

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
LONG-TERM CARE THIRD-PARTY ADMINISTRATOR  
PROPOSAL EVALUATION PROCESS**

**EVALUATION PROCESS**

**1. Phase I Evaluation Process (Pass/Fail)**

All Proposals received on or before the Final Date for Submission of Phase I Documents as specified in the Schedule of Events will be evaluated as outlined below. CalPERS may request clarifications from Proposers at any phase of the evaluation process for the purpose of clarifying ambiguities in the information presented in the Proposal.

CalPERS, in the exercise of its exclusive discretion, may permit the Proposer to correct any error, omission, deviation, or other defect. Alternatively, CalPERS may waive such error, omission, deviation, or other defect. However, such waiver shall in no way modify the Solicitation documents or excuse the Proposer from full compliance with the Solicitation requirements.

**A. Preliminary Review**

First, the Phase I Proposal will be reviewed to determine completeness of required documentation as prescribed in Phase I Proposal Requirements and Submission of Proposals. CalPERS may reject any or all Proposals that fail to meet these requirements.

**B. Minimum Qualifications Review**

CalPERS will review each Proposer's Minimum Qualifications Certification to determine completeness. Proposer's that meet the minimum requirements will move on in the Solicitation. CalPERS may reject any Proposer that fails to meet these requirements. CalPERS will send out Notification Letters of Advancement or Denial on the date set forth in the Schedule of Events.

**2. Phase II Evaluation Process (500 Points)**

All Proposals received on or before the Final Date for Submission of Phase II Documents as specified in the Schedule of Events will be evaluated as outlined below. CalPERS may request clarifications from Proposers at any phase of the evaluation process for the purpose of clarifying ambiguities in the information presented in the Proposal.

CalPERS, in the exercise of its exclusive discretion, may permit the Proposer to correct any error, omission, deviation, or other defect. Alternatively, CalPERS may

waive such error, omission, deviation, or other defect. However, such waiver shall in no way modify the Solicitation documents or excuse the Proposer from full compliance with the Solicitation requirements.

**A. Preliminary Review**

The Phase II Proposal will be reviewed to determine completeness of required documentation and compliance with DVBE requirements, Phase II Proposal Requirements, and Submission of Proposals. CalPERS may reject any or all Proposals that fail to meet these requirements.

**B. Technical Proposal Evaluation**

The Technical Proposal will be scored by a team of CalPERS staff, which may receive guidance and oversight from two members of the CalPERS Pension & Health Benefits Committee. Each team member will independently evaluate the Proposer’s Technical Proposal, using a Proposal Evaluation Sheet.

A single score for each Technical Proposal will be reached by consensus of the evaluation team, with a maximum of 500 points. Proposer’s Technical Proposal score must meet or exceed 350 points for the Proposer to advance to the Fee Proposal Evaluation phase.

**3. Fee Proposal Evaluation (300 points)**

Proposers that continue in the evaluation process will have their Fee Proposal opened. The Fee Proposal will be evaluated in two parts. First on the total Administrative Services Fee and second on the Transition Fee.

**A. Administrative Service Fee Evaluation (250 points)**

The lowest average total net cost to CalPERS will receive a score of 250 points. All other Administrative Fee Proposals will be rated proportionately as follows:

$$\frac{\text{Lowest Administrative Services Fee}}{\text{Proposer's Administrative Services Fee}} \times 250 = \text{Proposer's Score}$$

**B. Transition Fee Evaluation (50 points)**

The lowest Transition Fee to CalPERS will receive a score of 50 points. All other Transition Fee Proposals will be scored proportionately as follows:

$$\frac{\text{Lowest Transition Fee}}{\text{Proposer's Transition Fee}} \times 50 = \text{Proposer's Score}$$

#### **4. Finalists Interviews (200 points)**

Each Proposer's Technical Proposal score will be combined with the Proposer's Fee Proposal Score, with a maximum of 800 total points. CalPERS staff will select the highest-ranking proposals to move to the Finalist Interviews.

One or more CalPERS team members may conduct background and/or reference checks of each Finalist. This information will be rated as satisfactory or unsatisfactory.

Each Finalist selected will be required to appear for an oral interview at a time and place to be announced. Finalists will be notified in advance of the specific date, time, and format for the interview. The interview shall include participation by all key personnel who will exercise a significant administrative, policy, or consulting role under the contract. A single score for each interview will be reached by consensus with a maximum of 200 points. Each Finalist's interview score will be combined with the Technical and Fee Proposal scores to arrive at the Finalist's Grand Total Points, with a maximum Grand Total of 1,000 points (plus any applicable Preference and/or Incentive points), and the Proposals will be ranked from highest to lowest.

#### **5. Applicable Preference and/or Incentive Points**

Preference and/or Incentive Points may be awarded to Proposers based on the applicable requirements and if all required documentation is submitted. The Preference and/or Incentive Points are in addition to the maximum available points. Thus, it is possible for a Proposer's total Proposal score (including the applicable Preference and/or Incentive points) to exceed the maximum available points. However, the Preference and Incentive Points may not be used to help a Proposer satisfy a minimum point requirement.

a. Small Business Preference

A five percent (5%) bid preference is available to certified Small Businesses or non-small businesses claiming California-certified small business / microbusiness subcontractor participation for at least twenty-five percent (25%) of its bid. If applicable, based on the preference requirements, a preference of five percent (5%) of the total overall points awarded to the highest scored non-small business proposer will be added to the relevant Proposer's score.

b. Target Area Contract Preference Act

If Proposer has submitted a completed Target Area Contract

Preference Act (TACPA) Request form (STD. 830) with its Proposal, and all requirements are met, a preference of five percent (5%) of the maximum points available will be added to the responsive and responsible Proposer’s score.

c. Disabled Veteran Business Enterprise (DVBE) Incentive

If Proposer has submitted information regarding the DVBE Program Incentive, the applicable DVBE Incentive points (based on the confirmed DVBE participation percentage as provided in the table below) will be added to the responsive and responsible Proposer’s score.

Final determination of a Proposer’s DVBE participation and applicable incentive points shall be at the sole discretion of CalPERS.

<b>Confirmed DVBE Participation of:</b>	<b>DVBE Incentive (percentage of maximum points available)</b>	<b>DVBE Incentive Points (based on maximum 1000 points available)</b>
5% or Over	5%	50
4% to 4.99%	4%	40
3% to 3.99%	3%	30
2% to 2.99%	2%	20
1% to 1.99%	1%	10

**6. Tie Breaker**

In case of a tie for two (2) or more Proposers, final scores will be rounded to the nearest one-hundredth decimal.

**7. Award of Contract**

- a. The Contract award, if any, will be made to the Finalist having the highest total score, but it may be subject to final negotiations and satisfaction of all requirements. Should negotiations not be successful with the selected Finalist, CalPERS may, based on its exclusive discretion, negotiate with the Proposer having the next highest total score.
- b. Notice of CalPERS intent to award to the selected Proposer will

be posted in CalPERS Contracts Management Section and at [www.calpers.ca.gov](http://www.calpers.ca.gov) for five (5) State business days before the award of contract is made.