan (SHOP) Requirements

NMHIX SHOP expands QHP options for small employers. The SHOP business area consists of business processes and technical requirements for enrolling participants, renewing enrollment, and creating enrollment reports and rosters. The SHOP function consists of the following core processes:

- Prepare/Update Employer
- Verify Employer Eligibility Application
- Determine Employer Eligibility for Participation
- Determine Employer
- Terminate Employer Participation
- Renew Employer Participation
- Appeal SHOP Eligibility Decision (Employer)
- Prepare/Update Employee
- Verify Employee Eligibility
- Application Information
- Determine Employee Eligibility for Enrollment
- Disenroll Employee in Qualified Health Plan
- Renew Employee Eligibility and Enrollment
- Appeal SHOP Eligibility Decision (Employee)

5. SHOP Eligibility and Enrollment

It is envisioned that NMHIX SHOP components will allow employers and employees to select coverage and coordinate corresponding enrollment and premium payment and billing activities, via possibly an integrated, web-based application. The external facing SHOP functions shall be integrated with, and have the same look and feel, as the other Exchange external facing functions. SHOP customers should have the same or highly similar user experience as an individual within the individual market, when setting up accounts, selecting plans, and enrolling.

6. Financial Management Requirements

NMHIX envisions a financial management solution that includes accounting functions that support financial transactions requirements for individual enrollees of QHP and SHOP health plans, as well as payments and fees for Exchange QHP issuers. Financial transactions for Medicaid/CHIP enrollees will be addressed by New Mexico's existing systems (ASPEN and MMIS). It will include these core processes:

- Individual and Employer Payment Processing
- APTCs and CSRs Data Reporting
- Fees Issuer Payment Transfers
- Interfaces

7. Web Portal/User Experience Requirements

NMHIX envisions a Web Portal providing eligible customers with a first-class user experience to enroll in, and maintain, insurance coverage. It will provide a look/feel similar to that which is experienced by Internet customers of top commercial service and retail companies. The Web Portal is envisioned as having the functionality to support:

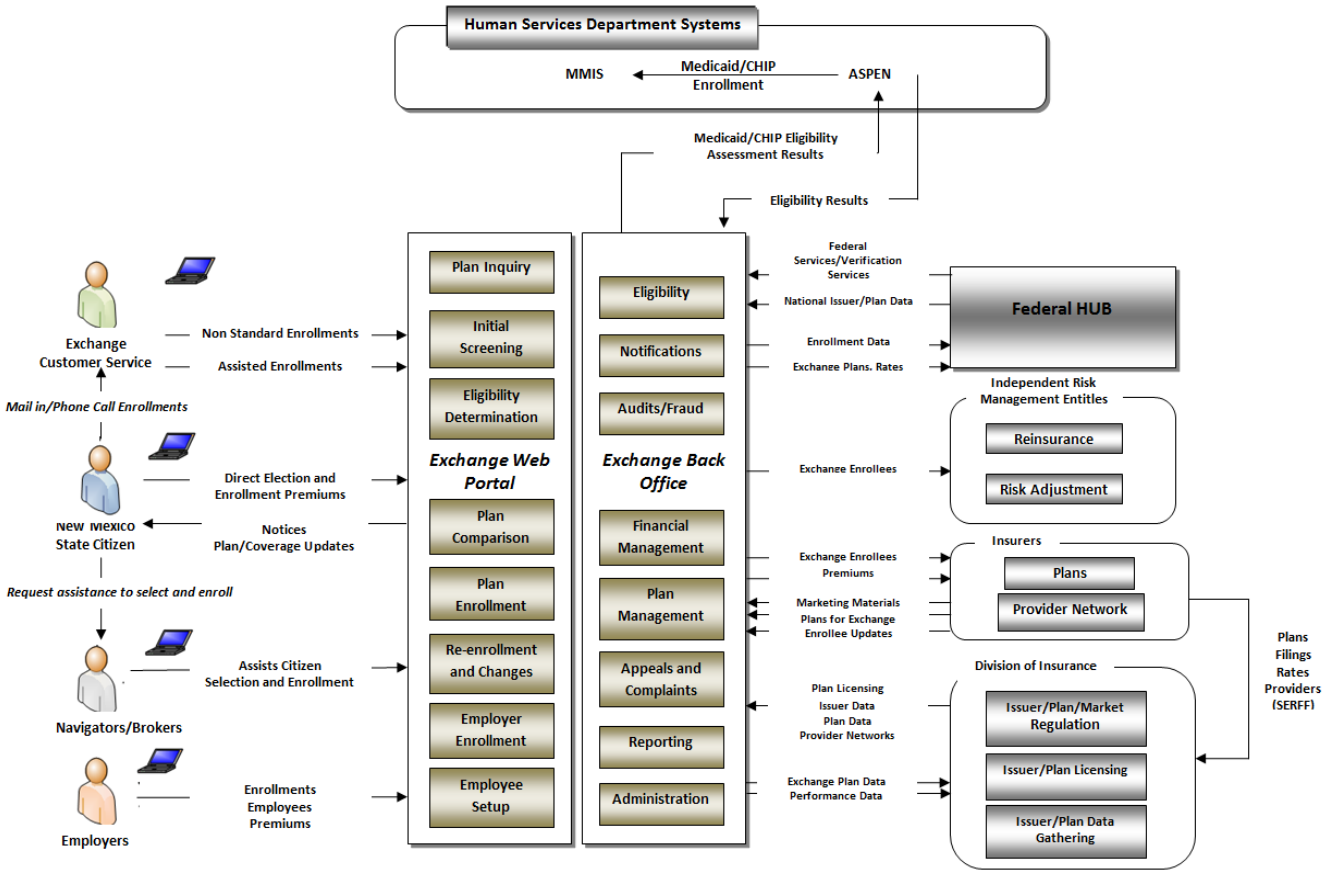
- Individual Plan Compare and Selection
- Individual Eligibility and Enrollment
- SHOP Employer Plan Compare and Selection
- SHOP Employee Plan Enrollment
- Navigators/Brokers/Others
- Mobile Web
- Internal Web Portal for Customer support

8. Additional Administrative Functional Requirements (functional requirements spanning in multiple areas)

NMHIX will include the following core processes:

- Audit and Program Integrity
- Tax Credit Reporting
- Reporting
- Business Analytics
- Web Analytics
- Notifications

Figure 2. Business Processes that NMHIX will support.



High Level Functional Requirements

The primary functional components of the Exchange will include the following:

Individual Eligibility - The Individual Eligibility area consists of business processes and functional requirements specific to: application intake and screening, eligibility determination for APTCs and CSRs, eligibility renewal for QHPs, and appeal management. This area also includes the assessment of Medicaid and CHIP eligibility.

Individual Enrollment - The Individual Enrollment area consists of business processes and functional requirements specific to: participant enrollment, enrollment renewal, and enrollment reporting.

Plan Management - The Plan Management area consists of business processes and requirements specific to: acquiring, certifying, monitoring, renewing, and managing the withdrawal of qualified health plans and the issuers that offer these plans.

Eligibility and Enrollment – SHOP - The SHOP area consists of business processes and functional requirements specific to: enrolling SHOP employers and employees, enrollment renewal, and enrollment reporting.

Financial Management - Financial Management includes Advance Payments of the Premium Tax Credit (APTC) and Cost Sharing Reductions (CSR), Premium Processing (SHOP and Individual), Data Collection, and may include Issuer Payment Transfers (including the flow of funds for payments and charges for the risk-spreading programs).

Exchange Portal/User Experience – The Exchange portal will provide a customer look/feel similar to that experienced by Internet customers of top commercial service and retail companies. The user experience may be based on the design produced by the Enrollment 2014 UX Project and will include some mobile functionality.

Administrative Functions - This area includes Audit and Program Integrity, Reporting, Business Intelligence capabilities, and Notifications.

Summary of Changes

NMHIX is being developed as an original system. There is not a current system in place.

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3. FACTORS INFLUENCING TECHNICAL DESIGN

The high level major factors that have influenced the technical design of the proposed system are:

- PPACA Section 1561 standards
- MITA 3.0 framework and guidelines
- Security, privacy and operational standards required by HIPAA, HITECH, NIST, FIPS and IRS standards
- Providing a first class customer experience.

- Maintaining cross-program integration so that consumers continue to enjoy a breadth of on-line support
- Being able to offer on-line, real-time eligibility determination and enrollment capabilities
- Providing seamless integration of systems to provide efficient and effective service delivery

Relevant Standards

The relevant standards that will be followed by NMHIX and its supporting solutions are:

- PPACA Section 1561 standards for enrollment
- PPACA Section 1104 operating rules for each HIPAA transaction
- National Information Exchange Model (NIEM) common language
- MITA 3.0 standards for reusable components and modularity
- Service Oriented Architecture (SOA) standards
- HIPAA (5010 compliant)
- HITECH
- NIST
- FIPS
- Federal security standards for cloud computing environments (http://www.gsa.gov/portal/category/102371)
- NIST standards for Disaster recovery and Continuance of Operations Program (COOP) (http://csrc.nist.gov/publications/nistpubs/800-34-rev1/sp800-34-rev1_errata-Nov11-2010.pdf)
- ADA Section 508 and W3C standards for disability support
- Limited English Proficiency (LEP) standards

Assumptions and Dependencies

This NMHIX CoNoPs assumes that CMS will provide sufficient guidance and support so that New Mexico can make decisions and build capability for the NMHIX in time for an October 1, 2013 start up. There are several dependencies for this project; many of them are related to Federal rules, guidelines and services. These dependencies are listed below:

- Federal rules around MAGI and other PPACA rules
- Federal Data Services Hub
- Federal Calculator for Tax Credits and Cost Sharing Reduction
- Federal Service for Individual Exemption
- Federal guidelines on several areas such as Risk Adjustment, Reinsurance, Identity Resolution and more
- Availability of NAIC SERFF system upgrades and enhancements

Constraints

Following are the high level constraints of this project identified so far:

- Unknowns pertaining to future Federal Rules, Federal Data Services Hub, Federal Calculator for Tax Credits and Cost Sharing Reduction, NIEM Standard
- Limited verification data to be provided by IRS, combined with onerous security requirements
- Pending guidelines on Identity Resolution

- Unknowns around specifics of the Risk Adjustment, Reinsurance and Risk Corridor programs and associated operations
- Finding a non-profit reinsurance entity to support New Mexico's programs
- Time and schedule
- Project complexity

Design Goals

The following are the design goals for NMHIX and its supporting solutions:

- System design that is consistent with section 1561 guidelines
- System design to achieve first class consumer experience
- System and interface design to achieve real-time and seamless integration with Federal and State systems (web services)
- Design that will allow maximum reusability for other states
- System design to achieve real-time and seamless integration with relevant state portals
- System design that is consistent with HIPAA (5010), NIST, HITECH, FIPS and IRS guidelines and standards
- System design that accommodates the accessibility guidelines by ADA section 508 and W3C
- Application of MITA 3.0 standards as appropriate
- System design that accommodates the Limited English Proficiency (LEP) guidelines
- Agile Development based methodology
- Active and ongoing participation of the stakeholders and Subject Matter Experts (SMEs) throughout the design and development phases
- Working prototype based development approach (AGILE Development)
- Clear integration and maintenance expectations expressed in RFP for vendors to understand and comply with
- Service Oriented Architecture (SOA) that is consistent with MITA
- Services managed on an Enterprise Service Bus (ESB)
- Rules engine that follow the 1561 Standards and is a loosely coupled service that can support re-use
- System architecture based on open standards
- Reusable services and system components
- Flexible architecture that can easily incorporate change and new features
- Highly available and highly scalable architecture
- Robust disaster recovery

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4. PROPOSED SYSTEM

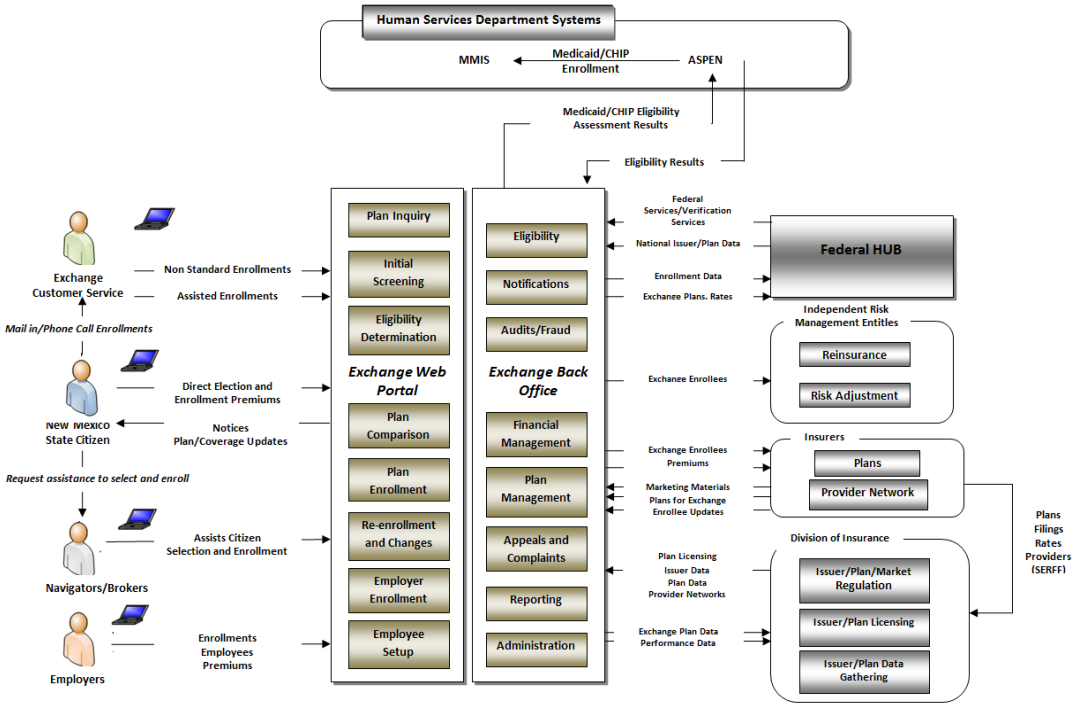
NMHIX will be consistent with New Mexico's requirements. NMHIX will be web-based and provide web portal technologies for consumers, small employers and their employees, navigators, community based assistors, New Mexico state government workers, brokers and agents, and qualified health plans.

NMHIX will fulfill these business processes:

- Plan Management
- Plan Selection
- SHOP
- Consumer Support
- Notices Management
- Appeals, Grievances and Complaints Management
- Financial Management
- Master Data Management
- Data Warehouse and Reporting

Context Diagram

Figure 3. Interaction and dependencies of NMHIX with other systems.



High-Level Operational Requirements and Characteristics

The high-level operational requirements and characteristics of the integrated solution are described below:

- First Class Consumer Experience
- Compliance with PPACA Section 1561 Standards
- Eligibility assessments for Medicaid and CHIP
- Real Time Verification with Federal and State Systems
- Automated renewal process
- Reasonable compatibility and self-attestation
- ADA and LEP Compliance
- HIPAA (5010), NIST, HITECH, FIPS and IRS Compliance

NMHIX will serve as the centerpiece of the Exchange technology and will leverage its services oriented architecture to:

- Integrate with Insurance Carrier Systems
- Integrate with State and Federal data hubs and other verification systems
- Integrate plan selection, SHOP, financial management, and appeals management with NMHIX
- Integrate with Qualified Health Plans (QHPs) and state eligibility systems

- Support management of Exchange master data
- Provide support for, and integration with, customer support systems and processes
- Utilize customer feedback surveys, notices, help text, live chat, email and texting and other sources of feedback for design and improvement
- Provide a Navigator Portal for them to support, assist and complete applications, renewals, updates and more.
- Provide a Qualified Health Plan portal and/or integration so they can keep their provider lists current
- Provide an Employer portal so the employers can access SHOP and keep their rosters current

User Community Description

User Group	Description / Expected Use of System	Type (Federal/State Employee, Contractor)	Geographic Location	Network Profile (LAN, WAN, External)	Total Users	Concurrent Users
Consumer	This group will include individuals, families and small business employees who want to use NMHIX for private insurance	Non Federal or State Employee or Contractor	New Mexico	External (e.g. Web, Mobile Devices)	Analysis of Total Users in Progress	Analysis in Progress
Authorized Third Party Representative	This group will include persons outside of the assistor and navigator community who may be applying on behalf of the consumers	Non Federal or State Employee or Contractor	New Mexico	External (e.g. Web, Mobile Devices)	Analysis of Total Users in Progress	Analysis in Progress
Navigator	Navigators who will be helping the consumers to apply	Non Federal or State Employee. Will be contracted under the Navigator program	New Mexico	External (e.g. Web, Mobile Devices)	Analysis of Total Users in Progress	Analysis in Progress
Small Business	Employers who will be eligible as small business in New Mexico to purchase insurance for their employees	Non Federal or State Employee or Contractor	New Mexico	External (e.g. Web, Mobile Devices)	Analysis of Total Users in Progress	Analysis in Progress

User Group	Description / Expected Use of System	Type (Federal/State Employee, Contractor)	Geographic Location	Network Profile (LAN, WAN, External)	Total Users	Concurrent Users
Brokers and Agents	Brokers and Agents who may be helping consumers or employers in purchasing health insurance	Non Federal or State Employee or Contractor	New Mexico	External (e.g. Web, Mobile Devices)	Analysis of Total Users in Progress	Analysis in Progress
Health Plan	Users from Health Plans who will offer their insurance plans in NMHIX	Non Federal or State Employee or Contractor	New Mexico	External (e.g. Web, Mobile Devices)	Analysis of Total Users in Progress	Analysis in Progress
External Verification	Persons or entities who may provide verifications for a consumer	Non Federal or State Employee or Contractor	New Mexico	External (e.g. Web, Mobile Devices)	Analysis of Total Users in Progress	Analysis in Progress

Non-Functional Requirements

The non-functional requirements for NMHIX are described in the following sections 4.1.1.1 through 4.1.1.10.

Security and Privacy Considerations

The NMHIX Security Blueprint defines the overall security plan to ensure the proper operations of the State Exchange. The blueprint specifies the controls and practices that need to be in place in order to best protect the Exchange information, resources, stakeholders and customers from the adverse effects of mistakes, attacks, natural disasters or any other threat. This plan also ensures that the NMHIX security program adheres to applicable security and privacy regulations and authorities, these are:

- The Federal Information Management Act (FISMA)
- The Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- The Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH)
- The federal tax information safeguarding requirements defined by the IRS in the Title 26 of the United States Code (U.S.C) section 6103
- The Minimum Acceptable Risk Standards for Exchanges, Version 1.0, August 1, 2012, also known as the "MARS-E Suite."
- The Payment Card Industry (PCI) Data Security Standard for payment card processing (electronic payments)

The challenge in preparing this blueprint will be to consider these diverse authorities and prepare a single plan that is compliant with their requirements. For example, the classification of security and

privacy risk may slightly differ between these entities, making it difficult to determine a single comprehensive risk based approach that addresses each entity's specific concerns. In order to meet this challenge, the Exchange team used what was determined to be the best matching set of guidance that could be followed in order to achieve a comprehensive view. The key selected guidance documents include:

- CCIIO/CMS Harmonized Security and Privacy Framework
- FIPS Pub 199 Standards for Security Categorization of Federal Information And Information Systems
- FIPS Pub 200 Minimum Security Requirements for Federal Information and Information Systems
- NIST SP 800-53 Recommended Security Controls for Federal Information Systems and Organizations
- NIST SP 800-60 Guide for Mapping Types of Information and Information Systems to Security Categories
- NIST SP 800-66 An Introductory Resource Guide for Implementing the HIPAA Security Rule
- CCIIO/CMS Technical Reference Architecture Minimum Security Guidance for States
- CCIIO/CMS Technical Reference Architecture- Catalog of Minimum Security Controls for States
- CMS Information Security Acceptable Risk Safeguards (CMS IS ARS) as defined in the final version 1.5, July 31, 2012

The following additional guidance is used on more specific topics:

- FIPS Pub 140-2 Security Requirements for Cryptographic modules addressing Data Encryption standards
- IRS Publication 1075- Tax Information Security Guidelines for Federal, State and Local Agencies addressing Federal Tax Information (FTI) data security and privacy
- Payment Card Industry (PCI) Data Security Standards addressing electronic payments security

The eligibility, enrollment and other processes will require NMHIX to collect, store and share Personally Identifiable Information (PII), Protected Health Information (PHI) and Federal Tax Information (FTI). Accordingly, NMHIX will implement strict security and privacy controls in various levels. The integrated NMHIX solution will be compliant with the security and privacy guidelines under NIST, HIPAA, HITECH, FIPS and IRS. It will also be compliant with the Federal security standards for cloud computing environment and establish a Disaster Recovery and Continuance of Operations Program (COOP) based on NIST standards.

Summarized below are additional details of the security and privacy considerations for NMHIX:

Security Controls

Organizational Level Controls:

- The senior management team will directly oversee the information security team to create a tight organizational security framework
- Security incident classification and response protocols
- Security training and awareness program to educate employees of potential threats
- Appropriate business associates and non-disclosure agreements are required of third party vendors that may have access to, or receive potentially confidential information
- Security review and sign-off of all systems
- Change control and project tracking to ensure new security risks are not introduced
- Rules based alerting on suspicious activities

- On-going risk analysis and mitigation will be overseen by the management team
- Third party independent assessments including audits, IV&V and special reviews (such as a rules engine assessment)
- Access levels based on appropriate roles and authorization levels
- Regular backups and secure tape management
- Windows and third party updates along with other maintenance activities are performed on a regular weekly schedule
- Enterprise level Anti-virus\Anti-spam\Anti-malware suite

Application Level Controls:
- Secured application authentication
- Role based security
- Secure protocol for outward facing web applications
- Strong password policy
- Session timeouts in 20 minutes of idle time
- Web application vulnerability scanning and remediation

Identity, Credential, and Access Management:
- Complex passwords
- System accounts will require more complex passwords.
- Password expiration (defined based on the system)
- Passwords will not be stored in clear text, written, or provided in e-mail.
- Authentications only to occur over secured protocols
- "Save password" features to be disabled when possible and never used when available
- Unique user accounts per individual – no shared accounts
- Separation of duties (Admin functions are not available in a non-admin role)
- Off-boarding procedures to ensure accounts and access levels are removed in a timely manner
- On-boarding procedures to ensure minimal access levels are granted
- Administration module allows supervisors or administrators to manage users.

Secure Infrastructure and Cloud Computing:
- Physical/environmental controls established to identify and protect assets from physical threats such as: earthquakes, fires, floods, and power outages
- Guaranteed 99.999% datacenter availability
- Biometric and RF-ID badge controlled access to the datacenter
- Regular backups and secure tape
- Servers can be created with all security and related configurations setting in hours

Data Encryption**:**
- Encryption of data in motion; using secure protocols such as: HTTPS, SFTP, FTPS, or SSH
- Encryption of all confidential data at rest that contains PHI, PII, or FTI using a FIPS 140-2 Level 1 certified AES-128 or Triple-DES encryption algorithm

Audit Trails:
- Comprehensive centralized logging on the network, operating system, and application level
- One (1) year live data retention for all logs and unlimited retention on tape
- Rules based alerting on suspicious activities
- Change control and project tracking

- Code change tracking and version control
- All permissions changes and administrative activity will be logged and retained.
- All VPN and remote activities will be logged
- All database activity will be logged and retained
- All web server activity will be logged and retained
- All activity within the application will be logged and retained using the application's auditing and logging system

4.1.1.2 Availability Requirements

NMHIX's availability needs and requirements will be consistent with other critical, customer-facing, transactional, enterprise-wide systems. Detailed requirements will be determined once the NMHIX vendor is onboard. At present the project's goals are as follows, and are subject to agreement with the NMHIX vendor:

- The anticipated required services uptime is 99.999%, 24/7/365.
- The anticipated target maximum interval for restoral is two hours, regardless of time of day.
- No downtime is acceptable, but the frequency of outages should not exceed five per year. All of these service levels are subject to negotiation with the selected NMHIX vendor.

4.1.1.3 Volume and Performance Expectations

The project team does not currently have reliable data to project the volume of records, expected loads and other patterns needed for designing the load tolerance of NMHIX.

Volume and performance design will be driven by expected volumes of subscribers and users of NMHIX. New Mexico's population is currently at two million people. Of those two million Medicaid covers 550,000, Medicare covers 300,000 and 430,000 are uninsured.

Capacity requirements will be driven by the workload expected for NMHIX. At a minimum, NMHIX should be built to accommodate these transactions at expected peak volumes. The workload projections expressed in this section are initial estimates; it is expected that these numbers will be revised and refined as NMHIX operational model becomes more detailed.

For eligibility determination process, the NMHIX must accommodate for:

- Ten or more verification transactions for each individual to be sent to CMS
- Multiple referrals to ASPEN per year
- Multiple printed notices per enrollee per year (combined daily and monthly files)

For the enrollment process, the NMHIX must accommodate for:

- At least 1 enrollment per enrollee per year
- At least 3 enrollment per enrollee per year for Native American population
- At least 1 plan selection per enrollee per year
- At least 1 change in circumstance transactions (i.e. change in income, disenrollment, household changes, etc.) per enrollee per year

For the plan management process, the NMHIX must accommodate for:

- At least 5 insurers with a potential of 3 plans each
- At least 1 data file from insurers per month for performance monitoring and quality measures

- At least 2 data files per plan per year for certification
- Approximately 5-10 notifications to issuers per year
- Marketing materials for each plan/issuer
- Monthly update of provider network by plan
- At least 1 upload of plan certification to CMS per plan per year
- At least 1 upload of quality and performance to CMS by plan
- The receipt of plan management information from the NAIC SERFF system

Based on the US Census Data for 2008, New Mexico has approximately 31,000 businesses with 20 employees or less. For the Small Business Health Options Program process, NMHIX must accommodate for:

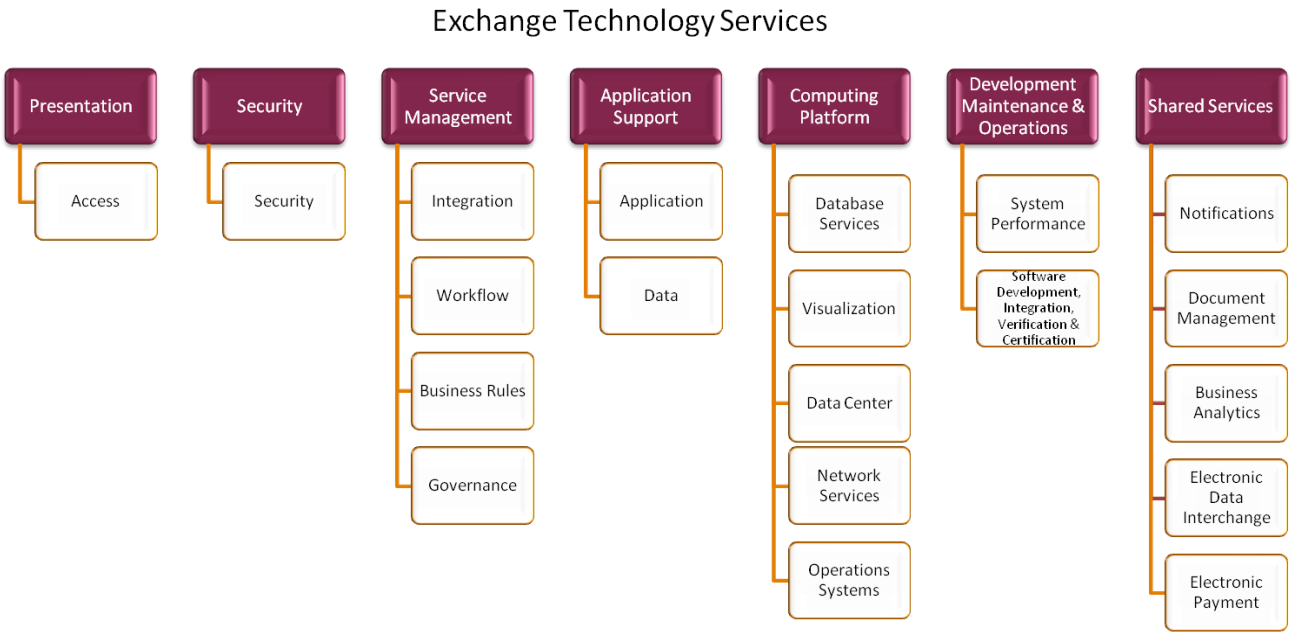
- At least 100,000 employees of small businesses
- Employer transactions, such as submission of applications, upload of employee rosters, and update of employee rosters
- Employee transactions, such as: plan enrollment, plan selection, and change in circumstance transactions

It is important to note that some of the transactional activity for NMHIX will be cyclical and predictable. For example, after a few years of operations, forecasting the workload requirements to support the open enrollment period should become quite accurate.

High Level Architecture & Alternatives Analysis

Because it is expected that consumers will access the Exchange from their homes and other locations, the NMHIX web portal is expected to be available to users in the field twenty-four (24) hours a day, seven (7) days a week. The following conceptual diagram (Figure 4 below) illustrates the New Mexico's concept for how the Exchange will operate. Note that the Functional Areas within the scope of the NMHIX are shaded in white.

Figure 4: Services and Layers of NMHIX



Access

The Access services address how information, services, and transactions are delivered to and accessed by the Exchange customers, partners and stakeholders. This includes the presentation means, which describes *how* external and internal users, as well as external and internal systems, can access the online information and services provided by the Exchange. Access services must accommodate these various roles across the various user interfaces.

The presentation and delivery mechanisms used may depend on the type of users and their security levels; however a goal for the Exchange is to provide customer services features integrated within the user experience no matter which presentation and delivery channel are being used. Presentation mechanisms include web browsers and web portal features (such as message board forums, chats, etc.), cell phones and other handheld devices, tablets, call center and Interactive Voice Response (IVR) interactions, mail, and visits to navigators. Aside from the presentation mechanisms, there are also delivery channels and transports that will deliver information and services to the Exchange customers, partners and stakeholders. They include the Internet, email communications, phone communications, mail notifications, messaging and other communications. Delivery mechanisms may also include IVR access to the Exchange, which could minimize the amount of effort spent by a customer service representative when dealing with a customer issue.

Finally, to supplement the presentation mechanisms and delivery channels, the Exchange will comply with common industry standards. This includes user interface components complying with open W3C standards, as well as accessibility standards guiding the manner in which information is presented to Exchange customers, partners and stakeholders, depending on their needs. Accessibility standards are outlined by multiple laws, standards and cultural specificities, including web accessibility standards outlined by the Americans with Disabilities Act (ADA). Accessibility includes support for text, images, multimedia, tables, frames, forms, and scripts, as well as multi-language support. Ideally, the Exchange will also offer cultural diversity support and adaptability to multiple standards and preferences. At this time, multi-language support is required for English and Spanish communications to customers of the Exchange Web Portal.

Security – Reference 4.1.1.1 above

Integration

The Integration services include all services required to ensure that the Exchange implements either proper interoperability or integration with its external partners. This includes not only the technical interoperability and/or integration, but also the definition and operation of SLAs and more. Integration services also include the Messaging Services that allow for the implementation of secure and proper integration patterns between applications. They provide interfaces and translation services to ensure compatibility between disparate applications.

These services ensure that the Exchange functions are well integrated and provide customers with a secure, comprehensive and unencumbered user experience when dealing with the Exchange. While the Exchange solution may involve custom components and/or commercial off-the-shelf (COTS) solutions, Exchange transactions should be customer-centric. This means the transactions will be supported by integrated customer services features such as chat, message boards, forums, notifications and other customer services functions across the Exchange business functions. Similarly, the Exchange should

integrate different user interfaces, (i.e. separate webs), for a customer and allow for different types of user interfaces (web portals, mobile apps, etc.) to share a common Exchange backend.

Ultimately, the solution for the Exchange should support connectivity and cooperation between diverse technologies, as well as modularity through integration services.

Workflow

The Workflow services provide for the orchestration and/or choreography (between business entities) of discrete services to support the delivery of complete business services. Workflow services include the management of variations within business processes to support multiple delivery paths for business services. It is generally understood that completing a long running business transaction may involve multiple units and/or multiple individuals (navigator, customer, customer service representative) contributing to the process. Workflow is designed to facilitate these contributions, allowing multiple units to collaborate on a business event, depending on what type of processing is required. In essence, this allows resources (user or system) to be organized and collaborate for the delivery of a business service. Workflow is often used to minimize the amount of manual interaction or paper transfer between individuals or business units to complete a task.

Workflow functionality for the Exchange will be provided as an active, not passive, workflow. That is, the workflow should trigger actions within the system that progress the work with minimal reliance on the workflow contributor (user or service) to filter for actions in a queue. The administrator should be able to designate discrete and defined system actions which may be activated by a user or system action. Examples of these actions may include notification to another unit or user, generation of a form or report, or generation of an event for a data exchange to take place.

The workflow should allow the user to assign the work to another individual or group of individuals or system resources (service). The workflow should also allow for managing the status of a task, which will trigger the system to take specific action, depending on the status. Enabling status triggers automate a significant portion of the process by pushing a task through distinct milestones along a pre-defined process. If audited, reporting on these status triggers will also enable management to make business decisions based on processing times and workloads, by unit and, to some extent, by individual.

From a technical perspective, the workflow solution should capitalize on concepts from other states' health insurance exchanges, the Federal Exchange, and commercial components in order to apply their lessons learned to the Exchange. Also, the solution should support modularity and loose coupling by allowing swapping or changing service providers with minimal impacts. This will allow the greatest flexibility for the Exchange. Common services with the workflow functionality should be shared to support diverse business activities. Finally, the workflow solution should also support the modification, creation and decommission of supported business interactions while in production.

Business Rules

The Business Rules services allow for the independent management of organizational business rules outside of the core applications or services programming. At its core, the business rules services must include a business rules repository which tracks the rules, facts, priorities, exclusions, preconditions, and other functions. These rules services allow the rules administrator to specify logic that can then be validated and executed by the Exchange. An example of the outcome of a validation would be to provide notifications if there are conflicts between rules.

Business rules logic should be external to the coding of the system itself. Externalization of the business rules allows for input of the complex rules which are defined both at the Federal level, as well as at the Exchange policy level. Externalization also enables the rules administrator to interact with the system in a dynamic manner, to modify the rules when policy decisions change without having to rely on redoing the base coding for the Exchange itself. By configuring and maintaining a logical set of rules aligned with policy decisions, the system can host, organize and prioritize the multiple factors affecting health insurance coverage for a customer.

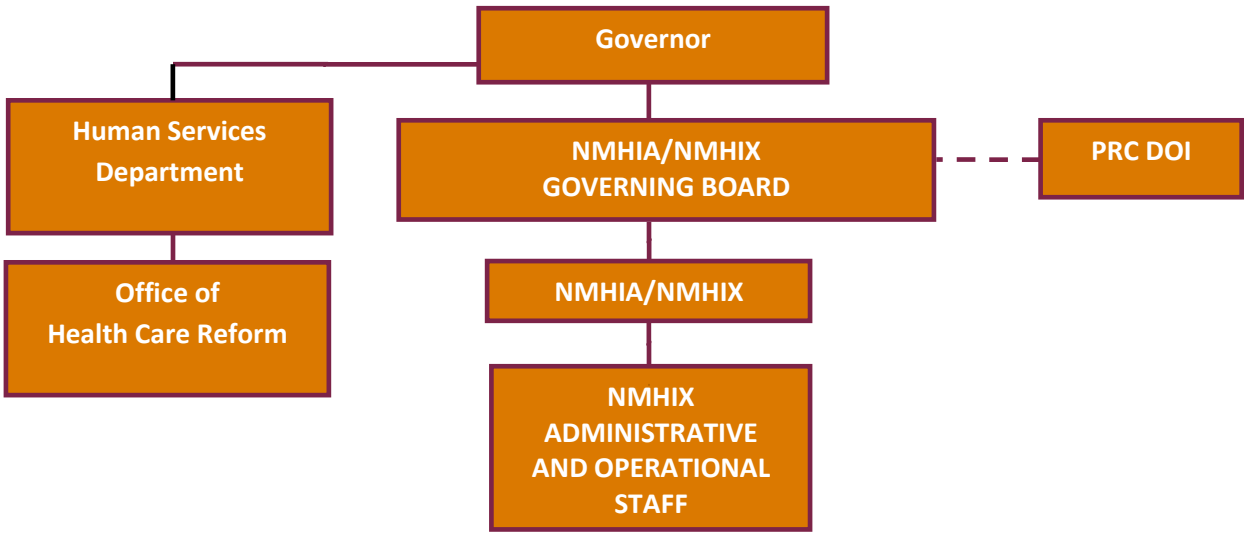
These services should include a business rules repository, a business rule editor, a reporting component, and a rules engine execution core. The business rules repository stores the business rules entered by the rules administrator as well as their priority. The business rule editor provides an interface for the administrator to define, design, document and edit business rules. The reporting component provides a user interface for the administrator to query and report on existing business rules. Finally, the rules engine execution core is the actual code that enforces the rules.

The business rules services must also include versioning functionality, publishing capability, and sharing services. Once deployed, the business rule versions should be made immutable. This will allow for tracking decisions and implementations changes for internal audits and integrity management.

Governance

The NMHIX will be housed in the New Mexico Health Insurance Alliance. NMHIA was created by the New Mexico Legislature in 1994 as a quasi-governmental nonprofit entity, which consists of a 15-member board, which is tasked to: "increase voluntary health insurance coverage for small employer groups . . . [and] to provide for access to voluntary health insurance coverage for individuals..." NMHIA is conducting a full assessment of the current bylaws, board appointments, and ethical and fiscal conflict of interest policies. As terms of current board members expire, the Governor will appoint individuals to comply with statutes and regulations, to assure consumer interests are well represented and that it has the necessary expertise for successful NMHIX operations. NMHIX will provide reports to the Governor's office, Legislature and HSD on the status and operations to allow strong oversight and transparency. Using an existing quasi-governmental entity will allow rapid development and implementation of the NMHIX in a cost-effective manner.

Figure 5 - NMHIX Organizational Chart



Application

The Application services are custom services used by the Exchange Business Services. Application services enable common functions of the Exchange Business Services, such as caching, transaction handling, and threading. Common application services should also be shared throughout the Exchange solutions set, and configurations and versions of shared services should be managed.

Data

The Data services ensure that diverse data content and repositories are managed in a consistent manner. Central to the Exchange is the management of data that can be defined independently of the processes that create or use it, maintained for its defined life cycle, and shared among many processes. For example, the Exchange will gather eligibility and enrollment data from several sources and organize this data in a comprehensive way to support program integrity, reporting and forecasting. The Exchange data is based on a common set of standards, including, but not limited to, NIEM, HIPAA, PCI, etc. These standards, along with other applicable industry standards, will be adhered to in order to establish the baseline for information/data management through the Exchange and promote interoperability with external systems.

Data access services and data dictionaries/repositories will allow administrators to access and modify data about data (i.e. meta-data). Such data may include internal and external formats, integrity and security rules, and location within a distributed system. Data dictionary and repository services are also expected to allow application and service designers, along with applications at runtime, to gather data definitions and obtain information about the data available in the database. Data administration defines the standardization and registration of individual data element types to meet the requirements for data sharing and interoperability among information systems throughout the Exchange and with its partners. Data administration functions include procedures, guidelines, and methods for effective data planning, analysis, standards, modeling, configuration management, storage, retrieval, protection, validation, and documentation. Data dictionaries are sometimes tied to a single Database Management System (DBMS), but heterogeneous data dictionaries could support access to different DBMSs.

Data services should also provide transformation services to ensure compatibility across computing technologies and applications. Given that the Exchange will facilitate the transmission of data across multiple sources, both local as well as Federal, information standards will be established and enforced to help ensure that information is tracked in a consistent manner. While information from varying sources may differ in format and content, the Exchange must set and enforce data standards which align these units and track the most critically important information, particularly "common denominator" items, such as name, social security number, etc. In exchanging information between multiple partners and technologies, the Exchange should also establish and enforce matching criteria to identify how an Exchange record will be established as a "match" with another system's record and vice-versa. These standards should also set parameters defining partial matches for manual verification.

Database Services

The proper management of the Exchange database services includes:

- Database and Storage Management
- User management and security
- Problem detection and resolution
- Backup and recovery services

- Data management (also addressed in Data Services)
- Proactive performance management

The key challenges for these services will be:

- To meet the requirements for privacy and restricted access to the Exchange types of data
- To leverage virtualization and/or cloud services while meeting the security requirements
- To leverage virtualization and/or cloud services by properly addressing database management standards for access methods, distribution, reporting services, monitoring services and recovery services
- To integrate and actively respond to the expected quick pace of change management demands expected to be initiated by the Exchange fast pace development methods and practices
- To establish and operate appropriate problem and incident responses procedures
- To provide for the proactive performance management services

Additional information

Database Services provide for the management of data and data systems. At its core, database services revolve around storage management. The Exchange will provide enough capacity to store information that is part of a record, dynamic information that is part of a transaction, and other information such as notifications.

Databases should also be provided with the appropriate data security, both physical and electronic. Database servers should adhere to the physical and electronic security standards outlined in the Security Blueprint. This means that not only electronic access must be managed and audited but also that database servers must be stored in secure locations with physical access limited to authorized staff.

In addition, the Exchange should include a backup and recovery mechanism that provides regular (preferably almost real-time) backups of the database to separate physical servers in a remote geographical location. This, along with proper network and data center management, will provide resiliency to the Exchange in the event of disaster or major problems affecting the main Exchange data center.

In terms of proactive performance, it is expected that at a minimum:

- The Exchange database services include alerts and feedback to notify of potential database issues (storage limit, etc.) and that data administration services respond timely to these notifications
- The Exchange database services include reports regarding trends and usage data in order to assist in short-term database usage optimization and long-term database capacity planning and strategy
- The Exchange database services include auditing and logging to detect and manage any unauthorized or unexpected access to protected Exchange data

Virtualization

Virtualization services provide an abstraction layer for decoupling the infrastructure from their hardware and software components. Virtualization services for the Exchange are expected to include operating systems and hardware virtualization, application and data server virtualization and network virtualization. Virtualization for the Exchange will be aggregated at the Business Service level, meaning that all service hosting and its supporting resources and constituents (servers, operating systems, storage, data systems, networks, etc.) will not be visible to service consumers. This virtualization of the Exchange infrastructure is expected to enable portability and scalability for the operations of the Exchange. However, as noted in

other sections of this document, the virtualization services will need to adhere to the physical security requirements, including facilities and physical safeguards, for the hosting of IRS (FTI) and Payment Card Industry (PCI) data.

The Exchange has five main key considerations for its virtualization services: segmentation, resource alignment, disaster recovery, multiple environment support, and delegation.

Segmentation

Data and applications need to be segregated for the secure hosting of HIPAA, FTI and PCI data managed within the Exchange. The solution could involve capitalizing on secure multi-tenancy into virtualized data centers. For example, given the proper separation and security controls, the Exchange could be sharing physical facilities with other tenants of FTI data; however, the provider of virtualization services would have to demonstrate how complete compliance with IRS rules would be achieved for the Exchange.

Resource Alignment

Virtualization will facilitate the ability to ramp up and align resources on demand. This includes the ability to manage storage on demand, apportion workload across servers on demand, and move up or trim down resources as they are needed. This will make the Exchange more cost efficient and resource efficient.

Disaster Recovery

Virtualization must facilitate disaster recovery and resiliency mechanisms for the Exchange. Disaster recovery sites should be geographically separated from the physical main data center, while also providing true virtualization in real-time. Ideally, every transaction on the main site should almost immediately be replicated on the remote site in order to capitalize on built-in redundancies and ultimately reduce down time.

Multiple Environment Support

Virtualization should support all environments, including development, integration, verification, certification and production, in order to reap the benefits within all stages of the production process.

Delegation

The provision of virtualization services must support a delegation model where some administrative functions can be delegated through authority mechanisms. For example, there should be roles built in to allow an administrator in a development environment to access the web server, configure some selected server features and options, view logs of web servers and make the appropriate adjustments. The Exchange expects the services to include a delegation model that provide for sufficient configuration rights to the required teams.

Data Center

The data center services include the hosting and operation of the facilities, hardware, software processes and personnel required to support the IT operations of the Exchange. They provide the application servers, web servers, mail servers, telecommunications, storage systems, environmental controls, security devices and other infrastructure components required for the computing technology to be adequate and efficient. Security devices should align to HIPAA, FTI and PCI standards.

The Data Center encompasses several other services (network, operating systems, virtualization, database services, monitoring, etc.). Data Center services also provide for the contingency planning and disaster recovery needs of the Exchange. Ideally, this will include provisions for an offsite mirror data center for the Exchange, as described in the Virtualization section. Finally, data center services should also include a data center help desk to resolve issues in the case of data failures or errors.

Operating Systems

Operating Systems provide basic and essential computing services to all Exchange components. These services notably include, but are not limited to: tasks and CPU allocation, memory management, I/O management, file system management, thread management, command parsers, logging, configuration services, and programs hosting. Additional value added hardware or software components may be added to complement the operating systems, such as load balancers and accelerators.

The Exchange Operating Systems services cover the management of all Exchange servers. This includes managing the life cycle of the operating systems through patch updates and new versions of the OS; providing support to multiple virtualized environments; ensuring servers scalability and performance; managing the configuration of servers' firewalls and other critical server components; and providing audit ability regarding the changes and updates to servers' components and configurations. The Exchange Operating Systems services will also provide support to other Exchange services, for example to the Security Service. Finally, the Exchange operating systems services will also allow administrators to manage the configuration on critical software, such as version control for patches to the DBMS.

Systems Performance

Systems Performance services include tools for monitoring and optimizing the performance and operations of the Exchange Services. At a minimum, the Exchange must support the base capacity outlined in the Volume and Performance Expectations section. While these users may be accessing the Exchange at various times, the Exchange must be designed with enough capacity to support a typical influx of users on a day-by-day and hour-by-hour basis. In addition, the Exchange must also optimize performance for the ramp-up or slow down activity levels leading up to or coming down from anticipated cyclical events, such as open enrollment periods.

From a usability perspective, the Exchange must also consider response time for the customer. While processing time may vary for components which interface with partner systems, such as the eligibility determination engine and Federal identification systems, processing time for components which are independent of external systems need to be reasonable and aligned with the typical user experience for any customer shopping online. Delays in processing time decrease the likelihood of the Exchange's success and will need to be corrected.

To assist system administrators in performance capacity planning and evaluating system performance, the Exchange also includes alerts and feedback to notify the administrator of potential capacity limits. This real-time notification will facilitate a proactive response before system performance issues impact the customer experience. Similarly, the Exchange will include reports which will notify the administrator of trends, usage data, load balancing and high availability points in order to assist in long-term capacity planning and strategy. This metrics-based reporting and coordination will help administrators to make informed decisions using underlying trend and usage information.

Software Development, Integration, Verification and Certification

Software Development, Integration, Verification and Certification services support the software development life cycle (SDLC) for all Exchange components. This includes the methods, practices, tools and environments to conduct all software related activities required for the successful implementation and maintenance of the Exchange solution. This includes the following phases:

Plan

This phase involves the oversight and project management components of the project, which may be ongoing throughout the life of the project. This also includes quality assurance, quality control, and independent verification and validation (IV&V) services, which should be provided by a third-party oversight entity.

Design

This phase involves the functional and technical design of the system. The functional design should include business process analysis and alignment. The technical design should include system architecture design, taking into consideration integration points and data interchange points.

Development

This phase involves the actual coding and development of the system. This involves version management activities as individual coding components are assembled into solutions. These coding components must be compliant with all applicable regulations, such as HIPAA, FTI and PCI security, in and between the potentially multiple development environments.

Testing

This phase involves verifying and certifying components of the system. This includes system testing, integration testing, user acceptance testing, product acceptance testing and certification. Once again, tools, techniques and processes are expected to be provided to support the testing and verification activities.

Implementation

This phase involves the change management, training, and go-live activities to implement the system and all its associated infrastructure components. This also includes data migration before the system's go-live and cleansing of any legacy data being used.

It is expected that the Exchange Software Development, Integration, Verification and Certification services will include, but not be limited to:

- Architecture and Design modeling and documentation practices and tools;
- Integrated Development Environment along with Software and Services development practices (including methods and standards) and tools;
- Promotion/Migration services for Exchange software and service components across environments;
- Configuration management services for components in all environments;
- Version control for all components in all environments;
- Impact and dependencies analysis tools to understand and define impacts of changes;
- Test suites to support documentation, management and execution of test scripts with defined repeatable test cases and conditions;
- Secure and predictable data management in all Exchange environments; including practices and tools enabling the reuse and management of test data;
- Deployment practices and tools;
- Performance analysis and monitoring practices and tools;
- Security assessments and testing practices and tools, including audit capabilities and security testing;
- Provisioning of all infrastructures in terms of physical servers, network connectivity and components and all required software components for the Exchange environments.

Notifications

The Notifications service supports the production and mailing of notices, letters, and forms required by applicable federal, State, and local laws, rules, regulations, ordinances, guidelines, directives, policies, and procedures. There are several different types of notices, including notices to applicants, employers, employees, carriers, information updates, and eligibility determination results. The notices process is subject to frequent changes in format and language for specific letters due to changes in federal, State, and local laws, rules, regulations, ordinances, guidelines, directives, policies, and procedures. The Exchange shall produce online and in batch correspondence in all required languages, and in formats that are updatable by Exchange-specified Users, as required, and shall also display all correspondence in English and Spanish to Exchange-specified users. For all other notices to carriers and individuals (e.g. notices of open annual enrollment), the Exchange will be responsible for generating printed, mailed ready copies.

The Exchange must be built with the capability to control both who the information is displayed to as well as what information is displayed as part of a notification. Because notifications often include personally identifying information as well as confidential health information, it is critical to restrict access to those who are approved access, as specified in HIPAA and other Federal regulations. Similarly, the Exchange must comply with IRS requirements to control the display of, and access to, Federal Tax Information, per the Federal regulations outlined by the IRS. Notifications include information that is sent to the customer or partners via e-mail delivery service and postal mail processing (following postal service standards). The Exchange should include template management tools and corresponding user interface screens to customize formats and content as needed. The content should include both stored information that may be retrieved from a record, as well as dynamic information that must be recorded as part of a transaction (i.e. an enrollment confirmation). With regard to frequency and volume, the Exchange should be able to accommodate for in-process notifications, mass notifications, and ad-hoc notifications as needed. This must include the capability to automate the generation of notifications for

batch processing. The Exchange must also provide the capability to store, retrieve and display all notifications that are sent out as part of the customer's or partner's record.

In terms of language, the following languages are expected to be supported for Exchange notifications:

- English
- Spanish

However, this list may change as requirements are further refined.

Document Management

Document Management services provide for the electronic management of documents. This provides for the entry, maintenance and retrieval of the document.

With regard to document entry, the Exchange must include repository and content management to manage scanned or uploaded documents, which are then associated to the appropriate customer and/or partner (navigator, issuer, etc.). The repository must retain documents from enrollees to support eligibility exception verification, marketing materials provided by issuers, agreements to issuers and correspondence to and from issuers. This must at least support the following file types: *.doc, *.docx, *.xls, *.xlsx, *.pdf, *.txt, *.jpg, *.tif, *.bmp, *.csv, *.dat, and *.xml.

In providing meta-data indexing functionality for the documents, the Exchange can also associate these documents with the customer's or partner's identity. Indexing will also assist in filtering and searching for the file at a later time when documents need to be referenced during processing. The document management system should also include version management and archiving to retain historical documents; this will allow support accountability for the Exchange and provide support for audits and the appeals process.

Once the document is stored, the Exchange must also provide the capability to recall the document to be viewed in an image viewer, both internally and externally (through the customer portal). The viewer should include basic viewer functions, such as the ability to search meta-data for a document, filter meta-data parameters for a document, preview a document, and view a document. The Exchange must also provide document security related to navigational security, control and audit trails for internal and external access. This will ensure that the documents are protected in accordance with Federal regulations and only viewed by their intended recipients (by security permission).

Finally, the document management component of the Exchange must also include workflow functionality to assist with business processing. Integrating Document Management with Workflow services will facilitate processing of eligibility reviews, appeals reviews, and other issues which may involve user interaction.

Business and Web Analytics

The Business Intelligence services facilitate data-driven, tactical decision-making by providing services for business performance assessment (i.e. Key Performance Indicator analysis), risk mitigation, forecasting (i.e. predictive modeling and analysis) and simulations (i.e. behavioral analysis). Business intelligence services become core tools to guide business decisions, develop strategies and create new opportunities using actual data.

Within the business intelligence umbrella is business analytics functionality, which allows the Exchange to analyze past trends in support of KPI (Key Performance Indicators) assessment, aggregations, mathematical/statistical and environmental analysis for the Exchange data and operations. By analyzing past activity on a macro level, analysts can evaluate the performance of the Exchange.

Business analytics also encompasses a forward-looking approach to data, extrapolating historical business intelligence information into risk mitigation, forecasts and simulations that allow the Exchange to predict potential future trends, patterns and relationships. Because the results of an analysis may spur additional questions, this analysis must remain adaptable and build on and progress from the previous analysis. This will facilitate an iterative process until the business goals are met. Being constantly aware of the environment will allow the Exchange to be proactive and adaptable, which will help the Exchange to make more informed decisions, optimizing on potential performance on various facets. Automation of the analysis will also minimize the amount of time between an event and a reactive decision from the Exchange.

Business analytics services include data acquisition to support the analysis. Data acquisition involves data extraction from the Exchange and partner systems, cleansing, and integration into a data warehouse. This will allow a single point of reference for information that will help answer critical business questions. This warehouse must be capable of storing very large amounts of data as well as performing online analytical processing on it in support of ad hoc queries.

The Business Intelligence services also include Web analytics, which is the analysis of the user experience for the Exchange web customers. It includes defining and implementing the proper instrumentation within the Exchange Portal to gather usage and behavioral information. The usage and behavior information is then analyzed and used to understand usability issues and trends related to the Exchange and to take proactive measures to ensure a better customer experience.

Electronic Data Interchange

Electronic Data Interchange services (also referred to as Interface Services) support the electronic interfaces and data exchanges with various types of partners and technologies. Data interchange services provide specialized support for the exchange of information between applications and the external environment. These services are designed to handle data interchange between applications by defining common policies, protocols and exchange methods to be used by the participating applications. For example, this may include information to and from issuers, who are providing base insurance information, customers, who are providing information about themselves and what they qualify for, and partners, who provide information about eligibility determination and identify verification.

All health related electronic data interchange will be based on the HIPAA Electronic Data Interchange Rules. This means these data exchange will comply with the following HIPAA rules:

- Transaction Standards and Code Sets
- Unique Identifiers
- Privacy Rules
- Security Rules
- Enforcement Rule

The Security Blueprint defines how transmitted information must align with HIPAA and other Federal standards such as FTI and PCI.

It is expected that the data interchange technologies used by the Exchange be based on a common set of data definitions and protocols (NIEM, XML, etc.). Information should be transmitted in virtual real-time, as defined by the Federal CMS guidelines, as well as in batches, depending on the type of interchange. Interchanges should be designed as bi-directional, so that information may be synced from either direction, allowing the Exchange to both receive incoming information as well as send information that may be overwritten in other databases. Interchange information may trigger batch processing of information within the Exchange. Interchange information may also generate alerts and exceptions which may trigger automated processes to begin or trigger the need for manual user attention and processing.

Electronic Payment

The Electronic Payment services support the processing of electronic payments over the presentation service provided (whether the Internet, mobile application, or otherwise). These payments should be linked to transactions, as when a customer chooses a specific insurance policy for which he or she qualifies. This processing should be integrated with the Exchange so that payment processing transactions are incorporated into the overall workflow, from plan selection to purchasing to processing with the issuers. A payment (or lack of payment or partial payment) would be triggered by transactions in the Exchange (such as the decision to purchase an insurance policy), and it would trigger transactions in the Exchange (such as the generation of a receipt). The Exchange should also record and process receipts for completed payment transactions.

At a minimum, electronic payment processing should allow processing of debit cards and major credit cards, such as Visa, MasterCard, American Express and Discover, as well as EFT and e-checks. The payment process should also allow processing of automatic fund transfer for designated periods of time (i.e. monthly, annually). In addition to processing payments, the Exchange must also provide the ability to process refunds, should the payment be in error or otherwise incorrect. All payments and refunds must be processed in a timely manner in order to support the Exchange goal of being customer-centric and provide good customer service.
Payment processes should be integrated with the Exchange accounting functions for a holistic Exchange-wide general ledger. This will allow the Exchange to process incoming and outgoing financials as they relate to day-to-day payment transactions. A user should be able to view electronic payments which are pending, processed, or rejected as part of the financial management screens.

Finally, and most important, all transactions which involve payment card information must be compliant with PCI standards.

Alternatives Analysis

At this time there have been no operational health insurance exchange alternatives to evaluate. We have surveyed the plans of other states and used CMS guidance as inputs to our decision.

Application Architecture

The goal of this project is to produce a user-friendly, web-based system which supports principles of the Medicaid Information Technology Architecture (MITA) and open standards wherever possible. The use of an enterprise architecture should allow the separate, standalone systems to communicate using exposed, shared services through a common architecture. SOA, coupled with open standards-based-software components, will have a prominent role in the implementation of the enterprise architecture required by the NMHIX. The NMHIX SOA will be used to facilitate

functional re-use and data sharing among loosely coupled services and business objects. Services will be loosely coupled to reduce system dependencies and self-contained pieces of business functionality deployed as discrete pieces of code and/or data structures that can be reused.

NMHIX will utilize a SOA and Enterprise Service Bus (ESB) based solution. The ESB will be based on open standards. The ESB will be able to support a variety of standard messaging protocols and transform data into a common data format, and able to change orchestration, rules, data mapping, and relationships between systems with minimal effort and disruption. It will ensure that primary application functions and data are available via industry standard APIs (Application Programming Interfaces), web service call, or other acceptable processes. The architecture will support a Master Client Index (MCI) facilitated by services.

The MCI tracks all clients of the NMHIX, both current and historical. It is available to other systems/programs to determine whether the individual being considered for services has had prior contact with the NMHIX. If so, a summary of that individual's information is available to the inquiring system/program to help in its decision making.

The architecture will use the latest software products and versions available in the market. The architecture should have the flexibility to upgrade a portion of software used in the solution with minimal effect on or disruption to other software products.

Information Architecture

Conceptual Information Entity	Description	Type of Data Store (Transactional, Analytical)	System of Record? (Does this system or another system serve as system or record for information?)	Data Acquisition Approach (e.g., User Data Entry, Interface)
Eligibility and Enrollment Data	Information to support the eligibility and enrollment for subsidized and unsubsidized QHPs in the NMHIX	Transactional	Yes	User Data Entry, Interface with Federal and State Data Hubs and Data Upload by the Consumers or Navigators
SHOP Data	Information about the small business and their employees to support the SHOP process	Transactional	Yes	User Data Entry, Interface with State Hub and Data Upload by the Employers or Brokers
Plan Management Data	Data from the Health Plans to support Plan Management	Transactional and Analytical	Yes	User Data Entry and Interface with the SERFF system
Plan Selection Data	Information about the QHPs from the Health Plans to support Plan Selection	Transactional	No	Interface with the SERFF system

Conceptual Information Entity	Description	Type of Data Store (Transactional, Analytical)	System of Record? (Does this system or another system serve as system or record for information?)	Data Acquisition Approach (e.g., User Data Entry, Interface)
Financial Management Data	Data to support the Financial Management for NMHIX	Transactional and Analytical	Yes	User Data Entry, Data from HHS on Risk Adjustment and Data from Health Plans
Master Data Management Data	Data to support Master Data Management	Transactional and Analytical	Yes	Data from NMHIX and its supporting systems
Reporting Data	Data to support Reporting	Analytical	Yes	Data from NMHIX and its supporting systems

Interface Architecture

Information Shared	Interfacing Application	Purpose	Platforms Involved	Inbound or Outbound?	Batch or Near Real Time?	Data Stored Persistently? (Will the proposed system stored inbound data from the external system persistently?)
Eligibility & Enrollment Data	Yes-NM	Real time verification	Web services	Both	Both	Yes
Eligibility & Enrollment Data	ASPEN	Real time verification		Both	Both	Yes
Eligibility & Enrollment Data	MMIS/ Omnicaid TBD	Real time verification		Both	Real Time TBD	Yes
Verification Information for a Consumer	Federal Data Services Hub	Real time verification	Waiting for specifics on the Federal Data Hub	Both	Real Time	Yes except for the data received from IRS
Data required to calculate Tax Credit and Cost Sharing Reduction	Federal Calculator	Tax Credit & Cost Sharing Reduction Calculation	Waiting for specs on the Federal Calculator	Both	Real Time	Yes

Technology Architecture

The technology architecture will be decided based on the best proposal offered in response to the RFP. That architecture will address and enable these essential components:

- Enterprise infrastructure services
- Enterprise Service Bus / Enterprise Data Bus
- Service manager
- Service Registry
- Business Process Management,
- Environments
- Virtualization
- Evaluation of the existing security architecture
- NMHIX software migration, upgrades, updates and rollbacks,

4.1.1.4 Platform

NMHIX will be single integrated solution built on an n-tier, (distributed among three or more separate computers in a distributed network), architecture that complies with industry approved SOA standards.

4.1.1.5 System Hosting

The Exchange solution may be an on-premise solution hosted by the NMHIX or offered as software as a service (SaaS) hosted by the vendor.

4.1.1.6 Network Services

Network Services ensure the availability of the Exchange other services through a secure, fault-tolerant network infrastructure. They provide connectivity, routing and gateway services, network isolation and protection through firewalls and other devices; they manage bandwidth and secure access to all Exchange Services. Network Services include monitoring and protection services to ensure commitments such as availability, response-time, secure access and guaranteed delivery are met.

Network services also need to provide redundancies to support the Exchange in the event of a disaster. Redundancies will allow administrators to quickly respond and redirect all network requests for the Exchange to the disaster recovery onsite. This includes, for example, the resolution of old DNS points to the new point, requiring redundant DNS servers as well as change of addressing for the name resolution request.

In order to manage network administration rights and privileges, delegation must be in place to coordinate roles and privileges. Additionally, the physical and technical resources of the Exchange network need to be protected and secured. This includes the isolation of the various Exchange environments (i.e. development, integration, verification, certification and production) as well as the isolation or segmentation of HIPAA, FTI and PCI data and their consuming applications throughout all environments.

The qualities expected for the Exchange Network Services include, but are not limited to:

- Scalability and cost-effectiveness, which translates into meeting the demand with the right capacity and level of service;
- Flexibility and Adaptability, which means being capable of accepting changes (voice services, IPV6, etc.) without major disruptions;
- Managed securely (components management and inventory, registration, health checks, security zones, defense in depth, etc.)
- Fault tolerant through redundancies, failover, separate geographical locations, etc.

4.1.1.7 Modes of Operation

NMHIX will utilize these environments at a minimum:

- **Experimental**: An environment managed solely by the NMHIX contractor for testing processes, software upgrades, and any other purposes deemed necessary by the Offeror.
- **Development**: The environment used by the developers to customize, configure, and extend the solution required.
- **Integration**: The environment where all of the release modules will be compiled and tested as a single configuration by the NMHIX contractor.
- **Quality Assurance Testing (QAT)**: The environment for QAT and Performance Testing of the release by the Offeror prior to promotion to User Acceptance Testing (UAT).
- **UAT**: The environment for UAT the release prior to implementing the release into production.
- **Staging**: A test build area used by the NMHIX Project Management Team to prepare and validate the build that will be deployed to production.
- **Production**: The end user or final environment where the business of NMHIX is conducted. This environment should be available 24/7 with minimal windows of downtime for system maintenance and upgrades. It is anticipated there will be one production environment.
- **Training and Post-Training (Practice Area)**: A test/demo area for training users that needs to be updated and rebuilt on demand with a standardized base set of data.

Security and Privacy Architecture

Security services will provide the safeguards to protect the Exchange from threats that could lead to the loss of confidentiality of data, the loss of data integrity, the unavailability of data or services and/or any unauthorized use of Exchange resources. In addition to authorization, authentication and encryption described in the following three subsections, NMHIX security features will include:

Privacy

Protect the privacy of participants and their data in their interactions with the Exchange. This includes defining, implementing and enforcing rules controlling access to electronic and non-electronic resources to prevent accidental or deliberate access to confidential information.

Integrity

Assure that the information and messages managed within the Exchange are not altered and/or corrupted. This would be achieved through the use of services such as Encryption, Trusted Communications, Access Control, etc.

Availability

Ensure that the Exchange services are accessible and offered as designed. This would be achieved through the use of services such as Identity and Authentication, Integrity, Monitoring, Access Control and more. An important element of Availability is to define how the response to a threat secures the availability of the Exchange; for example how a denial of service attack would be managed.

Identity Repository

This repository will keep track of the identity of participants in the Exchange. Within the Exchange, it is expected that the Identity Repository will also be used for defining and managing user roles; hence having links with the Identity and Authentication in terms of keeping track of user data and the Authorization service to ensure role based access to activities and resources.

Monitoring (including Intrusion Detection)

Intrusion detection will monitor access to the Exchange resources maintain logs and issue alerts related to unauthorized access. Unauthorized access also includes the prevention and monitoring for malware and/or malicious software within the confines of Exchange computer systems. This live protection of the Exchange servers should be centrally managed and provide for at least:

- Audit data regarding threats and attacks including false positives;
- Continual updates to the protection/detection mechanisms and algorithms to ensure proper detection and response;
- Procedures and methods to isolate and neutralize an active threat in order to protect Exchange resources.

Electronic Signature

Secure individual legal signatures in an electronic format. Electronic signature services allow for securing that the person who claims to have written a message or an electronic document is the one who wrote it. By extension, electronic signature services must also ensure the integrity of the signed message or document; that is the message received is the message sent.

Trusted Communication

Provide a secure way for communicating parties to authenticate themselves to each other without the risk of an eavesdropper subsequently presenting itself as one of the parties. Trusted Communication typically includes:

- A secure way of generating and verifying check values for data integrity
- Data encryption and decryption for confidentiality and other purposes
- A way to produce an irreversible hash of data for support of features such as digital signature and non-repudiation
- Generation, derivation, distribution, storage, retrieval, and deletion of cryptographic keys

Access Control

Manage and control access to Exchange infrastructure and resources. This includes not only controlling access to the electronic resources of the Exchange, but also to its physical facilities and servers for compliance with IRS and Payment Card Industries security standards.

4.1.1.8 Authentication

NMHIX will assure the identity of participants within the Exchange. At a minimum, Identification and Authentication for the Exchange provides:

- Authentication processes and standards that will allow meeting non-repudiation standards
- Identification, accountability, and audit of users and their actions
- Authentication and user account data
- Protection of authentication data
- Active user status information
- The ability for a user to use his/her unique authenticated identity across all functions of the Exchange he/she is authorized to access.

The Exchange Identity and Authentication service should support establishing and maintaining a centrally managed federated identity for the Exchange functions.

4.1.1.9 Authorization

NMHIX will ensure the participants can conduct the activities and access to resources they are authorized to; none more, none less. The Authorization service should support access to activities and resources based on level of access and roles as well as industry notions such as federated authorization and claims based authorization.

4.1.1.10 Encryption

NMHIX will have message and data encryption (cryptography) services. Encryption Services provide ways of encoding data such that it can only be read by someone who possesses an appropriate key, or some other piece of secret information. As well as providing data confidentiality for trusted communication, encryption services are used to underpin many other services including identification and authentication and access control services.

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5. ANALYSIS OF THE PROPOSED SYSTEM

Impact Analysis

A preliminary impact analysis has been conducted to determine the potential impacts of the NMHIX.

Operational Impacts

NMHIX will have significant operational impacts on the operations of all involved State agencies. Each of the agencies will need to have changes and additions to their existing operations to support the NMHIX requirements and to ensure efficient and proper implementation and

operation of the NMHIX solution. These state agencies are active participants in supporting and guiding the project.

New Mexico has strong interagency NMHIX coordination. This includes a shared vision and approach for IT infrastructure and a common work plan for systems implementation. The key state agencies represented include:

New Mexico Human Services Department (HSD) **-** HSD is the lead agency for the development of Medicaid/CHIP eligibility and enrollment IT interfaces with NMHIX. HSD and its Office of Health Care Reform will assist and support NMHIX planning and development activities.

Public Regulation Commission, Division of Insurance (DOI) – The DOI is conducting a comprehensive health insurance rate review assessment. DOI contracted to collect data, and facilitate, collect and analyze public input from consumer stakeholders. These inform the DOI about health insurance premiums and consumer protections. DOI is enhancing its consumer assistance program; assisting consumers with filing complaints and appeals; helping individuals enroll in health plans; and educating consumers on their rights and responsibilities for group and individual health plans. The DOI is also responsible for most of the Exchange plan management functions.

New Mexico Indian Affairs Department (IAD) **-** New Mexico is the only state with a Cabinet level Indian Affairs Department. It is recognized as a national model for state-tribal relations. New Mexico enacted SB 196, the State-Tribal Collaboration Act in 2009. It codified an effective and comprehensive structure to ensure positive government-to-government relations, collaboration and communication between tribal governments and state agencies, and cultural competency in the provision of state services to Native Americans.

Organizational Impacts

NMHIX will have significant organizational impacts on all involved State agencies. The staffing and the allocation of staff time for many of the agencies will change to support the requirements analysis, development, testing, implementation and ongoing maintenance of this solution.

Risks

Summarized below are some of the major risks that have been identified so far for NMHIX:

- Schedule
- Procurement
- Unknowns around the Federal Rules, Federal Data Services Hub, NIEM, Federal Calculator for Tax Credits and Cost Sharing Reduction
- Limited verification data elements to be provided by IRS, combined with onerous security requirements
- Pending guidelines on Identity Resolution
- Unknowns around specifics on the Risk Adjustment, Reinsurance and Risk Corridor programs
- Identifying a non-profit reinsurance entity for New Mexico
- Ongoing funding risks for supporting development and operations of the NMHIX

In order to monitor these risks and evaluate progress, New Mexico will utilize key indicators. The first indicator will monitor the "triple constraint" of projects: the scope, schedule and budget. The project

will be calibrated with a baseline at the beginning of the project and with each project phase. This indicator will be monitored daily by the NMHIX Project Management Team.

Bi-weekly project meetings will review progress towards meeting identified milestones and determining whether the project is on time, within budget and within scope. The project's progress and key deliverables will be presented to appropriate stakeholders by the NMHIX Project Management Team. The IV&V contractor will also review all project deliverables including deliverables associated with the management of the project.

The second indicator will track the management of risks and issues identified prior to and during the project. Appropriate risk mitigation and timely issue resolution will help assure project success. The project's timeline is already compressed. Therefore, it is crucial for the project teams to participate in the timely resolution of risks and issues as they arise. This indicator will monitor whether the project is identifying risks and issues, developing plans to mitigate risks and issues, including the appropriate stakeholders in decisions, and executing the plans successfully. This indicator will be monitored by the IV&V contractor and reported to the appropriate stakeholders.

Critical Success Factors for Remainder of Project

Some of the critical success factors for the remainder of the project are listed below:

- Successful completion of the federal gate reviews
- On time solicitation award for future grant applications
- Successful and timely completion of the requirements analysis
- Successful and timely completion of the system and interface designs
- Successful and timely completion of the system development and integration tasks
- Successful completion of the CMS certification of the Exchange
- Successful and timely completion of the User Acceptance Testing (UAT)
- Successful completion of the Training and Outreach
- Go Live

6. DEFINITIONS

APTC	Advance Premium Tax Credit
ASD	NM HSD Administrative Services Division
ASPEN	Automated System Program and Eligibility Network
DOH	New Mexico Department of Health
DOIT	New Mexico Department of Information Technology
PRC DOI	New Mexico Public Regulation Commission Division of Insurance
DWS	New Mexico Department of Workforce Solutions
FPL	Federal Poverty Limit
GSA	Governmental Services Agreement
HSD	New Mexico Human Services Department
HSD/OoS	New Mexico Human Services Department Office of the Secretary
IAD	New Mexico Indian Affairs Department
ILC	Interagency Leadership Committee
IHCIA	Indian Health Care Improvement Act
ISD	Income Support Division

ISD2R	Integrated System Delivery Replacement Project
ITD	NM HSD Information Technology Division
MAD	New Mexico Medical Assistance Division
MMIS	Medicaid Management Information System
MAGI	Modified Adjusted Gross Income
NM	New Mexico
NMHIA	New Mexico Health Insurance Alliance
NMHIX	New Mexico Health Insurance Exchange
NMMIP	New Mexico Medical Insurance Pool
NMPCA	New Mexico Primary Care Association
OHCR	New Mexico Office of Health Care Reform
OSA	On Site Assistance
PPACA	Patient Protection and Affordable Health Care Act
PSC	Professional Services Contract
QHP	Qualified Health Plan
RFP	Request for Proposals
RWJF	Robert Wood Johnson Foundation
SCI	State Coverage Insurance
SDLC	Software Development Life Cycle
SHOP	Small Business Health Options Plan
SOA	Service Oriented Architecture

APPENDIX D-1.1
Eligibility and Enrollment Functional Requirements

ID	Category	Subcategory	Requirements
EL-1	Eligibility and Enrollment	Application	Provide the capability, on initial entry into the NMHIX to prompt individuals / applicants to specify (YES or NO) if they would like to apply for insurance affordability programs (Medicaid/ CHIP / APTC/CSR). **See Figure 1** - NMHIX Eligibility Flow
EL-2	Eligibility and Enrollment	Application	Provide the capability for individuals that answer "No" to insurance affordability programs to be directed to enroll in a non-subsidized QHP.
EL-3	Eligibility and Enrollment	Application	Provide the capability for individuals that answer "Yes" to go through an assessment for Medicaid / CHIP eligibility based on MAGI & or age, blind or disabled status.
EL-4	Eligibility and Enrollment	Application	Provide the capability using a single streamlined (CMS approved) application to collect but not limited to the following information from individuals: Full name of applicant and each family member Income of applicant and each family member Social Security number of applicant and each family member Age of applicant and each family member Information about blind or disabled family members
EL-5	Eligibility and Enrollment	Application	Provide the capability using the federal web service protocol to connect to the federal data service HUB to collect the required MAGI data on individuals and applicants applying for insurance affordability programs.
EL-6	Eligibility and Enrollment	Application	Provide information to individuals / applicants regarding minimum coverage requirements (individual mandate), including definition of minimum essential benefits.
EL-7	Eligibility and Enrollment	Application	Medicaid / CHIP assessment If the NMHIX determines (based on MAGI, Age, Blind or Disabled) the individual may qualify for Medicaid or CHIP, provide the capability to transfer individuals to the ASPEN Medicaid enrollment portal. Provide the capability to send the enrollment data collected during the Medicaid / CHIP assessment process electronically to the states ASPEN system to help streamline the Medicaid / CHIP enrollment process. **Note:** The completion of the Medicaid and CHIP eligibility process and final eligibility determination will be completed by the state's Medicaid and CHIP eligibility system (ASPEN).
EL-8	Eligibility and Enrollment	Application	If an individual does not indicate desire to apply for Medicaid / CHIP the individual will be prescreened (based on MAGI) for an advanced payment tax credit and cost sharing reduction.
EL-9	Eligibility and Enrollment	Application	Provide the capability for individuals to provide any additional data points necessary for the federal service to determine advance premium tax credits and cost sharing reductions eligibility.
EL-10	Eligibility and Enrollment	Application	Provide the capability using the federal web service protocols to connect to the Federal Service to determine an individual's APTC/CSR[1] eligibility.
EL-11	Eligibility and Enrollment	Application	Provide the capability to prompt individuals to specify (Yes or NO) if they have employer sponsored health insurance (ESI). **Note**: HHS/CCIIO has not yet specified how they will determine if an individual's employer sponsored health insurance meets the affordability requirements.

[1] The NMHIX will utilize the Federal Service to determine eligibility for Advance Payments of the Premium Tax Credit (APTC) and Cost Sharing Reductions (CSR).

ID	Category	Subcategory	Requirements
EL-12	Eligibility and Enrollment	Application	Provide the capability for individuals that qualify for an advance premium tax credit and cost sharing reductions to begin the plan selection process for subsidized QHPs.
EL-13	Eligibility and Enrollment	Application	Begin tracking compliance with program standards of promptness based on date of applications submission / completion and provide reports and alerts within the NMHIX for advance premium tax credits and cost sharing reductions
EL-14	Eligibility and Enrollment	Application	Provide field level help screens and contextual pull-downs for each application data element that includes description and required data format.
EL-15	Eligibility and Enrollment	Application	Provide capability for individuals to access in-depth online help during the application process.
	Eligibility and Enrollment	Application	Provide capability for individuals to request further assistance via the NMHIX call center.
EL-16	Eligibility and Enrollment	Application	Provide the capability to identify Navigators (Brokers, Application Assistants, etc.) if they are completing applications on behalf of an individual.
EL-17	Eligibility and Enrollment	Application	If an application is initiated by a Navigator, the NMHIX shall have the capability for the individual to attest that the information provided by the Navigator is accurate. .
EL-18	Eligibility and Enrollment	Application	For the prescreening process for Medicaid and CHIP eligibility, the NMHIX shall validate field-level information for correct data format and completeness.
EL-19	Eligibility and Enrollment	Application	Conduct validation of mailing addresses provided in applications (using external Postal Address validation service)
EL-20	Eligibility and Enrollment	Application	Using the Federal Data Service HUB, conduct a validation of SSN provided versus the name provided (i.e. validate against name on record with Social Security Administration)
EL-21	Eligibility and Enrollment	Application	For individuals who do not have an SSN, allow the application process to proceed (e.g. newborns and undocumented individuals)
EL-22	Eligibility and Enrollment	Application	Within the QHP (unsubsidized plan) application, the NMHIX shall validate field-level information for format and completeness.
EL-23	Eligibility and Enrollment	Application	Prior to the creation of a new user account, the NMHIX shall determine if an existing user account is present based on matching criteria provided in the application (e.g. name, DOB, SSN)
EL-24	Eligibility and Enrollment	Application	During the application process, NMHIX user accounts shall be created that include the following: User unique identifier User demographic information Application status Enrollment status Existing program eligibility for APTC/CS
EL-25	Eligibility and Enrollment	Application	Create a user account that features a user-defined, user name and password. Include password “strength” feedback.
EL-26	Eligibility and Enrollment	Application	Save application information to user account after account creation.
EL-27	Eligibility and Enrollment	Verification	Using the Federal Data Services HUB, generate a request to verify an individual's citizenship, lawful presence. This includes access and information exchange with the planned federal data hub.
EL-28	Eligibility and Enrollment	Verification	When the CMS citizenship verification service is not available, the NMHIX shall initiate a manual verification process.
EL-29	Eligibility and Enrollment	Verification	Display the result of the verification provided by CMS / DHS; provide means for an individual to dispute or call into question the validity of data from authoritative sources
EL-30	Eligibility and Enrollment	Verification	Provide ability to override the citizenship status provided by CMS with proper security/authority.
EL-31	Eligibility and Enrollment	Verification	Track status of citizenship verification based on the following: o Verified o Not verified o Pending DHS Level 1 o Pending DHS Level 2 o Pending DHS Level 3
EL-32	Eligibility and Enrollment	Verification	Provide capability to electronically store documents submitted for citizenship verification.

ID	Category	Subcategory	Requirements
EL-33	Eligibility and Enrollment	Verification	Provide an immediate on-screen notification when individuals are required to submit additional documentation to verify citizenship
EL-34	Eligibility and Enrollment	Verification	When additional verification is required for advance premium tax credits and cost sharing reductions or QHP enrollment, provide on-screen notification to individual to supply additional verifications through the exchange.
EL-35	Eligibility and Enrollment	Verification	Provide a means for individuals to submit documentation electronically (scanned images that are attached to an electronic case file)
EL-36	Eligibility and Enrollment	Verification	Track review status of individual documents that have been provided by the client as verification (e.g. verified, not verified, pending, etc.)
EL-37	Eligibility and Enrollment	Verification	Update user / individual account status based on updated individual residency results
EL-38	Eligibility and Enrollment	Verification	Using the Federal Data Service HUB, generate a request to determine whether an individual meets residency requirements to utilize the individual NMHIX.
EL-39	Eligibility and Enrollment	Verification	If prescreening determines that an individual requires a Medicaid determination for an Aged, Blind, Disabled, or SSI-based program, a referral should be initiated to ASPEN
EL-40	Eligibility and Enrollment	Verification	Using the Federal Data Service HUB, generate a request to initiate the automated incarceration status verification process after the completion of the citizenship verification process.
EL-41	Eligibility and Enrollment	Verification	Provide capability to manually update incarceration status based documentation provided by the individual (e.g. release papers).
EL-42	Eligibility and Enrollment	Verification	Produce an immediate on-screen notification of a positive incarceration data match as well as the notifying individual of ability to provide alternative documentation of incarceration status
EL-43	Eligibility and Enrollment	Verification	Provide capability for an individual to provide a client statement or attestation of incarceration status (via online affidavit).
EL-44	Eligibility and Enrollment	Verification	Initiate automated workflow to notify an individual that additional review of documentation is required to verify incarceration status.
EL-45	Eligibility and Enrollment	Verification	Update user account (via trusted source) and manual update (when reviewed manually) of an individual's incarceration status.
EL-46	Eligibility and Enrollment	Verification	Provide the capability to suspend an individual's eligibility status based on incarceration status.
EL-47	Eligibility and Enrollment	Renewal	Produce written notification / request for individuals to verify key eligibility factors (income, household composition, residency, etc.) for the purposes of annual eligibility / enrollment renewal for advance premium tax credits and cost sharing reductions and report changes if necessary.
EL-48	Eligibility and Enrollment	Renewal	Provide capability for individuals to submit changes to key eligibility factors for the purpose of annual eligibility / enrollment renewal for advance premium tax credits and cost sharing reductions. Supported methods of reporting changes include written forms and web-based responses through the NMHIX.
EL-49	Eligibility and Enrollment	Renewal	Process individual responses to renew eligibility and initiate eligibility determination process if necessary. The NMHIX shall review individual NMHIX eligibility and: • Prescreen for individual Medicaid and CHIP eligibility; • Utilize the Federal Service to determine eligibility for the advance premium tax credits and cost sharing reductions. • The NMHIX will also have the capability to adjudicate mandatory / optionally reported changes and the resultant changes to eligibility and enrollment for advance premium tax credits and cost sharing reductions.
EL-50	Eligibility and Enrollment	Renewal	Provide the capability to calculate a year-to-date average for premiums paid and monthly income for display to the individual at time of renewal. Version 2.0
EL-51	Eligibility and Enrollment	Renewal	If reported changes do not qualify an individual for a special enrollment, store the eligibility / household changes for use during the next available open enrollment period.
EL-52	Eligibility and Enrollment	Renewal	Process and update user account with household income data based on data response provided from CMS/IRS.
EL-53	Eligibility and Enrollment	Renewal	If the individual's current plan is no longer available, automatically enroll an individual / household into a default health plan for a geographic area.

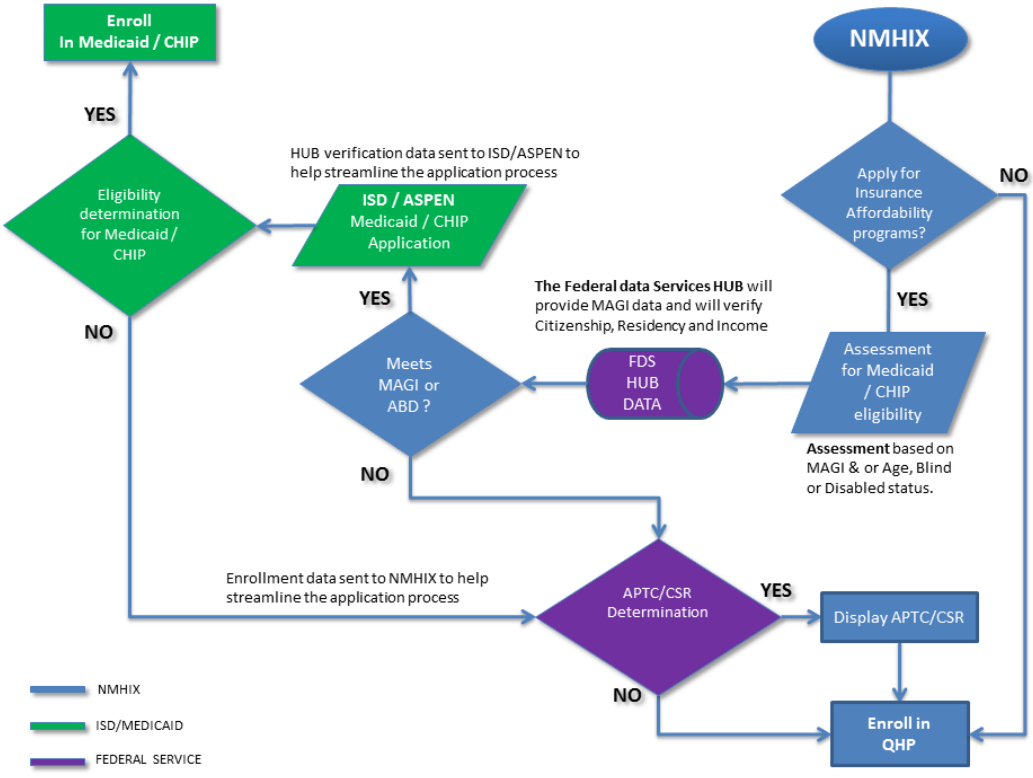
ID	Category	Subcategory	Requirements
EL-54	Eligibility and Enrollment	Renewal	Based on the availability of QHP, determine availability of an individual's current plan for the purposes of enrollment renewal.
EL-55	Eligibility and Enrollment	Renewal	Produce a notice of annual open enrollment.
EL-56	Eligibility and Enrollment	Renewal	Provide capability for individuals to submit changes to plan enrollment (selected plan, covered individuals, etc.). Supported methods of enrollment changes include written forms and web-based responses through the NMHIX.
EL-57	Eligibility and Enrollment	Renewal	Based on an individual's responses to enrollment renewal, assess responses for need to initiate enrollment into a new QHP or additional individual into an existing QHP.
EL-58	Eligibility and Enrollment	Appeals	Provide the capability for an individual to request an appeal[2] to their eligibility decision for the advance premium tax credits and cost sharing reductions.
EL-59	Eligibility and Enrollment	Appeals	Provide the ability for the NMHIX to override a denial of an advance premium tax credit and cost sharing reduction eligibility decision.
EL-60	Eligibility and Enrollment	Appeals	Provide the capability to differentiate between appeals and complaints; default requests to complaints when received by individuals.
EL-61	Eligibility and Enrollment	Appeals	Provide capability for an individual to request his/her eligibility record (individual details as well as key eligibility factors used to determine eligibility).
EL-62	Eligibility and Enrollment	Appeals	Provide the capability to capture, track, and disposition appeals in the NMHIX (including status, assignments, and relevant case notes)
EL-63	Eligibility and Enrollment	Appeals	Provide the capability to refer or route appeal requests that are not sufficiently addressed by HHS to entities outside of the NMHIX such as the New Mexico DOI.
EL-64	Eligibility and Enrollment	Appeals	Provide the capability to record the detailed results and supporting documentation that result from or support an appeals decision.
EL-65	Eligibility and Enrollment	Appeals	Generate a formal written notice informing an individual of the details of an appeal decision.
EL-66	Eligibility and Enrollment	Appeals	Generate a notification to CMS of any completed appeals decisions.
EL-67	Eligibility and Enrollment	Verification	Provide capability for an individual to indicate affiliation with recognized tribe during the application process.
EL-68	Eligibility and Enrollment	Verification	Provide capability to capture client attestation / statement as to affiliation with recognized tribe (date(s) of affiliation)
EL-69	Eligibility and Enrollment	Verification	Generate request to electronically verify individual tribal affiliation using a source to be determined
EL-70	Eligibility and Enrollment	Verification	Supply a mechanism for distinguishing Native Americans who are eligible for special monthly enrollment periods and no-cost sharing exemptions for those <300% federal poverty level
EL-71	Eligibility and Enrollment	Verification	Supply a mechanism for interface between the NMHIX and Indian Health Service providers, tribal health organizations, and urban Indian health providers as NMHIX providers. Version 2.0
EL-72	Eligibility and Enrollment	Verification	Upon completion of application that indicates potential tribal affiliation, update user account to reflect to reflect individual tribal affiliation.
EL-73	Eligibility and Enrollment	Eligibility Determination	Based on the states plans for a basic health plan, provide an interface with carriers to generate new enrollments for the health plan(s) under the state's basic health plan.
EL-74	Eligibility and Enrollment	Eligibility Determination	Provide the ability for individuals to update user accounts with images, scans or files of documents required for verification purposes that support eligibility determination.
EL-75	Eligibility and Enrollment	Eligibility Determination	The NMHIX will provide an assessment for Medicaid and CHIP eligibility using Modified Adjusted Gross Income (MAGI) data supplied by the Federal Data Services Hub. NMHIX will utilize the Federal Service to determine eligibility for Advance Payments of the Premium Tax Credit (APTC) and Cost Sharing Reductions (CSR)
EL-76	Eligibility and Enrollment	Eligibility Determination	Process the tax credit advance amount provided by CMS/IRS and update a user's account.
EL-77	Eligibility and Enrollment	Eligibility Determination	Based on the tax credit premium calculation and other non-financial factors (such as tribal affiliation), provide the capability to calculate the adjusted / reduced premium / cost sharing scenarios for the individual.

[2] This appeals process and functional requirement must comply with PART 155 — EXCHANGE ESTABLISHMENT STANDARDS AND OTHER RELATED STANDARDS UNDER THE AFFORDABLE CARE ACT [45 CFR 155].

ID	Category	Subcategory	Requirements
EL-78	Eligibility and Enrollment	Verification	Initiate the automated process of verification of an individual's residency status.
EL-79	Eligibility and Enrollment	Verification	Based on response on an application, update individual account with residency status.
EL-80	Eligibility and Enrollment	Verification	Determine whether verification is required for Minimum Essential Coverage and what data source is required for verification between the following sources: o State Medicaid / CHIP / other program o Other data source, possibly federal, to be determined
EL-81	Eligibility and Enrollment	Verification	Generate an automated, real-time data request to a source to be determined to verify status of Minimum Coverage
EL-82	Eligibility and Enrollment	Verification	Process, in real-time, the returned responses from data sources to verify eligibility for coverage
EL-83	Eligibility and Enrollment	Verification	Update a user's account information to reflect current eligibility or minimum essential coverage.
EL-84	Eligibility and Enrollment	Verification	Based on the application for advance premium tax credits and cost sharing reductions, determine need for and initiate an automated process for income verification via the federal data service hub.
EL-85	Eligibility and Enrollment	Verification	Process and update user account with household income data based on data response provided from CMS/IRS.
EL-86	Eligibility and Enrollment	Verification	Display to the user, income information retrieved from CMS/IRS.
EL-87	Eligibility and Enrollment	Verification	Display income data gathered via CMS/IRS and the alternate income verification (State sources) to the individual. Version 2.0
EL-88	Eligibility and Enrollment	Verification	Provide capability for an individual to certify or confirm income data that is presented.
EL-89	Eligibility and Enrollment	Verification	Assess individual response to query to certify or confirm income data that is presented for need for additional verification or exception handling.
EL-90	Eligibility and Enrollment	Verification	Generate communication to individual requesting additional documentation to support applicant's attestation of annual / monthly income. This should only occur when the NMHIX is not able to verify income via the federal data service HUB or if tax return information is not available for the tax household or the individual attests to a drop in income of more than 10% when compared to the tax return information.
EL-91	Eligibility and Enrollment	Verification	Provide capability for individual to submit electronically, alternative income verification documentation and associate the documentation provided to a user account / application.
EL-92	Eligibility and Enrollment	Verification	Provide the capability for a representative of the NMHIX entity or the State to review documentation provided electronically and update a user account status as "verified" or "not verified".
EL-93	Eligibility and Enrollment	Verification	If within 90 days of the alternate attestation of income is not verified, revert to income that is verifiable by authoritative sources (e.g. CMS/IRS)
EL-94	Eligibility and Enrollment	Eligibility Determination	Provide electronic notification to CMS of the result of an individual's eligibility determination.
EL-95	Eligibility and Enrollment	Eligibility Determination	Generate on-screen and written notification of the result of an individual's eligibility determination (including information such as individuals evaluated, MAGI used for basis of determination, period of eligibility, etc.) Notifications must align with currently established eligibility notices.
EL-96	Eligibility and Enrollment	Eligibility Determination	If an individual has been determined eligible for an Advance Premium Tax Credit, initiate the plan selection and enrollment process.
EL-97	Eligibility and Enrollment	Eligibility Determination	If an individual has been determined eligible to select a QHP (unsubsidized), initiate the plan selection and enrollment process.
EL-98	Eligibility and Enrollment	Change Reporting	Provide capability for individuals to submit changes to household composition (add / remove household members) and other life events in between redeterminations / renewals.
EL-99	Eligibility and Enrollment	Change Reporting	Provide the capability for individuals to submit changes to household income (projected increase or decrease) from when initially reported at application or last renewal.
EL-100	Eligibility and Enrollment	Change Reporting	Provide the capability utilizing the Federal service to determine APTC/CSR to perform a redetermination of APTC/CSR eligibility for individuals that submit a change in income.

ID	Category	Subcategory	Requirements
EL-101	Eligibility and Enrollment	Individual Exemption	Provide the capability for an individual to indicate the following types of potential exemption: o Financial hardship o Native American status o Individuals without coverage for less than three months o Incarcerated individuals o Individuals who cannot meet the affordability standard
EL-102	Eligibility and Enrollment	Individual Exemption	Provide the capability for an individual to provide client statement or verifications in order to determine exemption status
EL-103	Eligibility and Enrollment	Individual Exemption	If not provided by the Federal Service, The NMHIX will send notifications of individuals who have been determined as exempt or not exempt to CMS
EL-104	Eligibility and Enrollment	Individual Exemption	Update individual user account to reflect exemption status
EL-105	Eligibility and Enrollment	Individual Exemption	If not provided by the Federal Service, The NMHIX will send a formal, written notice to an individual's mailing address summarizing eligibility determination for individual exemption
EL-106	Eligibility and Enrollment	Individual Exemption	If not provided by the Federal Service, the NMHIX will send an annual written, formal notice to an individual's mailing address to renew exemption eligibility or provide changes to eligibility factors.
EL-107	Eligibility and Enrollment	Referrals	Provide capability to accept referrals from the State Human Service Eligibility Systems (ASPEN) for individuals who are transitioning to NMHIX programs. It is anticipated this could be accomplished by having the ASPEN system send a nightly XML batch file of individuals that have applied for, been approved for or denied Medicaid / CHIP. Note: Vendor will have to have a thorough understanding of the ASPEN system and will have to provide specifics as to how this referral process will integrate with the ASPEN system and the NMHIX.
EL-108	Eligibility and Enrollment	Exception Processing	Provide active workflow capability to manage eligibility exceptions where manual review or intervention is required.

Figure 1 - NMHIX Eligibility Flow



APPENDIX D-1.2
Individual Enrollment Functional Requirements

ID	Category	Subcategory	Requirement
EN-1	Eligibility and Enrollment	Plan Selection	Prepare an enrollment questionnaire to gather individual preferences and help refine choices of plan to be displayed. The questions should include but should not be limited to the following: • Prior medical spending for office visits / co-pay • Prior medical spending for RX • Health Savings Account preference (Yes or No) • Max and Min deductible preference • Max and Min Co-Pay • Max and Min Premium All options should be defaulted to optional. **Note:** Vendor is welcome to suggestion additional questions that would assist consumers in making an informed decision.
EN-2	Eligibility and Enrollment	Plan Selection	Store enrollment questionnaire responses and display plan choices based on questionnaire / filtering criteria.
EN-3	Eligibility and Enrollment	Plan Selection	Based on carrier and plan information gathered, display plan cost and availability.
EN-4	Eligibility and Enrollment	Plan Selection	Only display health plans that have been certified by DOI, are open to additional enrollment, and are available in the individual's geographic area.
EN-5	Eligibility and Enrollment	Plan Selection	Display actual plan cost based on applicable rating factors (individuals covered, age, geography, etc.) provided by the individual during the application process.
EN-6	Eligibility and Enrollment	Plan Selection	Provide calculator which will display an adjusted plan cost based on reduced cost sharing or tax credit advance eligibility, when applicable.
EN-7	Eligibility and Enrollment	Plan Selection	Provide the capability to apply the Tax Credit Advance to the monthly premium payment or decline the advance, allowing the ability to alternatively claim tax credits at time of annual income tax filing. This capability will help decrease the risk of individuals incurring a tax liability due to unanticipated increases in annual income.
EN-8	Eligibility and Enrollment	Plan Selection	Generate on-screen and written notification to individuals who select at Tax Credit Advance of the possibility of tax penalties / liabilities at time of tax filing should their annual income increase.
EN-10	Eligibility and Enrollment	Plan Selection	Provide capability to display a detailed side-by-side comparison of available health plans based on individual preferences
EN-11	Eligibility and Enrollment	Plan Selection	Provide capability to adjust individual preferences and update display and comparison of available qualified health plans. This capability includes the ability to further refine or constrain filtering criteria to either display a greater or lesser number of plan choices. Individuals should be able to filter plans based on but not limited to the following: • Provider • Network • Deductible • Out of pocket maximum • Monthly Premium • HSA qualified • Co-payment **Note:** Vendor is welcome to suggestion additional filters that would assist consumers in making an informed decision.
EN-12	Eligibility and Enrollment	Plan Selection	Allow individuals to verify provider availability by providing links to each of the NMHIX participating carriers provider directories.

ID	Category	Subcategory	Requirement
EN-13	Eligibility and Enrollment	Plan Selection	Provide capability for an individual to select a QHP and initiate the enrollment process.
EN-14	Eligibility and Enrollment	Plan Selection	Once a plan is selected, direct an individual to carrier-specific specific instructions on payment remittance for monthly premiums.
EN-15	Eligibility and Enrollment	Plan Selection	Update an individual's account to reflect plan selection and the effective plan-year.
EN-16	Eligibility and Enrollment	Plan Selection	After plan selection, initiate an electronic, real-time transmission of information to the selected carrier necessary to complete the enrollment process / transaction to applicable carriers.
EN-17	Eligibility and Enrollment	Enrollment	If individuals directly enroll in health plans through the carrier, update an individual's account information based on enrollment information provided by the carrier. Version 2.0
EN-18	Eligibility and Enrollment	Enrollment	Record and store up-to-date plan enrollment information for individuals that enrolled via the NMHIX.
EN-19	Eligibility and Enrollment	Enrollment	Process an on-screen, electronic and written acknowledgement of receipt of enrollment transaction from carrier/provider.
EN-20	Eligibility and Enrollment	Enrollment	Prepare an electronic notice to CMS with a minimum dataset of information regarding an individual's enrollment in a qualified health plan through the NMHIX. This information is used to generate payments to qualified health plan issuers for advance premium tax credits and cost-sharing reductions, as well as for performance measurement and tax administration, as applicable.
EN-21	Eligibility and Enrollment	Enrollment	Provide notification to the issuer of an individual's selected qualified health plan regarding changes to the individual's information, including to his or her levels of advance premium tax credits or cost-sharing reductions, or regarding a decision by an individual to renew his or her enrollment in the qualified health plan.
EN-22	Eligibility and Enrollment	Enrollment	Process the electronic confirmation / acknowledgement of receipt of enrollment changes received by a carrier in real time. Version 2.0
EN-23	Eligibility and Enrollment	Enrollment	Provide capability to receive electronic notifications from issuers regarding disenrollment and initiate disenrollment process
EN-24	Eligibility and Enrollment	Enrollment	Provide the capability for an individual to request a voluntary disenrollment from a QHP.
EN-25	Eligibility and Enrollment	Enrollment	If conditions for a voluntary disenrollment (e.g. failure to pay QHP premiums beyond the grace period, change in eligibility, etc.), initiate the disenrollment process.
EN-26	Eligibility and Enrollment	Enrollment	If an individual initiates a voluntary disenrollment through the NMHIX and not directly with the Issuer, produce an electronic notification to the Issuer to disenroll an individual.
EN-27	Eligibility and Enrollment	Enrollment	Update user accounts based on disenrollment notification from issuers or disenrollments initiated by the NMHIX.
EN-28	Eligibility and Enrollment	Enrollment	Prepare a notice to CMS with a minimum dataset of information regarding an individual's disenrollment from a qualified health plan through the NMHIX. This information is used to adjust payments to qualified health plan issuers for advance premium tax credits and cost-sharing reductions, as well as for performance measurement and tax administration, as applicable.
EN-29	Eligibility and Enrollment	Enrollment	When a plan is decertified, initiate the health plan enrollment process for affected individuals (based on special enrollment period rules).
EN-30	Eligibility and Enrollment	Enrollment	After eligibility is determined for a QHP, determine the next available period for open enrollment. The open enrollment period should be tracked separately from timeframes for eligibility renewals for applicable plan Tax Credits.
EN-31	Eligibility and Enrollment	Enrollment	Prepare and provide communication to individuals about a mid-year plan decertification and notify need for plan selection / enrollment.
EN-32	Eligibility and Enrollment	Enrollment	Prepare on-screen and written notification to individuals regarding eligibility for enrollment periods.
EN-33	Eligibility and Enrollment	Enrollment	Establish lock-out periods based on QHP or provider rules.
EN-34	Eligibility and Enrollment	Enrollment	Generate a report to a qualified health plan issuer regarding the NMHIX records of current enrollment with the qualified health plan issuer. This report is used to reconcile enrollment records between the NMHIX and the qualified health plan issuer.

ID	Category	Subcategory	Requirement
EN-35	Eligibility and Enrollment	Enrollment	Process information provided by a qualified health plan issuer regarding discrepancies between the enrollment information maintained by the qualified health plan issuer and the enrollment information maintained by the NMHIX and address the discrepancies.
EN-36	Eligibility and Enrollment	Enrollment	Notify CMS regarding reconciled periodic enrollment information. This information is used to generate payments to qualified health plan issuers for advance premium tax credits and cost-sharing reductions, as well as for performance measurement and tax administration, as applicable.
EN-37	Eligibility and Enrollment	Enrollment	Allow an applicant to specify a preferred method of communication (mail, fax, telephone, email, text message)
EN-38	Eligibility and Enrollment	Enrollment	Record and track electronic communications within the NMHIX among applicants, providers, plans, brokers, and navigators. Note: This does not apply to communications outside the NMHIX
EN-39	Eligibility and Enrollment	Enrollment	Provide help screen capability for each stage of eligibility determination and enrollment process

APPENDIX D-2
Financial Services and Management Functional Requirements

ID	Category	Subcategory	Requirement
FM-1	Financial Management	APTCs and CSRs	Generate monthly report of individuals enrolled in the QHPs for the upcoming month along with the amounts of advance tax credits and cost sharing reductions.
FM-2	Financial Management	APTCs and CSRs	Transmit monthly report of individuals enrolled in QHPs to CMS
FM-3	Financial Management	APTCs and CSRs	Transmit monthly report of individuals enrolled in the QHPs to Issuers
FM-4	Financial Management	APTCs and CSRs	Update financial data with tax credit (APTC) and cost sharing reduction (CSR) payments to Issuers.
FM-5	Financial Management	APTCs and CSRs	Receive electronic Issuer payment reports from CMS.
FM-6	Financial Management	APTCs and CSRs	Update financial data with electronic issuer payment data.
FM-7	Financial Management	APTCs and CSRs	Compare payments data made by CMS to payment report data provided to CMS and report exceptions. Version 2.0
FM-8	Financial Management	APTCs and CSRs	Provide for reconciliation/adjustment of NMHIX Issuer, and/or CMS discrepancy. Version 2.0
FM-9	Financial Management	APTCs and CSRs	Receive electronic payment history report from Issuers.
FM-10	Financial Management	APTCs and CSRs	Record and store Issuer payment history data.
FM-11	Financial Management	APTCs and CSRs	Produce electronic Issuer payment history report and transmit to CMS.
FM-12	Financial Management	Premium Processing	Provide capability to display employer premium due.
FM-13	Financial Management	Premium Processing	Allow for retroactive employee enrollments and roll these amounts into the next billing cycle for the employer.
FM-14	Financial Management	Premium Processing	Calculate employer fee if applicable and record and store employer fee information
FM-15	Financial Management	Premium Processing	Produce Employer Invoice Notification and email to Employer.
FM-16	Financial Management	Premium Processing	Produce Employer invoice. The invoice should include the monthly balance due and any outstanding premium payments due as well as employer identifying information
FM-17	Financial Management	Premium Processing	Provide capability that allows Employer to create a notification that invoice discrepancy exists.
FM-18	Financial Management	Premium Processing	Provide capabilities for Employers to make electronic payments that include e-check
FM-19	Financial Management	Premium Processing	Receive and process premium payments.
FM-20	Financial Management	Premium Processing	Record receipt of payment.
FM-21	Financial Management	Premium Processing	Identify and account for discrepancies between employer payments and CMS reported payments (reconciliation). Version 2.0
FM-22	Financial Management	Premium Processing	Determine individual premium payment option.
FM-23	Financial Management	Premium Processing	Calculate individual premium payment amount (itemized).
FM-24	Financial Management	Premium Processing	If an Individual comes off of an Employer plan and chooses COBRA, the system must be able to determine if a COBRA option exists for an individual, and if it exists, allow an individual to select COBRA and make COBRA payments.
FM-25	Financial Management	Premium Processing	Provide calculator for determining payments
FM-26	Financial Management	Premium Processing	Calculate Individual Fee if applicable.

ID	Category	Subcategory	Requirement
FM-27	Financial Management	Premium Processing	Send Invoice notification to individual for monthly premium payment.
FM-28	Financial Management	Premium Processing	The invoice notification would include a link to login to the NMHIX and make an electronic payment.
FM-29	Financial Management	Premium Processing	The invoice should include upcoming month's premium due, year to date paid amounts, and if applicable, prior unpaid premium amounts and adjusted amounts.
FM-30	Financial Management	Premium Processing	Provide the capability to view invoice for Individuals.
FM-31	Financial Management	Premium Processing	Provide invoice discrepancy Notification capabilities for Individuals.
FM-32	Financial Management	Premium Processing	Provide capability to pay premium via electronic payment (EFT) with options to pay by e-check
FM-33	Financial Management	Premium Processing	Receive and process individual payments from individuals.
FM-34	Financial Management	Premium Processing	Provide capability to record financial information about electronic payments and payment type.
FM-35	Financial Management	Premium Processing	Produce payment exception report and notification to individual.
FM-36	Financial Management	Premium Processing	Provide capability to display unpaid employer premiums and produce report notification for employers.
FM-37	Financial Management	Premium Processing	Provide the capability to read Employer notifications regarding invoice discrepancies.
FM-38	Financial Management	Premium Processing	Send notification of unpaid premiums to employers.
FM-39	Financial Management	Premium Processing	Receive Employer invoice discrepancy notification.
FM-40	Financial Management	Premium Processing	Provide capability to identify the source of the discrepancy and make note of it electronically.
FM-41	Financial Management	Premium Processing	Produce Notification to Eligibility and Enrollment of the discrepancy for both for employers and individuals
FM-42	Financial Management	Premium Processing	Provide capability to update employer account and make adjustment.
FM-43	Financial Management	Premium Processing	Update corresponding subsidiary ledger accounts. Version 2.0
FM-44	Financial Management	Premium Processing	Generate invoice adjustment (positive or negative) for employers and individuals.
FM-45	Financial Management	Premium Processing	Allow for tolerance amount on acceptance of payment for both for employers and individuals
FM-46	Financial Management	Premium Processing	Provide for processing adjustments for employers and individuals for bad checks or payments due to NSF or other reasons.
FM-47	Financial Management	Premium Processing	Provide automated process for identifying unpaid individual premiums and generating a notification to the individuals.
FM-48	Financial Management	Premium Processing	Provide ability to read Individual notifications regarding invoice discrepancies.
FM-49	Financial Management	Premium Processing	Send notifications of unpaid premiums to Individuals.
FM-50	Financial Management	Premium Processing	Provide automated process to log invoice discrepancy from an individual.
FM-51	Financial Management	Premium Processing	Notification to individual that discrepancy received.
FM-52	Financial Management	Premium Processing	Provide capability to identify the source of the discrepancy and make notes about what needs to be corrected.
FM-53	Financial Management	Premium Processing	Provide automated process to update the individual account with an invoice adjustment.
FM-54	Financial Management	Premium Processing	Update corresponding subsidiary ledger accounts. Version 2.0
FM-55	Financial Management	Premium Processing	Provide capability to itemize the billing invoice with the premium, broker fee or commission and any admin or other fees.
FM-56	Financial Management	Issuer Payment Transfers	Receive notification of discrepancy from Issuer.

ID	Category	Subcategory	Requirement
FM-57	Financial Management	Issuer Payment Transfers	Provide capability to review and modify the financial records for payment discrepancies identified by the Issuer.
FM-58	Financial Management	Issuer Payment Transfers	Provide capability to update records with corrected invoice / payment information for Issuers, Employers, or Individual records.
FM-59	Financial Management	Interfaces	Provide regular (monthly) reports on NMHIX enrollees, including unique individual identifier, plan enrolled in, the type of coverage purchased, rating criteria information, demographic data, and effective dates for individual and small group market non-grandfathered plans.
FM-60	Financial Management	Fees	The system will calculate the user fee from Issuers and update the financial accounts. Charging Issuers should be a configurable option.
FM-61	Financial Management	Fees	The Issuer invoice will be generated and a Notification sent to the Issuer.
FM-62	Financial Management	Fees	The system will allow for electronic payment of user fees from Issuers.
FM-63	Financial Management	Fees	The system will allow for electronic payment of Issuer fees.
FM-64	Financial Management	Fees	Electronic payments allowed include EFT, e-check
FM-65	Financial Management	Fees	Electronic payments types are configurable for different actors in the system.
FM-66	Financial Management	Issuer Payment Transfers	The system will aggregate premium payments for each Issuer.
FM-67	Financial Management	Issuer Payment Transfers	The system will perform the aggregation on a monthly basis.
FM-68	Financial Management	Issuer Payment Transfers	The system will account for the type of fee being charged and aggregate the correct amount for the Issuer.
FM-69	Financial Management	Issuer Payment Transfers	The system will remit aggregated premiums to Issuers, brokers, etc. electronically.
FM-70	Financial Management	Interfaces	The system will summarize and apply general ledger coding to the financial transactions.
FM-71	Financial Management	Interfaces	The system will update financial documents as required.
FM-72	Financial Management	Interfaces	Transmit the general ledger transactions to the appropriate financial subcontractor or agency, as required.
FM-73	Financial Management	Interfaces	Provide capability to use the financial reporting tools available from HSD, other agency, or subcontractor, as appropriate, to create required Exchange Financial Reports
FM-74	Financial Management	Interfaces	Provide detailed data to support and reconcile the required Financial Reports for state and federal reporting requirements.
FM-75	Financial Management	Reports	Provide the capability for employers, Individuals, brokers and Issuers to generate a variety of different financial and billing reports on a weekly, monthly, quarterly and annual basis.

APPENDIX D-3
Plan Management Functional Requirements

Note: The NMHIX will be utilizing wherever possible the NAIC's SERFF enhancements to facilitate plan management. Expected SERFF functions are illustrated in bold type.

ID	Category	Subcategory	Requirement
PM-1	Plan Management	Establish Issuer and Plan Initial Certification and Agreement	Capture and store Provider Information including: -provider type -accepting new patients y/n - provider demographic information - provider services information Note: providers can be linked to multiple plans and multiple issuers Version 2.0
PM-2	Plan Management	Establish Issuer and Plan Initial Certification and Agreement	Provide ability to store Issuer information provided by the New Mexico DOI into the system. Data could include: • Certification information • Plan approval • Audits • Rate Reviews • Quarterly Performance Data • Suspensions or actions (if exist) Version 2.0
PM-3	Plan Management	Establish Issuer and Plan Initial Certification and Agreement	DOI Requirements
PM-4	Plan Management	Establish Issuer and Plan Initial Certification and Agreement	Provide ability for NMHIX staff to view Plan information, update as needed and add additional data to support plan evaluation. This includes supplying a method of restricting access rights to designated NMHIX staff. DOI Requirements
PM-5	Plan Management	Establish Issuer and Plan Initial Certification and Agreement	Determine the quality rating in accordance with CMS plan quality rating methodology. [1]
PM-6	Plan Management	Establish Issuer and Plan Initial Certification and Agreement	Determine the rating of a plan (platinum, gold, silver, bronze) SERFF leverage
PM-7	Plan Management	Establish Issuer and Plan Initial Certification and Agreement	Provide the ability for the NMHIX to access the SERFF Web services to allow the NMHIX to consume plan data when approval for a plan is finalized

ID	Category	Subcategory	Requirement
PM-8	Plan Management	Establish Issuer and Plan Initial Certification and Agreement	Provide the ability for the NMHIX to access in real-time the SERFF web services to allow the NMHIX to consume plan data and display plan data including data such as: - Plan title and description - Plan quality rating - Plan providers - Out of pocket limits - Annual deductible - Monthly Premium - Plan Details - to be determined - Link to Issuer/Plan website - medical loss ratio - transparency in coverage - summary in benefits and coverage - levels of coverage - availability of in-network and out-of-network providers DOI Requirements
PM-9	**Plan Management**	**Establish Issuer and Plan Initial Certification and Agreement**	**Provide function to periodically submit required data to the CMS federal hub** **- Issuer data** **- Plan data including** **- Benefits structure** **- rates** **- enrollment**
PM-10	**Plan Management**	**Monitor Issuer/Plan Compliance**	**Provide the ability to define performance monitoring periods (.e. quarterly, monthly etc.) [1]**
PM-11	**Plan Management**	**Monitor Issuer/Plan Compliance**	**Accept Issuer and plan performance data electronically from Issuers in support of periodic monitoring activities such as:** **• HEDIS ratings** **• Consumer perception ratings (CAPS)** **• Complaints** **• Patient information programs** **• Claims payment data** **• Disenrollment data** **• Denied claims** **DOI Functionality**
PM-12	**Plan Management**	**Monitor Issuer/Plan Compliance**	**Accept Issuer data electronically in support of periodic monitoring activities such as:** **-Issuer ID** **-Complaint data/summaries** **-Sanction data (if any)** **-Solvency status** **-Network adequacy** **DOI Functionality**
PM-13	**Plan Management**	**Monitor Issuer/Plan Compliance**	**Provide analytical queries and reports to analyze** **DOI Functionality**

ID	Category	Subcategory	Requirement
PM-14	Plan Management	Monitor Issuer/Plan Compliance	Accept Issuer and Plan data electronically from CMS in support of periodic monitoring activities such as: -Issuer ID -Plan ID -Complaint data/summaries -Other data to be determined by CMS DOI Functionality
PM-15	Plan Management	Monitor Issuer/Plan Compliance	Provide the ability to analyze and report on performance data provided by Issuers DOI Functionality
PM-16	Plan Management	Monitor Issuer/Plan Compliance	Track the receipt of performance and compliance data from Issuers and including data is received and date DOI Functionality
PM-17	Plan Management	Monitor Issuer/Plan Compliance	Allow the analysts to track receipt of information received by Issuers in non-data formats, i.e. store PDFs DOI Functionality
PM-18	Plan Management	Monitor Issuer/Plan Compliance	Allow recording results of compliance analysis, and the status of an issuer/plan meeting a variety compliance requirements such as: - Benefits design standards - validation/tracking data - Essential benefits - Cost sharing limits - Coverage levels - NM DOI certification status - User fee compliance - Risk adjustment participation compliance - Plan offering compliance - Non discrimination compliance - Transparency requirements DOI Functionality
PM-19	Plan Management	Monitor Issuer/Plan Compliance	Allow for preliminary and final compliance determinations [1]
PM-20	Plan Management	Monitor Issuer/Plan Compliance	Historical compliance tracking information must be retained. [1]
PM-21	Plan Management	Monitor Issuer/Plan Compliance	Provide a compliance dashboard to indicate compliance analysis progress on Issuers/plans and the results of the compliance analysis through the compliance process. [1]
PM-22	Plan Management	Monitor Issuer/Plan Compliance	Provide a performance indicator dashboard to aggregate performance data and display summary performance information by Issuer/Plan. [1]
PM-23	Plan Management	Monitor Issuer/Plan Compliance	Calculate a quality rating for each plan. The quality rating methodology is not yet published by CMS. [1]

ID	Category	Subcategory	Requirement
PM-24	Plan Management	Monitor Issuer/Plan Compliance	Historical plan quality ratings must be retained. [1]
PM-25	Plan Management	Monitor Issuer/Plan Compliance	Provide and display the most current quality rating for each plan on the NMHIX.
PM-26	Plan Management	Monitor Issuer/Plan Compliance	Produce electronic and paper notices for Issuers indicating the results of the compliance and quality reviews, i.e. the compliance and quality rating determination. [1]
PM-27	Plan Management	Monitor Issuer/Plan Compliance	Produce electronic and paper notices to Issuers when a plan is not to be renewed.
PM-28	Plan Management	Monitor Issuer/Plan Compliance	Record the plan non-renewal event and status information, including date, reason/rationale. [1]
PM-29	Plan Management	Monitor Issuer/Plan Compliance	
PM-30	Plan Management	Monitor Issuer/Plan Compliance	Produce electronic notification to CMS when an Issuer/plan is not renewed or is decertified from the DOI. DOI Functionality
PM-31	Plan Management	Establish Issuer and Plan Renewal and Recertification	Define an option period for recertification and renewal. [1]
PM-32	Plan Management	Establish Issuer and Plan Renewal and Recertification	Display a variety of data about a plan to help determine the decision to renew including: [1] • Performance Data • Quality Data • Complaint Data • Coverage data • Benefits and rates
PM-33	Plan Management	Establish Issuer and Plan Renewal and Recertification	Allow the plan management analyst to indicate which plans will be requested to be renewed and which will not. [1]
PM-34	Plan Management	Establish Issuer and Plan Renewal and Recertification	Upon request, generate and send renewal request to Issuers about the plans desired to be renewed, requesting a notification of intent to renew. [1]
PM-35	Plan Management	Establish Issuer and Plan Renewal and Recertification	Receive notifications from Issuers regarding intent to renew or not renew a plan. [1]
PM-36	Plan Management	Establish Issuer and Plan Renewal and Recertification	Upon request, generate and send non-renewal notices to Issuers about the plans not be renewed. [1]
PM-37	Plan Management	Establish Issuer and Plan Renewal and Recertification	Upon request, generate and send electronic and paper decertification notices to Issuers about the plans to be decertified. [1]

ID	Category	Subcategory	Requirement
PM-38	Plan Management	Establish Issuer and Plan Renewal and Recertification	Send electronic notification to the CMS Hub about a non-renewal or decertification of a plan.
PM-39	Plan Management	Establish Issuer and Plan Renewal and Recertification	Support receipt of recertification data in the same manner used for initial certification. [1]
PM-40	Plan Management	Establish Issuer and Plan Renewal and Recertification	Support storage, view and processing of recertification data and analysis in the manner used for initial certification. [1]
PM-41	Plan Management	Establish Issuer and Plan Renewal and Recertification	Distinguish if data and tracking activities are for initial or recertification. [1]
PM-42	Plan Management	Establish Issuer and Plan Renewal and Recertification	Save historical data provided for certification or recertification. [1]
PM-43	Plan Management	Establish Issuer and Plan Renewal and Recertification	Allow tracking of negotiation steps and activities. [1]
PM-44	Plan Management	Establish Issuer and Plan Renewal and Recertification	Generate re-amendment notification and information storage consistent with the initial certification amendment process. [1]
PM-45	Plan Management	Establish Issuer and Plan Renewal and Recertification	The system must process agreement acceptance from Issuers consistent with the initial certification acceptance process. [1]
PM-46	Plan Management	Establish Issuer and Plan Renewal and Recertification	Update Issuer and agreement information in the system consistent with the initial certification amendment process. [1]
PM-47	Plan Management	Establish Issuer and Plan Renewal and Recertification	Recertify the plan and notify issuers consistent with the initial certification process. [1]
PM-48	Plan Management	Establish Issuer and Plan Renewal and Recertification	Update CMS with plan certified plan information consistent with the initial certification process
PM-49	Plan Management	Establish Issuer and Plan Renewal and Recertification	Distinguish to CMS initial certified data from recertified plan data.

ID	Category	Subcategory	Requirement
PM-60	**Plan Management**	**Maintain Operational Data**	**Accept Issuers complaint data electronically in a secure manner, from the NM DOI on a monthly basis. Complaint data can include:** **- Issuer** **- Plan** **- Number of complaints** **- Complaint type** **- Complaint description/detail**
PM-61	**Plan Management**	**Maintain Operational Data**	**Accept Issuers and Plan complaint data electronically from the CMS Hub on a periodic basis. Complaint data can include:** **- Issuer** **- Plan** **- Number of complaints** **- Complaint type** **- Complaint description/detail**
PM-62	Plan Management	Maintain Operational Data	Provide web-based interface for NMHIX consumers, providers, brokers, navigators, etc. to enter complaints about Exchange Issuers and/or Plans will capture complaint data including: - Exchange user id (for consumers, navigators, etc.) - Provider id (for providers) - Issuer - Plan - Complaint description/detail - Complaint type - Complaint source
PM-63	Plan Management	Maintain Operational Data	NMHIX users such as consumers, navigators, etc. must log into their NMHIX account to post/submit a complaint.
PM-64	Plan Management	Maintain Operational Data	Accept Issuer/Plan complaint data electronically in secure manner, from NMHIX Issuers on a periodic basis. Complaint data can include: - Issuer - Plan Involved - Number and Type of Complaint - Complaint rates - Complaint response time
PM-65	Plan Management	Maintain Operational Data	Track and manage complaints submitted from the NMHIX
PM-66	**Plan Management**	**Maintain Operational Data**	**Use a common, standard format for complaint data from all sources to facilitate merging complaint data for analysis.**
PM-67	**Plan Management**	**Maintain Operational Data**	**Allow complaint managers to classify complaints by attributes to support triaging complaints for action or referral**
PM-68	**Plan Management**	**Maintain Operational Data**	**Retain the source of the complaint (i.e. provider, issuer, NM DOI or other state agency, etc.) and the date received**
PM-69	**Plan Management**	**Maintain Operational Data**	**Users must have a way to aggregate or combine multiple versions of the same complaint or relate multiple complaints to a single complaint case**
PM-70	**Plan Management**	**Maintain Operational Data**	**Track and manage activities related to researching and addressing complaints from complaint receipt to completion/resolution of a complaint including who took action, what the action was, relevant dates, communication tracking, contacts, etc.**
PM-71	**Plan Management**	**Maintain Operational Data**	**Auto-assign a complaint to a complaint worker or account manager based on information provided in the complaint**

ID	Category	Subcategory	Requirement
PM-72	**Plan Management**	**Maintain Operational Data**	**Notify a complaint worker that a complaint has been assigned/routed to that person**
PM-73	**Plan Management**	**Maintain Operational Data**	**Allow reassignment of a complaint to a new complaint worker**
PM-74	**Plan Management**	**Maintain Operational Data**	**Provide queries/reports to track and manage complaint workload, disposition, assignments and status** **Version 2.0**
PM-75	**Plan Management**	**Maintain Operational Data**	**Provide sorts/reports/queries to support summarizing and analyzing complaints and complaint trends by a variety of complaint data attributes.**
PM-76	**Plan Management**	**Maintain Operational Data**	**Publish approved complaint data summaries to the NMHIX web portal for customer review, and to support transparency.**
PM-77	Plan Management	Maintain Operational Data	Provide electronic NMHIX Issuer complaint data to the NM DOI on a periodic basis. Complaint data can include: - Issuer - Number of complaints - Complaint type - Complaint description/detail DOI Functionality
PM-78	**Plan Management**	**Maintain Operational Data**	**Send an electronic complaint referral to:** **- An Issuer** **- NM DOI or other appropriate state agency** **- Eligibility case/complaint workers** **-** **- Others (to be defined)** **DOI Functionality**
PM-79	**Plan Management**	**Maintain Operational Data**	**Receive electronic files of marketing materials from Issuers. [1]**
PM-80	**Plan Management**	**Maintain Operational Data**	**Users must be able to classify and the system must be able to store electronic files of marketing materials from Issuers** **Version 2.0**
PM-81	**Plan Management**	**Maintain Operational Data**	**Allow Plan Management staff to view electronic files of marketing materials. [1]** **Version 2.0**
PM-82	**Plan Management**	**Maintain Operational Data**	**Track review and approval activities related to review of marketing materials. [1]** **Version 2.0**
PM-83	**Plan Management**	**Maintain Operational Data**	**Marketing materials must be linked to appropriate plan/issuer records in the system.** **Version 2.0**

ID	Category	Subcategory	Requirement
PM-84	**Plan Management**	**Maintain Operational Data**	**Store links to websites that are references to marketing materials. The links must be able to be associated to appropriate Issuers/Plans** **Version 2.0**
PM-85	**Plan Management**	**Maintain Operational Data**	**Track marketing material revision requests and the revision process, including tracking data about revision requests such as** **-Issuer Identifier** **-Plan Identifier** **- Marketing Material content** **-Material review process/tracking information** **-Revision number** **Version 2.0**
PM-86	**Plan Management**	**Maintain Operational Data**	**Allow marketing material reviewers to create and send notifications to Issuers about requested revisions** **Version 2.0**
PM-87	**Plan Management**	**Maintain Operational Data**	**Record approval information about marketing materials, including:** **-Approver** **-Approve Date** **-Status** **Version 2.0**
PM-88	Plan Management	Maintain Operational Data	Provide ability for NMHIX staff to view Provider information, update as needed and add additional data not provided electronically. It is anticipated that NMHIX staff will have access to more and internal only data fields than Issuers
PM-89	**Plan Management**	**Maintain Operational Data**	**Accept electronic provider data by Issuer from the NM DOI on a monthly basis. Provider data can include: [1]** **-Issuer data** **- Provider data** **- Provider Contract data** **- Provider Business data**
PM-90	**Plan Management**	**Maintain Operational Data**	**Provide analytic tools/reports/queries to support determining provider coverage adequacy of a plan by a variety of complaint data attributes including adequate coverage by geography and specialty**
PM-91	**Plan Management**	**Maintain Operational Data**	**Provide analytic tools/reports/queries to support determining Issuer/plan compliance with NMHIX rules/policy**
PM-92	**Plan Management**	**Maintain Operational Data**	**Provide analytic tools/reports/queries to support determining provider coverage adequacy of the Exchange plan portfolio by a variety of complaint data attributes.**
PM-93	Plan Management	Maintain Operational Data	Upon authorized approval, the updated provider network for a plan or Issuer must be able to be published to the NMHIX website for view by consumers. Version 2.0
PM-94	**Plan Management**	**Maintain Operational Data**	**Historical provider data must be saved to provide accurate historical representation of the provider network at a given point in time**
PM-95	Plan Management	Maintain Operational Data	Provide notices to be sent to plan consumers if a provider network change requires consumer notification.

ID	Category	Subcategory	Requirement
PM-96			Provide a notices posting area on the NMHIX website where consumers can view the latest important information
PM-97			Provide the ability for NMHX staff to easily update the consumer notices area of the NMHIX website with the latest information.
PM-98	Plan Management	Maintain Operational Data	**Provide ability for Insurance Issuer staff to view Provider information, update as needed and add additional data. It is anticipated that Issuers will have access to less Plan data fields that NMHIX staff. Data may include:** **- Plan Contact Information** **- Call Center Information** **- Addresses** **- Website Addresses** **- Management/Key Personnel/Ownership Changes** **- Plan Name Changes** **- Banking Information**
PM-99	Plan Management	Maintain Operational Data	**Notify the Plan Management worker when an Issuer has updated any Issuer, plan and provider data**
PM-100	Plan Management	Maintain Operational Data	**Provide the ability for a plan management worker to view changes made by an Issuer to Issuer, Plan and Provider data**
PM-101	Plan Management	Maintain Operational Data	Provide ability for a plan management worker to authorize changes made by an Issuer to be posted to the NMHIX.
PM-102	Plan Management	Maintain Operational Data	**Historical Issuer data must be saved.**
PM-103	Plan Management	Maintain Operational Data	**Provide ability for Issuers to electronically submit transparency and quality data such as: [1]** **-Issuer Identifier** **-Transparency/quality Information:** **-Payment policies and practices** **-Financial disclosures** **-Enrollment/disenrollment data** **- Claims denials** **- Rating practices** **-Quality rating data**
PM-104	Plan Management	Maintain Operational Data	**Receive electronic documents of transparency or quality information from Issuers. [1]**
PM-105	Plan Management	Maintain Operational Data	**Provide tools/sorts/reports/queries to support summarizing and analyzing transparency and quality data.**
PM-106	Plan Management	Maintain Operational Data	**Track the review steps and progress of transparency and quality data analysis including:** **- when information was received** **- analytical steps** **- process status**
PM-107	Plan Management	Process Change in Plan Enrollment Availability	Issuers must be able to electronically communicate a plan enrollment change to the NMHIX system. Data required will include: - enrollment availability status - change justification - effective dates - status indicating if new dependent enrollee's are still allowed

ID	Category	Subcategory	Requirement
PM-108	Plan Management	Process Change in Plan Enrollment Availability	Using SERFF Web services, the NM DOI must be able to electronically communicate a plan enrollment change to the NMHIX system. Data required will include: - enrollment availability status - change justification - effective dates - status indicating if new dependent enrollee's are still allowed
PM-109	**Plan Management**	**Process Change in Plan Enrollment Availability**	**Record the request for enrollment change including:** **Issuer Identifier** **Plan Identifier** **Plan Changes Effective Date** **Changed Plan Information:** **- Enrollment close status** **- Enrollment open status** **- Justification information** **- Requestor information** **- Status of change request**
PM-110	**Plan Management**	**Process Change in Plan Enrollment Availability**	**Exchange Plan Account Manager must automatically receive notification that an enrollment request has been received**
PM-111	**Plan Management**	**Process Change in Plan Enrollment Availability**	**Exchange Plan Account Manager must be able to review enrollment change request data and electronically approve or disapprove the enrollment notification or request.**
PM-112	**Plan Management**	**Process Change in Plan Enrollment Availability**	**Approval of the enrollment change request must generate an electronic notification to the appropriate state agency, such as NM DOI, indicating the plan enrollment status**
PM-113	**Plan Management**	**Process Change in Plan Enrollment Availability**	**Approval of the enrollment change request must generate an electronic notification to Exchange, Navigators and/or Brokers issuers indicating the plan enrollment status**
PM-114	**Plan Management**	**Process Change in Plan Enrollment Availability**	**Approval of the enrollment change request must send an update transaction to the CMS Hub indicating the plan enrollment status change and other information required by CMS**
PM-115	**Plan Management**	**Process Change in Plan Enrollment Availability**	**Approval or disapproval of the enrollment change request must send notification to the requesting Issuer.**
PM-116	Plan Management	Process Change in Plan Enrollment Availability	Navigators and brokers must be able to subscribe to NMHIX notifications
PM-117	**Plan Management**	**Review Rate Increase Justifications**	**Allow quarterly new enrollee 'trend up' rates to be submitted and stored, including the trend up dates in which the rates would become active. [1]**
PM-118	**Plan Management**	**Review Rate Increase Justifications**	**Provide the ability to turn a trend up rate on or off, i.e. allow an Issuer to submit a trend up rate but choose not to use it later. [1]**
PM-119	**Plan Management**	**Review Rate Increase Justifications**	**Users must be able to track the steps/progress of rate justification analysis, including steps completed, not completed and dates. [1]**

ID	Category	Subcategory	Requirement
PM-120	Plan Management	Review Rate Increase Justifications	Users must be able to track communications with Issuers and other state agencies, such as NM DOI, to support the analysis/negotiations process. [1]
PM-121	Plan Management	Review Rate Increase Justifications	Provide comparisons between current and proposed rates and plan benefits. [1]
PM-122	Plan Management	Review Rate Increase Justifications	Provide the ability to receive/store/track multiple rate change justifications if multiple are submitted during the negotiation process or after a rate change denial. [1]
PM-123	Plan Management	Review Rate Increase Justifications	If a rate increase is denied, generate a denial notice to the issuer both written and electronically. [1]
PM-124	Plan Management	Review Rate Increase Justifications	Track if a rate increase denial is being appealed by an Issuer (upon notification by the Issuer). [1]
PM-125	Plan Management	Review Rate Increase Justifications	If a rate increase is approved, generate an approval notice to the issuer both electronically, and as a formal notice that can be mailed. [1]
PM-126	Plan Management	Review Rate Increase Justifications	If a rate increase is approved, update agreement data and relevant rate and benefit data, effective dates. [1]
PM-127	Plan Management	Review Rate Increase Justifications	Upon rate approval, send updated plan/rate/benefit data to the CMS Hub for determination of silver plans.
PM-128	Plan Management	Review Rate Increase Justifications	Receive and process second lowest cost silver plan ratings from the CMS Hub. -Issuer Identifier -Plan Identifier -Rate Data -Rating Factors
PM-129	Plan Management	Review Rate Increase Justifications	The system must allow the authorized user to publish finalized rates and benefits data to the public facing NMHIX.
[1] Only provide this functionality if the functionality is NOT available in the SERFF enhancements for plan management.			

APPENDIX D-4.1
SHOP Functional Requirements

Employer Application Process			
ID	Category	Subcategory	Requirement
SH-1	SHOP	Application / Employer	Provide the capability for the employer to apply for eligibility as a small business on the NM SHOP Exchange. This application process should include collecting all the necessary information to determine if an employer qualifies as New Mexico small business. This application process should happen in parallel with the employee application process.
SH-2	SHOP	Application / Employer	Provide field level help for each application data element that includes description and required data format.
SH-3	SHOP	Application / Employer	Provide capability for employers to access in-depth online help during the application process; provide the tools to educate Employers and employees on the services provided within the NM SHOP Exchange.
SH-4	SHOP	Application / Employer	Provide capability for employers to request further assistance through Chat Support (online assistance from a customer service representative) during the application process.
SH-5	SHOP	Application / Employer	Provide multiple methods for an employer to build an employee census file through the application process (e.g. manual entry, file upload, etc.)
SH-6	SHOP	Application / Employer	Allow verified individuals to complete employer applications on behalf of the employer (i.e. an administration or finance department/personnel, brokers, etc.)
SH-7	SHOP	Application / Employer	Provide a single, online employer application for SHOP
SH-8	SHOP	Application / Employer	During the application process, prompt the Employer to enter the exact business name associated with the EIN.
SH-9	SHOP	Application / Employer	Provide the capability to differentiate / track full-time employees versus part-time/hourly employees in the employee census file.
SH-10	SHOP	Application / Employer	Validate field-level information for correct data format and completeness
SH-11	SHOP	Application / Employer	Conduct validation of mailing addresses provided in applications (using external Postal Address validation service)
SH-12	SHOP	Application / Employer	For employers who do not have an EIN, allow the application process to proceed (e.g. businesses in the process of obtaining an EIN, etc.) Per the 30-day validation process, allow for the suspension of eligibility if EIN remains un-verified.
SH-13	SHOP	Application / Employer	Supply the ability to validate field-level information for format and completeness within the employer application
SH-14	SHOP	Application / Employer	Provide capability to utilize / create a single client identifier for the NM SHOP Exchange and use that identifier to locate the employer at the point of application / account creation / renewals, etc., as applicable.
SH-15	SHOP	Application / Employer	Prior to the creation of a new employer account, the NM SHOP Exchange shall determine if an existing user account is present based on matching criteria provided in the application (e.g. EIN, name)
SH-16	SHOP	Application / Employer	Provide capability to validate employee SSNs submitted through the employer application (employee roster).
SH-17	SHOP	Application / Employer	Create user name and temporary password for each employee listed on employee roster.
SH-18	SHOP	Verification / Employer	Provide capability to conduct a validation of SSN upon submittal of the Employer Application and Employee Census file for SHOP.
SH-19	SHOP	Application / Employer	At the point when an employer builds an initial employee census file, the SHOP Exchange will not need to establish unique individual identifiers utilizing the Client Hub. However, when employees utilize the exchange after notification from their employers, the Exchange should check for an existing identifier or account. If one does not exist, the Exchange will facilitate the creation of a new unique identifier.
SH-20	SHOP	Application / Employer	Any SHOP solution will need to be capable of integrating with the identity management service.

Employer Application Process - Continued			
ID	**Category**	**Subcategory**	**Requirement**
SH-21	SHOP	Application / Employer	During the application process, user accounts shall be created that include the following: • User unique identifier • User demographic information • Application status • Participation status • Existing program eligibility (Small Business Tax Credit (For Profit or Tax Exempt), SHOP Eligibility)
SH-22	SHOP	Application / Employer	Create a user account that defines a user-defined user name and password.
SH-23	SHOP	Application / Employer	Provide the capability for the employer to generate a packet of critical information to distribute to the employee.
SH-24	SHOP	Application / Employer	Upon submittal of initial Employer Application, provide email and written notification to employees (as identified on the employee census file) to elect for or opt-out of employer sponsored coverage. Notification should also provide instructions and information to the employee about the open enrollment period and SHOP website access.
SH-25	SHOP	Application / Employer	Provide the ability to record specific tribal affiliations and confirmation of Indian status in system
SH-26	SHOP	Verification / Employer	Provide capability to generate a request to an information source to be determined to verify an employer's size. (e.g. using EIN, HBI, actual payroll, Master Business License Application, income tax documents, etc.)
SH-27	SHOP	Verification / Employer	Provide the capability to initiate a manual verification process when additional verification of employer size is required. (e.g. using EIN, HBI, actual payroll, Master Business License Application, income tax documents, etc.)
SH-28	SHOP	Verification / Employer	Display the result of the verification provided by Information Source to be determined; provide means for an employer to dispute, call into question or appeal the validity of data from authoritative sources
SH-29	SHOP	Application / Employer	Provide capability to electronically store documents submitted for employer size verification.
SH-30	SHOP	Verification / Employer	Track status of employer size verification based on the following: o Verified o Not verified o Pending Review
SH-31	SHOP	Application / Employer	Provide capability to produce a mailed, written notice to the employer to provide additional verifications (notices are sent out nightly in batch); the automated written notice shall include: o Employer name o Address o Unique identifier, potentially o Employer EIN o Information requested o Due date based on date of initial application
SH-32	SHOP	Verification / Employer	When additional verification is required, provide on-screen notification to employer to supply additional verifications through the Exchange.
SH-33	SHOP	Application / Employer	Update user / employer account status based on updated employer size results.
SH-34	SHOP	Verification / Employer	Provide capability to generate a request to an information source to be determined to verify Business Address or Worksite.
SH-35	SHOP	Verification / Employer	Provide the capability to initiate a manual verification process when additional verification of Business Address or Worksite is required.
SH-36	SHOP	Verification / Employer	Display the result of the verification provided by the information source to be determined; provide means for an employer to dispute, call into question or appeal the validity of data from authoritative sources

Employer Application Process - Continued			
ID	Category	Subcategory	Requirement
SH-37	SHOP	Verification / Employer	Provide capability to generate a request to an information source to be determined to verify Coverage Offered to all Full Time Employed Employees, if applicable.
SH-38	SHOP	Verification / Employer	Provide the capability to initiate a manual verification process when additional verification of Coverage Offered to all Full Time Employed Employees is required.
SH-39	SHOP	Verification / Employer	Display the result of the verification provided by an information source to be determined; provide means for an employer to dispute, call into question or appeal the validity of data from authoritative sources
SH-40	SHOP	Verification / Employer	Update user / employer account status based on updated Coverage Offered to all Full Time Employed Employees and review results.
SH-41	SHOP	Verification / Employer	Provide the capability to determine participation rates of an employer's employees. Provide the capability to share this information with issuers.
SH-42	SHOP	Verification / Employer	Provide capability to allow employer participation upon initial application, but to terminate participation if original eligibility information is in question and is not substantiated within thirty days.
SH-43	SHOP	Verification / Employer	Generate a request to determine whether an employer meets size, location and employee coverage requirements to utilize the SHOP Exchange.
SH-44	SHOP	Verification / Employer	Conduct an eligibility determination as to whether an employer meets size, location and employee coverage requirements to utilize the SHOP Exchange.
SH-45	SHOP	Verification / Employer	Based on size, location and employee coverage, determine whether an employer is eligible to select and participate in a QHP through the NM SHOP Exchange.
SH-46	SHOP	Verification / Employer	Generate written and on-screen notification of the result of an employer's eligibility determination

APPENDIX D-4.2
SHOP Functional Requirements

Employee Application Process			
ID	Category	Subcategory	Requirement
SH-47	SHOP	Application / Employee	To confirm SHOP eligibility, first request that employee log-in with user name and password.
SH-48	SHOP	Application / Employee	Prompt employees to change password upon initial log in.
SH-49	SHOP	Application / Employee	Provide capability to verify if employee exists on employee census file in order to verify an employee's coverage through an employer.
SH-50	SHOP	Application / Employee	Display the result of the verification process.
SH-51	SHOP	Application / Employee	Update user /employee account status based on updated employee coverage results
SH-52	SHOP	Application / Employee	Provide the capability to track the response and status of employees who have been offered employer-sponsored coverage. Key statuses to track include, but may not be limited to, waiver of coverage, elected for coverage, non-participation.
SH-53	SHOP	Application / Employee	Provide the capability for the employee to complete an online health application for underwriting purposes. This application process should happen in parallel with the employer application process.
SH-54	SHOP	Application / Employee	Based on the data in the employee census file, prepopulate an initial set of screening questions in the initial employee application process to identify the following applicant characteristics: - Employee name - Employee Address - Social security number - Other Employee Contact Information - Employer Name - Worksite Address
SH-55	SHOP	Application / Employee	Allow employee to enter information about employee dependents, if employers are choosing to provide coverage to employees' dependents. Dependent information gathered will include this information about dependents: • Name • Date of Birth • Address • Phone Number • Gender • Smoking Status • Indian Status
SH-56	SHOP	Application / Employee	Provide the capability to use the model single employee application provided by HHS.
SH-57	SHOP	Application / Employee	Provide additional language support in on-screen and written communications in English, Spanish, and other languages that may be determined necessary.
SH-58	SHOP	Application / Employee	Provide field level help for each application data element that includes description and required data format.
SH-59	SHOP	Application / Employee	Provide capability for employees to access in-depth online help during the application process.
SH-60	SHOP	Application / Employee	Provide capability for employees to request further assistance through Chat Support (online assistance from a customer service representative) during the application process.
SH-61	SHOP	Application / Employee	During the Application Process, prompt the employee to enter the exact name associated with the SSN.
SH-62	SHOP	Application / Employee	If an application is initiated by a Navigator, the Exchange shall have the capability for the employee to attest that the information provided by the Navigator is accurate.

Employee Application Process - Continued			
ID	Category	Subcategory	Requirement
SH-63	SHOP	Application / Employee	Allow employers to apply for insurance on behalf of their employees (i.e. as may happen in a micro-business, etc.)
SH-64	SHOP	Application / Employee	Provide the capability for Navigators or Brokers to indicate if they are completing applications on behalf of an employee.
SH-65	SHOP	Application / Employee	Accept, archive, and store paper documents for SHOP, including employee applications.
SH-66	SHOP	Application / Employee	Validate field-level information for correct data format and completeness.
SH-67	SHOP	Application / Employee	Conduct validation of mailing addresses provided in applications (using external Postal Address validation service).
SH-68	SHOP	Application / Employee	Conduct a validation of SSN provided versus the name provided (i.e. validate against name on record with SSN database) and provide capability to validate SSN versus other criteria.
SH-69	SHOP	Application / Employee	For employees who do not have a SSN, allow the application process to proceed
SH-70	SHOP	Application / Employee	Within the QHP application, the Exchange shall validate field-level information for format and completeness.
SH-71	SHOP	Application / Employee	During the application process, user accounts shall be created that include the following, and will be linked to the following information in the Employee Roster: o Employee Names and Employee SSN o Employer EIN
SH-72	SHOP	Application / Employee	Save application information to user account after account creation.
SH-73	SHOP	Application / Employee	Prior to the creation of a new user account, the Exchange shall determine if an existing user account is present based on matching criteria provided in the application (e.g. SSN, name, identifying questions)
SH-74	SHOP	Application / Employee	During the application process, user accounts shall allow for the inclusion of the following: o User unique identifier o User demographic information o Application status o Enrollment status
SH-75	SHOP	Application / Employee	Provide capability to validate information of employee who has indicated Native American status and/or dependent(s) submitted through the employee application.
SH-76	SHOP	Application / NMHIX	Provide the capability to send employee applications electronically to the carriers participating in the exchange for the purpose of underwriting and calculating rates.

APPENDIX D-4.3
SHOP Functional Requirements

Employer Plan and Rate Review Processes			
ID	**Category**	**Subcategory**	**Requirement**
SH-77	SHOP	Plan & Rate Review / NMHIX	Provide the capability to all the carriers to send underwritten rates to the NM SHOP Exchange.
SH-78	SHOP	Plan & Rate Review / NMHIX	Provide the capability for the NM SHOP Exchange to connect to SERFF via Web services to collect available plan data.
SH-79	SHOP	Plan & Rate Review / Employers	Provide the capability for employers, human resources, brokers to view available plans and rates / costs prior to employee plan enrollment. Display only health plans that have been certified by the NM SHOP Exchange or NM DOI and are open to additional enrollment, and are available in the employer's geographic area.
SH-80	SHOP	Plan & Rate Review / Employers	Provide capability to display a detailed side-by-side comparison of available health plans
SH-81	SHOP	Plan & Rate Review / Employers	Provide capability to display a detailed quality and cost comparison of all available health plans based on information (e.g. gender, age, and smoking) about employees and employee dependents listed in the employee roster.
SH-82	SHOP	Plan & Rate Review / Employers	Provide the capability for the employer to select one default plan from one of the carrier participating in the NM SHOP Exchange
SH-83		Contribution / Employers	Provide the capability for the employer to set a specified contribution amount (dollar) for employees
SH-84	SHOP	Plan & Rate Review / Employers	Provide the capability to calculate an estimate as to whether a premium might exceed the affordability scale for a given employee's income, so that the employer may know the likelihood of receiving a tax penalty for offering unaffordable insurance.
SH-85	SHOP	Plan & Rate Review / Employers	Provide functionality to have a small business tax calculator available to employers.
SH-86	SHOP	Plan & Rate Review / Employers	Provide the capability to direct an employer to instructions on payment remittance for monthly premiums
SH-87	SHOP	Plan & Rate Review / Employers	Provide the capability for the employer to coordinating the benefit election process with employees.
SH-88	SHOP	Plan & Rate Review / Employers	If applicable, display an adjusted plan final cost based on small business tax credit eligibility, enumerating the costs prior to the small business tax credit, the projected savings for the employer from the small business tax credit and the final costs to the employer expected with the small business tax credit.
SH-89	SHOP	Plan & Rate Review / Employers	For informational purposes only, provide ability to generate on-screen notification to employers who select at Small Business Tax Credit of the possibility of tax penalties / liabilities at time of tax filing should their business size or income change.

APPENDIX D-4.4
SHOP Functional Requirements

Employee Plan Selection Process			
ID	**Category**	**Subcategory**	**Requirement**
SH-90	SHOP	Plan Selection / Employees	Generate a request to initiate the employee selection of qualified health plan after eligibility determination is verified or if employee participation is allowed pending verification of eligibility information.
SH-91	SHOP	Plan Selection / Employees	Produce notification to employees regarding the number of days for open enrollment.
SH-92	SHOP	Plan Selection / Employees	Based on carrier and plan information gathered, display plan cost and availability.
SH-93	SHOP	Plan Selection / Employees	Display projected actual plan cost (net premium) based on employer groups and applicable rating factors (consumers covered, age, geography, quality ratings, etc.) to the employee during the application process.
SH-94	SHOP	Plan Selection / Employees	Provide capability to display a detailed side-by-side comparison of available health plans based on employee preferences
SH-95	SHOP	Plan Selection / Employees	Provide capability to adjust employee preferences and update display and comparison of available qualified health plans. This capability includes the ability to further refine or constrain filtering criteria to either display a greater or lesser number of plan choices. Employees should be able to filter plans based on but not limited to the following: • Provider • Network • Deductible • Out of Pocket Maximum • Monthly Premium • HSA qualified • Co-payment
SH-96	SHOP	Plan Selection / Employees	Provide capability to adjust employee preferences and update display a side-by-side comparison of available qualified health plans. This capability includes the ability to further refine or constrain filtering criteria to either display a greater or lesser number of plan choices. Employees should be able to filter plans based on but not limited to the following: • Prior out of pocket spending • Monthly income • Health status of employee and or dependents • Prior number of doctors' visits • Quality rating of plans based on national CHAPS data
SH-97	SHOP	Plan Selection / Employees	Allow employees to verify provider availability by providing links to each of the NM SHOP Exchange participating carriers provider directories.
SH-98	SHOP	Plan Selection / Employees	Provide capability to view and select plan(s) for employee dependents, if covered by employer
SH-99	SHOP	Plan Selection / Employees	Grant access to an updated provider directory for employee plan selection. This directory should be current at the point in time in which the employer accesses the directory.

Employee Plan Selection Process - Continued			
ID	**Category**	**Subcategory**	**Requirement**
SH-100	SHOP	Plan Selection / Employees	Provide capability to allow employees to determine if their premium costs are such that the costs make the employee eligible for purchasing insurance through the individual market or allow the employee to be exempt from the individual mandate, due to federal law. If either is scenario is likely, provide capability to invite employee to explore these options further at the Individual Exchange.
SH-101	SHOP	Plan Selection / Employees	Provide capability for an employee to select a QHP and initiate the enrollment process.
SH-102	SHOP	Plan Selection / Employees	Provide capability for an employee to set an HSA contribution amount if the employee chooses an HSA qualified health plan.
SH-103	SHOP	Plan Selection / Employees	Update an employee's account to reflect plan selection and the effective projected plan-year.
SH-104	SHOP	Plan Selection / Employees	After plan selection, initiate the financial transactions required by employers to ensure plan enrollment process / transaction to applicable carriers.
SH-105	SHOP	Plan Selection / Employees	After acknowledgement of the receipt of the plan selection, display the calculation of the final cost (net premium) and employer contribution to employee
SH-106	SHOP	Plan Selection / Employees	Provide a reminder that an employee receives tax relief when the employee purchases health insurance via their employer at through a pre-tax payroll deduction.
SH-107	SHOP	Plan Selection / Employees	Provide the capability to communicate electronically the health plan choice to the chosen carrier.
SH-108	SHOP	Plan Selection / Employees	Produce an automated and real-time, electronic notification of plan selection.
SH-109	SHOP	Plan Selection / Employees	Provide the capability to verify and acknowledge the receipt of the plan selection.

APPENDIX D-4.5
SHOP Functional Requirements

Employer Enrollment Processes			
ID	Category	Subcategory	Requirement
SH-110	SHOP	Enrollment / Employer	Provide capability to provide termination notices in multiple formats, including in email and paper form.
SH-111	SHOP	Enrollment / Employer	Provide capability to provide notifications (i.e. termination notice, billing notices) as imaged documents during the employer's activities and for the employer to be able to view at a later date.
SH-112	SHOP	Enrollment / Employer	Provide capability to administer COBRA, supporting these enrollments and disenrollments.
SH-113	SHOP	Enrollment / Employer	Provide the capability for an employer to request a voluntary termination from QHP(s) at any time.
SH-114	SHOP	Enrollment / Employer	If an employer initiates a voluntary termination through the NM SHOP Exchange, produce an electronic notification to the employer's employees to inform them of the employer termination.
SH-115	SHOP	Enrollment / Employer	If an employer initiates a voluntary termination, produce an electronic notification to the Issuer to terminate the employer.
SH-116	SHOP	Enrollment / Employer	If conditions are appropriate for a voluntary termination, initiate the employer termination process.
SH-117	SHOP	Enrollment / Employer	Provide the capability to image and store documents sent to the employer regarding the employer's termination.
SH-118	SHOP	Enrollment / Employer	Provide capability to receive electronic notifications from issuers regarding involuntary terminations and initiate termination process.
SH-119	SHOP	Enrollment / Employer	If an employer has an involuntary termination through the NM SHOP Exchange, produce an electronic notification to the employer to inform the employer of the employer termination.
SH-120	SHOP	Enrollment / Employer	Provide capability to produce two different notifications to employees during an involuntary employer termination regarding the potential or actual termination of an employer.
SH-121	SHOP	Enrollment / Employer	If conditions for an involuntary termination are present, initiate the termination process.
SH-122	SHOP	Enrollment / Employer	If an employer has an involuntary termination through the NM SHOP Exchange, prepare communication to the Issuer to terminate the employer.
SH-123	SHOP	Enrollment / Employer	Update user accounts based on voluntary or involuntary termination notification from issuers or terminations initiated by the NM SHOP Exchange.
SH-124	SHOP	Enrollment / Employer	Prepare a notice to CMS with a minimum dataset of information regarding an employer's involuntary or voluntary termination from a qualified health plan through the NM SHOP Exchange. This information may be used for small business tax credits, as well as for individual mandates, etc., as applicable.

APPENDIX D-4.6
SHOP Functional Requirements

Employee Enrollment Processes			
ID	Category	Subcategory	Requirement
SH-125	SHOP	Enrollment / Employee	Provide the capability for an employee to request a voluntary disenrollment from QHP(s).
SH-126	SHOP	Enrollment / Employee	If an employee initiates a voluntary disenrollment through the Exchange, produce an electronic notification to the employee's employer to inform them of the employee disenrollment.
SH-127	SHOP	Enrollment / Employee	If an employee initiates a voluntary disenrollment through the Exchange, produce an electronic notification to the Issuer to disenroll the employee.
SH-128	SHOP	Enrollment / Employee	Provide capability to initiate the disenrollment process.
SH-129	SHOP	Enrollment / Employee	Provide capability to update user accounts based on disenrollment notification from issuers
SH-130	SHOP	Enrollment / Employee	Update user accounts based on disenrollment notification from disenrollment initiated by the Exchange.
SH-131	SHOP	Enrollment / Employee	Prepare a notice to CMS with a minimum dataset of information regarding an employee's disenrollment from a qualified health plan through the Exchange. This information is used for tax administration, as applicable.
SH-132	SHOP	Enrollment / Employee	Provide capability to receive electronic notifications from issuers regarding disenrollment and initiate disenrollment process.
SH-133	SHOP	Enrollment / Employee	If an employee has a disenrollment through the Exchange, produce an electronic notification to the employee's employer to inform them of the employee termination and alternative insurance options.
SH-134	SHOP	Enrollment / Employee	If an employee has an involuntary disenrollment through the Exchange, produce an electronic notification to the employee to inform the employee of the employee disenrollment.
SH-135	SHOP	Enrollment / Employee	If conditions exist for an involuntary disenrollment, initiate the disenrollment process.
SH-136	SHOP	Enrollment / Employee	If an employee has an involuntary disenrollment through the Exchange, prepare communication to the Issuer to terminate the employee.
SH-137	SHOP	Enrollment / Employee	Update user accounts based on disenrollment notification from issuers or disenrollment initiated by the Exchange.
SH-138	SHOP	Enrollment / Employee	Prepare a notice to CMS with a minimum dataset of information regarding an employee's termination from a qualified health plan through the Exchange. This information is used for tax administration, etc., as applicable.

APPENDIX D-4.7
SHOP Functional Requirements

Employer Renewal Processes			
ID	Category	Subcategory	Requirement
SH-139	SHOP	Renewals / Employer	Within SHOP, seamlessly transition participation and removal of SHOP participation between plans and programs as plan selection changes.
SH-140	SHOP	Renewals / Employer	Provide capability for employers to submit changes to key eligibility factors for the purpose of annual eligibility / participation renewal. Supported methods of reporting changes include written forms and web-based responses through the NM SHOP Exchange.
SH-141	SHOP	Renewals / Employer	Process employer responses to renew eligibility and initiate eligibility determination process if necessary. The NM SHOP Exchange shall review employer eligibility and shall have the capability to review small business tax credit eligibility. The NM SHOP Exchange will also have the capability to adjudicate mandatory / optionally reported changes and the resultant changes to eligibility and participation.
SH-142	SHOP	Renewals / Employer	Provide the capability to calculate a year-to-date average for premiums paid and monthly income for display to the employer at time of renewal.
SH-143	SHOP	Renewals / Employer	Provide capability for employers to submit changes to SHOP plan participation of covered employers, etc. Supported methods of enrollment changes include written forms and web-based responses through the Exchange.
SH-144	SHOP	Renewals / Employer	Based on an employer's responses to enrollment renewal, assess responses for need to initiate enrollment into a new QHP or additional employers into an existing QHP.
SH-145	SHOP	Renewals / Employer	Based on an employer's responses to enrollment renewal, process enrollment selections if possible.
SH-146	SHOP	Renewals / Employer	Process notification to employer of coverage for employees. Also, communicate any next steps required by the employer.
SH-147	SHOP	Renewals / Employer	Process employer renewal in a method very similar to the initial employer application, allowing for the submission of an updated employee roster and submitting notifications to the employer.
SH-148	SHOP	Renewals / Employer	Based on employer status, determine eligibility for SHOP participation renewal (e.g. annual renewal).
SH-149	SHOP	Renewals / Employer	Produce written notification / request for employers to verify key eligibility factors (continue to has a current EIN, etc.) for the purposes of annual eligibility / participation renewal and report changes if necessary.
SH-150	SHOP	Renewals / Employer	Produce a notice of annual open enrollment.
SH-151	SHOP	Renewals / Employer	Present an opportunity for employer to log-in to initiate their renewal.

APPENDIX D-4.8
SHOP Functional Requirements

Employee Renewal Processes			
ID	Category	Subcategory	Requirement
SH-152	SHOP	Renewals / Employee	Within SHOP, seamlessly transition enrollment and disenrollment between plans as plan selection changes.
SH-153	SHOP	Renewals / Employee	If an employee does not have log-in information (User name and/or password) available for plan renewal, present opportunity to request log-in information. The log-in information may be emailed to the employee after confirmation of identity through use of secret question or other identifier.
SH-154	SHOP	Renewals / Employee	Track annual renewal date for employers.
SH-155	SHOP	Renewals / Employee	Based on employee status, determine eligibility for SHOP Exchange participation renewal.
SH-156	SHOP	Renewals / Employee	Produce written notification / request for employee to verify key eligibility factors for the purposes of annual eligibility / enrollment renewal and report changes if necessary.
SH-157	SHOP	Renewals / Employee	Provide capability for employees to look up or reset login credentials.
SH-158	SHOP	Renewals / Employee	Produce a notice of annual open enrollment.
SH-159	SHOP	Renewals / Employee	Produce notification to employees regarding the number of days left for open enrollment.
SH-160	SHOP	Renewals / Employee	Provide capability for employees to submit changes to key eligibility factors for the purpose of annual eligibility / enrollment renewal. Supported methods of reporting changes include written forms and web-based responses through the Exchange.
SH-161	SHOP	Renewals / Employee	Process employee response to renew eligibility and initiate eligibility determination process if necessary. Review employee Exchange eligibility. Have the capability to adjudicate mandatory / optionally reported changes and the resultant changes to eligibility and enrollment.
SH-162	SHOP	Renewals / Employee	Provide the capability to calculate a year-to-date average for premiums paid for display to the employee at time of renewal.
SH-163	SHOP	Renewals / Employee	If reported changes do not qualify an employee for a special enrollment, store the eligibility / household changes for use during the next available open enrollment period.
SH-164	SHOP	Renewals / Employee	Provide capability for employees to submit changes to SHOP plan participation (selected plan(s), covered dependents, etc.). Supported methods of enrollment changes include written forms and web-based responses through the Exchange.
SH-165	SHOP	Renewals / Employee	Based on an employee's responses to enrollment renewal, assess responses for need to initiate enrollment into a new QHP or additional employees (or employers) into an existing QHP.
SH-166	SHOP	Renewals / Employee	Process notification notifying employer of coverage for employees. Also, communicate any next steps required by the employer.

APPENDIX D-4.9
SHOP Functional Requirements

Employer Appeals Processes			
ID	Category	Subcategory	Requirement
SH-167	SHOP	Appeals / Employer	In all notices produced by the NM SHOP Exchange regarding eligibility determination, notify employers to their rights and responsibilities (including a right to appeal eligibility decisions).
SH-168	SHOP	Appeals / Employer	Provide the capability to capture information and details of an Employer complaint.
SH-169	SHOP	Appeals / Employer	Allow employers to review record of participation in the NM SHOP Exchange.
SH-170	SHOP	Appeals / Employer	Provide the flexibility to extend interim coverage or manage disenrollments based on events such as: a) Flexible grace periods during enrollments and disenrollments (including during appeals process where final eligibility determination is not confirmed b) Retroactive eligibility or enrollment/disenrollment based on appeal results.
SH-171	SHOP	Appeals / Employer	Provide the capability for an employer to request an appeal to the employer eligibility decision.
SH-172	SHOP	Appeals / Employer	Provide the capability to differentiate between appeals and complaints; default requests to complaints when received by employers.
SH-173	SHOP	Appeals / Employer	Provide the capability to capture, track, and document disposition of appeals in the NM SHOP Exchange (including status, assignments, and relevant case notes).
SH-174	SHOP	Appeals / Employer	Provide the capability to refer or route appeal requests to entities outside of the NM SHOP Exchange such as an Independent Review Organization or issuers.
SH-175	SHOP	Appeals / Employer	Provide capability for an employer to view key employer account information (includes employer details as well as key eligibility factors used to determine eligibility).
SH-176	SHOP	Appeals / Employer	Provide the capability to record the detailed results and supporting documentation that result from or support an appeals decision.
SH-177	SHOP	Appeals / Employer	Generate a formal written notice informing an employer of the details of an appeal decision.
SH-178	SHOP	Appeals / Employer	Allow employers to request and receive a second appeal review process, providing very similar, if not the same, steps in the second appeal process as the first appeal process.
SH-179	SHOP	Appeals / Employer	Generate a notification to CMS of appeals decisions in which a renewal is denied.

APPENDIX D-4.10
SHOP Functional Requirements

Employers Updates and Changes Processes			
ID	Category	Subcategory	Requirement
SH-180	SHOP	Employer Updates & Changes	Provide capability for employers to submit changes to employee census file (add / remove employees) in between redeterminations / renewals.
SH-181	SHOP	Employer Updates & Changes	Provide the capability for employers to submit changes to the employee census file, using multiple methods (i.e. submission of files, completion of data fields, etc.)
SH-182	SHOP	Employer Updates & Changes	Prepare and send communication to the employer regarding changes to the employer's employee census file.
SH-183	SHOP	Employer Updates & Changes	Provide capability to prepare and send information-only communication to the employer regarding potential changes to their Tax Credit Eligibility due to a change in the employee census file. Provide a link to IRS website for additional information regarding the Small Business Tax Credit.
SH-184	SHOP	Employer Updates & Changes	Provide the capability to recalculate the employer's total cost based on reported changes to the employee census files.
SH-185	SHOP	Employer Updates & Changes	Provide the capability for employers to submit changes to the employer contact information.
SH-186	SHOP	Employer Updates & Changes	Report employer contact information changes to the Issuer.
SH-187	SHOP	Employer Updates & Changes	Prepare and send communication to the employer regarding changes to the Employer contact information.
SH-188	SHOP	Employer Updates & Changes	Initiate the termination process if the employer is to be found no longer eligible for the Exchange.
SH-189	SHOP	Employer Updates & Changes	Provide the capability for employers to submit changes about the employer's principal business address or primary worksite location.
SH-190	SHOP	Employer Updates & Changes	Provide the ability to capture a reported change in the employer's principal business location and satellite offices.
SH-191	SHOP	Employer Updates & Changes	Provide an immediate message to the employer warning about likely termination if they provide a primary worksite location or principal business address that is outside of New Mexico.
SH-192	SHOP	Employer Updates & Changes	Provide the capability to determine employer eligibility based on the employer's principal business location and satellite offices.
SH-193	SHOP	Employer Updates & Changes	Provide the capability to re-evaluate an employer's eligibility for SHOP when a change is made to the employer's work location or satellite offices.
SH-194	SHOP	Employer Updates & Changes	Prepare and send communication to the employer regarding changes to the Employer's worksite locations.
SH-195	SHOP	Employer Updates & Changes	Brokers and/or Navigators shall have the ability to enter information and be provided services in a manner identical or very similar to that of the employer's.
SH-196	SHOP	Employer Updates & Changes	Provide the capability to identify Employers (or Employer's representatives like Human Resources, Administrative staff, etc.) if the Employers or Representatives are completing applications on behalf of an employee. Also, provide the capability for employers to update election status on behalf of their employees (i.e. log or complete the waiver process) while requiring employee approval/recognition.
SH-197	SHOP	Employer Updates & Changes	Provide the capability for the employer to update and change premium payment method.
SH-198	SHOP	Employer Updates & Changes	Provide the capability for the employer to update the employee's income and the ability to make an affordability redetermination based on the change in income.
SH-199	SHOP	Employer Updates & Changes	Provide the ability to notify employees about any changing in coverage affordability and the possible tax implications that might have on the employee based on the redetermination

APPENDIX D-4.11
SHOP Functional Requirements

Employee Updates and Changes Processes			
ID	**Category**	**Subcategory**	**Requirement**
SH-200	SHOP	Employee Updates & Changes	Provide the functionality to determine if an update to an employee account is categorized as a Qualifying Event.
SH-201	SHOP	Employee Updates & Changes	Provide capability for employees to submit changes to employee plan, such as adding or removing dependents, between redeterminations / renewals or due to qualifying events.
SH-202	SHOP	Employee Updates & Changes	Prepare and send monthly report to employer with the insurance bill, indicating changes to their employee enrollment list. Some of these changes will result from the employee's reporting of Qualifying Events.
SH-203	SHOP	Employee Updates & Changes	Prepare and send communication to the employee regarding changes to the employee's account due to a Qualifying Event.
SH-204	SHOP	Employee Updates & Changes	Initiate enrollment or disenrollment process for employee or the employee's dependents, depending on the nature of the Qualifying Event.
SH-205	SHOP	Employee Updates & Changes	Provide the capability for employees to submit changes to the employee contact information.
SH-206	SHOP	Employee Updates & Changes	Report employee contact information changes to the Issuer.
SH-207	SHOP	Employee Updates & Changes	Prepare and send communication to the employee regarding changes to the Employee contact information.

APPENDIX D-5
WEB PORTAL UX

ID	Category	Subcategory	Requirement
WP-1	Web Portal	Design	Coordinate between the NMHIX, as the ASPEN, eligibility system for Medicaid / CHIP assessment and other New Mexico state programs, and the MMIS.
WP-2	Web Portal	Identity	Provide unverified exchange web portal login accounts. Enable user to save information and return to the site without giving 'official' identity verification data (e.g. SSN, name, etc.)
WP-2	Web Portal	Enrollment	Enable users to self-declare income information for use in plan comparison. Retain this information for later sessions if the user has created an NMHIX Web Portal account.
WP-3	Web Portal	Enrollment	Enable individual users to compare plans based on but not limited to the following factors such as: -price/premium payment - deductible - plan level (bronze, silver, gold) - quality assessment - provider availability - benefit structure
WP-4	Web Portal	Enrollment	Enable users to look up the providers and hospitals that are affiliated with specific plans or provide links to provider directories.
WP-5	Web Portal	Eligibility	Enable individual users to submit information for eligibility, for example: - SSN - Address - Date of birth - Name
WP-6	Web Portal	Eligibility	Provide status of eligibility request received from the eligibility service.
WP-7	Web Portal	Eligibility	Display eligibility results received from the eligibility service.
WP-8	Web Portal	Eligibility	Enable individual users to apply for benefits eligibility using alternate income verification.
WP-9	Web Portal	Enrollment	Enable individual users to enroll in a plan for which they have been determined to be eligible, upon user verification of income level from eligibility determination.
WP-10	Web Portal	Enrollment	Enable individual users to reenroll in and renew a plan for which they have been determined to be eligible, upon user verification of income level from eligibility determination.
WP-11	Web Portal	Financial Management	Set up payment for individual plan.
WP-12	Web Portal	SHOP	Enable Employer to set up SHOP plan.
WP-13	Web Portal	SHOP	Enable Employees to compare available SHOP plans.
WP-14	Web Portal	SHOP	Enable Employees to enroll or disenroll in SHOP plan.
WP-15	Web Portal	SHOP	Set up employer payment.
WP-16	Mobile Web Portal	Enrollment, Financial Management	Enable users of all plans to view enrollment and payment status, plan details, and notification history.
WP-17	Mobile Web Portal	Eligibility	Enable users to upload eligibility documents using camera equipped mobile device.
WP-18	Support Intranet	Security	Provide role based access to Exchange support intranet.
WP-19	Web Portal	Administration	Provide role based portal administration function.
WP-20	Web Portal	Financial Management	View Invoice and invoice details for Individual, Employer and Issuers.
WP-21	Web Portal	Financial Management	Make electric payment for Individual, Employer, and Issuer.
WP-22	Web Portal	Financial Management	View notification history for Individuals, Employers, and Employees.
WP-23	Web Portal	User support	Provide capacity for help screens for each stage of web portal usage.

APPENDIX E
NMHIX TECHNICAL REQUIREMENTS

ID	Type	Category	Sub-Category	Requirement	Mandatory for SaaS	Mandatory for On-Premise
TR-1	Technical	Analytics	Solution	The solution shall provide canned reports, ad-hoc reporting capability and the ability to view reports in PDF, HTML and CSV formats.	X	X
TR-2	Technical	Auditing	Solution	The solution shall provide the ability to audit and log the network system/application and detailed user activity including data available to the user, data viewed by user, data downloaded by user, data uploaded by the solution, and all actions taken by user while in the system).The solution shall provide the ability to audit and log the network system/application and detailed user activity.	X	X
TR-3	Technical	Auditing	Solution	The solution shall provide transaction logs in accordance with the National Institute of Standards and Technology (NIST) requirements.	X	X
TR-4	Technical	Auditing	Solution	The solution shall provide transaction logs in accordance with the Health Insurance Portability and Accountability Act (HIPAA).	X	X
TR-5	Technical	Auditing	Solution	The solution shall provide transaction logs in accordance with the Harmonized Security and Privacy Framework and other federal requirements.	X	X
TR-1	Technical	Auditing	Solution	The solution shall provide designated time frame reporting for security audits and compliance activities.	X	X
TR-7	Technical	Auditing	Solution	The solution shall provide ability to set security controls for audit logs via role based access controls.	X	X
TR-8	Technical	Auditing	Solution	The solution shall provide flexible audit report function (including on demand feature) and audit logging ability.	X	X
TR-9	Technical	Auditing	Solution	The solution must provide ability to perform the database capabilities to facilitate auditing.	X	X
TR-10	Technical	Auditing	Contractor	The Contractor shall support an audit of data center operations by 3rd party vendor.	X	
TR-11	Technical	Auditing	Contractor	The Contractor shall track system and system administrator activities as captured in system logs using an appropriate log management system or toolset that routinely removes the log messages to a separate, protected collection server.	X	
TR-12	Technical	Consumer Assistance	Solution	The solution must provide the ability for integrated customer service features within the user experience (e.g. chat, email, phone, etc.)	X	X
TR-13	Technical	Consumer Assistance	Solution	The solution must provide a secure, comprehensive, seamless user experience that also includes, chat, message boards, forums, notifications and other customer centric features.	X	X
TR-14	Technical	Consumer Assistance	Solution	The solution must include interactive voice response (IVR) access to the Exchange.	X	X
TR-15	Technical	Disaster Recovery	Solution	The solution shall provide the ability to utilize alternative remote back-up sites that are geographically separate and distinct from primary hosting facility with a ramp up period not to exceed 12 hours in the event of need for activation.	x	x

ID	Type	Category	Sub-Category	Requirement	Mandatory for SaaS	Mandatory for On-Premise
TR-16	Technical	Disaster Recovery	Contractor	The Contractor shall provide a remote backup site that is geographically separate and distinct from primary hosting facility with a ramp up period not to exceed 12 hours in the event of need for activation.	X	
TR-17	Technical	Disaster Recovery	Contractor	The Contractor shall provide the ability to recover lost or deleted data from backup.	X	
TR-18	Technical	Disaster Recovery	Contractor	The Contractor shall provide planned and unplanned outage notification.	X	
TR-19	Technical	Disaster Recovery	Contractor	The Contractor shall provide the ability to rollover to an alternate / backup site during planned and unplanned maintenance.	x	
TR-20	Technical	Disaster Recovery	Contractor	The Contractor shall store backed-up data apart from the production data center at a sufficient distance to prevent simultaneous loss of production and backup data stores.	x	
TR-21	Technical	Disaster Recovery	Contractor	The Contractor shall establish an alternative recovery location in the event of a significant interruption to the production system environment.	X	
TR-22	Technical	Document Management	Solution	See requirement #30.		
TR-23	Technical	General	Solution	The solution shall provide the ability to ensure seamless coordination and integration with state databases and systems and federal databases and systems to allow interoperability as appropriate with state and federal agencies.	x	X
TR-24	Technical	General	Solution	The solution shall offer a modular, flexible approach to systems development using MITA guidelines and SOA component-oriented design principles.	X	X
TR-25	Technical	General	Solution	The solution shall allow for the alignment with and increasing advancement of Medicaid Information Technology Architecture (MITA) maturity for business, architecture, and data in all systems development efforts.	X	X
TR-26	Technical	General	Solution	The solution must meet the requirements outlined in the Guidance for Exchange and Medicaid Information Technology Systems Version 2.0.	X	X
TR-27	Technical	General	Solution	The solution must include a business rules engine that allows for the independent management of business rules. The business rules engine must be able to integrate with non-exchange information systems through web services.	X	X
TR-28	Technical	General	Solution	The solution shall support and enable effective and efficient business processes by producing and communicating the intended operational results with a high degree of reliability and accuracy.	X	X
TR-29	Technical	General	Solution	The solution shall produce automated transaction data, reports, and performance information that would contribute to program evaluation, continuous improvement in business operations, transparency, and accountability and in accordance with federal requirements.	X	X
TR-30	Technical	General	Solution	The solution shall provide the ability to receive, store, display, and print documents sent to the Exchange.	X	X

ID	Type	Category	Sub-Category	Requirement	Mandatory for SaaS	Mandatory for On-Premise
TR-31	Technical	General	Contractor	The Contractor shall update all the solution's configurable items to ensure the solution is fully functional/operational by the system go-live date. Configurable items may be items such as business rules, system defaults, or other modifiable components.	X	X
TR-32	Technical	General	Contractor	The Contractor shall ensure that the solution complies with all applicable State and Federal Information Security Policies	X	X
TR-33	Technical	General	Contractor	The Contractor shall provide a method to test the solution compliance against Section 508(c) of the Rehabilitation Act for all types of user interface screens (static, dynamic, Web, client-server, mobile, etc.).	X	X
TR-34	Technical	General	Solution	The solution must support cultural and language diversity by providing the website in multiple languages including, but not limited to, Spanish, English and Navajo.	X	X
TR-35	Technical	General	Contractor	The Contractor shall identify the third party providers, organizations or other organizational resources (if any) other than your company that you intend to use to support these technology requirements. Indicate the nature and overall content of the contractual agreement that you plan to have with this external resource. Indicate the viability of the proposed resource(s) in terms of: market position, ability to meet requirements, alignment with industry standards and practices, industry implementation track record and vendor implementation track record.	X	X
TR-36	Technical	General	Solution	The solution shall provide the ability to support commonly used Internet browsers and as they change through time by user popularity.	X	X
TR-37	Technical	General	Solution	The solution must be accessible and usable by mobile devices such as cell phones, personal digital assistants (PDAs), smart phones, and tablets.	X	X
TR-38	Technical	Hosting Services	Solution	The solution shall utilize a service management framework such as ITIL v3 or equivalent framework to manage IT services and infrastructure.	X	
TR-39	Technical	Hosting Services	Solution	The solution must include hosting services for the development, testing/verification, training, certification and production environments that will be used to develop, maintain, and operate the solution.	X	
TR-40	Technical	Hosting Services	Solution	The solution must provide the ability to assure consistency between processes when authorized systems attempt to access services through different entry points.	X	X
TR-41	Technical	Hosting Services	Solution	The solution shall be hosted in an environment that ensures that servers are housed in a climate-controlled environment that meets industry standards including climate control, fire and security hazard detection, electrical needs, and physical security.	X	
TR-42	Technical	Hosting Services	Solution	The Contractor shall provide the ability for the state to examine system and error logs on-demand to minimize and predict system problems and initiate appropriate action.	X	X
TR-43	Technical	Hosting Services	Solution	The Contractor shall completely test and apply patches for all third-party software products before release.	X	
TR-44	Technical	Hosting Services	Solution	The Contractor shall establish separate system testing (unit and integration), user acceptance testing, training and production environments.	X	

ID	Type	Category	Sub-Category	Requirement	Mandatory for SaaS	Mandatory for On-Premise
TR-45	Technical	Hosting Services	Solution	The Contractor shall monitor servers for the following performance utilization measures: response, memory, disk space, bandwidth, and uptime.	X	
TR-46	Technical	Hosting Services	Solution	The Contractor shall monitor network connections, devices and activity.	X	
TR-47	Technical	Hosting Services	Solution	The Contractor shall ensure that non-critical system management, virtualization, and administrative operational and system administration controls are on a separate network from the production network that would contain protected health information (PHI) to prevent unnecessary administrative access to PHI.	X	
TR-48	Technical	Hosting Services	Solution	The solution shall utilize Transmission Control Protocols (TCP) / Internet Protocols (IP).	X	x
TR-49	Technical	Hosting Services	Solution	The solution shall comply with all State and federal laws, mandates, and methodologies regarding transmission of Personally Identifiable Information (PII) and Protected Health Information (PHI).	X	x
TR-50	Technical	Hosting Services	Solution	The Contractor shall implement network protection capabilities to detect and eliminate malicious software and/or unauthorized external connection attempts on network monitoring devices, servers, peripheral devices, and desktop workstations.	X	
TR-51	Technical	Hosting Services	Contractor	The Contractor shall provide all hosting services at data center(s), including back-up and recovery, at sites located within the continental United States.	X	
TR-52	Technical	Hosting Services	Contractor	The Contractor shall ensure that all data center operations and technical staff shall be located within the continental United States.	X	
TR-53	Technical	Hosting Services	Contractor	The Contractor is required to host, maintain, and operate the solution in production for a minimum of three (3) years.	X	
TR-54	Technical	Hosting Services	Contractor	The Contractor will be responsible for providing, installing, and maintaining all hardware, software, network components, and other infrastructure elements for the solution.	X	
TR-55	Technical	Hosting Services	Contractor	The solution shall store Individual, SHOP, Agent / Broker / Navigator, and Insurance Carrier Information for viewing, reporting, and analysis.	X	x
TR-56	Technical	Hosting Services	Contractor	The Contractor shall maintain reliable business operations without interruption or delay – 24 x 7.	X	
TR-57	Technical	Hosting Services	Contractor	The Contractor shall provide a system with a 5 – 10 seconds response time and is able to handle 6,000 transactions / hour.	X	x
TR-58	Technical	Identity Management and Authentication	Solution	The solution shall provide the ability to identify “brute force” attacks and automatic disabling of accounts.	X	x
TR-59	Technical	Identity Management and Authentication	Solution	The solution shall provide Certificate Authority for secure server side transactions.	X	x
TR-60	Technical	Identity Management and Authentication	Solution	The solution shall provide a complete user provisioning and de-provisioning solution to support achievement of the privacy and security requirements.	X	x
TR-61	Technical	Identity Management and Authentication	Solution	The solution shall support re-certification and re-identification renewal procedures with configurable parameters (time, cipher strength, logon attempts, etc.).	X	x

ID	Type	Category	Sub-Category	Requirement	Mandatory for SaaS	Mandatory for On-Premise
TR-62	Technical	Identity Management and Authentication	Solution	The solution shall support account retirement and deactivation requirements as determined by identity management policies and procedures.	X	X
TR-63	Technical	Identity Management and Authentication	Solution	The solution shall support issuing and maintaining unique identifiers for organizations and tracking the organizational context and/or utilize external provider directories as referenced by the organization.	X	X
TR-64	Technical	Identity Management and Authentication	Solution	The solution shall support issue and manage public key certificates for secure transactions.	X	X
TR-65	Technical	Identity Management and Authentication	Solution	The solution shall support the ability to verify and validate system identity via public key certificates for secure transactions.	X	X
TR-66	Technical	Identity Management and Authentication	Solution	The solution shall support the ability to delegate or utilize 3rd party authentication services for specific transactions via an external trust and authentication framework.	X	X
TR-67	Technical	Information Technology Help Desk	Contractor	The Contractor shall provide live technical support 7x24.	X	X
TR-68	Technical	Information Technology Help Desk	Contractor	The Contractor shall provide staff the ability to prioritize issues based on criticality of need with defined SLA's for defined levels of service and a execute a clear escalation path.	X	
TR-69	Technical	Information Technology Help Desk	Contractor	The Contractor shall provide a help ticket system that offers open and closed ticket reporting services.	X	
TR-70	Technical	Information Technology Help Desk	Contractor	The Contractor shall provide a help ticket system that tracks call volume by issue to help pinpoint trouble areas.	X	
TR-71	Technical	Information Technology Help Desk	Contractor	The Contractor shall provide a help ticket system to track help desk statistics by engineer for ticket open time vs. time closed, knowledge, and resolution.	X	
TR-72	Technical	Information Technology Help Desk	Contractor	The Contractor shall provide a help ticket system that offers management dashboard access and reporting to track availability and key performance indicators.	X	
TR-73	Technical	Information Technology Help Desk	Contractor	The Contractor shall provide a help ticket system that allows for automatic scheduled progress reports.	X	
TR-74	Technical	Interfaces	Solution	The solution shall provide real-time interfaces to transfer data between the solution and federal and state databases and systems including, but not limited to, ASPEN, MMIS, Federal Data Services Hub, SERFF, Insurance Carrier systems and financial systems.	X	X
TR-75	Technical	Interfaces	Solution	The solution shall provide interfaces to existing State systems that leverage existing interface designs to incorporate extensible markup language (XML) to support the requirements of the solution and associated applications. Are we going to leverage state data sources for verification?	X	X
TR-76	Technical	Interfaces	Solution	The solution shall provide functionality to facilitate transfer of consumer eligibility, enrollment and disenrollment information between the Exchange, Medicaid/CHIP, and insurance carriers. The solution must be able to use the HIPAA X12 EDI transaction standards.	X	X

ID	Type	Category	Sub-Category	Requirement	Mandatory for SaaS	Mandatory for On-Premise
TR-77	Technical	Maintenance and Operations	Contractor	The Contractor shall provide routine scheduled weekly maintenance period including, but is not limited to, server upgrades/patching, software upgrades/patching and hardware maintenance.	X	x
TR-78	Technical	Maintenance and Operations	Contractor	The Contractor shall conduct non-routine maintenance during a mutually agreeable time with two (2) weeks advance notice to the state.	X	x
TR-79	Technical	Maintenance and Operations	Contractor	The Contractor shall ensure that operator logs are checked on regular basis against the Operating procedures.	X	x
TR-80	Technical	Notifications	Solution	The solution must be able to send notifications between the Exchange and its customers and between the Exchange and its partners (employers, insurance carriers, etc.).	X	x
TR-81	Technical	Notifications	Solution	The solution must ensure that notifications are sent and/or displayed to the appropriate recipient(s).	X	x
TR-82	Technical	Notifications	Solution	The solution must address federal tax information security in the notification delivery.	X	x
TR-83	Technical	Notifications	Solution	The solution must support the delivery of notifications by text, email and integration of a mailing and print vendor.	X	x
TR-84	Technical	Payments	Solution	The solution must be able to accept electronic payments using debit or credit card, EFT, e-checks, and automatic fund transfer.	X	x
TR-85	Technical	Systems Performance	Solution	The solution must provide baseline performance to meet the capacity requirements designed in business requirement xx	X	x
TR-86	Technical	Systems Performance	Solution	The solution must provide monitoring for system capacity and performance.	X	x
TR-87	Technical	Regulations & Statutory Compliances	Solution	The solution shall ensure the solution meets hosting and handling standards Payment Card Industry (PCI) data.	X	x
TR-88	Technical	Regulations & Statutory Compliances	Solution	The solution shall ensure the solution meets hosting and handling standards for Federal Tax Information (FTI) data federal tax information safeguarding requirements defined by the IRS in the Title 26 of the United States Code (U.S.C) section 6103.	X	x
TR-89	Technical	Security	Solution	The solution shall comply with industry standards and regulations to include, but not limited to the following: Privacy and transaction standards, Federal civil rights laws, Standards adopted by the Secretary under Section 1104 of the PPACA, Standards and protocols adopted by the Secretary under Section 1561 of the PPACA including NIST SP 800-52, 800-53i, 800-77, or 800-113 or others as specified in the federal Information Processing Standards (FIPS) Publication 140–2, AND IEEE standards and PMI guidelines.	X	x
TR-90	Technical	Security	Solution	The solution shall support penetration testing, other security testing, disaster recovery testing, and other testing as defined by federal or state requirements.	X	x
TR-91	Technical	Security	Solution	The solution shall maintain strict access controls to safeguard all areas where data and systems could be accessed.	X	x
TR-92	Technical	Security	Solution	The solution shall implement corrective action plans from external risk assessment and vulnerability testing and/or external audits/reviews that discuss threats, vulnerabilities and impacts.	X	x

ID	Type	Category	Sub-Category	Requirement	Mandatory for SaaS	Mandatory for On-Premise
TR-93	Technical	Security	Solution	The solution shall implement a provisioning scheme for user identification, authentication and authorization, including activation and de-activation.	X	X
TR-94	Technical	Security	Solution	The solution shall manage user profiles including defining access to data types and security credentials.	X	X
TR-95	Technical	Security	Solution	The solution shall allow users to reset passwords and unlock locked accounts from a web portal interface.	X	X
TR-96	Technical	Security	Solution	The solution shall securely pass credentials for authentication and authorization from the solution to authenticate system access to web service transactions.	X	X
TR-97	Technical	Security	Solution	The solution shall restrict access to user, provider, or organizational data to authorized users.	X	X
TR-98	Technical	Security	Solution	The solution shall ensure non-repudiation* as part of digital signature verification to prevents data from being altered, deleted or damaged during exchange. *Non-repudiation refers to a state of affairs where the purported maker of a statement will not be able to successfully challenge the validity of the statement or contract.	X	X
TR-99	Technical	Security	Solution	The solution shall have the ability to set automatic alerts to system administrators when a breach pattern or unauthorized use activity is detected.	X	X
TR-100	Technical	Security	Solution	The solution shall support "user exits" or a "pluggable authentication module" (PAM) to enable user transition between the solution and local systems that are authorized as third party connections to the solution.	X	X
TR-101	Technical	Security	Solution	The solution shall allow for electronic signatures.	X	X
TR-102	Technical	Security	Solution	The solution shall provide the ability for web service providers, web brokers, and service consumers to interact via the solution.	X	X
TR-103	Technical	Security	Solution	The solution shall provide the ability to implement security for transport and messaging via web services.	X	X
TR-104	Technical	Security	Solution	The solution shall track all access so that an accounting of disclosures report can be provided to the individual if requested.	X	X
TR-105	Technical	Security	Solution	The solution shall provide ability to cleanly disable accounts with short notice.	X	X
TR-106	Technical	Security	Solution	The solution shall provide security administration functionality to apply role based user permissions based on role-based access control (RBAC) scheme based on the federal (ANSI) standard for RBAC.	X	X
TR-107	Technical	Security	Solution	The solution shall ensure that all health information in transit and at rest is unusable, unreadable, or indecipherable to unauthorized individuals through use of a technology or methodology specified by the Secretary of the Federal Department of Health and Human Services in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009 (P.L. 111-5), or any update to that guidance.	X	X
TR-108	Technical	Security	Solution	The solution shall provide the same security provisions for the development, system test, acceptance test and training environment as those used in the production environment.	X	X

ID	Type	Category	Sub-Category	Requirement	Mandatory for SaaS	Mandatory for On-Premise
TR-109	Technical	Security	Contractor	The Contractor shall ensure that the solution system documentation is protected from unauthorized access.	X	X
TR-110	Technical	Security	Contractor	The Contractor shall define all initial user security roles and access permissions as defined by the State to ensure users are able to access the system at system go-live.	X	X
TR-111	Technical	Training	Contractor	The Contractor shall provide initial and ongoing maintenance and operations training for State and Exchange staff.	X	X
TR-112	Technical	Training	Contractor	The Contractor shall assist the Exchange during the federal certification process (gate reviews) for Exchanges. The assistance will be in the form of completing artifacts, presenting information to stakeholders, and participating in the gate reviews.	X	X

APPENDIX F

SAMPLE CONTRACT

NM HEALTH INSURANCE ALLIANCE
PROFESSIONAL SERVICES CONTRACT

THIS AGREEMENT is made and entered into by and between the New Mexico Health Insurance Alliance , hereinafter referred to as the "NMHIA", and **NAME OF CONTRACTOR**, hereinafter referred to as the "Contractor", and is effective as of the date set forth below upon which it is executed.

IT IS AGREED BETWEEN THE PARTIES:

1. Scope of Work

A. The Contractor shall perform all services detailed in Exhibit A, Scope of Work, attached to this Agreement and incorporated herein by reference.

B. *Performance Measures.*

The Contractor shall substantially perform the Performance Measures described in Exhibit A, Scope of Work, attached to this PSC and incorporated herein by reference.

2. Compensation

A. NMHIA shall pay to the Contractor in full payment for services satisfactorily performed [at the rate of _____dollars ($_____) per hour (OR BASED UPON DELIVERABLES, MILESTONES, BUDGET, ETC.),] such compensation not to exceed (AMOUNT) including gross receipts tax, if applicable. This amount is a maximum and not a guarantee that the work assigned to be performed by the Contractor under this PSC shall equal the amount stated herein. The New Mexico gross receipts tax, if applicable, levied on the amounts payable under this PSC shall be paid by the Contractor. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. The Contractor is responsible for notifying NMHIA when the services provided under this PSC reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this PSC being amended in writing prior to those services in excess of the total compensation amount being provided.

NMHIA shall pay to the Contractor in full payment for services satisfactorily performed pursuant to the Scope of Work, including gross receipts tax, if applicable, and expenses, not to exceed (AMOUNT, IN WORDS THEN IN PARENTHESIZED NUMBERS) in FYXX.

A. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the parties from year to year pursuant to Paragraph 1, Scope of Work. All invoices MUST BE received by NMHIA no later than ten (10) days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date WILL NOT BE PAID.

(OR CHOICE – MULTI-YEAR)

NMHIA shall pay to the Contractor in full payment for services satisfactorily performed pursuant to THE Scope of Work, including gross receipts tax, if applicable, and expenses, not to exceed **(AMOUNT) in Calendar Years.**

(REPEAT LANGUAGE FOR EACH FISCAL YEAR COVERED BY THE AGREEMENT – USE FISCAL YEAR NUMBER TO DESCRIBE EACH YEAR; DO NOT USE FY1, FY2, ETC.).

B. (REPLACES B, ABOVE, WHICH IS FOR A SINGLE YEAR CONTRACT) Payment in FYXX, FYXX, FYXX, and FYXX is subject to availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the parties from year to year pursuant to Paragraph 1, Scope of Work. All invoices MUST BE received by NMHIA no later than ten (10) days after the termination of the Fiscal Year in which the services were delivered. **Invoices received after such date WILL NOT BE PAID.**

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

3. Term

This Agreement shall terminate on **DATE** unless terminated pursuant to paragraph 4 (Termination), or paragraph 5 (Funding).

4. Termination

A. Termination. This Agreement may be terminated by NMHIA hereto upon written notice delivered to contractor at least ninety (90) days prior to the intended date of termination. This Agreement may be terminated by contractor upon written notice delivered to NMHIA at least one hundred and eighty (180) days prior to the intended date of termination. Except as otherwise allowed or provided under this Agreement, NMHIA's sole liability upon such termination shall be to pay for acceptable work performed prior to the Contractor's receipt of the notice of termination, if NMHIA is the terminating party, or the Contractor's sending of the notice of termination, if the Contractor is the terminating party; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor if the Contractor becomes unable to perform the services contracted for, as determined by NMHIA or if, during the term of this Agreement, the Contractor or any of its officers, employees or agents is indicted for fraud, embezzlement or other crime due to misuse of state funds or due to the Appropriations paragraph herein. *THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE NMHIA's OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS AGREEMENT.*

B. Termination Management. Immediately upon receipt by either NMHIA or the Contractor of notice of termination of this Agreement, the Contractor shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of NMHIA; 2) comply with all directives issued by NMHIA in the notice of termination as to the performance of work under this Agreement; and 3) take such action as NMHIA shall direct for the protection, preservation, retention or transfer of all property titled to NMHIA and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Contractor with contract funds shall become property of NMHIA upon termination and shall be submitted to NMHIA as soon as practicable.

5. Funding

The terms of this Agreement are contingent upon sufficient appropriation and authorization being made by the Legislature of New Mexico for the performance of this Agreement or HHS Grant Funding. If sufficient appropriations and authorization are not made by the Legislature or HHS Grant Funding, this Agreement shall terminate immediately upon written notice being given by NMHIA to the Contractor. NMHIA's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If NMHIA proposes an amendment to the Agreement to unilaterally reduce funding, the Contractor shall have the option to terminate the Agreement or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

6. Status of the Contractor

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

7. Assignment

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

8. Subcontracting

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of NMHIA. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from NMHIA.

9. Release

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

10. Confidentiality

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

11. Product of Service -- Copyright

All materials developed or acquired by the Contractor under this Agreement shall become the property of NMHIA and shall be delivered to NMHIA no later than the termination date of this Agreement. Nothing developed or produced, in whole or in part, by the Contractor under this Agreement shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor.

12. Conflict of Interest; Governmental Conduct Act

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Contractor specifically represents and warrants that:

1) in accordance with Section 10-16-4.3 NMSA 1978, the Contractor does not employ, has not employed, and will not employ during the term of this Agreement any Agency employee while such employee was or is employed by NMHIA and participating directly or indirectly in NMHIA's contracting process;

2) this Agreement complies with Section 10-16-7(A) NMSA 1978 because (i) the Contractor is not a public officer or employee of the State; (ii) the Contractor is not a member of the family of a public officer or employee of NMHIA; (iii) the Contractor is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if the Contractor is a public officer or employee of NMHIA, or a business in which a employee of NMHIA has a substantial interest, public notice was given as required by Section 10-16-7(A) NMSA 1978 and this Agreement was awarded pursuant to a competitive process;

3) in accordance with Section 10-16-8(A) NMSA 1978, (i) the Contractor is not, and has not been represented by, a person who has been a public officer or employee of NMHIA within the preceding year and whose official act directly resulted in this Agreement.

4) this Agreement complies with Section 10-16-9(A) NMSA 1978 because (i) the Contractor is not a legislator; (ii) the Contractor is not a member of a legislator's family; (iii) the Contractor is not a business in which a legislator or a legislator's family has a substantial interest; or (iv) if the Contractor is a legislator, a member of a legislator's family, or a business in which a legislator or a legislator's family has a substantial interest, disclosure has been made as required by Section 10-16-9(A) NMSA

1978, this Agreement is not a sole source or small purchase contract, and this Agreement was awarded in accordance with the provisions of the Procurement Code;

5) in accordance with Section 10-16-13 NMSA 1978, the Contractor has not directly participated in the preparation of specifications, qualifications or evaluation criteria for this Agreement or any procurement related to this Agreement; and

C. The Contractor's representations and warranties in Paragraphs A and B of this Article 12 are material representations of fact upon which NMHIA relied when this Agreement was entered into by the parties. The Contractor shall provide immediate written notice to NMHIA if, at any time during the term of this Agreement, the Contractor learns that the Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that the Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to NMHIA and notwithstanding anything in the Agreement to the contrary, NMHIA may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in this Article 12(B).

13. Amendment

A. This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If NMHIA proposes an amendment to the Agreement to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Agreement, pursuant to the termination provisions as set forth in Article 4 herein, or to agree to the reduced funding.

14. Merger

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

15. Penalties for Violation of Law

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

16. Equal Opportunity Compliance

The Contractor agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under

this Agreement. If the Contractor is found not to be in compliance with these requirements during the life of this Agreement, the Contractor agrees to take appropriate steps to correct these deficiencies.

17. Applicable Law

The laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with Section 38-3-1 (G) NMSA 1978. By execution of this Agreement, the Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

18. Workers Compensation

The Contractor agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Agreement may be terminated by NMHIA.

19. Records and Financial Audit

A. The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of five (5) years from the date of final payment under this Agreement. The records shall be subject to inspection by NMHIA and the State Auditor. NMHIA shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of NMHIA to recover excessive or illegal payments.

B. Contract for an independent A-133 audit at the Contractor's expense, as applicable. The Contractor shall ensure that the auditor is licensed to perform audits in the State of New Mexico and shall be selected by a competitive bid process. The Contractor shall enter into a written contract with the auditor specifying the scope of the audit, the auditor's responsibility, the date by which the audit is to be completed and the fee to be paid to the auditor for this service. Single audits shall comply with procedures specified by NMHIA. The audit of the contract shall cover compliance with Federal Regulations and all financial transactions hereunder for the entire term of the Agreement in accordance with procedures promulgated by OMB Circulars or by Federal program officials for the conduct and report of such audits. An official copy of the independent auditor's report shall be made available to NMHIA and any other authorized entity as required by law within fifteen (15) days of receipt of the final audit report. The Contractor may request an extension to the deadline for submission of the audit report in writing to NMHIA for good cause and NMHIA reserves the right to approve or reject any such request. NMHIA retains the right to contract for an independent financial and functional audit for funds and operations under this if it determines that such an audit is warranted or desired.

C. Upon completion of the audit under the applicable federal and state statutes and regulations, the Contractor shall notify NMHIA when the audit is available for review and provide online access to NMHIA, or the Contractor shall provide NMHIA with four (4) originals of the audit report. NMHIA will retain two (2) and one (1) will be sent to HSD/Office of the Inspector General and one (1) to HSD/Administrative Services Division/Compliance Bureau.

D. Within thirty (30) days thereafter or as otherwise determined by NMHIA in writing, the Contractor shall provide NMHIA with a response indicating the status of each of the exceptions or findings in the said audit report. If either the exceptions or findings in the audit are not resolved

within thirty (30) days, NMHIA has the right to reduce funding, terminate this Agreement, and/or recommend decertification in compliance with state and/or federal regulations governing such action.

E. This audit shall contain a schedule of financial expenditures for each program to facilitate ease of reconciliation by NMHIA. This audit shall also include a schedule of depreciation for all property or equipment with a purchase price of $5,000 or more pursuant to OMB Circulars A-21, A-87, A-110, A-122 and A-133 where appropriate.

F. This audit shall include a report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circulars A- 21, A-87, A-110, A-122 and A-133 where appropriate.

20. Indemnification

The Contractor shall defend, indemnify and hold harmless NMHIA and the State of New Mexico from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Agreement, caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors or agents, or if caused by the actions of any client of the Contractor resulting in injury or damage to persons or property during the time when the Contractor or any officer, agent, employee, servant or subcontractor thereof has or is performing services pursuant to this Agreement. In the event that any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Agreement is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of NMHIA and the Risk Management Division of the New Mexico General Services Department by certified mail.

21. New Mexico Employees Health Coverage

A. If the Contractor has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least twenty (20) hours per week over a six (6) month period during the term of the contract, the Contractor certifies, by signing this Agreement, to have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees if the expected annual value in the aggregate of any and all contracts between the Contractor and the State exceed $250,000 dollars.

B. The Contractor agrees to maintain a record of the number of employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to review and audit by a representative of NMHIA.

C. The Contractor agrees to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information: http://insurenewmexico.state.nm.us/.

22. Employee Pay Equity Reporting

The Contractor agrees if it has ten (10) or more New Mexico employees OR eight (8) or more employees in the same job classification, at any time during the term of this contract, to complete and submit the PE10-249 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. If the Contractor has two hundred fifty (250) or more employees the Contractor must complete and submit the PE250 form on the annual anniversary of the initial report

submittal for contracts up to one (1) year in duration. For contracts that extend beyond one (1) calendar year, or are extended beyond one (1) calendar year, the Contractor also agrees to complete and submit the PE10-249 or PE250 form, whichever is applicable, within thirty (30) days of the annual contract anniversary date of the initial submittal date or, if more than one hundred eighty (180) days has elapsed since submittal of the last report, at the completion of the contract, whichever comes first. Should the Contractor not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, the Contractor agrees to provide the required report within ninety (90) days of meeting or exceeding the size requirement. That submittal date shall serve as the basis for submittals required thereafter. The Contractor also agrees to levy this requirement on any subcontractor(s) performing more than 10% of the dollar value of this contract if said subcontractor(s) meets, or grows to meet, the stated employee size thresholds during the term of the contract. Contractor further agrees that, should one or more subcontractor not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, the Contractor will submit the required report, for each such subcontractor, within ninety (90 days of that subcontractor meeting or exceeding the size requirement. Subsequent report submittals, on behalf of each such subcontractor, shall be due on the annual anniversary of the initial report submittal. The Contractor shall submit the required form(s) to the State Purchasing Division of the General Services Department, and other departments as may be determined, on behalf of the applicable subcontractor(s) in accordance with the schedule contained in this paragraph. The Contractor acknowledges that this sub requirement applies even though the Contractor itself may not meet the size requirement for reporting and be required to report itself. Notwithstanding the foregoing, if this Contract was procured pursuant to a solicitation, and if the Contractor has already submitted the required report accompanying their response to such solicitation, the report does not need to be re-submitted with this Agreement.

23. Invalid Term or Condition

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

24. Enforcement of Agreement

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

25. Notices

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

To NMHIA: [insert name, address and email].

To the Contractor: [insert name, address and email].

26. Authority

If the Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of the Contractor represents and warrants that he or she has the power and authority to bind the Contractor, and that no further action, resolution, or approval from the Contractor is necessary to enter into a binding contract.

27. Debarment and Suspension

A. Consistent with either 7 C.F.R. Part 3017 or 45 C.F.R. Part 76, as applicable, and as a separate and independent requirement of this PSC the Contractor certifies by signing this PSC, that it and its principals, to the best of its knowledge and belief: (1) are not debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal department or agency; (2) have not, within a three-year period preceding the effective date of this PSC, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; (3) have not been indicted for, or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with, commission of any of the offenses enumerated above in this Paragraph A; (4) have not, within a three-year period preceding the effective date of this PSC, had one or more public agreements or transactions (Federal, State or local) terminated for cause or default; and (5) have not been excluded from participation from Medicare, Medicaid or other federal health care programs pursuant to Title XI of the Social Security Act, 42 U.S.C. § 1320a-7.

B. The Contractor's certification in Paragraph A, above, is a material representation of fact upon which NMHIA relied when this PSC was entered into by the parties. The Contractor's certification in Paragraph A, above, shall be a continuing term or condition of this PSC. As such at all times during the performance of this PSC, the Contractor must be capable of making the certification required in Paragraph A, above, as if on the date of making such new certification the Contractor was then executing this PSC for the first time. Accordingly, the following requirements shall be read so as to apply to the original certification of the Contractor in Paragraph A, above, or to any new certification the Contractor is required to be capable of making as stated in the preceding sentence:

(1) The Contractor shall provide immediate written notice to NMHIA's Program Manager if, at any time during the term of this PSC, the Contractor learns that its certification in Paragraph A, above, was erroneous on the effective date of this PSC or has become erroneous by reason of new or changed circumstances.

(2) If it is later determined that the Contractor's certification in Paragraph A, above, was erroneous on the effective date of this PSC or has become erroneous by reason of new or changed circumstances, in addition to other remedies available to NMHIA, NMHIA may terminate the PSC.

C. As required by statute, regulation or requirement of this PSC, and as contained in Paragraph A, above, the Contractor shall require each proposed first-tier subcontractor whose subcontract will equal or exceed $25,000, to disclose to the Contractor, in writing, whether as of the time of award of the subcontract, the subcontractor, or its principals, is or is not debarred, suspended, or proposed for debarment by any Federal department or agency. The Contractor shall make such disclosures available to NMHIA when it requests subcontractor approval from NMHIA. If the subcontractor, or its principals, is debarred, suspended, or proposed for debarment by any Federal, state or local department or agency, NMHIA may refuse to approve the use of the subcontractor.

28. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions

A. The applicable definitions and exceptions to prohibited conduct and disclosures contained in 31 U.S.C. § 1352 and 45 C.F.R. Part 93 or Subparts B and C of 7 C.F.R. Part 3018, as applicable, are hereby incorporated by reference in subparagraph (B) of this certification.

D. The Contractor, by executing this PSC, certifies to the best of its knowledge and belief that:

(2) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of NMHIA, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement; and

(3) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the Offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer.

E. The Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

D. This certification is a material representation of fact upon which reliance is placed when this PSC is made and entered into. Submission of this certification is a prerequisite for making and entering into this PSC imposed under 31 U.S.C. § 1352. It shall be a material obligation of the Contractor to keep this certification current as to any and all individuals or activities of anyone associated with the Contractor during the pendency of this PSC Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to: (1) a civil penalty of not less than $10,000 and not more than $100,000 for such failure; and/or (2) at the discretion of NMHIA, termination of the PSC.

29. Non–Discrimination

A. The Contractor agrees to comply fully with Title IV of the Civil Rights Act of 1964, as amended; the Rehabilitation Act of 1973, Public Law 93-112, as amended; and the Americans With Disabilities Act of 1990, Public Law 101-336; in that there shall be no discrimination against any employee who is employed in the performance of this PSC, or against any applicant for such employment, because of age, color, national origin, ancestry, race, religion, creed, disability, sex, or marital status.

B. This provision shall include, but not be limited to, the following: employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship.

C. The Contractor agrees that no qualified handicapped person shall, on the basis of handicap, be excluded from participation or be denied the benefits of, or otherwise be subjected to discrimination under any program or activity of the Contractor. The Contractor further agrees to insert similar provisions in all subcontracts for services allowed under this PSC under any program or activity.

D. The Contractor agrees to provide meaningful access to services for individuals with Limited English Proficiency (LEP) in accordance with Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency."

30. <u>Drug Free Workplace</u>

A. *<u>Definitions.</u>* As used in this paragraph—

"Controlled substance" means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act, 21 U.S.C § 812, and as further defined in regulation at 21 CFR §§ 1308.11 - 1308.15.

"Conviction" means a finding of guilt (including a plea of *nolo contendere*) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.
"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession, or use of any controlled substance.

"Drug-free workplace" means the site(s) for the performance of work done by the Contractor in connection with a specific contract where employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

"Employee" means an employee of a Contractor directly engaged in the performance of work under a Government contract. "Directly engaged" is defined to include all direct cost employees and any other Contractor employee who has other than a minimal impact or involvement in contract performance.

"Individual" means an Offeror/Contractor that has no more than one employee including the Offeror/Contractor.

B. The Contractor, if other than an individual, shall:

(1) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

(2) Establish an ongoing drug-free awareness program to inform such employees about:

(i) The dangers of drug abuse in the workplace;
(ii) The Contractor's policy of maintaining a drug-free workplace:
(iii) Any available drug counseling, rehabilitation, and employee assistance programs; and
(iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(3) Provide all employees engaged in performance of the PSC with a copy of the statement required by subparagraph B(1);

(4) Notify such employees in writing in the statement required by subparagraph (B)(1) of this clause that, as a condition of continued employment on this PSC, the employee will:
(i) Abide by the terms of the statement; and
(ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than five (5) days after such conviction;

(5) Notify NMHIA Program Manager in writing within ten (10) days after receiving notice under (B)(4)(ii) of this paragraph, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;

(6) Within thirty (30) days after receiving notice under B(4)(ii) of this paragraph of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:
(i) Taking appropriate personnel action against such employee, up to and including termination; or
(ii) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and

(7) Make a good faith effort to maintain a drug-free workplace through implementation of B (1) through B (6) of this paragraph.

C. The Contractor, if an individual, agrees by entering into this PSC not to engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance while performing this contract.

D. In addition to other remedies available to NMHIA, the Contractor's failure to comply with the requirements of subparagraph B or C of this paragraph will render the Contractor in default of this PSC and subject the Contractor to suspension of payments under the PSC and/or termination of the PSC in accordance with paragraph 4, above.

31. <u>Findings and Sanctions</u>

A. The Contractor agrees to be subject to the findings and sanctions assessed as a result of NMHIA audits, federal audits, and disallowances of the services provided pursuant to this PSC and the administration thereof.

B. The Contractor will make repayment of any funds expended by NMHIA, subject to which an auditor with the jurisdiction and authority finds were expended, or to which appropriate federal funding agencies take exception and so request reimbursement through a disallowance or deferral based upon the acts or omissions of the Contractor that violate applicable federal statues and/or regulations, subject to sufficient appropriations of the New Mexico Legislature.

C. If NMHIA becomes aware of circumstances that might jeopardize continued federal funding, the situation shall be reviewed and reconciled by a mutually agreed upon panel of Contractor and NMHIA officials. If reconciliation is not possible, both parties shall present their view to the NMIA who shall determine whether continued payment shall be made.

32. Performance

In performance of this PSC, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

a. All work will be performed under the supervision of the Contractor or the Contractor's responsible employees.

b. Any Federal tax returns or return information (hereafter referred to as returns or return information) made available shall be used only for the purpose of carrying out the provisions of this PSC. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this PSC. Inspection by or disclosure to anyone other than an officer or employee of the Contractor is prohibited.

c. All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.

d. No work involving returns and return information furnished under this PSC will be subcontracted without prior written approval of the Internal Revenue Service (IRS).

E. The Contractor will maintain a list of employees authorized access. Such list will be provided to NMHIA and, upon request, to the IRS reviewing office.

F. NMHIA will have the right to void the PSC if the Contractor fails to provide the safeguards described above.

33. Criminal/Civil Sanctions

A. Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as $5,000 or imprisonment for as long as five (5) years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized future disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than $1,000 with respect to each instance of unauthorized disclosure. These penalties are

prescribed by Internal Revenue Code (IRC) Sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

B. Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any returns or return information made available in any format shall be used only for the purpose of carrying out the provisions of this PSC. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this PSC. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as $1,000 or imprisonment for as long as one (1) year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of $1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. The penalties are prescribed by IRC Sections 7213A and 7431.

C. Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5U.S.C. 552a(m)(1), provides that any officer or employee of a Contractor, who by virtue of his/her employment or official position, has possession of or access to NMHIA records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than $5,000.

D. Granting a Contractor access to Federal Tax Information (FTI) must be preceded by certifying that each individual understands NMHIA's security policy and procedures for safeguarding IRS information. The Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in NMHIA's files for review. As part of the certification and at least annually afterwards, contractors should be advised of the provisions of IRC Sections 7431, 7213, and 7213A (see Exhibit 6, *IRC Sec. 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information and* Exhibit 5, *IRC Sec. 7213 Unauthorized Disclosure of Information*). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches (See IRS Publication 1075, Tax Information Security Guidelines). For both the initial certification and the annual certification, the Contractor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

34. <u>Inspection</u>

The IRS and NMHIA shall have the right to send its officers and employees into the offices and plants of the Contractor for inspection of the facilities and operations provided for the performance of any work under this PSC. On the basis of such inspection, specific measures may be required in cases where the Contractor is found to be noncompliant with contract safeguards.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature below.

By: _____ Date: _____
Executive Director, NMHIA

By: _____ Date: _____
Contractor

Exhibit A

Scope of Work

Performance Measures

(Performance Measures should be based on Scope of Work and must be tied to the NMHIA's Strategic Plan. The Plan should be referenced in the Measures and the applicable part of the Strategic Plan copied below or in an attachment. To the extent possible based on the nature of the work to be performed, the Measures should be "Output" oriented and specify an "Outcome.")

Performance Measures in Scope of Work shall contain measurable goals and objectives that are linked to the performance measures of NMHIA's Strategic Plan:

Example: Goal: Reduce or Increase or Other Service [insert blank].1

Objective: To reduce or increase or Other Service [insert blank] by [blank] percent or by a certain time.2

Activities: [Insert what services the Contractor is expected to perform to accomplish goals and objectives including an evaluation of the process and the outcome as well as provides efficiency measures that relate efforts to outputs of services].

1 A goal is an "output" measure. It measures the quantity of a service provided. For example, the number of students graduated or promoted; the number of two-lane highways repaired; or the number of crimes investigated. It also can measure the quantity of a service provided that meets a certain quality requirement. For example, the number of students graduated or promoted who meet a minimum preset level of achievement; the number of miles of roads repaired to a minimum safety standard; or the number of criminal investigations performed that result in identification of a prime suspect.

2 An accomplishment is an "outcome" measure. These indicators measure accomplishments or results that occur (at least partially) because the services were provided. For example, the percentage of students achieving a specified skill level in reading, the percentage of miles of roads in excellent, good or fair condition; or the percent reduction in serious crimes or the percent of residents who perceive their neighborhoods as safe.

APPENDIX G
COST PROPOSAL FORM

Cost Proposal Table

Description	Warranty		Maintenance & Operations		
	2013	2014 [2]	2015 [4]	2016	2017
Estimated Consulting Hours					
Consulting Fees[1]					
Licensing Fees					
Hardware					
Software					
Hosting Fees					
Storage					
Telecom Costs[3]					
HHS Gate Reviews, Documentation & Testing					
Other _____					
Gross Receipts Tax[5]					
Total (Not to Exceed) Costs					
Average hourly consulting fee					
Footnotes					

[1] Consulting fees to include travel and lodging expense

[2] Warranty (first year of operations plus reconciliation cycle of year end results). Warranty period begins on the completion of all technical and functional requirements and after User Acceptance Testing and IV&V concurrence.

[3] Telecom costs for Federal Data HUB, ASPEN, NMDOI-SERFF, & NMHIX

[4] Second Warranty period for enhancements placed into production in 2014 Warranty period begins on the completion of all technical and functional requirements and after User Acceptance Testing and IV&V concurrence.

[5] Assume Albuquerque's Gross Receipt Tax of 7.0%

APPENDIX H

New Mexico Employees Health Coverage Form

1. For all contracts solicited and awarded on or after January 1, 2008: If the Offeror has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Offeror must agree to have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees if the expected annual value in the aggregate of any and all contracts between Offeror and the State exceed $250,000 dollars.

2. Offeror must agree to maintain a record of the number of employees who have (a) accepted health insurance; (b) decline health insurance due to other health insurance coverage already in place; or (c) decline health insurance for other reasons. These records are subject to review and audit by a representative of the state.

3. Offeror must agree to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information http://insurenewmexico.state.nm.us/.

4. For Indefinite Quantity, Indefinite Delivery contracts (price agreements without specific limitations on quantity and providing for an indeterminate number of orders to be placed against it); these requirements shall apply the first day of the second month after the Offeror reports combined sales (from state and, if applicable, from local public bodies if from a state price agreement) of $250,000, $500,000 or $1,000,000.

Signature of Offeror: _____ Date_____