

TITLE: Medicare Enrollment Period Packages and Medicare Cards

Agency: HHS/CMS

ITEM	DESCRIPTION	BASIS OF AWARD 14 months	MIDWEST DIRECT MAILING SERVICES, INC Cleveland, OH		NPC, Inc. Claysburg, PA		WBC, Inc./d.b.a. Lithexcel Albuquerque, NM	
			UNIT PRICE	COST	UNIT PRICE	COST	UNIT PRICE	COST
I.	PRINTING AND BINDING							
A.	PAMPHLETS, SELF-COVER, Standard Print:							
(a)	Domestic IEP, 8-3/8 x 5-3/8" ... price per page							
(1)	Makeready and/or Setup Charge	544	0.00	\$0.00	9.54	\$5,189.76	15.00	\$8,160.00
(2)	Running per 1,000 Copies	88,128	1.19	\$104,872.32	1.75	\$154,224.00	30.00	\$2,643,840.00
(b)	Puerto Rican IEP and Puerto Rican GEP, 3-1/2 x 8" ... price per page							
(1)	Makeready and/or Setup Charge	416	0.00	\$0.00	3.20	\$1,331.20	10.00	\$4,160.00
(2)	Running per 1,000 Copies	1,488	15.56	\$23,153.28	3.74	\$5,565.12	24.00	\$35,712.00
(c)	Foreign IEP, 3-1/2 x 8" ... price per page							
(1)	Makeready and/or Setup Charge	276	0.00	\$0.00	3.44	\$949.44	10.00	\$2,760.00
(2)	Running per 1,000 Copies	276	18.13	\$5,003.88	6.12	\$1,689.12	24.00	\$6,624.00
(d)	Domestic GEP, 3-1/2 x 8" ... price per page							
(1)	Makeready and/or Setup Charge	32	0.00	\$0.00	13.33	\$426.56	10.00	\$320.00
(2)	Running per 1,000 Copies	23,680	1.71	\$40,492.80	2.59	\$61,331.20	24.00	\$568,320.00
B.	PAMPHLETS, SELF-COVER, Large Print:							
(a)	Domestic IEP, 8-3/8 x 5-3/8" ... price per page							
(1)	Makeready and/or Setup Charge	600	0.00	\$0.00	0.72	\$432.00	20.00	\$12,000.00
(2)	Running per 1,000 Copies	54	467.84	\$25,263.36	10.32	\$557.28	35.00	\$1,890.00
(b)	Puerto Rican IEP and Puerto Rican GEP, 3-1/2 x 8" ... price per page							
(1)	Makeready and/or Setup Charge	528	0.00	\$0.00	0.91	\$480.48	12.00	\$6,336.00
(2)	Running per 1,000 Copies	14	467.84	\$6,549.76	48.37	\$677.18	30.00	\$420.00
(c)	Foreign IEP, 3-1/2 x 8" ... price per page							
(1)	Makeready and/or Setup Charge	332	0.00	\$0.00	1.09	\$361.88	12.00	\$3,984.00
(2)	Running per 1,000 Copies	2	467.84	\$935.68	185.58	\$371.16	30.00	\$60.00
(d)	Domestic GEP, 3-1/2 x 8" ... price per page							
(1)	Makeready and/or Setup Charge	36	0.00	\$0.00	7.56	\$272.16	12.00	\$432.00
(2)	Running per 1,000 Copies	72	16.37	\$1,178.64	5.93	\$426.96	30.00	\$2,160.00

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			UNIT PRICE	COST	UNIT PRICE	COST	UNIT PRICE	COST
C.	MEDICARE LETTERS AND FORMS (Packages and Card Sets), 8- 1/2 x 11" and 7-1/2 x 11":							
(a)	Letters and Forms Static Image Printing Only, Standard Print.... per printed page							
(1)	Makeready and/or Setup Charge	722	0.00	\$0.00	1.00	\$722.00	15.00	\$10,830.00
(2)	Running per 1,000 Copies	384,130	6.91	\$2,654,338.30	0.83	\$318,827.90	23.00	\$8,834,990.00
(b)	Letters, Static Image Printing Only, Large Print....per printed page							
(1)	Makeready and/or Setup Charge	940	0.00	\$0.00	1.00	\$940.00	15.00	\$14,100.00
(2)	Running per 1,000 Copies	815	116.96	\$95,322.40	4.02	\$3,276.30	23.00	\$18,745.00
(c)	Letters and Forms, Variable Image and Static Image Printing on the same page, Standard Print.... Per imaged/ printed page:							
(1)	Makeready and/or Setup Charge	58	0.00	\$0.00	1.00	\$58.00	30.00	\$1,740.00
(2)	Running per 1,000 Copies	4,571	24.21	\$110,663.91	12.00	\$54,852.00	28.00	\$127,988.00
(d)	Letters, Variable Image and Static Image Printing on the same page, Large Print.... Per imaged/printed page:							
(1)	Makeready and/or Setup Charge	28	0.00	\$0.00	1.00	\$28.00	30.00	\$840.00
(2)	Running per 1,000 Copies	2	24.21	\$48.42	12.00	\$24.00	28.00	\$56.00
D.	ENROLLMENT CARDS FOR PACKAGES AND MEDICARE CARD SETS, Prices include printing Static image on Face and Back:							
(a)	Domestic IEP Card, 5-1/2 x 8-1/2" Variable Image on Face Only ... per order							
(1)	Makeready and/or Setup Charge	8	0.00	\$0.00	126.57	\$1,012.56	30.00	\$240.00
(2)	Running per 1,000 Copies	1,296	8.31	\$10,769.76	7.28	\$9,434.88	90.00	\$116,640.00
(b)	Domestic IEP Card, 5-1/2 x 8-1/2" Variable Image on Face and Back ... per order							
(1)	Makeready and/or Setup Charge	6	0.00	\$0.00	147.93	\$887.58	30.00	\$180.00
(2)	Running per 1,000 Copies	973	12.37	\$12,036.01	7.30	\$7,102.90	90.00	\$87,570.00
(c)	Enrollment cards, 7-1/2 x 3-11/16" Variable Image of Face only ... per order							
(1)	Makeready and/or Setup Charge	69	0.00	\$0.00	72.39	\$4,994.91	30.00	\$2,070.00
(2)	Running per 1,000 Copies	5,614	5.59	\$31,382.26	4.86	\$27,284.04	90.00	\$505,260.00

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			14 months	UNIT PRICE	COST	UNIT PRICE	COST	UNIT PRICE
(d)	MBI Bulk Enrollment Cards, 7-1/2 x 3-11/16", Variable Image on Face and Back ... per order							
(1)	Makeready and/or Setup Charge	27	0.00	\$0.00	141.30	\$3,815.10	30.00	\$810.00
(2)	Running per 1,000 Copies	60,082	8.54	\$513,100.28	2.12	\$127,373.84	90.00	\$5,407,380.00
(e)	Balance of Enrollment Cards at 7-1/2 x 3-11/16", Variable Image on Face and Back ... per order							
(1)	Makeready and/or Setup Charge	131	0.00	\$0.00	67.71	\$8,870.01	30.00	\$3,930.00
(2)	Running per 1,000 Copies	4,548	8.54	\$38,839.92	30.00	\$136,440.00	90.00	\$409,320.00
E.	ENVELOPES:							
(a)	Medicare Package Mailing Envelopes:							
(1)	Domestic IEP, 6 x 9-1/2" Running per 1,000 envelopes	2,269	9.42	\$21,373.98	6.91	\$15,678.79	19.00	\$43,111.00
(2)	Puerto Rican IEP, 4-1/8 x 9-1/2", (No.10), Running per 1,000 envelopes	42	17.54	\$736.68	6.45	\$270.90	12.00	\$504.00
(3)	Foreign IEP, 4-1/8 x 9-1/2", (No.10), Running per 1,000 envelopes	14	17.54	\$245.56	6.45	\$90.30	12.00	\$168.00
(4)	Domestic GEP, 4-1/8 x 9-1/2" (No.10), Running per 1,000 envelopes	742	7.60	\$5,639.20	6.74	\$5,001.08	12.00	\$8,904.00
(5)	Puerto Rican GEP, 4-1/8 x 9-1/2" (No. 10), Running per 1,000 envelopes	9	7.60	\$68.40	6.74	\$60.66	12.00	\$108.00
(b)	Medicare Package Business Reply or Return Mail Envelopes:							
(1)	Domestic IEP, 5-3/4 x 8-3/4" Running per 1,000 envelopes	2,269	10.00	\$22,690.00	6.20	\$14,067.80	19.00	\$43,111.00
(2)	Foreign IEP, 3-7/8 x 8-7/8", (No. 9): Running per 1,000 envelopes	14	17.54	\$245.56	52.00	\$728.00	10.00	\$140.00
(3)	Domestic GEP, 3-7/8 x 8-7/8" (No.9), Running per 1,000 envelopes	742	6.09	\$4,518.78	3.22	\$2,389.24	10.00	\$7,420.00
(c)	Medicare Card Mailing Envelopes, 3-7/8 x 8": Running per 1,000 Envelopes	70,135	6.43	\$450,968.05	3.80	\$266,513.00	10.00	\$701,350.00
II.	STOCK/PAPER							
A.	Pamphlets:							
(a)	8-3/8 x 5-3/8" per 1,000 leaves	44,091	5.64	\$248,673.24	2.70	\$119,045.70	10.00	\$440,910.00
(b)	3-1/2 x 8" per 1,000 leaves	12,766	5.46	\$69,702.36	2.89	\$36,893.74	8.00	\$102,128.00
B.	Letters and Forms:							
(a)	8-1/2 x 11" per 1,000 leaves	11,125	11.27	\$125,378.75	5.68	\$63,190.00	10.00	\$111,250.00
(b)	7-1/2 x 11" per 1,000 leaves	183,638	11.12	\$2,042,054.56	3.91	\$718,024.58	10.00	\$1,836,380.00
C.	Cards:							
(a)	5-1/2 x 8-1/2" per 1,000 leaves	2,269	6.38	\$14,476.22	30.04	\$68,160.76	3.00	\$6,807.00
(b)	7-1/2 x 3-11/16" per 1,000 leaves	70,244	7.89	\$554,225.16	12.06	\$847,142.64	4.00	\$280,976.00

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			UNIT PRICE	COST	UNIT PRICE	COST	UNIT PRICE	COST
D.	Envelopes:							
(a)	6 x 9-1/2" per 1,000 envelopes	2,269	9.42	\$21,373.98	14.99	\$34,012.31	59.00	\$133,871.00
(b)	5-3/4 x 8-3/4" per 1,000 envelopes	2,269	10.00	\$22,690.00	10.29	\$23,348.01	22.00	\$49,918.00
(c)	4-1/8 x 9-1/2" (No.10) per 1,000 envelopes	807	7.60	\$6,133.20	7.48	\$6,036.36	19.00	\$15,333.00
(d)	3-7/8 x 8-7/8" (No.9) per 1,000 envelopes	756	6.09	\$4,604.04	6.02	\$4,551.12	19.00	\$14,364.00
(e)	3-7/8 x 8" per 1,000 envelopes	70,135	6.43	\$450,968.05	6.12	\$429,226.20	19.00	\$1,332,565.00
III.	ASSEMBLY AND MAILING PREPARATION							
A.	MEDICARE PERIOD PACKAGES, Standard and Large Print:							
(a)	Domestic IEP per 1,000 packages	2,269	33.16	\$75,240.04	64.34	\$145,987.46	189.00	\$428,841.00
(b)	Puerto Rican IEP per 1,000 packages	42	78.95	\$3,315.90	83.33	\$3,499.86	93.00	\$3,906.00
(c)	Foreign IEP per 1,000 packages	14	128.92	\$1,804.88	83.33	\$1,166.62	95.00	\$1,330.00
(d)	Domestic GEP per 1,000 packages	742	22.63	\$16,791.46	54.34	\$40,320.28	95.00	\$70,490.00
(e)	Puerto Rican GEP per 1,000 packages	9	26.84	\$241.56	83.33	\$749.97	95.00	\$855.00
B.	MEDICARE CARD SETS:							
(a)	Inserting a Card onlyRunning per 1,000 sets	5,614	8.16	\$45,810.24	25.00	\$140,350.00	39.00	\$218,946.00
(b)	Inserting a Card and Letter ...Running per 1,000 sets	64,521	12.11	\$781,349.31	8.31	\$536,169.51	49.00	\$3,161,529.00
	CONTRACTOR TOTAL:			\$8,665,270.14		\$4,462,904.41		\$27,855,082.00
	PROMPT PAYMENT DISCOUNT:		5.00%	\$433,263.51	0.25%	\$11,157.26	1.00%	\$278,550.82
	DISCOUNTED TOTAL:		20 DAYS	\$8,232,006.63	20 DAYS	\$4,451,747.15	20 DAYS	\$27,576,531.18

Abstracted by: Teri Shoffstall 06/14, 2017

AWARDED

Reviewed by: Russell Woodmancy 6/16, 2017 Contract Awarded to: NPC Inc.

U.S. GOVERNMENT PUBLISHING OFFICE

Columbus, Ohio

GENERAL TERMS, CONDITIONS, AND SPECIFICATIONS

For the Procurement of

Medicare Enrollment Period Packages and Medicare Card Sets

as requisitioned from the U.S. Government Publishing Office (GPO) by the

Department of Health & Human Services, Center for Medicare & Medicaid Service

Single Award

TERM OF CONTRACT: This contract contains an Initial Testing Period and a Production Term of Contract.

INITIAL TESTING PERIOD: The Initial Testing Period begins Date of Award and ending July 31, 2017. The Initial Testing Period allows for both Security Clearance Provisions “[SECTION 5. – CMS SECURITY SPECIFICATIONS](#)” and Initial [Post Award Testing](#), see page 9. An additional testing period will be required for the Medicare Beneficiary Identifier (MBI) Bulk Cards.

PRODUCTION TERM OF CONTRACT: The term of this contract is for the period beginning August 1, 2017 through September 30, 2018 (14 months), plus up to 4 optional extension period(s) that may be added in accordance with the “*Option to Extend the Term of the Contract*” clause on page 7 in Section 1 of this contract.

BID OPENING: Bids shall be publicly opened at 2:00 p.m., prevailing Columbus, Ohio time June 14, 2017.

SUBMIT SEALED BID TO: U.S. Government Publishing Office, 1335 Dublin Road Suite 112-B, Columbus, Ohio 43215-7034. Bid must be clearly marked on the outermost envelope/package with company name and address of the bidder, program number, and bid date opening. Telegraphic, facsimile, and e-mail bids transmitted to GPO offices WILL NOT be considered.

BIDDERS PLEASE NOTE: Formerly Program 1583-S. Significant revisions have been made. Bidders are cautioned to familiarize themselves with all provisions of this contract before bidding.

PROGRAM NUMBER FOR THIS SOLICITATION HAS BEEN CHANGED FROM 1583-S TO 5589-S.

Abstract for Program 1583-S available on GPO Web Site at
<http://www.gpo.gov/gpo/abstracts/abstract.action?region=Columbus>

LEGAL DISCLAIMER: Product names are the trademarks of the respective companies and do not indicate endorsement by the U.S. Government.

For information of a technical nature call Russell Woodmancy at (614) 488-4616, ext. 8 (No collect calls).

SECTION 1. – GENERAL TERMS AND CONDITIONS

GPO CONTRACT TERMS: Any contract which results from this Invitation for Bid will be subject to the applicable provisions, clauses, and supplemental specifications of GPO Contract Terms (GPO Pub. 310.2, effective December 1, 1987 (Rev. 06/01)) and GPO Contract Terms, Quality Assurance Through Attributes Program for Printing and Binding (GPO Pub. 310.1, effective May 1979 (revised 08/02)).

GPO Contract Terms (GPO Publication 310.2) – <http://www.gpo.gov/pdfs/vendors/sfas/terms.pdf>

GPO QATAP (GPO Publication 310.1) – <http://www.gpo.gov/pdfs/vendors/sfas/qatap.pdf>

GPO Publication 310.2, GPO Contract Terms, Contract Clause 5. Disputes, is hereby replaced with the June 2008 clause found at <http://www.gpo.gov/pdfs/vendors/contractdisputes.pdf>.

More GPO Publications can be found at: <http://www.gpo.gov/vendors/sfas.htm>.

TIBCO defined: Each Print Order will have a separate TIBCO digital file and stored in a secure [TIBCO Mailbox](#). TIBCO digital files contain record data for each individual. Each record contains fields for the contractor to generate variable imaging content, filter or sort. The record fields contain but not limited to the following: names, mailing addresses, **Medicare Summary Notice** (page 25), and identification numbers.

Packages, Sets, Items and Components defined: Medicare Packages and Sets are made up of items that are produced and assembled in a certain order to make up a mail piece. For a complete breakdown the Packages and Sets requirements along with the different items are in “*SECTION 2 – SPECIFICATIONS*” beginning on page 14. Components are defined as an element, ingredient, or constituent part used in machines for operation/inspection or is a part of an item produced (example, glue or paper for envelopes).

Mail Piece Integrity defined: Each mail piece as defined in “*SECTION 2 – SPECIFICATIONS*” shall include all items (and only those items) intended for the designated recipient as contained in the print files received from CMS. An item is defined as one of the following: Card, Pamphlet, Letter, Form, Return Envelope/Business Reply Mail (BRM) Envelope, and Mailing Envelope.

REGULATIONS GOVERNING PROCUREMENT: The U.S. Government Publishing Office (GPO) is an office in the legislative branch of the United States Government. Accordingly, the Federal Acquisition Regulation is inapplicable to this, and all GPO procurements. However, the text of certain provisions of the Federal Acquisition Regulation as contained in the Code of Federal Regulations (CFR), are referenced in this solicitation. The offeror should note that only those provisions of the Federal Acquisition Regulation which are specifically incorporated by reference into this solicitation, are applicable.

SECURITY: The contractor awarded this contract will be in custody of Government owned material considered [Personally Identifiable Information \(PII\)](#). See “[SECTION 5. – CMS SECURITY SPECIFICATIONS](#)” beginning on page 41, for security requirements of this contract. The Government may conduct on-site unannounced, randomized Security inspections at any time.

NOTE: Personally Identifiable Information (PII) is “information that can be used to distinguish or trace an individual’s identity, such as their name, social security number, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name, etc.” (Reference: OMB Memorandum 07-16.).

SUBCONTRACTING: The predominant production functions are as follows:

- downloading TIBCO files from TIBCO Mailbox,
- manipulating data from TIBCO files,
- variable imaging from TIBCO files,
- preparation for mailing, includes all variable data items (PII) (folding, inserting, sorting, etc.)
- and delivery to USPS mailing facility.

The above stated predominant production functions CANNOT be subcontracted. The contractor may use a subcontractor for all other items, including printing of static image from static data which is not considered part of the predominant production functions. Bidder who must subcontract any of the predominant production functions may be declared non-responsible.

REDUNDANT FACILITY PLAN: The contractor must have two or more owned/controlled facilities that have the capability to perform all the predominant production requirements of the contract. The plan shall provide for continuous production, as well as back-up facilities, if for any reason(s) (act of God, labor disagreements, machine maintenance downtime, etc.) a production facility is impacted such that it is unable to meet all the requirements of the contract.

The back-up facilities, equipment, and personnel must be established and operational prior to award.

Failure to have a back-up facility may result in a non-responsible determination.

QUALITY ASSURANCE LEVELS AND STANDARDS: The following levels and standards shall apply to these specifications:

Product Quality Levels:

- (a) Printing (Page Related) Attributes -- Level III.
- (b) Finishing (Item Related) Attributes -- Level III.

Inspection Levels (from ANSI/ASQC Z 1.4):

- (a) Non-destructive Tests - General Inspection Level I.
- (b) Destructive Tests - Special Inspection Level S-2.

Specified Standards: The specified standards for the attributes requiring them shall be:

<u>Attribute</u>	<u>Specified Standard</u>
P-7. Type Quality and Uniformity	O.K. Press Sheets/Prior-to-Production Samples/Proofs
P-8. Halftone Match (Single and Double Impression)	O.K Press Sheets/Prior-to-Production Samples/Proofs
P-9. Solid and Screen Tint Color Match	O.K. Press Sheets/Prior-to-Production Samples/Pantone Matching System
P-10. Process Color Match	O.K. Press Sheets/Prior-to-Production Samples

Special Instructions: In the event that inspection of press sheets is waived by the Government, the listed alternate standards (in order of precedence) shall become the Specified Standards.

[Quick Response \(QR\) Code:](#) QR Code to meet ISO (ISO/IEC18004) standard.

CONTRACTOR'S QUALITY ASSURANCE SYSTEM

The contractor must provide prior to award and maintain throughout the term of contract an effective quality assurance system that includes, at a minimum the following:

- 1) Unique Identification Number
- 2) Quality System Plan
- 3) Quality Assurance Inspection
- 4) Verification of Production and Mailing
- 5) Technical Support

1) Unique Identification Number

The contractor must use a unique sequential identifying number on each mail piece to track each individual variable image item in the specifications, thereby providing 100% accountability. This enables the contractor to track each variable image item through the production process in the plant and when the mail piece is entered into the U.S. Postal System.

2) Quality System Plan

The contractor shall initiate, prior to start-up and maintain throughout the life of this contract a Quality System Plan. The plan addresses conformance to all requirements of this contract with each operational phase of production. Plan should be in written and digital form for contractor's employees, CMS and GPO. Contractor to ensure all components meet quality level standards stated in this contract before being utilized in production.

The Quality System Plan to include but not limited to the following:

- (a) Contractor to state how the unique Identification number will be determined, type of code and location of the code (variable image) on the printed item(s), what equipment that will be used to track location of unique identification number throughout the plant and to the mailing facility.
- (b) Addresses the quality of components and printed/manufactured items from subcontractor(s) and how these are inspected. The plan states (explains) how the components and items from different sources will be compatible before the start of production.
- (c) Perform a random quality inspection of data records in the TIBCO data files. Samples should be tested for construction, type, and placement of data in each field.
- (d) Procedures and equipment that ensure that the variable imaging (TIBCO data, [IMb](#) and etc.) is clear and legible (see [PRINTING/IMAGING](#) on page 28) and all variable data for each record is accurately and completely printed.
- (e) The procedures shall describe the methods to be used to assure that no records (TIBCO data) are missed or duplicated when an interruption of variable image occurs (e.g. due to equipment malfunction).
- (f) State the equipment and procedures to be used so that individual pieces (packages and card sets) are properly collated, assembled and inserted into the mailing envelope to each address contained in the TIBCO file, see Assembly on page 20. Each mailed envelope meets the [mailing preparation](#) guidelines as stated in this contract.
- (g) Periodical maintenance and calibration records on all applicable production and inspection equipment.
- (h) State the safeguard controls that assure all steps in the process generate a product that conforms to all requirements of this solicitation (e.g. calibration system that stops production whenever an extra item is inserted or an item is left out in the assembly of a package or card set.).
- (i) List of possible defects and actions required to fix and resolve each defect. If stoppage of work is required, a procedure of gathering all defected pieces and reproducing individual pieces so no duplicates or missed individual(s) occurs.

3) Quality Assurance Inspection

Records of [test samples](#), inspections and critical processes shall be timed stamped and maintained on file (paper and/or digital). These records must be available to HHS/CMS and/or GPO employees until the expiration of the [Warranty](#) period of this contract.

If errors are found or discrepancies exist between any of the Government furnished TIBCO files, Print Order, record layout, art work etc., the contractor must cease further production and contact Clinton Howard at (410) 786-1962 or clinton.howard@cms.hhs.gov and the GPO Contracting Officer/Administrator. If contractor failed to identify the errors or discrepancies during the quality assurance inspection, no reimbursement for the cost of reprinting or postage will be allowed.

The Quality Assurance Inspection to include but not limited to the following:

- (a) Addresses items from any subcontractor, how the contractor's employees will make a determination whether the items meet or do not meet the quality requirements of this contract.
- (b) Proofs and Preproduction samples.
- (c) Work with CMS and/or GPO on [Press Sheet Inspections](#).
- (d) Contractor to state what actions will be initiated when various defects are detected. This should include stoppage of work, items that contain individual's variable information (PII), removal, destruction, and replacement of items.
- (e) Contractor to keep an Excel spreadsheet record of all defects with date of occurrence, Print Order number, with corresponding name and unique Identification number, but not PII, and how the issue was resolved.
- (f) Inspection to ensure against the commingling of mail pieces, see [Mail Piece Integrity](#) and [Mailing Integrity](#).
- (g) Daily electronic PDFs email of pulls made to Clinton Howard at clinton.howard@cms.hhs.gov. One pull every 10,000 individuals (10,000 individual's equals one batch). Contractor has the option to reduce the number of individuals in a batch size to increase number of pulls when needed.
- (h) Variable Data Verification Samples, see page 29.

Additional Quality Assurance Inspection Requirements for MBI Bulk Cards are as follows:

- (a) CMS and GPO press inspection of static and variable image of items.
- (b) Quality pulls for first full 3 weeks at each variable imaging location for MBI Bulk Cards, one pull for every 5,000 individuals.
- (c) Daily electronic PDFs email of pulls made to Clinton Howard at clinton.howard@cms.hhs.gov. after the initial 3 full weeks, one pull every 10,000 individuals (10,000 individual's equals one batch). Contractor has the option to reduce the number of individuals in a batch size to increase number of pulls when needed.

Contractor's Secure Destruction of Quality Pulls: Contractor must not perform secure destruction without authorization from the Government. The Government CMS and/or GPO may be onsite at end of MBI Bulk Card mailing, and/or at the end of the contract for the balance of the packages/card sets to oversee secure destruction of Quality pulls.

4) [Verification of Production and Mailing](#)

Verification of Production to include the following: Recovery System, Test Samples, and Monitor Pieces.

Verification of Mailing -- the contractor will be responsible for validating the integrity of every mailed piece (packages and card sets) produced in all phases of printing, inserting and mailing and to ensuring all Medicare Packages and Medicare Cards received from CMS were correctly entered into the United States Postal System. Contractor must furnish a state-by-state count of all packages and card sets mailed, identifying state and numbers of copies mailed to that state in Excel spreadsheet. In addition, include Print Order number, mailing statement information, GPO Form 712 with copy counts to Clinton Howard at clinton.howard@cms.hhs.gov.

Recovery System

A recovery system will be required to ensure that all defective or missing/mutilated items detected are identified, reprinted and replaced. The recovery system must use unique sequential numbers assigned to each item to aid in the recovery and replacement of any defective or missing/mutilated items, and must be capable of tracking and/or locating any individual piece of mail from the time it leaves the press, up to and including when it is off-loaded at the USPS facility.

Test Samples

Test samples are part of [Quality Assurance Inspection](#). The contractor will be required to create a test sample based on the quantity submitted. This test must have a [unique identification number](#) and must be produced on variable imaged items.

The contractor will generate a list of the unique identification numbers for each sample. As samples are pulled, their unique identification number will be marked off the list. This enables the contractor to track which samples have been produced and pulled and what records have been produced.

The unique number for each mail piece must not include the CMS furnished Medicare Claim Number and it must not be formatted like a Medicare Claim Number or Social Security Number.

Monitor Pieces

The contractor shall monitor all aspects of the job including material handling and mail flow, to assure that the production and delivery of these Medicare Packages and Medicare Cards (mail pieces) meet specifications and Government requirements.

The Government will not as a routine matter request that the contractor produce (locate) individual items using the unique identification number in transit within the plant, however, the contractor must demonstrate that they have an audit trail established that has the ability to comply with this type request when and if the need arises. The contractor's Quality Assurance System and the Verification of Production and Mailing plans must account for the number of pieces mailed per Print Order.

MBI Bulk Cards and MBI Change Cards

All mail piece tracking/reporting data must be retained in Excel Spreadsheet for one calendar year after all the mailing is completed, and must be made available to CMS and/or GPO for auditing of contractor performance upon request.

Contractor to maintain a daily and weekly reports of printing and mailing progress per Print Order and item. CMS will set parameters for such a report but will include (not limited to): total ordered by week, total printed that day (against the total order), total percent done for week, total for week with errors, breakdowns by state, aggregate total printed for MBI Bulk Cards and Change Cards.

Balance of Packages and Cards

All mail piece tracking/reporting data, including quantity breakdowns per state, must be retained in Excel Spreadsheet for 120 days after mailing, and must be made available to CMS and/or GPO for auditing of contractor performance upon request.

The contractor is required for ensuring the automated control systems and processes will prevent the commingling of mail pieces intended for different recipients into a completed package or card sets. The contractor's printing process must have automated systems that include coding and scanning technology capable of the following:

- (a) Validating the count of pages/items in a mail piece set.
- (b) Validating the sequence of pages/items in a mail piece set.
- (c) Validating the sequence of mail piece sets in a production batch.
- (d) Interrupting production if variances are detected.

Mailing Integrity defined: All mail pieces received from CMS for each Print Order were imaged, printed, inserted and entered correctly into the United States Postal System.

The contractor is responsible for providing the automated insertion tracking/reporting systems that processes in real time (instantaneously) to validate that 100% of all mail pieces in the specifications received from CMS were imaged, printed, inserted and mailed correctly. A breakdown of these operations are as follows:

- (a) Reconciling page and item counts from CMS provided print files to the Print Order control quantity totals; reporting variances.
- (b) Uniquely identifying each mail piece within a Print Order, see [Unique Identification Number](#).

- (c) Scanning unique identification number after insertion to ensure all mail pieces are present and accounted for.
- (d) Tracking and reporting all mail pieces produced and mailed within a Print Order at the mail piece level, see [Monitor Pieces](#).
- (e) Identifying and reporting all missing mail pieces that were lost or spoiled during production within a Print Order.
- (f) Generating a new production file for all missing mail pieces, see [Recovery System](#).
- (g) Reconciling the total mail pieces produced and mailed on Postal entry Forms to the Print Order control totals provided by CMS; reporting all variances.

Summary Report: Generating a final automated summary report which provides information that all mail pieces have been scanned after insertion and verifying that all pieces inserted into the mailing envelope for each Print Order are accounted for. The summary report will contain the sequence number range for a particular Print Order, show all sequence numbers were scanned and accounted for after all mail pieces are inserted, and event information on any spoiled or missing pieces verifying that they were scanned and accounted for. A copy of the summary report must be submitted with the matching GPO Form 712(s) emailed to Clinton Howard clinton.howard@cms.hhs.gov.

Contractor must generate an automated audit report when necessary showing the tracking of all mail pieces throughout all phases of production for each mail piece. This audit report will contain all information outlined above for each phase of printing, inserting and mailing. The report to also summarize a state-by-state count of all letters mailed, identifying state and numbers of copies mailed to that state, see [Verification of Production and Mailing](#) on page 31. Contractor to work with the CMS and GPO after award with layout and functionality of audit report.

5) Technical Support

The contractor must have a highly trained technical support staff available around the clock (24 hours/7days a week) to solve any mechanical and electrical malfunctions, plus staff and adequate telephone service to receive without interruption the transmission of any electronic media required between 8:00 a.m. Monday through midnight Friday, Eastern Time Zone.

Contractor must also have, on site, a spare parts inventory and on call technicians to avoid any delay in producing orders under this contract plus a Program Manager assigned to the project with designated backup so that a single point of contact will be available to answer any questions which may arise.

WARRANTY: The provisions of Article 15, “*Warranty*” Of Contract Clauses in GPO Contract Terms is amended for the solicitation to the effect that the warranty period is EXTENDED from 120 days to one calendar year from the date the check is tendered as final payment. All other provisions remain the same.

OPTION TO EXTEND THE TERM OF CONTRACT: The Government has the option to extend the term of this contract for a period of 12 months by written notice to the contractor not later than 30 days before the contract expires. If the Government exercises this option, the extended contract shall be considered to include this clause, except, the *total duration of the contract may not exceed five (5) years* including, any extension(s) added under this clause. Further extension may be negotiated under the “*EXTENSION OF CONTRACT TERM*” clause. See also “*ECONOMIC PRICE ADJUSTMENT*” for authorized pricing adjustment(s).

EXTENSION OF TERM OF CONTRACT: Notwithstanding the above paragraph, at the request of the Government, the term of any contract resulting from this solicitation may be extended for such period of time as may be mutually agreeable to the GPO and the contractor.

ECONOMIC PRICE ADJUSTMENT: The pricing under this contract shall be adjusted in accordance with this clause, provided that in no event will any pricing adjustment be made that would exceed the maximum permissible under any law in effect at the time of the adjustment. There will be no adjustment for orders placed during the first period specified below. Pricing will thereafter be eligible for adjustment during the second and any succeeding performance period(s). For each performance period after the first, a percentage figure will be

calculated as described below and that figure will be the economic price adjustment for that entire next period. Pricing adjustments under this clause are not applicable to reimbursable postage or transportation costs, or to paper, if paper prices are subject to adjustment by separate clause elsewhere in this contract.

For the purpose of this clause, performance under this contract will be divided into successive periods. The first period will extend from **August 1, 2017 through September 30, 2018** and the second and any succeeding period(s) will extend for 12 months from the end of the last preceding period, except that the length of the final period may vary. The first day of the second and any succeeding period(s) will be the effective date of the economic price adjustment for that period.

Pricing adjustments in accordance with this clause will be based on changes in the seasonally adjusted “*Consumer Price Index For All Urban Consumers - Commodities Less Food*” (Index) published monthly in the CPI Detailed Report by the U.S. Department of Labor, Bureau of Labor Statistics.

The economic price adjustment will be the percentage difference between Index averages as specified in this paragraph. An index called the variable index will be calculated by averaging the monthly Indexes from the 12-month interval ending three (3) months prior to the beginning of the period being considered for adjustment.

This average is then compared to the average of the monthly Indexes for the 12-month interval ending **April 30, 2017 called the base index**. The percentage change (plus or minus) of the variable index from the base index will be the economic price adjustment for the period being considered for adjustment.

The Government will notify the contractor by contract modification specifying the percentage increase or decrease to be applied to invoices for orders placed during the period indicated. The contractor shall apply the percentage increase or decrease against the total price of the invoice less reimbursable postage or transportation costs and separately adjusted paper prices. Payment discounts shall be applied after the invoice price is adjusted.

If the Government exercises an option, the extended contract shall be considered to include this economic price adjustment clause.

PAPER PRICE ADJUSTMENT. Paper prices charged under this contract will be adjusted in accordance with “*Table 9 - Producer Price Indexes and Percent Changes for Commodity Groupings and Individual Items*” in Producer Price Indexes report, published by the Bureau of Labor Statistics (BLS), as follows:

1. BLS code 0913 for all paper will apply to all paper required under this contract.
2. The applicable index figures for the month of **July, 2017** will establish the base index.
3. There shall be no price adjustment for the first three months of the contract.
4. Price adjustments may be monthly thereafter, but only if the index varies by an amount (plus or minus) exceeding 5% by comparing the base index to the index for that month which is two months prior to the month being considered for adjustment.
5. Beginning with order placement in the fourth month, index variances will be calculated in accordance with the following formula:

$$\frac{x \text{ base index}}{\text{base index}} \times 100 = _ \%$$

where X = the index for that month which is two months prior to the month being considered for adjustment.

6. The contract adjustment amount, if any, will be the percentage calculated in 5 above less 5%.
7. Adjustments under this clause will be applied to the contractor's bid price(s) for line Items under “[II. STOCK/PAPER](#)” in Section 4 - SCHEDULE OF PRICES and will be effective on the first day of any month for which prices are to be adjusted.

The Contracting Officer will give written notice to the contractor of any adjustments to be applied to invoices for orders placed during months affected by this clause.

In no event, however, will any price adjustment be made which would exceed the maximum permissible under any law in effect at the time of the adjustment. The adjustment, if any, shall not be based upon the actual change in cost to the contractor, but shall be computed as provided above.

The contractor warrants that the paper prices set forth in this contract do not include any allowance for any contingency to cover anticipated increased costs of paper to the extent such increases are covered by this price adjustment clause.

PREAWARD SURVEY: In order to determine the responsibility of the prime contractor or any subcontractor, the Government reserves the right to conduct an on-site preaward survey at the contractor's/subcontractor's facility or to require other evidence of technical, production, managerial, financial, and similar abilities to perform, prior to the award of a contract.

The Preaward Survey will include a review of any subcontractors involved, along with their specific functions; and the contractor's/subcontractor's, personnel, data handling, production, security and other requirements outlined in "[SECTION 5. - CMS SECURITY SPECIFICATIONS](#)" starting on page 41.

Attending the preaward survey will be representatives from the Government Publishing Office (GPO) and/or the Centers for Medicare and Medicaid Services (CMS). The Government reserves the right to conduct post-award surveys of the same nature as needed.

INITIAL TESTING PERIOD: The contractor awarded the contract shall be required to demonstrate their ability to retrieve [TIBCO](#) electronic files and print (static and variable images) for all the items required in these specifications at the requisite quality level by completing a Post-Award Test. The Government reserves the right to waive the Post-Award Test for some or all the items if there is evidence that, in the opinion of the Contracting Officer, indicates that the contractor being considered for award has the capability to successfully produce the item(s) required.

Access to TIBCO mailbox: Immediately after award, the contractor must submit two (one primary user, and one back-up user) completed "*APPLICATION FOR ACCESS TO CMS COMPUTER SYSTEMS*" Form CMS-20037. The contractor must complete Section 2, User Information on page 1, and the Applicant's Information on page 3 of this Form at the following internet link:

<http://www.cms.hhs.gov/InformationSecurity/Downloads/EUAaccessform.pdf>

Please note that the Applicant's Social Security Number must be provided in order to receive a USER ID and gain access to CMS' computer systems. Corporate Tax Identification Numbers are not accepted in lieu of individual SSN's. The contractor must reapply for access every 12 months during the term of the contract.

Return completed form to: HHS/CMS 7500 Security Boulevard, SL-11-16, Attn: Clinton Howard, Baltimore, MD 21244-1850. The contractor is encouraged to use FedEx Overnight service. Packages delivered by other methods may not be timely received or delivered to the appropriate CMS personnel.

POST-AWARD TELEPHONE CONFERENCE: Telephone conference between contractor and the Government (CMS and GPO) is required, unless waived by the Government. The purpose of the conference will be to discuss and review all aspects of the contractor's production plan and to establish coordination of all internal and external operations required to complete the contract and for agency to determine the appropriate level of security investigation.

POST-AWARD TEST: Immediately after award, a Post-Award Test shall be conducted for all packages and card sets except for items and card sets not to be in effect until approximately April of 2018 (example, MBI Bulk Medicare Card sets). The testing date schedule of the items and card sets excluded from the initial Post-Award Test shall be determined during the Post-Award Conference.

The Post-Award Test requirements shall be produced at no additional charge to the Government. The Post-Award Test will consist of the following:

- 1) Variable Data Test,
- 2) Proof Test,

- 3) Live Data Sample Test, and
- 4) Prior-to-Production Sample Test.

1) Variable Data Test: Unless waived by the Government, 2 work days after receipt of data files (data files sent via e-mail or to contractor's sFTP site), the contractor to submit Post-Award Test samples. Post-Award Test samples consist of 50 randomly selected samples saved in PDF format of the items that contain variable data to be ordered under this contract.

Contractor must also submit the corresponding source data files (also known as a “*data dump*”). Test samples must show the correct variable data information taken from the furnished test files in accordance with the Data Layout Sheet.

In addition, the contractor will be required to provide data programming as required to accomplish the Variable Imaging as defined under “[PRINTING/IMAGING](#)” on page 28 in “*SECTION 2 – SPECIFICATIONS*”. E-mail the PDF test samples to Clinton Howard clinton.howard@cms.hhs.gov

2) Static Image Proof Test: Within 5 workdays after receipt of the Government Furnished Property (via e-mail or to contractor's sFTP site), contractor shall submit PDF “Soft” proofs to the Government. Proofs shall be produced and submitted in accordance with the requirements listed hereafter under “[Static Image \(Data\) Proofs](#)” on page 26. E-mail the PDF “Soft” Proofs to Clinton Howard clinton.howard@cms.hhs.gov

3) Live Variable Data Sample Test: Immediately after approval of the Variable Data Test, and prior to production of the Prior-to-Production Sample Test, the contractor shall be required to perform a Live Variable Data Sample Test using 50 live data records placed by CMS in the TIBCO mailbox and downloaded by the contractor's representatives who have been granted access to the TIBCO mailbox. The data sample will also include address library data.

Within 5 workdays after receipt of Variable Data Test approval, the contractor will be required to submit 50 Live Data Samples of all variable data of each package and card sets, including [Unique Identification Number](#). Contractor must perform a production run per specifications as if these were live orders; however, contractor must pack completed items and assemble per each package and card set in a shipping container, and deliver via overnight courier (i.e.: FedEx Next Day) to: HHS/CMS, 7500 Security Boulevard, SL-11-16 Attn: Clinton Howard, Baltimore, MD 21244-1850.

The **50 Live Data Samples** shall consist of 25 sequential records and 25 randomly selected records from the remaining TIBCO files. Each sample package shall consist of all component parts of each package assembled in accordance with the contract specifications.

Each Item must consist of all component parts assembled as specified. The test work must be printed and constructed using the form, ink, paper*, equipment, and the method of production which will be used in producing the finished product. All items must be of the size, kind, and quality the contractor will furnish.

*NOTE: In lieu of White 25% Index, basis size 25-1/2 x 30-1/2”, 110 lbs. per 500 sheets, equal to JCP Code K20, Live Data Samples may be printed on White Writing Paper, basis size 17 x 22”, 20 lbs. per 500 sheets, equal to JCP Code D10. Items MUST be trimmed to size.

4) Prior-to-Production Samples: These samples contain both variable image and static image printing. **Within 5 workdays** after receipt of the Live Data Sample Test approval, contractor shall submit 15 sets (A set equals one each of all the Packages and Card Sets that production begins on August 1, 2017) of Prior-to-Production Sample Test to the Government (5 sets of each package to 3 locations), deliver via overnight courier (i.e.: FedEx Next Day). The three addresses to be provided at the Post-Award Telephone Conference.

Samples will be inspected and must comply with the specifications as to kind and quality of materials, and quality of reproduction.

The package must be marked “*PRE-PRODUCTION SAMPLES DO NOT DELAY*”; and must include the GPO jacket number, program, dept. requisition number, and title.

Manufacture of the final product prior to approval of the prior-to-production samples is at the contractor's risk. Samples will not be returned to the contractor. All samples shall be manufactured at the facilities in which the contract production quantities are to be manufactured.

Results – Post-Award Test: The Variable Data Test, Proof Test, Live Data Sample Test and Prior-to-Production Sample Test produced during the Post-Award Test will be checked for adherence to all specifications. The Government will approve, conditionally approve, or disapprove these test proofs and samples **within 3 workdays** of the receipt thereof.

Approval or conditional approval shall not relieve the contractor from complying with the specifications and all other terms and conditions of the contract. A conditional approval shall state any further action required by the contractor. A notice of disapproval shall state the reasons therefore.

If these copies are disapproved by the Government due to printer's errors, the Government may require the contractor to submit additional copies for inspection and testing, in the time and under the terms and conditions specified in the notice of disapproval. Such additional copies shall be furnished, and necessary changes made, at no additional cost to the Government.

In the event these additional copies are disapproved by the Government due to printer's errors, the contractor may be deemed to have failed to make delivery within the meaning of the default clause in which event this contract shall be subject to termination for default.

PRIVACY ACT NOTIFICATION: This procurement action requires the contractor to do one or more of the following: design, develop, or operate a system of records on individuals to accomplish an agency function in accordance with the Privacy Act of 1974, Public Law 93-579, December 31, 1974 (5 U.S.C. 552a) and applicable agency regulations. Violation of the Act may involve the imposition of criminal penalties as stated in 5 U.S.C. 552a (i)(1) CRIMINAL PENALTIES. 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) CRIMINAL PENALTIES and m(1) GOVERNMENT CONTRACTORS.

PRIVACY ACT

(a) The contractor agrees:

(1) to comply with the Privacy Act of 1974 and the rules and regulations issued pursuant to the Act in the design, development, or operation of any system of records on individuals in order to accomplish an agency function when the contract specifically identifies (i) the system or systems of records and (ii) the work to be performed by the contractor in terms of any one or combination of the following: (A) design, (B) development, or (C) operation;

(2) to include the solicitation notification contained in this contract in every solicitation and resulting subcontract and in every subcontract awarded without a solicitation when the statement of work in the proposed subcontract requires the design, development, or operation of a system of records on individuals to accomplish an agency function; and

(3) to include this clause, including this paragraph (3), in all subcontracts awarded pursuant to this contract which require the design, development, or operation of such a system of records.

(b) In the event of violations of the Act, a civil action may be brought against the agency involved where the violation concerns the design, development, or operation of a system of records on individuals to accomplish an agency function, and criminal penalties may be imposed upon the officers or employees of the agency where the violation concerns the operation of a system of records on individuals to accomplish an agency function. For purposes of the Act when the contract is for the operation of a system of records on individuals to accomplish an agency function, the contractor and any employee of the contractor is considered to be an employee of the agency.

(c) The terms used in this clause have the following meanings:

(1) “*Operation of a system of records*” means performance of any of the activities associated with maintaining the system of records including the collection, use, and dissemination of records.

(2) “*Record*” means any item, collection or grouping of information about an individual that is maintained by an agency, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph.

(3) “*System of records*” on individuals means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.

ASSIGNMENT OF JACKETS, PURCHASE AND PRINT ORDERS: A GPO jacket number will be assigned and a purchase order issued to the contractor to cover work performed. The purchase order will be supplemented by an individual “Print Order” for each job placed with the contractor. The Print Order, when issued, will indicate the quantity to be produced and any other information pertinent to the particular order.

ORDERING: Items to be furnished under the contract shall be ordered by the issuance of Print Orders by the Government. Production orders may be issued under the contract from **August 1, 2017 through September 30, 2018 (plus options)**. All Print Orders issued hereunder are subject to the terms and conditions of the contract. The contract shall control in the event of conflict with any Print Order. A Print Order shall be “*issued*” upon notification by the Government for purposes of the contract when it is electronically transmitted or otherwise physically furnished to the contractor in conformance with the schedule.

REQUIREMENTS: This is a requirements contract for the items and for the period specified herein. Shipment/delivery of items or performance of work shall be made only as authorized by orders issued in accordance with the clause entitled “*Ordering*”. The quantities of items specified herein are estimates only, and are not purchased hereby. Except as may be otherwise provided in this contract, if the Government’s requirements for the items set forth herein do not result in orders in the amounts or quantities described as “*estimated*”, it shall not constitute the basis for an equitable price adjustment under this contract.

Except as otherwise provided in this contract, the Government shall order from the contractor all the items set forth which are required to be purchased by the Government activity identified on page 1.

The Government shall not be required to purchase from the contractor, requirements in excess of the limit on total orders under this contract.

Orders issued during the effective period of this contract and not completed within that time shall be completed by the contractor within the time specified in the order, and the rights and obligations of the contractor and the Government respecting those orders shall be governed by the terms of this contract to the same extent as if completed during the effective period of this contract.

If shipment/delivery of any quantity of an item covered by the contract is required by reason of urgency prior to the earliest date that shipment/delivery may be specified under this contract, and if the contractor will not accept an order providing for the accelerated shipment/delivery, the Government may procure this requirement from another source.

The Government may issue orders which provide for shipment/delivery to or performance at multiple destinations. Subject to any limitations elsewhere in this contract, the contractor shall furnish to the Government all items set forth herein which are called for by Print Orders issued in accordance with the “*Ordering*” clause of this contract.

DELIVERY/SHIPPING STATUS INFORMATION: Contractors are to report information regarding each order for compliance reporting purposes and include date of delivery (or shipment if applicable) for proofs and delivery schedules in accordance with the contract requirements by contacting Columbus Regional Office via e-mail to trackcolumbus@gpo.gov, or by calling (614) 488-4616, ext. 0, or by faxing to (614) 488-4577. Personnel receiving e-mail, phone call, or fax will be unable to respond to questions of a technical nature or transfer any inquiries.

PAYMENT: Submitting all invoices for payment via the GPO fax gateway (if no samples are required) utilizing the GPO barcode coversheet program application is the fastest method of getting paid. The information for using this method can be found at the following web address:

<https://winapps.access.gpo.gov/fms/vouchers/barcode/instructions.html>.

Invoices may also be mailed to: U.S. Government Publishing Office, Office of Financial Management, Attn: Comptroller, Stop: FMCE, Washington, DC 20401. For more information about the billing process refer to the General Information of the Office of Finance web page located at <https://www.gpo.gov/finance/index.htm>.

At time of invoicing, the contractor must submit a copy of the Print Order, contractor's invoice and all mailing and/or delivery receipts via e-mail to infocolumbus@gpo.gov (identify Program 5589-S and Print Order numbers in the Subject line) and to clinton.howard@cms.hhs.gov. All mailing receipts must also be e-mailed to tina.dickens@cms.hhs.gov.

NOTE: Contractor's billing invoice must be itemized in accordance with the line items in the "*SECTION 4. - SCHEDULE OF PRICES.*"

SECTION 2 – SPECIFICATIONS

SCOPE: These specifications cover the production of pamphlets, letters, forms, cards and envelopes. Requiring such operations as downloading files, manipulating data, variable imaging, printing static single and multi-colors, folding, binding, gathering, inserting into envelopes, labeling, sorting, mailing, and distribution.

TITLE: Medicare Enrollment Period Packages and Medicare Card Sets.

Specifications apply equally to all Medicare Packages and Card Sets unless otherwise noted.

The Pamphlets and Letter items for both Medicare Period Packages and Medicare Card Sets for each Print Order will have Standard and Large Print editions.

Medicare Period Package specification begins below and Medicare Card Set specifications begins on page 21.

Medicare Period Packages

FREQUENCY OF ORDERS AND QUANTITIES FOR MEDICARE PERIOD PACKAGES:

Medicare Period Packages	Frequency of Orders	Approximate Quantities per Order			
		Standard Print		Large Print (Pamphlets & Letters Only)	
		Range	Average	Range	Average
Domestic Initial Enrollment (Domestic IEP)	One per Month	120,000 to 300,000	162,000	20 to 200	90
Puerto Rican Initial Enrollment (Puerto Rican IEP)	One per Month	2,000 to 5,000	3,000	10 to 20	10
Foreign Initial Enrollment (Foreign IEP)	One per Month	700 to 2,000	1,000	5 to 15	7
Domestic General Enrollment (Domestic GEP)	One per Year	500,000 to 850,000	740,000	1,000 to 4,000	2,000
Puerto Rican General Enrollment (Puerto Rican GEP)	One per Year	5,000 to 20,000	9,000	100 to 400	200

TRIM SIZES/DESCRIPTION/CONSTRUCTION FOR MEDICARE PERIOD PACKAGES:

Medicare Period Packages Pamphlets, Self-Cover			
Medicare Period Packages	Pages	Trim Size	Number of Inks
Domestic IEP	32 to 56	8-3/8 x 5-3/8"	Black plus 2 Pantone Colors
Puerto Rican IEP	16 to 52	3-1/2 x 8"	Black plus 1 Pantone Color
Foreign IEP	12 to 32	3-1/2 x 8"	Black plus 1 Pantone Color
Domestic GEP	12 to 48	3-1/2 x 8"	Black plus 1 Pantone Color
Puerto Rican GEP	16 to 52	3-1/2 x 8"	Black plus 1 Pantone Color

The following is the same for all Pamphlets:

Static Printing: Prints head-to-head in black ink and Pantone ink color(s) throughout. Printing consists of line matter, solids with reverse type, halftones, gradients and screen-tints throughout. Self-cover 1 (title page) bleeds top, bottom and right. Self-cover 4 bleeds bottom, left, and right. Inside text pages, including self-covers 2 and 3, bleed top, left, and right. Print masthead to and align across the bind edge throughout (crossovers).

Stock/Paper: White Offset Book, basis size 25 x 38", 50 lbs. per 500 sheets, equal to JCP Code A60.

Binding: Saddle stitch in two locations (5-3/8" dimension for Domestic IEP pamphlet and 8" dimension for balance of pamphlets). Page counts ordered will be in increments of 4 pages.

Medicare Period Packages Letters and Forms				
Medicare Period Packages	Pages	Flat Size	Folded Size	Fold Type
Domestic IEP Letter	4 to 8	8-1/2 x 11"	8-1/2 x 5-1/2"	One Fold
Puerto Rican IEP Letter	4 to 12	8-1/2 x 11"	8-1/2 x 3-2/3"	Letter Fold
Foreign IEP Letter	4 to 12	8-1/2 x 11"	8-1/2 x 3-2/3"	Letter Fold
Foreign IEP Form	2	8-1/2 x 11"	8-1/2 x 3-2/3"	Letter Fold
Domestic GEP Letter	4 to 12	8-1/2 x 11"	8-1/2 x 3-2/3"	Letter Fold
Domestic GEP Form	2	8-1/2 x 11"	8-1/2 x 3-2/3"	Letter Fold
Puerto Rican GEP Letter	6 to 12	8-1/2 x 11"	8-1/2 x 3-2/3"	Letter Fold

Stock/Paper is same for all Letters and Forms: White Writing, basis size 17 x 22", 20 lbs. per 500 sheets, equal to JCP Code D10.

Variable Image for Letters and Forms consists of address block and up to 2 additional typelines on page one only, all within 3-1/2” from top edge. Address blocks consist of up to 5 lines plus postal markings, including Intelligent Mail Barcode (IMb). All variable image, including addresses, must be imaged in all capital letters without punctuation. Exceptions permitted are hyphens positioned in the Medicare Claim Number and hyphens and/or apostrophes that may appear in the beneficiary name on Medicare Card. See “[Variable Imaging](#)” on page 28.

Printing requirement is the same for all Package Letters as follows: Page 1 prints static and variable image in black ink. Page 2 and up to 12 pages (1 to 6 leaves) print black ink with static image. Note the last page may or may not be blank.

Printing requirement is the same for all Package Forms as follows: Face prints black ink with static and variable image. Variable image consists of address block and up to 2 typelines. Back may be blank or print black ink with static image.

Margins: Adequate gripper.

Medicare Period Packages Enrollment Cards		
Medicare Period Package	Time Frame	Trim Size
Domestic IEP	August 1, 2017 to end of contract.	5-1/2 x 8-1/2”, includes 3-3/8 x 2-1/8” tear-out card.
Puerto Rican IEP	Beginning approximately April 2018 to end of contract.	7-1/2 x 3-11/16”, includes 3-3/8 x 2-1/8” tear-out card.
Foreign IEP	Beginning approximately April 2018 to end of contract.	7-1/2 x 3-11/16”, includes 3-3/8 x 2-1/8” tear-out card.

The following requirements are the same for all Cards.

Stock/Paper: White 25% Index, basis size 25-1/2 x 30-1/2”, 110 lbs. per 500 sheets, equal to JCP Code K20. EXCEPTION: Brightness level must be a minimum of 90.

Static Printing: Print face in three ink colors and back prints one ink color. Face prints type and fine line matter in black ink and two Pantone ink colors, close registration and ink trapping required. Back prints type and rule matter in one Pantone Ink color.

The Pantone ink colors may change during the term of this contract, see “[PREPRINTING OF STATIC DATA](#)” on page 29. Print Order will indicate Pantone color for card.

NOTE: Anticipate at the beginning of April 2018 that all the Enrollment Cards with a trim size 7-1/2 x 3-11/16”, both for packages and Medicare Card Sets, will print the same static image on face and back. The tear out Medicare card will print the same for each of the items.

Variable Image: Variable image on face consists of address block plus approximately 10 to 20 typelines. Address blocks consist of up to 5 lines plus postal markings, including Intelligent Mail Barcode (IMb), see “[Variable Imaging](#)” on page 28 for technical specifications.

Beginning approximately April 2018, in addition to variable imaging the face of each enrollment card. Variable imaging the back of each card consisting of Quick Response (QR) Code. See Quick Response (QR) Code defined on page 28.

Variable Mailing Addresses: Variable data for mailing addresses (address block) and information on the face of the Medicare Card must be imaged in all capital letters without punctuation. Punctuation exceptions are hyphens positioned in the Medicare Number and hyphens and/or apostrophes that may appear in the beneficiary name on Medicare Card. Variable data for the text to the left of face of the Medicare card must be imaged with capital and lowercase letters and with punctuation. Variable data must match art (format/layout) provided by CMS.

Margins: Inadequate gripper. No bleeds. The margins around the QR Code will be 4 or more modules.

Perforations: Card (tear-out card) is perforated (slit or slot, without ink) in two locations (horizontally and vertically, perpendicular to each other). The intersecting perforations will form a 3-3/8 x 2-1/8” tear-out card at the top right corner.

Vertical Perforation: 3-3/8” from right edge of card, extending 2-1/8” from top edge of card.

Horizontal Perforation: 2-1/8” from top edge of card, extending 3-3/8” from right edge of card.

Medicare Period Package Business Reply (BRM) and Return Mail Envelopes				
Medicare Period Packages	Size	Stock/Paper JCP Code *	Window Size**	Window Location
Domestic IEP	5-3/4 x 8-3/4”	V10	1-7/16 x 3-1/2”	4-3/4” from left and 7/16” from bottom edges of envelope
Puerto Rican IEP	No Envelope.	N/A	N/A	N/A
Foreign IEP	3-7/8 x 8-7/8” (No. 9)	V20	No Window	N/A
Domestic GEP	3-7/8 x 8-7/8” (No. 9)	V20	No Window	N/A
Puerto Rican GEP	No Envelope.	N/A	N/A	N/A

*** Stock/Paper:**

Light Brown Kraft, basis size 17 x 22”, 24 – 28 lbs. per 500 sheets, equal to JCP Code V10.

White Writing or Wove, basis size 17 x 22”, 24 lbs. per 500 sheets, equal to JCP Code V20. **EXCEPTION:** Contractor’s option for 28 lbs. per 500 sheets, all other specifications shall be maintained.

**** Envelopes with Windows, Window Covering:** Clear polystyrene window covering material must be transparent, securely glued on all inside edges so as not to interfere with insertion of contents and be in accordance with all applicable USPS requirements for automated equipment.

Printing and Construction for Business Reply and Return Mail Envelopes:

- **Domestic Initial Enrollment Business Reply Mail (BRM) Envelope:** Open side, **side seams**, split gummed straight flap with slightly tapered and rounded corners. Exterior prints face and back in black ink, no printing on flap, no bleeds, no interior security tint. BRM intended for recipient use only and if used, right address block of Enrollment Card is to appear in the window.
- **Foreign Initial Enrollment Return Envelope:** Open side, **diagonal seams**, split gummed commercial style flap, non-window. Exterior prints face only (no printing on flap) in black ink, no bleeds. Interior prints black security tint. Contractor may use own design for security tint, however no proprietary tints or company logos are permitted.
- **Domestic General Enrollment Business Reply Mail (BRM) Envelope:** Open side, **side seams**, fully gummed straight flap with slightly tapered and rounded corners, non-window. Exterior prints face and back in black ink, printing on flap, no bleeds, no interior security tint. BRM intended for recipient use only.

Medicare Period Package - Mailing Envelopes			
Packages	Envelope Size	Window Size	Window Location
Domestic IEP	6 x 9-1/2"	1-1/2 x 4-1/2"	1/2" from left and 11/16" from bottom edges of envelope
Puerto Rican IEP	4-1/8 x 9-1/2" (No. 10)	1-3/16 x 4-9/16"	7/8" from left and 1/2" from bottom edges of envelope
Foreign IEP	4-1/8 x 9-1/2" (No. 10)	1-3/16 x 4-9/16"	7/8" from left and 1/2" from bottom edges of envelope
Domestic GEP	4-1/8 x 9-1/2" (No. 10)	1-3/8 x 4-1/2"	7/8" from left and 1/2" from bottom edges of envelope
Puerto Rican GEP	4-1/8 x 9-1/2" (No. 10)	1-3/8 x 4-1/2"	7/8" from left and 1/2" from bottom edges of envelope

The following applies to all Mailing Envelopes:

Stock/Paper: White Writing or Wove, basis size 17 x 22", 24 lbs. per 500 sheets, equal to JCP Code V20.
EXCEPTION: Contractor's option for 28 lbs. per 500 sheets, all other specifications shall be maintained.

Envelopes with Windows, Window Covering: All window envelopes to have a clear polystyrene window covering. The material must be transparent, securely glued on all inside edges so as not to interfere with insertion of contents and be in accordance with all applicable USPS requirements for automated equipment.

Security Tint: Print design or tint envelope on the inside (back - before manufacture) in black or blue ink at contractor's option, lining is not acceptable. Security tint extends into ungummed area of flap. Contractor may use his own design for security tint, however no proprietary tints or company logos are permitted. Contractor must guarantee that the product will insure complete opacity and prevent show through of any material contained therein.

Printing and Construction for Mailing Envelopes:

- **Domestic Initial Enrollment:** Open side, **side seams**, fully gummed straight flap with slightly tapered and rounded corners. After construction, print face and back in black ink, no printing on flap, and no bleeds.
- **Puerto Rican Initial Enrollment:** Open side, **diagonal seams**, fully gummed commercial style flap. After construction, print face and back in black ink, no printing on flap, no bleeds.
- **Foreign Initial Enrollment:** Open side, **diagonal seams**, fully gummed commercial style flap. After construction, print face and back in black ink, no printing on flap, no bleeds.
- **Domestic General Enrollment:** Open side, **side seams**, fully gummed commercial style flap. After construction, print face and back (flap only) in black ink, no bleeds.
- **Puerto Rican General Enrollment:** Open side, **side seams**, fully gummed commercial style flap. After construction, print face and back (flap only) in black ink, no bleeds.

Envelope Publication Number for All Medicare Package Mailing Envelopes: The Publication number to be printed in black ink on the face (after construction) lower left corner of the envelope as showed in the table below for each package. Contractor’s option, the Publication number can either be static print or variable image.

Medicare Period Packages	Publication Number Printed on Envelope*
Domestic IEP (English Language)	5589-S-11095
Foreign IEP (English Language)	5589-S-11871
Puerto Rico IEP (Spanish Language)	5589-S-11989-S
Domestic GEP (English Language)	5589-S-11873
Puerto Rico GEP (Spanish Language)	5589-S-PR GEP-S

***Note:** This will be printed/imaged in 10 point bold, Times New Roman font. The Publication Number consist of the Program number and Product number. The Product number also resides on the back of each corresponding pamphlet.

Medicare Period Package - Assembly		
Packages	Insert Packet item contents in the following order	Description
Domestic Initial Enrollment Period Package (Domestic IEP)	1. Enrollment Card	Left mailing address block to show through window of mailing envelope. Note: Domestic Initial Enrollment Package has an Enrollment Card. The complete left address block of Enrollment Card must appear through the window. No other content should appear in the window area.
	2. Pamphlet	Title page facing flap side of mailing envelope.
	3. BRM Envelope	Face of envelope facing flap side of mailing envelope.
	4. Letter	Folded to 8-1/2 x 5-1/2", logo facing flap side of mailing envelope.
Puerto Rican Initial Enrollment Period Package (Puerto Rican IEP)	1. Letter	Collated and folded to approximately 8-1/2 x 3-2/3" (letter fold), mailing address to show through window of mailing envelope.
	2. Pamphlet	Title page facing flap side of mailing envelope.
	3. Enrollment Card	Left mailing address block to show through window of mailing envelope. To be included beginning approximately April 2018.
Foreign Initial Enrollment Period Package (Foreign IEP)	1. Form	Fold to approximately 8-1/2 x 3-2/3" (letter fold), mailing address to show through window of mailing envelope.
	2. Letter	Collate and fold to approximately 8-1/2 x 3-2/3" (letter fold).
	3. Enrollment Card	To be included beginning approximately April 2018.
	4. Return Envelope	Face of envelope facing flap side of mailing envelope.
	5. Pamphlet	Title page facing flap side of mailing envelope.
Domestic General Enrollment Period Package (Domestic GEP)	1. Enrollment Form	CMS-L40D folded to approximately 8-1/2 x 3-2/3" (letter fold). Mailing address to show through window of mailing envelope.
	2. Letter	Collated and folded to approximately 8-1/2 x 3-2/3" (letter fold).
	3. BRM Envelope	Face of envelope facing flap side of mailing envelope.
	4. Pamphlet	Title page facing flap side of mailing envelope.
Puerto Rican General Enrollment Period Package (Puerto Rican GEP)	1. Letter	Folded to approximately 8-1/2 x 3-2/3" (letter fold), mailing address to show through window of mailing envelope.
	2. Pamphlet	Title page facing flap side of mailing envelope.

MEDICARE CARD SETS

Specifications apply equally to all Medicare Card Sets unless stated otherwise.

FREQUENCY OF ORDERS AND QUANTITIES FOR MEDICARE CARD SETS:

Medicare Card Sets	Frequency of Orders	Approximate Quantities per Order			
		Standard Print		Large Print (Letters Only)	
		Range	Average	Range	Average
Replacement	One per Week	70,000 to 240,000	140,000	1,000 to 8,000	3,500
New Accretes	One per Week	8,000 to 30,000	20,000	200 to 2,000	900
Deemed	One per Year	15,000 to 40,000	24,000	200 to 2,000	500
Medicare Beneficiary Identifier(MBI) Bulk cards	One per Week beginning 3/30/2018 through approximately 9/30/2018	Approximately 1.5 Million for the first four orders and then approximately 2.35 million per order till completion of approximately 60 million card sets.		Approximately 1,000 for the first four orders and then approximately 1,200 per order till completion of card sets.	
Medicare Beneficiary Identifier (MBI) Change cards	One per Week beginning approximately 4/6/2018	1 to 1,000	20	10 to 20	15

NOTE: Beginning August 1, 2017 through approximately March 31, 2018, Medicare Card set equals an enrollment card and a mailing envelope. Description specifications may appear similar, but each of these cards have unique formatting and content.

Beginning approximately April 1, 2018 all the Medicare Card sets equals an enrollment card, letter and mailing envelope. The cards will print identical static image on face and back. Only the variable image will change. The letters for each of the Medicare Card sets will be different. The Large Print for Medicare Card Sets only applies to the letters.

TRIM SIZES/DESCRIPTION/CONSTRUCTION FOR MEDICARE CARD SETS:

Medicare Card Sets Enrollment Cards	
Trim Size	Stock/Paper
7-1/2 x 3-11/16", includes 3-3/8 x 2-1/8" tear-out card.	White 25% Index, basis size 25-1/2 x 30-1/2", 110 lbs. per 500 sheets, equal to JCP Code K20. EXCEPTION: Brightness level must be a minimum of 90.

The following Enrollment Card requirements are the same for all Medicare Card Sets.

Static Printing: Print face in three ink colors and back prints one ink color. Face prints type and fine line matter in black ink and two Pantone ink colors, close registration and ink trapping required. Back prints type and rule matter in one Pantone Ink color.

The Pantone ink colors may change during the term of this contract, see “[PREPRINTING OF STATIC DATA](#)” on page 29. Print Order will indicate Pantone color for card.

NOTE: Anticipate at the beginning of April 2018 that all the Enrollment Cards with a trim size 7-1/2 x 3-11/16”, both for packages and Medicare Card Sets, will print the same static image on face and back. The tear out Medicare card will print the same for each of the items.

Variable Image: Variable image on face consists of address block plus approximately 10 to 20 typelines. Address blocks consist of up to 5 lines plus postal markings, including Intelligent Mail Barcode (IMb), see “[Variable Imaging](#)” on page 28 for technical specifications.

Beginning approximately April 2018, in addition to variable imaging the face of each enrollment card. Variable imaging the back of each card consisting of Quick Response (QR) Code. See Quick Response (QR) Code defined on page 28.

Variable Mailing Addresses: Variable data for mailing addresses (address block) and information on the face of the Medicare Card must be imaged in all capital letters without punctuation. Punctuation exceptions are hyphens positioned in the Medicare Number and hyphens and/or apostrophes that may appear in the beneficiary name on Medicare Card. Variable data for the text to the left of face of the Medicare card must be imaged with capital and lowercase letters and with punctuation. Variable data must match art (format/layout) provided by CMS.

Margins: Inadequate gripper. No bleeds. The margins around the QR Code will be 4 or more modules.

Perforations: Card (tear-out card) is perforated (slit or slot, without ink) in two locations (horizontally and vertically, perpendicular to each other). The intersecting perforations will form a 3-3/8 x 2-1/8” tear-out card at the top right corner.

Vertical Perforation: 3-3/8” from right edge of card, extending 2-1/8” from top edge of card.

Horizontal Perforation: 2-1/8” from top edge of card, extending 3-3/8” from right edge of card.

Medicare Card Letters				
Pages	Time Frame	Flat Size	Folded Size	Fold Type
2 to 8	Beginning Approximately April 2018 to end of contract.	7-1/2 x 11”	7-1/2 x 3-2/3”	Letter Fold

Stock/Paper: White Writing, basis size 17 x 22”, 20 lbs. per 500 sheets, equal to JCP Code D10.

Printing: The static image is different for each of the Medicare Card Sets of letters. Print black line matter on face and back. Note, the last page may be blank. No variable image required for Medicare Card Letters.

Margins: Adequate gripper.

Medicare Card Mailing Envelopes		
Envelope Size	Window Size	Window Location
3-7/8 x 8"	1-1/4 x 3-3/4"	3/8" from left and 5/8" from bottom edges of envelopes

Stock/Paper: White Writing or Wove, basis size 17 x 22", 24 lbs. per 500 sheets, equal to JCP Code V20.
EXCEPTION: Contractor's option for 28 lbs. per 500 sheets, all other specifications shall be maintained.

Printing and Construction: Open side, **diagonal seams**, fully gummed commercial style flap. After construction, print face and back in black ink, no printing on flap, and no bleeds. Each Medicare Card Set prints a different image on the mailing envelope.

Envelopes with Windows, Window Covering: All window envelopes to have a clear polystyrene window covering. The material must be transparent, securely glued on all inside edges so as not to interfere with insertion of contents and be in accordance with all applicable USPS requirements for automated equipment.

Security Tint: Print design or tint envelope on the inside (back - before manufacture) in black or blue ink at contractor's option, lining is not acceptable. Security tint extends into ungummed area of flap. Contractor may use his own design for security tint, however no proprietary tints or company logos are permitted. Contractor must guarantee that the product will insure complete opacity and prevent show through of any material contained therein.

Medicare Card Set Assembly			
Medicare Card Sets	Time Frame	Insert item contents in the following order	Description
Replacements, New Accretes, and Deemed	Beginning August 2017 to Approximately April 2018	Enrollment Card	Mailing address block to show through window of mailing envelope.
All Medicare Card Sets	Beginning Approximately April 2018 to end of contract.	1. Enrollment Card	Mailing address block to show through window of mailing envelope.
		2. Letter	Two to eight pages (1 to 4 leaves) collated and folded to approximately 7-1/2 x 3-2/3" (letter fold), logo facing flap side of mailing envelope.

GOVERNMENT TO FURNISH:

Storage Media: [TIBCO mailbox](#). Contractor will need an Internet browser, the browser must be Internet Explorer 9.0 or above, to enable use with GIS-compatible **Secure File Transfer Protocol Client (sFTP)**.

After award, additional information regarding the CMS **Electronic File Transmission (EFT)** Infrastructure can be provided.

Static and Variable Data:

Static Data: PDF files, fonts, color visuals, and samples of items to be furnished after award via e-mail or to the contractor's sFTP site.

Variable Data: Data Files will be furnished via EFT. A TIBCO Mailbox will be setup by CMS to provide contractor access to TIBCO files.

TIBCO files contain variable information for all Medicare Period Packages and Medicare Card Sets.

- Forms: Foreign IEP and Domestic GEP.
- Letters: All the Medicare Period Packages.
- Cards: Medicare Period Packages that contain Enrollment Cards and all the Enrollment Cards for Medicare Card Sets.

For schedule of [availability of TIBCO files](#), see page 33. Complete record specifications will be furnished at the beginning of the contract and will be updated when changes are made in the record specifications which identify the field name, format, start/end position, and remarks locations. The image content will contain a significant number of variable data fields, including address fields. Contractor must be able to read/print up to six lines of address information and insure all address carriers, envelope and windows can display address format acceptable for USPS automation processing.

Platform: Microsoft's Windows operating system or Apple Macintosh Operating System.

Fonts: All printer and screen fonts will be furnished. The contractor is cautioned that furnished fonts are the property of the Government and/or its originator. All furnished fonts are to be eliminated from the contractor's archive immediately after completion of the contract.

Publishing Software: Files will be furnished in current Adobe and Microsoft software for the following programs: Adobe Illustrator, Adobe Photoshop, Adobe InDesign, Adobe Acrobat, Microsoft Word, and Microsoft Excel.

Contractor will be required to support all current and future upgrades for Adobe and Microsoft software listed in "*Publishing Software*" above.

Office graphics (e.g., files from Presentation, Word Processing, or other non-publishing applications) are furnished for this procurement. Additional system work may be required to produce output as per specifications. If supplied by the Government, a black and white visual will be used as the standard for page integrity. Contractor must ensure that the job outputs exactly as the furnished visual.

The contractor will not receive additional compensation, or time for common errors associated with the output of Office Graphics files. Common errors include, but are not limited to:

- Color issues and Shifts (RGB color data, no spot colors, loss of Black plate)
- Page Integrity (text reflow)
- Missing prepress features (e.g., bleeds, trim marks)
- Loss of text characters from graphic elements.

LARGE PRINT - SECTION 504 REQUIREMENTS: The portion of Section 504 requirements that apply to this contract is for large print (18 point font). For each Print Order, contractor to create two electronic files from the TIBCO records. One file is for individuals that qualify for Section 504 requirements and one file those individuals who do not qualify.

The TIBCO record contains a field called **Medicare Summary Notice (MSN)**. The MSN field when checked (indicated) states whether or not the individual qualifies for the benefits of Section 504 requirements. For these entitled individuals, the contractor shall produce all inserted items (except for envelopes and Medicare Cards) for Medicare Enrollment Period Packages and Medicare Card Sets task order in large print (18 point font).

The individuals that do not qualify for Section 504 large print will be the majority of the copies per order. The contractor is not to mail large print items to individuals that do not qualify.

Note – This process may be required at a later date. The contractor to keep a digital record of all Section 504 individuals in Excel spreadsheet and upon request shall transfer the data files, plus any documents, and information to the CMS designated accessible format fulfillment contractor through an Electronic File Transfer (EFT) using a Secure File Transfer Protocol (sFTP).

ELECTRONIC PREPRESS: Immediately upon receipt and prior to image processing, the contractor shall perform a basic check (preflight) of the furnished media, TIBCO files, and publishing files to assure correct output of the required reproduction image. Any errors, media damage, or data corruption that might interfere with proper file image processing must be reported to Columbus GPO Contracting Officer prior to further performance.

The contractor shall create or alter any necessary trapping, set proper screen angles and screen frequency, and define file output selection for the imaging device being utilized. Furnished files must be imaged as necessary to meet the assigned quality level.

Digital Deliverables: If the contractor is required to make revisions, the contractor shall, prior to making revisions, copy the files and make all changes to the copy. No revisions are to be made to the furnished files.

The contractor must furnish final production native application publishing files (digital deliverables) with the furnished material. The digital deliverables must be an exact representation of the final printed piece and shall be returned on the same type of storage media as the original files.

Repurposed Deliverables: If the contractor is required to make revisions, the contractor shall, prior to making revisions, copy the files and make all changes to the copy. No revisions are to be made to the furnished files.

The contractor must furnish final press optimized PDF with the furnished material. The repurposed deliverables must be an exact representation of the final printed piece and shall be returned on the same type of storage media as the original files.

Print Orders (GPO Form 2511).

Delivery/Shipping Status Report

Form 905 (R. 3/90), "*Labeling and Marking Specifications*".

Identification markings such as register marks, ring folios, rubber stamped jacket numbers, commercial identification marks of any kind, etc., except GPO imprint, form number, and revision date, carried on copy or film, must not appear on finished product.

CONTRACTOR TO FURNISH: All materials and operations, other than those listed under "*Government to Furnish*," necessary to produce the product(s) in accordance with these specifications.

Contractor must furnish all Mailing and Return envelopes.

Contractor will be required to verify that the CMS furnished files and quantity(s) are available in the TIBCO mailbox within two hours of receipt of the Print Order.

REPRODUCIBLES: The contractor must make all reproducibles required. The contractor is responsible for determining what type reproducibles will be used but must maintain the quality level specified in the contract. No separate charges will be allowed for the various types of reproducibles that may be used.

Further, the contractor is responsible for outputting all images contained on furnished material, regardless of the production process, at the highest effective resolution possible. The contractor is responsible for determining the appropriate output resolution to achieve optimal results for such design elements as blends, gradients, halftones, type and other images. This determination should be made using factors such as stock, imaging device (or press) being used, and other factors unique to the contractors production environment.

STATIC IMAGE (DATA) PROOFS: Proofs will be required after award ([Static Image Proof Tests](#)) and anticipated when copy changes are required. Copy changes are anticipated once a year, usually sometime from September 1st through December 31st. But copy changes can happen anytime throughout the year depending on the Medicare package or Medicare Card set.

When copy changes occur, or when requested on the individual Print Order, within 5 workdays (unless more time is specified on the Print Order) after the receipt of the Print Order and Government Furnished Material, contractor shall submit 1 set of PDF “Soft” Proofs and/or 2 sets of Content Proofs as describe below for all pieces (static data only) as requested on the Print Order.

PDF “Soft” Proofs for Medicare Packet item contents (GEP and IEP), Card Sets and Envelopes:

Contractor to submit one “Press Quality” PDF “soft” proof (for static data content only) using the same Raster Image Processor (RIP) that will be used to produce the final printed product. PDF proof will be evaluated for text flow, image position, and color breaks. Proof will not be used for color match. A placeholder image for where variable image will be located when applicable. E-Mail proofs to the address indicated on the individual Print Order by the date specified.

Content Proofs required for Medicare Packet item contents (GEP and IEP), but not for Envelope content items or Mailing Envelopes: Require two sets of digital color content proofs with a minimum resolution of 720 x 720 dpi. Proofs must be created using the same Raster Image Processor (RIP) that will be used to produce the product. Proofs shall be collated with all elements in proper position (not pasted up), imaged face and back, trimmed and folded to the finished size of the product, as applicable. Pantone colors may be substituted with a similar color (with the exception of process yellow) but may not be built out of the four process colors. This requirement does not apply to inkjet proofs.

Contractor to submit ink draw downs on actual production stock of Pantone color(s) used to produce the product.

If any contractor’s errors are serious enough in the opinion of the GPO to require revised proofs, the revised proofs are to be provided at no expense to the Government. No extra time can be allowed for this reproofing; such operations must be accomplished within the original production schedule allotted in the specifications.

The contractor is cautioned that these proofs must be made from the final digital files (used for this printing) that are to be delivered to the Government.

In the event proofs are disapproved by the Government, or the contractor fails to submit proofs in a sufficient amount of time to meet the delivery schedule, the contractor may be deemed to have failed to make progress, and is subject to the termination for default clause. However, failure of the Government to terminate the contract for default in such event shall not relieve the contractor of the responsibility to deliver the contract quantities in accordance with the original production schedule allotted in the specifications.

Send Proofs to address listed under “*SCHEDULE*” on page 32.

Send proof delivery notification via facsimile to (614) 488-4577 or e-mail trackcolumbus@gpo.gov. Include GPO Jacket Number, Program/Print Order Numbers with all correspondence.

The contractor must not print prior to receipt of an “*OK to Print*” or “*OK to Print with Corrections*”.

PRIOR TO PRODUCTION SAMPLES – LARGE PRINT PAMPHLETS: This only applies if the contractor wants to exercise the option to digitally print the Large Print Pamphlets. The sample requirement for this contract is not less than five printed construction samples. Each sample shall be printed and constructed as specified and must be of the size, kind, and quality that the contractor will furnish.

Samples will be inspected and tested and must comply with the specifications as to construction, kind, and quality of materials.

VARIABLE IMAGE (DATA) LAYOUT PROOFS: Contractor to submit one “*Press Quality*” .PDF “*Soft*” proof (for content only) of each item that requires variable imaging (letter, form and card). The variable image may only be on one page, but contractor to submit the complete letter (all pages), contractor’s option to submit face only for forms and cards or face and back.

Proofs to be created using the same Raster Image Processor (RIP) that will be used to produce the final printed product. Proofs will be evaluated for text flow and image position for variable and static data. Contractor must also submit the corresponding source data files (also known as a “*data dump*”) in a Microsoft Excel format in the same sequence as the submitted letter proofs.

Proofs of complete notice to be e-mailed in encrypted, password protected, PK zipped .PDF files to Clinton Howard at clinton.howard@cms.hhs.gov. Include Jacket Number and Requisition Number, Program Number and Print Order Number with title in the subject line of the e-mail. Contractor required to confirm receipt of e-mail via telephone notification at (410) 786-1962 within 30 minutes of transmission.

The contractor will be responsible for performing all necessary proofreading to ensure that the proofs submitted are in conformity with the furnished copy and record specifications. If CMS finds errors during the proofing process, the contractor must make all corrections and submit additional proofs along with the corresponding source data files. This process will be repeated until the contractor submit samples that CMS considers to be error-free.

If any contractor’s errors are serious enough in the opinion of the GPO to require revised proofs, the revised proofs are to be provided at no expense to the Government. No extra time can be allowed for this reproofing; such operations must be accomplished within the original production schedule allotted in the specifications.

The Government will approve or disapprove the samples within the number of workdays as defined under “*Schedule*”. Notification will be given by e-mail. Approval or disapproval will not relieve the contractor of complying with the specifications and all other terms and conditions of the contract. Additional e-mail samples may be required if image samples are disapproved.

The contractor must not print/image prior to receipt of an “*OK to Print*”.

PRESS SHEET/IMAGING INSPECTION: Final makeready press sheets/imaging may be inspected and approved at the contractor’s plant for the purpose of establishing specified standards for use during the actual press run/imaging. Upon approval of the sheets/imaging, the contractor is charged with maintaining those standards throughout the press run/imaging process (within QATAP tolerances when applicable) and with discarding all makeready sheets that preceded approval. See GPO Publication 315.3 (Guidelines for Contractors Holding Press Sheet Inspections) dated January 2015 (available on GPO web site at: <https://www.gpo.gov/vendors/sfas.htm> under General Business Information, click on “Guidelines for Contractors Holding Press Sheet Inspections” link to download a PDF of the document.

NOTE: A press sheet/imaging inspection is for the purpose of setting specific standards that are to be maintained throughout the entire run. It does not constitute a prior approval of the entire run.

Press sheets for static image must contain control bars for each color of ink on the sheet. Control bars must be placed parallel to the presses ink rollers. The control bars must show areas consisting of 1/8 x 1/8” minimum solid color patches, tint patches (25, 50 and 75%), dot gain scale (such as, BRUNNER, GATF, GRETAG, or RIT) and gray balance patches for process color (if applicable). These areas must be repeated across the entire press sheet.

On-Site Press Sheet for Static Printing and Variable Imaging Inspections: Unless waived by the Government, some or all the items that comprise a Medicare Package or Medicare Card Set, an on-site press and imaging inspections for the first printing/imaging will be conducted at the beginning of the contract or when artwork changes occurs. The notification schedule (below) should be followed for these Inspections. The different items that make up a package and/or card sets, that require an inspection, the contractor shall make all efforts necessary to schedule the imaging and printing inspection on the same, or subsequent days.

NOTE: The Government may conduct on-site randomized Security and/or Variable Imaging inspection at any time.

Notification: Call GPO Columbus Office at (614) 488-4616 and CMS representative Clinton Howard at 410-786-1962 with a minimum notice of 3 work days prior to availability of the press sheets for inspection. This notification must provide the starting date and time of the first press form, as well as the tentative schedule for all subsequent press forms required for complete production. On site press inspections must be scheduled Monday through Friday, exclusive of Federal holidays, and scheduled to begin between the hours of 7:00 a.m. and 7:00 p.m. local time at the plant.

It is the contractor's responsibility to maintain and adjust inspection schedules, as required, to ensure all subsequent inspections are performed on following workdays. Inspection schedules must allow Government representatives to complete approval of all press forms within the day/time requirements. Inspections must not be scheduled on weekends, or to "carry over to the following week" without prior approval by the GPO Contracting Officer.

The GPO Contracting Officer reserves the right to deny requests for press inspections/color approvals that conflict with these scheduling requirements. Failure to comply with these scheduling requirements may result in additional Government per diem, overtime, and/or travel related charges which may be chargeable to the contractor (See GPO Contract Terms, Pub. 310.2, (Rev. 6-01), Article 14. Inspection and Tests, (e)(1) & (2)).

STOCK/PAPER: The specifications of all paper furnished must be in accordance with those listed herein or listed for the corresponding JCP Code numbers in the "Government Paper Specification Standards No.12" dated March 2011.

Color of paper furnished shall be of a uniform shade and a close match by visual inspection of the JCP and/or attached color sample(s). The Contracting Officer reserves the right to reject shipments of any order printed on paper the color of which, in his opinion, materially differs from that of the color sample(s).

All stock/paper used in each copy must be of a uniform shade.

See Medicare Package and Card set descriptions on pages 15 through 23.

PRINTING/IMAGING: Contractor is cautioned about preprinting items because of possible content changes, see "PREPRINTING OF STATIC DATA" on page 29.

Static Data Printing/Imaging: Static printing is in black ink only for all items and up to 2 additional Pantone ink colors for Pamphlets and Enrollment Card items. Static Data Printing/Imaging is the process of reproducing content elements so they appear exactly the same.

Large Print Pamphlets only, at contractor's option, the product may be produced via conventional offset or digital printing provided that Quality Level 3 standards are maintained. Final output must be a minimum of 150 line screen and at a minimum resolution of 2400 x 2400 dpi x 1 bit or 600 x 600 dpi x 8 bit depth technology. Digital device must have a RIP that provides an option for high quality color matching such as Device Links Technology and/or ICC Profiles. The digital printing option requires prior-to-production samples, see page 26.

Variable Imaging (VI) (also known as **variable-information printing (VIP)** or **Variable-data printing (VDP)**): Contractor will be required to produce variable imaging in black ink from TIBCO files (variable data files). At contractor's option, the variable imaging to be produced by either waterproof ink jet spray or high-density laser at a minimum 600 x 600 dpi. A listing of packages and card sets that contain variable data record information is on page 24.

Quick Response (QR) Code: Beginning approximately April 2018. The contractor is required to image a QR code to the back of each Enrollment Card. QR Code to meet ISO (ISO/IEC18004) standard. The QR Code on the back to be an exact match of the individual's name imaged on face of card. The QR Code will also contain the contractor's [Unique Identification Number](#) and/or possibly another number as specified on the Print Order. The approximate QR code overall size is 5/16" square, each module is made up of 4 or more dots, and must be readable by handheld device, minimum standard scanner type resolution 0.25mm.

PREPRINTING OF STATIC IMAGES OF ITEMS: At the contractor’s option, contractor may preprint any static images from static data to keep a stock on hand or print the static image when they receive the orders. It is anticipated that the contractor may keep no more than a 3 month supply on hand. Although the static image will generally remain the same from order to order, changes may need to be made from time to time. Contractor to expect static image changes in pamphlets and letters at the beginning of each new calendar year. The standard and large print image changes will typically change at the same time. The Government will provide the contractor with as much advance notice as possible.

The Government will not be responsible for more than a 3-month supply of static images that is not usable due to copy changes.

MARGINS: Letters and Forms have adequate gripper margins. Cards have inadequate gripper margins. Pamphlets have bleeds throughout. See item descriptions on pages 15 through 21. Margins for the side printed with “*Business Reply Mail*” must comply with USPS Publication 25 and **Domestic Mail Manual (DMM)**.

LABELING AND MARKING: Refer to GPO Contract Terms (Pub 310.2) and furnished Form 905, Labeling and Mailing Specifications.

PACKING: Pack bulk shipments in shipping containers furnished by the contractor, (i.e. Blue Label Copies and Variable Data Verification Samples). Containers are not to exceed 45 pounds when fully packed.

VARIABLE DATA VERIFICATION SAMPLES: For MBI Bulk cards, every 5,000 card sets for first full 3 weeks, contractor must submit one card set (card and envelope). On page 5, for additional information see “**Additional Quality Assurance Inspection Requirements for MBI Bulk Cards are as follows:**”.

After the initial 3 weeks for the MBI Bulk Cards and for balance of items, minimum one quality pull sample every 10,000 packages/card sets (complete package/card set). These quality pull samples to be shipped to the address listed under “*DISTRIBUTION*” for each Print Order unless stated otherwise and stored at the contractors secure location meeting PII requirements. If contractor stores the quality pulls, only the variable image items need to be stored. The contractor does not need to keep the entire package/card set in storage.

See **Contractor’s Secure Destruction of Quality Pulls** on page 5.

DEPARTMENTAL RANDOM COPIES (BLUE LABEL) ON PAMPHLETS ONLY (Standard and Large Print):

It is anticipated that static image pamphlets (standard and large print) will be run in bulk for up to 3-month supply for Initial Enrollment Period Packages and one order only for General Enrollment Period Package. Contractor to let CMS and GPO know when this order is placed and delivered with quantity for each Period Package.

All orders must be divided into equal sublots in accordance with the chart below. A random copy must be selected from each subplot. Do not choose copies from the same general area in each subplot. The contractor will be required to certify that copies were selected as directed using GPO Form 917 – Certificate of Selection of Random Copies (located on www.gpo.gov). The random copies constitute a part of the total quantity ordered, and no additional charge will be allowed.

<u>Quantity Ordered</u>	<u>Number of Sublots</u>
100 - 3,200	50
3,201 - 10,000	80
10,001 - 35,000	125
35,001 and over	200

These randomly selected copies must be packed separately and identified by a special label (GPO Form 2678 – Departmental Random Copies (Blue Label)) that must be printed on blue paper and affixed to each affected container. This form can be downloaded from www.gpo.gov. The container and its contents shall be recorded separately on all shipping documents and sent in accordance with the “*Distribution*” clause.

A copy of the print order/specification and a signed Certificate of Selection of Random Copies must be included.

ADDRESS REQUIREMENTS: Address placement, format, and fonts must be consistent with current **U.S. Postal Service (USPS)** Address Quality Standards, and in accordance with appropriate USPS rules and regulations including **USPS Domestic Mail Manual (DMM)** in effect at the time of mailing. The type font must be one of the USPS accepted and verified **Multiline Optical Character Reader (MLOCR)** readable type.

It is the contractor's responsibility to assure that only the computer-generated address and IMb and other applicable USPS barcodes/markings on the mail piece will be visible through the window in the envelope and that only one complete package/card is inserted into each envelope.

MAIL PREPARATION: Contractor to mail via CMS Mail Postage and Fees Paid permit. The contractor is cautioned to use the permit imprint only for mailing material produced under this contract Program 5589-S.

Using the mailing address information, the contractor is required to obtain the maximum USPS postage discounts possible in accordance with the USPS First Class mail automated mail discount structure in effect at the time of mailing. In compliance with USPS Mail Preparation & Sortation Regulations, all mail must be appropriately marked and supported with the documentation necessary to ensure USPS acceptance.

Mailing Envelopes must be prepared and sealed in a manner that will ensure acceptance, security and safe delivery by the U.S. Postal Service. Gather each piece and insert into mailing envelope, and seal.

The contractor must provide all mailing materials, as well as all labeling and marking, as necessary to fulfill mailing and distribution requirements. Noncompliance with the packing and labeling instructions will be cause for the Government to take corrective action in accordance with GPO Pub. 310.2.

Addresses for mailing come from a Government maintained file. CMS will provide certificates indicating that within 95 days the addresses have been matched against both the USPS required **Coding Accuracy Support System (CASS)** and **National Change of Address (NCOA)** software. In the event that the CASS and NCOA certification has expired, the contractor may be required to provide the certification prior to mailing. Reimbursement for this service will be made via contract modification.

In addition, contractor to check **Delivery Point Validation (DPV)** upon receipt of the TIBCO files, before printing/imaging has started. All unmailable addresses are to be counted and set aside in a separate electronic file (Excel spreadsheet). These addresses to include a separate field for the Print Order number. These addresses, Excel file must be sent back (recipient level report) to CMS before printing/imaging begins.

A recipient level report is required from the contractor for unmailable addresses. The report will consist of items listed below:

- Beneficiary Name
- Beneficiary Address
- Print Order
- Reason for non-delivery

Recipient level report layout can be determined after contract award.

Contractor sponsored address data enhancements to secure postal discount **MUST NOT** negatively affect deliverability of CMS address files. It is the contractor's responsibility to keep up to date on all USPS requirements.

NOTE: THIS IS A REMINDER; DO NOT CHANGE ADDRESS FIELDS ON MEDICARE FOREIGN INITIAL ENROLLMENT PACKAGE AND MEDICARE PUERTO RICAN INITIAL ENROLLMENT PACKAGE – Contractor is NOT to run the Puerto Rican and Foreign Initial Enrollment Package files through addressing/ mailing software. Image address information as formatted.

All copies mailed must conform to the appropriate regulations in the U.S. Postal Service manuals for domestic presorted First-Class mail, (note exception to Puerto Rican and Foreign IEP's above) mailing as applicable, and must be prepared for the most cost effective mailing rate/class obtainable, including ZIP + 4, bar-coding, and presorting for maximum postal automation discounts (as applicable). The placement and application of the full-service **Intelligent Mail Barcode (IMb)** must not compromise any applicable USPS addressing/imprinting requirements.

In addition, USPS has instituted a verification procedure called a "tap" test. This test is used to screen all mailings with barcoded inserts for proper barcode spacing within the envelope window. USPS will randomly select samples from a mailing and tap the pieces on their left, right, and bottom edges to test whether the barcode maintains a minimum spacing of 1/8" from the left and right edges and 1/16" from the top and bottom edges of the window. When an insert showing through the window is moved to any of its limits inside the envelope, the entire barcode must remain within the barcode clear zone, a clear space must be maintained that is at least 1/8" between the barcode and the left and right edges of the window and at least 1/25" between the barcode and the top edge of the window. Mail pieces are not to be tapped upside down (i.e., on their top edge).

All mailed copies must be sorted using the ZIP + 4 code. Exception – Puerto Rican Package Addresses must only display +4 codes from CMS provided address file.

Intelligent Mail Barcode (IMb): During the term of this contract, CMS mailers will be required to meet USPS requirements for using IMb to access automation postal rates for presort first class mail. Full Service IMb will be required for Domestic Mail only.

The successful bidder must understand and be able to implement all mail preparation requirements enacted by the Postal Service related to using full-service IMb. The requirements include, but are not limited to, preparing Intelligent Mail barcodes for the mail, trays and containers meeting USPS quality acceptance standards.

Experience with assigning unique numbers for each mail piece, preparing electronic manifests, making electronic appointments, producing revised tray/pallet label formats and other similarly detailed IMb requirements as mandated by the Postal Service is essential.

The IMb must appear in the address block of the inserted item and show through the window area of the mailing envelope. Printing or imaging of the IMb on the envelope is NOT permissible.

Contractor may be responsible for any postage fees related to undeliverable letters caused by print quality control issues.

Any address/mail management related questions/issues should be directed to Tina Dickens, at (410) 786-3895, or e-mail tina.dickens@cms.hhs.gov or Cynthia Williams, at (410) 786-6071, or e-mail cynthia.williams@cms.hhs.gov at CMS respectively.

International Mail – If the mailing meets the qualifications for **International Priority Airmail (IPA)**, it should be processed through IPA in accordance with postal rules and regulations in effect for USPS IPA at the time of the mailing. To maximize postage savings, the contractor shall sort to the IPA Rate Group 1 through 15.

Pieces not qualifying for the IPA Rate Group Levels of discount shall be prepared at the Worldwide Non-presorted rate level and any remaining pieces that do not meet IPA qualifications will be sorted by individual country rules according to the USPS IMM in effect at the time of the mailing.

Contractor may be responsible for any postage fees related to undeliverable letters caused by print quality control issues.

VERIFICATION OF PRODUCTION AND MAILING: Part of Quality Assurance System, [4\) Verification of Production and Mailing](#), see page 5.

DISTRIBUTION: Mail f.o.b. contractor's city for mailed copies and ship f.o.b. destination for GPO copies and bulk shipments. Mail f.o.b. contractor's city using the provided Government "G-Permit" imprint via presorted "First Class Mail, U.S. Postage Paid".

All expenses incidental to picking up and returning materials, proofs, etc. must be borne by the contractor.

The contractor is cautioned that “*Postage and Fees Paid*” indicia may be used only for the purpose of mailing material produced under the contract. All copies mailed must conform to the appropriate regulations in the U.S. Postal Service manuals for “*Domestic Mail*” as applicable.

The contractor will be required to submit the properly completed GPO 712 and Postal Service form(s) (or equivalent) with the voucher for billing.

Certificate of Conformance: When using Permit Imprint Mail the contractor must complete GPO Form 712 – Certificate of Conformance (Rev. 10/15), (downloaded form from <https://www.gpo.gov/vendors/sfas.htm>) and the appropriate mailing statement or statements supplied by USPS.

Mailing Statements: Contractor must complete and supply all copies of applicable and appropriate version, USPS form 3600 and GPO 712’s to CMS within 2 work days of USPS certification. Copies must be sent to HHS/CMS, 7500 Security Blvd., Room SL-11-16, Baltimore, MD 21207 Attn: Clint Howard or emailed to clinton.howard@cms.hhs.gov.

All copies mailed must conform to the appropriate regulations in the U.S. Postal Service manuals for “*Domestic Mail*” or “*International Mail*” as applicable.

The contractor is cautioned that the Government Permit Imprint indicia may be used only for the purpose of mailing material produced under this contract.

The ship/deliver date indicated on the Print Order is the date products must be mailed/shipped.

NOTE: THE CONTRACTOR WILL BE RESPONSIBLE FOR PAYMENT OF ANY ADDITIONAL POSTAGE RESULTING FROM A LOSS OF DISCOUNT AND/OR UNDELIVERABLE CAUSED BY FAILURE TO CONFORM TO USPS REQUIREMENTS.

SHIP F.O.B. DESTINATION: Domestic Initial Enrollment Period Package Pamphlets (Welcome to Medicare), English and Spanish, standard and large print editions. This will only be required when indicated on the Print Order (First order and when artwork changes occur).

- 1 copy to: BAC (C&I) 1523-01, U.S. Government Publishing Office, Federal Depository Library Program, Mail Stop: FDLP, 44 H St., NW, Loading Dock, Washington, DC 20401, Item No. 0512-A-03
- 15 copies to: BAC (By-Law) 1525-01, Library of Congress, U.S./Anglo Division, U.S. Government Documents Section, 101 Independence Ave., SE, Washington, DC 20540-4274, Marked: Depository File Copies.

SHIP F.O.B. DESTINATION the [Blue Label Copies](#) and [Variable Data Verification Samples](#) to: HHS/CMS, 7500 Security Blvd., Room SL-11-16, Baltimore, MD 21207 Attn: Clint Howard.

RECEIPT FOR DELIVERY: Contractor must furnish their own receipts for delivery. These receipts must include the GPO jacket, program, and print order numbers; total quantity delivered, number of cartons, and quantity per carton; and date delivery made and signature of the Government agent accepting delivery. The original copy of this receipt must accompany the contractor’s voucher for payment.

Unscheduled material such as shipping documents, receipts or instructions, delivery lists, labels, etc., will be furnished with the order or shortly thereafter. In the event such information is not received in due time, the contractor will not be relieved of any responsibility in meeting the shipping schedule because of failure to request such information.

RETURN OF GOVERNMENT FURNISHED PROPERTY: The contractor must return all material furnished by the Government along with any reproducibles made by the contractor, together with one copy of the Certificate of Conformance (GPO Form 712), within 5 workdays after completion of mailing to the address provided at the post-award telephone conference.

These materials must be packaged, properly labeled, and returned separate from the entire job. The contractor must be able to produce a separate signed receipt for these materials at any time during the contract.

All expenses incidental to pick up/return of materials/proofs, and furnishing sample copies must be borne by the contractor.

SCHEDULE: Adherence to this schedule must be maintained. Contractor must not start production of any job prior to receipt of the individual Print Order (GPO Form 2511).

The Print Orders will be sent via e-mail to the contractor.

Contractor will be required to verify that the CMS furnished files and quantity(s) are available in their TIBCO mailbox within two hours of receipt of Print Order.

Proofs (on page 26), Priors and any other related materials (furnished materials) to be delivered and picked at this location: CMS, Attn: Clinton Howard, Room SL-11-16, 7500 Security Blvd., Baltimore, MD 21244-1850. Inside delivery is required to the room number indicated.

If agent picks up material/proofs, the contractor must provide an adequate supply of completed manifests (airbills) to the agency placing the orders, listing his firm as both the shipper and the consignee.

The following schedule begins the workday after notification of the availability of Print Order and furnished material; the workday after notification will be the first workday of the schedule.

Orders without Proofs or Prior-to-Production Samples: Complete production and distribution must be made within 5 workdays after availability of files.

Orders requiring Proofs and/or Prior-to-Production Samples: The following schedule begins the workday after notification of the availability of Print Order and furnished material. The numbers under the column headed “*WD After*” represent the number of workdays allowed to complete that certain part of the schedule after completion of the preceding part.

	<u>WD After</u>
Contractor deliver proofs/prior-to-production samples.....	5
Agency approves proofs/prior-to-production samples (marked “ <i>OK to Print</i> ” or “ <i>OK to Print with Corrections</i> ”).....	2
Complete production and distribution.....	5

Revised Proofs: When revised proofs are required by the Government due to Government errors, 2 additional workdays will be allowed.

Medicare Packages Orders Only: One additional workday will be allowed for every 75,000 packages that exceed 200,000 packages.

AVAILABILITY OF TIBCO FILES

INITIAL ENROLLMENT PACKAGES (Domestic, Puerto Rican and Foreign): It is anticipated that the Print Order and [TIBCO](#) files will be available during the second full week of each month, except for holidays. Each IEP package will be separated into three separate Print Orders/TIBCO files:

- Domestic IEP Package
- Puerto Rico IEP Package (as of April 2018, these packages will include data for a Medicare card. As of April 2018, these beneficiaries should not be included in the new accrete file or the replacement card file, as they are today. The current process should continue until April 2018.)
- Foreign IEP Package (as of April 2018, these packages will include data for a Medicare card. As of April 2018, these beneficiaries should not be included in the new accrete file or the replacement card file, as they are today. The current process should continue until April 2018.)

AVAILABILITY OF TIBCO FILES (Continue)

GENERAL ENROLLMENT PACKAGES (Domestic and Puerto Rican): It is anticipated that the Print Order and TIBCO files will be available during late December or during the month of January each year. General Enrollment Period (GEP) Packages are separated into two separate files:

- Domestic GEP Package
- Puerto Rico GEP Package

REPLACEMENT MEDICARE CARDS: It is anticipated that the Print Order and TIBCO files will be available on Friday of each week, except for holidays.

NEW ACCRETES: It is anticipated that the Print Order and TIBCO files will be available on Friday of each week, except for holidays. The new accretes will only be those who newly/actively file for Medicare and are not auto-enrolled.

DEEMED MEDICARE CARDS: It is anticipated that the Print Order and TIBCO files will be available during the month of February each year.

MBI BULK CARDS: It is anticipated beginning Friday March 30, 2018 that the Print Order and TIBCO files will be available each Friday of each week, except for holidays until finished. Contractor to cross reference (check) the TIBCO files for MBI Bulk Cards and Replacement Cards each Friday. To ensure against a person does not receive an MBI Card and a Replacement Card in the same week. Contractor to notify Clint Howard of any duplicate records via email clinton.howard@cms.hhs.gov , no PII information to be included in the e-mail.

MBI CHANGE CARDS: It is anticipated beginning Friday April 6, 2018, that the Print Order and TIBCO files will be available on Friday of each week, except for holidays. This card (and accompanying material) is sent to beneficiaries who request and are approved for a new MBI following their initial assigned MBI.

SECTION 3. – DETERMINATION OF AWARD

The Government will determine the lowest bid by applying the prices offered in the “Section 4. - *Schedule of Prices*” to the following units of production which are the estimated requirements to produce 14 month’s orders (first contract period) under this contract. These units do not constitute, nor are they to be construed as, a guarantee of the volume of work which may be ordered for a like period of time.

The following item designations correspond to those listed in the “Section 4. -- *Schedule of Prices*”.

	(1)	(2)		
I. A (a)	544	88,128	II. A. (a)	44,091
(b)	416	1,488	<u>(b)</u>	<u>12,766</u>
(c)	276	276	B. (a)	11,125
<u>(d)</u>	<u>32</u>	<u>23,680</u>	<u>(b)</u>	<u>183,638</u>
B. (a)	600	54	C. (a)	2,269
(b)	528	14	<u>(b)</u>	<u>70,244</u>
(c)	332	2	D. (a)	2,269
<u>(d)</u>	<u>36</u>	<u>72</u>	(b)	2,269
C. (a)	722	384,130	(c)	807
(b)	940	815	(d)	756
(c)	58	4,571	<u>(e)</u>	<u>70,135</u>
<u>(d)</u>	<u>28</u>	<u>2</u>	III. A. (a)	2,269
D. (a)	8	1,296	(b)	42
(b)	6	973	(c)	14
(c)	69	5,614	(d)	742
(d)	27	60,082	<u>(e)</u>	<u>9</u>
<u>(e)</u>	<u>131</u>	<u>4,548</u>	B. (a)	5,614
E. (a) (1)		2,269	<u>(b)</u>	<u>64,521</u>
(2)		42		
(3)		14		
(4)		742		
<u>(5)</u>		<u>9</u>		
(b) (1)		2,269		
(2)		14		
<u>(3)</u>		<u>742</u>		
(c)		70,135		

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SECTION 4. – SCHEDULE OF PRICES

Bids offered are f.o.b. contractor’s city for mailed copies (G-Permit) and ship f.o.b. destination for GPO copies and bulk shipments.

Prices must be submitted for the entire term of the contract and bids qualified for a lesser period will not be considered. Prices must include the cost of all required materials and operations for each item listed in accordance with these specifications.

Bidder must make an entry in each of the spaces provided. Bids submitted with any obliteration, revision, or alteration of the order and manner of submitting bids, may be declared nonresponsive.

An entry of NC (No Charge) shall be entered if bidder intends to furnish individual items at no charge to the Government. Bids submitted with NB (No Bid) or blank spaces for an item may be declared nonresponsive.

The Contracting Officer reserves the right to reject any offer that contains prices for individual items of production (whether or not such items are included in the Determination of Award) that are inconsistent or unrealistic in regard to other prices in the same offer or to GPO prices for the same operation if such action would be in the best interest of the Government.

All vouchers submitted to the GPO shall be based on the most economical method of production.

Fractional parts of 1,000 will be prorated at the per 1,000 rate.

I. PRINTING AND BINDING: Prices offered shall include the cost of all required materials and operations necessary for printing, binding and distribution of the product(s) listed in accordance with these specifications. Pamphlets will be ordered in 4-page increments. See Item II STOCK/PAPER and Item III ASSEMBLY AND MAILING PREPARATION for additional charges.

	<u>Makeready and/or Setup Charge</u>	<u>Running Per 1,000 Copies</u>
	(1)	(2)
A. PAMPHLETS, SELF-COVER, <u>Standard Print</u>:		
(a) Domestic IEP, 8-3/8 x 5-3/8”price per page.....	\$ _____	\$ _____
(b) Puerto Rican IEP and Puerto Rican GEP, 3-1/2 x 8”price per page.....	\$ _____	\$ _____
(c) Foreign IEP, 3-1/2 x 8”price per page.....	\$ _____	\$ _____
(d) Domestic GEP, 3-1/2 x 8”price per page.....	\$ _____	\$ _____
B. PAMPHLETS, SELF-COVER, <u>Large Print</u>:		
(a) Domestic IEP, 8-3/8 x 5-3/8”price per page.....	\$ _____	\$ _____
(b) Puerto Rican IEP and Puerto Rican GEP, 3-1/2 x 8”price per page.....	\$ _____	\$ _____
(c) Foreign IEP, 3-1/2 x 8”price per page.....	\$ _____	\$ _____
(d) Domestic GEP, 3-1/2 x 8”price per page.....	\$ _____	\$ _____

I. PRINTING AND BINDING (Continue):

C. MEDICARE LETTERS AND FORMS (Packages and Card Sets), 8-1/2 x 11” and 7-1/2 x 11”:

	<u>Makeready and/or Setup Charge</u> (1)	<u>Running Per 1,000 Copies</u> (2)
(a) Letters and Forms Static Image Printing Only, Standard Print:.....per printed page	\$ _____	\$ _____
(b) Letters, Static Image Printing Only, Large Print:per printed page	\$ _____	\$ _____
(c) Letters and Forms, Variable Image and Static Image Printing on the same page, Standard Print: per imaged/printed page	\$ _____	\$ _____
(d) Letters, Variable Image and Static Image Printing on the same page, Large Print: per imaged/printed page	\$ _____	\$ _____

D. ENROLLMENT CARDS FOR PACKAGES

MEDICARE CARD SETS,

Prices include printing Static image on Face and Back:

	<u>Makeready and/or Setup Charge</u> (1)	<u>Running Per 1,000 Copies</u> (2)
(a) Domestic IEP Card, 5-1/2 x 8-1/2” Variable Image on Face Onlyper order	\$ _____	\$ _____
(b) Domestic IEP Card, 5-1/2 x 8-1/2” Variable Image on Face and Backper order	\$ _____	\$ _____
(c) Enrollment Cards, 7-1/2 x 3-11/16”, Variable Image on Face Onlyper order	\$ _____	\$ _____
(d) MBI Bulk Enrollment Cards, 7-1/2 x 3-11/16”, Variable Image on Face and Backper order	\$ _____	\$ _____
(e) Balance of Enrollment Cards* at 7-1/2 x 3-11/16”, Variable Image on Face and Backper order	\$ _____	\$ _____

Note: The Period Packages and Medicare Card Sets that have enrollment cards will be placed on individual Print Orders. The Domestic GEP and Puerto Rican GEP will be placed on the same Print Order but these packages do not contain enrollment cards.

*Balance of Enrollment Cards are included in the following packages and sets: Puerto Rican IEP and Foreign IEP listed on page 16; and Replacement, New Accretes, Deemed and MBI Change Cards listed on page 21.

E. ENVELOPES:

(a) Medicare Package Mailing Envelopes:

- (1) Domestic IEP, 6 x 9-1/2”:
Running per 1,000 envelopes..... \$ _____
- (2) Puerto Rican IEP, 4-1/8 x 9-1/2”, (No. 10):
Running per 1,000 envelopes..... \$ _____
- (3) Foreign IEP, 4-1/8 x 9-1/2”, (No. 10):
Running per 1,000 envelopes..... \$ _____
- (4) Domestic GEP, 4-1/8 x 9-1/2”, (No. 10):
Running per 1,000 envelopes..... \$ _____
- (5) Puerto Rican GEP, 4-1/8 x 9-1/2”, (No. 10):
Running per 1,000 envelopes..... \$ _____

E. ENVELOPES (Continue):

(b) Medicare Package Business Reply or Return Mail Envelopes:

- (1) Domestic IEP, 5-3/4 x 8-3/4":
Running per 1,000 envelopes \$ _____
 - (2) Foreign IEP, 3-7/8 x 8-7/8", (No. 9):
Running per 1,000 envelopes \$ _____
 - (3) Domestic GEP, 3-7/8 x 8-7/8", (No. 9):
Running per 1,000 envelopes \$ _____
- (c) Medicare Card Mailing Envelopes, 3-7/8 x 8":
Running per 1,000 envelopes \$ _____

II. STOCK/PAPER: Payment for all stock/paper supplied by the contractor under the terms of these specifications, as ordered on the individual print orders, will be based on item of paper/stock as defined in Section 2 "STOCK/PAPER" on page 28. The envelope size is after construction. The cost of any paper required for make-ready or running spoilage must be included in the prices offered.

A. Pamphlets:

- (a) 8-3/8 x 5-3/8":
per 1,000 leaves \$ _____
- (b) 3-1/2 x 8":
per 1,000 leaves \$ _____

B. Letters and Forms:

- (a) 8-1/2 x 11":
per 1,000 leaves \$ _____
- (b) 7-1/2 x 11":
per 1,000 leaves \$ _____

C. Cards:

- (a) 5-1/2 x 8-1/2":
per 1,000 leaves \$ _____
- (b) 7-1/2 x 3-11/16":
per 1,000 leaves \$ _____

D. Envelopes:

- (a) 6 x 9-1/2":
per 1,000 envelopes \$ _____
- (b) 5-3/4 x 8-3/4":
per 1,000 envelopes \$ _____
- (c) 4-1/8 x 9-1/2", (No. 10):
per 1,000 envelopes \$ _____
- (d) 3-7/8 x 8-7/8", (No. 9):
per 1,000 envelopes \$ _____
- (e) 3-7/8 x 8":
per 1,000 envelopes \$ _____

III. ASSEMBLY AND MAILING PREPARATION: Gathering and Insertion item pieces into Mailing Envelope and preparation for mailing. See Mail Piece Integrity Define on page 2 and Assembly table on page 20 for list of item pieces for each Medicare Period Packages and on page 23 for Medicare Card Set Assembly.

- A. MEDICARE PERIOD PACKAGES, Standard and Large Print,
Collate item pieces and insert into envelope to make a package:
 - (a) Domestic IEP,per 1,000 packages..... \$ _____
 - (b) Puerto Rican IEP,per 1,000 packages..... \$ _____
 - (c) Foreign IEP,per 1,000 packages..... \$ _____
 - (d) Domestic GEP,per 1,000 packages..... \$ _____
 - (e) Puerto Rican GEP,per 1,000 packages..... \$ _____

- B. MEDICARE CARD SETS:
 - (a) Inserting a Card only:
Running per 1,000 sets \$ _____
 - (b) Inserting a Card and Letter:
Running per 1,000 sets \$ _____

BID SUBMISSION AND BIDDER’S NAME AND SIGNATURE: Fill out and return all pages in “Section 4. – Schedule of Prices”, initial or sign each in the space provided. See page 1 for instructions on how and where to submit bid.

Fill out and return GPO Form 910. The schedule of prices will prevail in instances where prices are inadvertently entered on GPO Form 910.

GPO Form 910 is available on GPO web site at <http://www.gpo.gov/pdfs/vendors/sfas/bids910.pdf>

Bidder _____
(Company Name)

(Address, City, and State)

By _____
(Signature and title of person authorized to sign this bid)

(Person to be contacted) (Telephone Number) (Fax Number)

(E-Mail Address(s)) (Contractor Code Number, if known)

Mailings made from: _____
(City and State)

RETURN THIS PAGE TO GPO COLUMBUS REGIONAL OFFICE

SECTION 5. – CMS SECURITY SPECIFICATIONS

THE REQUIREMENTS UNDER THIS SECTION WILL BE ADMINISTERED BY A CMS SECURITY REPRESENTATIVE (NAME AND CONTACT INFORMATION WILL BE PROVIDED AT TIME OF AWARD).

CMS INFORMATION SECURITY (APR 2013)

FAR 52.227-14 Rights in Data – General (May 2014).

As prescribed in [27.409\(b\)\(1\)](#), insert the following clause with any appropriate alternates:

(a) *Definitions.* As used in this clause--

“*Computer database*” or “*database*” means a collection of recorded information in a form capable of, and for the purpose of, being stored in, processed, and operated on by a computer. The term does not include computer software.

“*Computer software*”—

(1) *Means*

- (i) Computer programs that comprise a series of instructions, rules, routines, or statements, regardless of the media in which recorded, that allow or cause a computer to perform a specific operation or series of operations; and
- (ii) Recorded information comprising source code listings, design details, algorithms, processes, flow charts, formulas, and related material that would enable the computer program to be produced, created, or compiled.

(2) Does not include computer databases or computer software documentation.

“*Computer software documentation*” means owner’s manuals, user’s manuals, installation instructions, operating instructions, and other similar items, regardless of storage medium, that explain the capabilities of the computer software or provide instructions for using the software.

“*Data*” means recorded information, regardless of form or the media on which it may be recorded. The term includes technical data and computer software. The term does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information.

“*Form, fit, and function data*” means data relating to items, components, or processes that are sufficient to enable physical and functional interchangeability, and data identifying source, size, configuration, mating, and attachment characteristics, functional characteristics, and performance requirements. For computer software it means data identifying source, functional characteristics, and performance requirements but specifically excludes the source code, algorithms, processes, formulas, and flow charts of the software.

“*Limited rights*” means the rights of the Government in limited rights data as set forth in the Limited Rights Notice of subparagraph (g)(2) if included in this clause.

“*Limited rights data*” means data, other than computer software, that embody trade secrets or are commercial or financial and confidential or privileged, to the extent that such data pertain to items, components, or processes developed at private expense, including minor modifications.

“*Restricted computer software*” means computer software developed at private expense and that is a trade secret; is commercial or financial and is confidential or privileged; or is copyrighted computer software, including minor modifications of the computer software.

“*Restricted rights*,” as used in this clause, means the rights of the Government in restricted computer software, as set forth in a Restricted Rights Notice of paragraph (g) if included in this clause, or as otherwise may be provided in a collateral agreement incorporated in and made part of this contract, including minor modifications of such computer software.

“*Technical data*” means recorded information (regardless of the form or method of the recording) of a scientific or technical nature (including computer databases and computer software documentation). This term does not include computer software or financial, administrative, cost or pricing, or management data or other information incidental to contract administration. The term includes recorded information of a scientific or technical nature that is included in computer databases (See 41 U.S.C. 116).

“*Unlimited rights*” means the right of the Government to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, in any manner and for any purpose, and to have or permit others to do so.

(b) *Allocation of rights.*

(1) Except as provided in paragraph (c) of this clause, the Government shall have unlimited rights in—

- (i) Data first produced in the performance of this contract;
- (ii) Form, fit, and function data delivered under this contract;
- (iii) Data delivered under this contract (except for restricted computer software) that constitute manuals or instructional and training material for installation, operation, or routine maintenance and repair of items, components, or processes delivered or furnished for use under this contract; and
- (iv) All other data delivered under this contract unless provided otherwise for limited rights data or restricted computer software in accordance with paragraph (g) of this clause.

(2) The Contractor shall have the right to—

- (i) Assert copyright in data first produced in the performance of this contract to the extent provided in paragraph (c)(1) of this clause;
- (ii) Use, release to others, reproduce, distribute, or publish any data first produced or specifically used by the Contractor in the performance of this contract, unless provided otherwise in paragraph (d) of this clause;
- (iii) Substantiate use of, add or correct limited rights, restricted rights, or copyright notices and to take other appropriate action, in accordance with paragraphs (e) and (f) of this clause; and
- (iv) Protect from unauthorized disclosure and use those data that are limited rights data or restricted computer software to the extent provided in paragraph (g) of this clause.

(c) *Copyright*—

(1) *Data first produced in the performance of this contract.*

- (i) Unless provided otherwise in paragraph (d) of this clause, the Contractor may establish, without prior approval of the Contracting Officer, claim to copyright in scientific and technical articles based on or containing data first produced in the performance of this contract and published in academic, technical or professional journals, symposia proceedings or similar works. The prior, express written permission of the Contracting Officer is required to assert copyright in all other data first produced in the performance of this contract.
- (ii) When authorized to assert copyright to the data, the Contractor shall affix the applicable copyright notices of 17 U.S.C. 401 or 402, and acknowledgment of Government sponsorship (including contract number).
- (iii) For data other than computer software, the Contractor grants to the Government, and others acting on its behalf, a paid-up, nonexclusive, irrevocable worldwide license in such copyrighted data to reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, by or on behalf of the Government. For computer software, the Contractor grants to the Government and others acting on its behalf, a paid-up nonexclusive, irrevocable worldwide license in such copyrighted computer software to reproduce, prepare derivative works, and perform publicly and display publicly (but not to distribute copies to the public) by or on behalf of the Government.

(2) *Data not first produced in the performance of this contract.* The Contractor shall not, without prior written permission of the Contracting Officer, incorporate in data delivered under this contract any data not first produced in the performance of this contract unless the Contractor—

- (i) Identifies the data; and
- (ii) Grants to the Government, or acquires on its behalf, a license of the same scope as set forth in subparagraph (c)(1) of this clause or; if such data are restricted computer software, the Government shall acquire a copyright license as set forth in subparagraph (g)(4) of this clause (if included in this contract) or as otherwise provided in a collateral agreement incorporated in or made part of this contract.

(3) *Removal of copyright notices.* The Government will not remove any authorized copyright notices placed on data pursuant to this paragraph (c), and will include such notices on all reproductions of the data.

(d) *Release, publication and use of data.* The Contractor shall have the right to use, release to others, reproduce, distribute, or publish any data first produced or specifically used by the Contractor in the performance of this contract, except—

(1) As *prohibited* by Federal law or regulation (e.g., export control or national security laws or regulations);

(2) As expressly set forth in this contract; or

(3) If the *Contractor* receives or is given access to data necessary for the performance of this contract which contain restrictive markings, the Contractor shall treat the data in accordance with such markings unless otherwise specifically authorized otherwise in writing by the Contracting Officer.

(e) *Unauthorized marking of data.*

(1) *Notwithstanding* any other provisions of this contract concerning inspection or acceptance, if any data delivered under this contract are marked with the notices specified in paragraph (g)(3) or (g)(4) of this clause and use of the notices is not authorized by this clause, or if such data bears any other restrictive or limiting markings not authorized by this contract, the Contracting Officer may at any time either return the data to the Contractor, or cancel or ignore the markings. However, pursuant to 41 U.S.C. 4703, the following procedures shall apply prior to canceling or ignoring the markings.

- (i) The Contracting Officer will make written inquiry to the Contractor affording the Contractor 60 days from receipt of the inquiry to provide written justification to substantiate the propriety of the markings;
- (ii) If the Contractor fails to respond or fails to provide written justification to substantiate the propriety of the markings within the 60-day period (or a longer time approved in writing by the Contracting Officer for good cause shown), the Government shall have the right to cancel or ignore the markings at any time after said period and the data will no longer be made subject to any disclosure prohibitions.
- (iii) If the Contractor provides written justification to substantiate the propriety of the markings within the period set in subdivision (e)(1)(i) of this clause, the Contracting Officer will consider such written justification and determine whether or not the markings are to be canceled or ignored. If the Contracting Officer determines that the markings are authorized, the Contractor will be so notified in writing. If the Contracting Officer determines, with concurrence of the head of the contracting activity, that the markings are not authorized, the Contracting Officer will furnish the Contractor a written determination, which determination shall become the final agency decision regarding the appropriateness of the markings unless the Contractor files suit in a court of competent jurisdiction within 90 days of receipt of the Contracting Officer's decision. The Government shall continue to abide by the markings under this paragraph (e)(1)(iii) until final resolution of the matter either by the Contracting Officer's determination becoming final (in which instance the Government will thereafter have the right to cancel or ignore the markings at any time and the data will no longer be made subject to any disclosure prohibitions), or by final disposition of the matter by court decision if suit is filed.

(2) The time limits in the procedures set forth in subparagraph (e)(1) of this clause may be modified in accordance with agency regulations implementing the Freedom of Information Act (5 U.S.C. 552) if necessary to respond to a request thereunder.

(3) Except to the extent the Government's action occurs as the result of final disposition of the matter by a court of competent jurisdiction, the Contractor is not precluded by paragraph (e) of this clause from bringing a claim, in accordance with the Disputes clause of this contract, that may arise as a result of the Government removing or ignoring authorized markings on data delivered under this contract.

(f) *Omitted or incorrect markings.*

(1) Data delivered to the Government without any restrictive markings shall be deemed to have been furnished with unlimited rights. The Government is not liable for the disclosure, use, or reproduction of such data.

(2) If the unmarked data has not been disclosed without restriction outside the Government, the Contractor may request, within 6 months (or a longer time approved by the Contracting Officer in writing for good cause shown) after delivery of such data, permission to have authorized notices

placed on qualifying data at the Contractor's expense, and the Contracting Officer may agree to do so if the Contractor—

- (i) Identifies the data to which the omitted notice is to be applied;
- (ii) Demonstrates that the omission of the notice was inadvertent;
- (iii) Establishes that the use of the proposed notice is authorized; and
- (iv) Acknowledges that the Government has no liability for the disclosure, use, or reproduction of any data made prior to the addition of the notice or resulting from the omission of the notice.

(3) If data has been marked with an incorrect notice, the Contracting Officer may—

- (i) Permit correction of the notice at the Contractor's expense if the Contractor identifies the data and demonstrates that the correct notice is authorized, or
- (ii) Correct any incorrect notices.

(g) *Protection of limited rights data and restricted computer software.*

(1) The Contractor may withhold from delivery qualifying limited rights data or restricted computer software that are not data identified in paragraphs (b)(1)(i), (ii), and (iii) of this clause. As a condition to this withholding, the Contractor shall—

- (i) Identify the data being withheld; and
- (ii) Furnish form, fit, and function data instead.

(2) Limited rights data that are formatted as a computer database for delivery to the Government shall be treated as limited rights data and not restricted computer software.

(3) [Reserved]

(h) *Subcontracting.* The Contractor shall obtain from its subcontractors all data and rights therein necessary to fulfill the Contractor's obligations to the Government under this contract. If a subcontractor refuses to accept terms affording the Government such rights, the Contractor shall promptly notify the Contracting Officer of the refusal and shall not proceed with the subcontract award without authorization in writing from the Contracting Officer.

- (i) *Relationship to patents or other rights.* Nothing contained in this clause shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Government.

(end of clause)

All CMS information shall be protected from unauthorized access, use, disclosure, duplication, modification, diversion, or destruction, whether accidental or intentional, in order to maintain the security, confidentiality, integrity, and availability of such information. Therefore, if this contract requires the contractor to provide services (both commercial and non-commercial) for Federal Information/Data, to include any of the following requirements:

- Process any Information/Data; or
- Store any Information/Data (includes “Cloud” computing services); or
- Facilitate the transport of Information/Data; or
- Host/maintain Information/Data (including software and/or infrastructure developer/maintainers); or
- Have access to, or use of, **Personally Identifiable Information (PII)**, including instances of remote access to, or physical removal of, such information beyond agency premises or control.

The contractor shall become and remain compliant with the requirements set forth at the CMS Information Security website at <https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/InformationSecurity/Info-Security-Library-Items/CMS-Information-Security-Contract-Clause-Provision.html>. The requirements cover all CMS contracts and associated deliverables, which are required on a “*per contractor*” basis.

The contractor shall ensure that the following Federal information security standards are met for all of its CMS contracts:

- **Federal Information Security Management Act (FISMA)** – FISMA information can be found at <http://csrc.nist.gov/groups/SMA/fisma/index.html>. FISMA requires each Federal agency to develop, document, and implement an agency-wide program to provide information security for the information and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source; and,
- **Federal Risk and Authorization Management Program (FedRAMP)** – FedRAMP information can be found at <http://www.gsa.gov/portal/category/102371>. The FedRAMP is a government-wide program that provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services.

The Contractor shall include in all awarded subcontracts the FISMA/FedRAMP compliance requirements set forth at the CMS Information Security website at <https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/InformationSecurity/Info-Security-Library-Items/CMS-Information-Security-Contract-Clause-Provision.html>.

HIPAA BUSINESS ASSOCIATE CLAUSE (OCT 2014)

All **Protected Health Information (PHI)**, as defined in 45 C.F.R. §160.103, that is relevant to this Contract, shall be administered in accordance with the **Health Insurance Portability and Accountability Act** of 1996 (“*HIPAA*,” 42 U.S.C. § 1320d), as amended, as well as the corresponding implementing regulations and this HIPAA Business Associate Clause.

a. Definitions:

All terms used herein and not otherwise defined, shall have the same meaning as in HIPAA, as amended, and the corresponding implementing regulations. Non-HIPAA related provisions governing the Contractor’s duties and obligations, such as those under the Privacy Act and any applicable data use agreements, are generally covered elsewhere in the Contract.

The following definitions apply to this Contract Clause:

“*Business Associate*” shall mean the Contractor (and/or the Contractor’s subcontractors or agents) if/when it uses individually identifiable health information on behalf of CMS, i.e. PHI, to carry out CMS’ HIPAA-covered functions.

“*Covered Entity*” shall mean the portions of CMS that are subject to the HIPAA Privacy Rule.

“*Secretary*” shall mean the Secretary of the Department of Health & Human Services or the Secretary’s designee.

b. Obligations and Activities of Business Associate:

Except as otherwise provided in this Contract, Business Associate, as defined above, shall only use or disclose PHI on behalf of, or to provide services to, Covered Entity in accordance with this Contract and the HIPAA Privacy and Security Rules.

Business Associate shall document in writing the policies and procedures that will be used to meet HIPAA requirements. The policies and procedures shall include the following, at a minimum:

1. Business Associate shall not:
 - i. Use or disclose PHI that is created, received, maintained or transmitted by Business Associate from, or on behalf of, Covered Entity other than as permitted or required by this Contract or as required by law;
 - ii. Sell PHI; or,
 - iii. Threaten, intimidate, coerce, harass, discriminate against, or take any other retaliatory action against any individual for:
 - A. Filing a complaint under 45 CFR § 160.306;
 - B. Testifying, assisting or participating in an investigation, compliance review, proceeding or hearing under 45 CFR Part 160; or
 - C. Opposing any act or practice that is unlawful under HIPAA, provided there is a good faith belief that the practice is unlawful, the manner of opposition is reasonable, and the opposition does not involve the disclosure of PHI in violation of subpart E of Part 164.
2. Business Associate shall:
 - i. Have a security official who will be responsible for development and implementation of its security policies and procedures, including workforce security measures, to ensure proper security awareness and training (including security incident response and reporting), and security incident procedures, in accordance with this Contract, including this HIPAA Business Associate Clause and the Contract’s clause entitled “*CMS Information Security*.”
 - ii. Use administrative, physical and technical safeguards to prevent use or disclosure of PHI created, received, maintained or transmitted by Business Associate from, or on behalf of Covered Entity only as provided for by this Contract. In doing so, it shall implement policies and procedures to address the following and, where applicable, ensure that such policies and procedures are also in conformance with this Contract’s clause entitled “*CMS Information Security*.”

- A. Prevent, detect, contain and correct security violations through the use of:
 - a. Risk analyses (including periodic technical and nontechnical evaluations);
 - b. Appropriate risk management strategies, including system activity review;
 - c. Information access procedures for approving individual's access rights to PHI (including the implementation of workforce security measures to ensure continued appropriate role-based access to PHI), and technical policies and procedures to ensure compliance with grants of access (including unique user identification and tracking of users) and;
 - d. The imposition of sanctions for violations.
 - B. Limit physical access to its electronic information systems and the facility or facilities in which they are housed.
 - C. Implement policies, procedures and physical security measures that will limit access to PHI through workstations and other devices, including access through mobile devices.
 - D. Implement media controls covering the movement of devices containing PHI within or outside of the Business Associate's facility as well as the disposal and reuse of media containing PHI.
 - E. Implement appropriate administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability (including the use of contingency plans) of any **electronic protected health information ("EPHI")** it creates, receives, maintains or transmits from, or on behalf of the Covered Entity to prevent impermissible use, disclosure, maintenance or transmission of such EPHI. In the establishment of such safeguards, Business Associate shall consider its size, complexity and capabilities, as well as its technical infrastructure, and its hardware and software security capabilities.
- iii. Assess, and implement, where appropriate, any addressable implementation specifications associated with applicable PHI security standards.
 - iv. Mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Contract.
 - v. Comply with the following Incident Reporting:
 - A. Report to Covered Entity any security incident/breach involving unsecured PHI, of which it becomes aware, including those of its agents and subcontractors. The Business Associate shall report any violation of the terms of this contract involving PHI and any security incidents/breaches involving unsecured PHI to CMS within one (1) hour of discovery in accordance with the CMS **Risk Management Handbook (RMH)**, specifically "RMH Vol II Procedure 7-2 Incident Handling Procedure" and "RMH Vol III Standard 7-1 Incident Handling." These procedures can be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/InformationSecurity/Information-Security-Library.html> In addition, the Business Associate will also notify the CMS Contracting Officer and the Contracting Officer's Representative (COR) by email within one (1) hour of identifying such violation or incident.
 - B. Upon Covered Entity's knowledge of any material security incident/breach by Business Associate, Covered Entity will provide an opportunity for Business Associate to cure the breach or end the violation consistent with the termination clause of this Contract. See also paragraph D. Term of Clause below.

- vi. Ensure that any agent or subcontractor agrees through a written contract, or other legally enforceable arrangement, to the same restrictions and conditions that apply through this HIPAA Contract Clause, when creating, receiving, maintaining or transmitting PHI from, or on behalf of, Covered Entity.
- vii. Upon Covered Entity's request:
 - A. Provide the Covered Entity or its designee with access to the PHI created, received, maintained or transmitted by Business Associate from or on behalf of the Covered Entity in the course of contract performance in order to ensure Covered Entity's ability to meet the requirements under 45 CFR § 164.524.
 - B. Amend PHI as Covered Entity directs or agrees to pursuant to 45 CFR § 164.526.
- viii. Make its facilities and any books, records, accounts, and any sources of PHI, including any policies and procedures, that are pertinent to ascertaining its own compliance with this contract or the Covered Entity's compliance with the applicable HIPAA requirements, available to Covered Entity, or, in the context of an investigation or compliance review, to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the various rules implementing the HIPAA.
- ix. Document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.
- x. Provide to Covered Entity, or an individual identified by the Covered Entity, information collected under this Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.
- xi. Make reasonable efforts to limit the PHI it uses, discloses or requests to the minimum necessary to accomplish the intended purpose of the permitted use, disclosure or request.

c. Obligations of Covered Entity

Covered Entity shall notify Business Associate of any:

1. Limitation(s) in its Notice of Privacy Practices in accordance with 45 CFR § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI;
2. Changes in, or revocation of, permission by an Individual to use or disclose their PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and,
3. Restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

d. Term of Clause

1. The term of this Clause shall be effective as of date of Contract award, and shall terminate when all of the PHI provided to Business Associate by the Covered Entity or a Business Associate of the Covered Entity, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity in accordance with "*CMS Information Security*" procedures. Business Associate shall not retain any PHI.

2. Security Incident/Breach:

Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall take action consistent with the terms of this Contract, and, as appropriate, the following:

- i. **Federal Acquisition Regulation (FAR) Contracts** – Covered Entity may:
 - A. Terminate this Contract in accordance with FAR Part 49, Termination of Contracts, if the Business Associate does not cure the security incident/breach within the time specified by Covered Entity and/or cure is not possible; or,
 - B. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- ii. **Other Agreements** –Covered Entity shall either:
 - A. Provide an opportunity for Business Associate to cure the breach or end the violation consistent with the termination terms of this Contract. Covered Entity may terminate this Contract for default if the Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; or,
 - B. Consistent with the terms of this Contract, terminate this Contract for default if Business Associate has breached a material term of this Contract and cure is not possible; or,
 - C. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

3. Returning or Destroying PHI:

Business Associate, as defined above, which includes subcontractors or agents of the Contractor, shall:

- i. Upon expiration or termination of this Contract, for any reason, return or destroy all PHI received from Covered Entity or another Business Associate of the Covered Entity, as well as any PHI created, received, maintained or transmitted from or on behalf of Covered Entity, or another Business Associate of the Covered Entity, in accordance with this contract, including the "*CMS Information Security*" clause.
- ii. In the event that Business Associate determines that returning or destroying the PHI is infeasible, provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon such notice that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Contract to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

e. Miscellaneous

1. A reference in this Contract to a section in the Rules issued under HIPAA means the section as in effect or as amended.
2. The respective rights and obligations of Business Associate under paragraph D.3.b of the section entitled "*Term of Clause*" shall survive the termination of this Contract.

Any ambiguity in this Contract clause shall be resolved to permit Covered Entity to comply with the Rules implemented under HIPAA.

**CMS SPECIFIC PROVISIONS FOR HIGH VISIBILITY/HIGH PUBLIC INTEREST CONTRACTS
(OCT 2013)**

OPEN GOVERNMENT PROACTIVE PREDISCLOSURE NOTIFICATION (OCT 2013)

In order to reduce the administrative burden of responding to **Freedom of Information Act (FOIA)** requests for high visibility/high public interest contracts throughout contract administration, the Contractor shall submit its review of the awarded contract (and contract modifications, if requested) for FOIA disclosure exemptions within thirty (30) calendar days of contract award. The review will substantiate “...*Trade secrets and commercial or financial information obtained from a person and privileged or confidential...*” information, in accordance with 5 U.S.C. §552 FOIA, Exemption (b)(4), which could reasonably be expected to cause substantial competitive harm.

Submissions: The Contractor shall submit one (1) Compact Disc (CD) or Digital Video Disc (DVD) with all 5 U.S.C. §552 FOIA, Exemption (b)(4), “...*Trade Secrets, Commercial or Financial Information Which is Privileged or Confidential...*,” otherwise known as public release/non-Confidential Business Information (non-CBI), with the information identified as follows:

- a. **CBI Highlighted Copy of Contract:** One copy of the contract with all CBI highlighted for CMS FOIA review.
- b. **Contractor Proposed Redacted Public Release Copy of Contract:** An additional copy of the contract will be provided for public release with all the identified information redacted. Redactions shall be made using “black” boxes, which cannot be removed or uncovered by a reader.
- c. **Pre-Disclosure Concerns - Comments/Rationale for Non-Disclosure of Trade Secrets, Commercial or Financial Information Which is Privileged or Confidential:** The Contractor shall provide, in a separate file, rationale for why disclosure of “...*Trade Secrets, Commercial or Financial Information Which is Privileged or Confidential...*” would cause the Contractor organization substantial competitive harm if disclosed to other entities. Rationale shall be provided for each individual recommended redaction. Generalized conclusions of competitive harm are not a sufficient basis for the CMS FOIA office to invoke the exemption and thereby protect the Contractor’s interest.

All CD/DVDs shall be mailed to the CMS FOIA Officer (address below) within thirty (30) calendar days of contract award and within thirty (30) calendar days of a CMS request, i.e. existing or modified contracts. All CD/DVD files shall be submitted as **Portable Document Format (.pdf)** files.

CD/DVD and File Naming Conventions: The Contractor shall name the CD/DVD with the Contract Number and utilize the following CD/DVD file naming conventions:

- HHSM-500-2013-xxxxxx – Highlighted
- HHSM-500-2013-xxxxxx – Redacted
- HHSM-500-2013-xxxxxx – Pre-Disclosure Concerns

CD/DVD shall be mailed to the CMS FOIA Officer at:

Centers for Medicare & Medicaid Services
Freedom of Information Act Office
ATTN: CMS FOIA Officer
Mailstop: N2-20-16
7500 Security Boulevard
Baltimore, MD 21244-1850

Copy– Correspondence Only (No CD/DVD):
Contracting Officer
Contracting Officer’s Representative (COR)

It should be noted that the CMS FOIA Office makes the final determination as to what information is released to the public, after considering any feedback from OAGM and/or the Contractor.

CMS SECURITY CLAUSE

FAR 52.204-9 Personal Identity Verification of Contractor Personnel.

As prescribed in [4.1303](#), insert the following clause:

PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (JAN 2011)

- (a) The Contractor shall comply with agency personal identity verification procedures identified in the contract that implement Homeland Security Presidential Directive-12 (HSPD-12), Office of Management and Budget (OMB) guidance M-05-24 and **Federal Information Processing Standards Publication (FIPS PUB) Number 201**.
- (b) The Contractor shall account for all forms of Government-provided identification issued to the Contractor employees in connection with performance under this contract. The Contractor shall return such identification to the issuing agency at the earliest of any of the following, unless otherwise determined by the Government:
- (1) When no longer needed for contract performance.
 - (2) Upon completion of the Contractor employee’s employment.
 - (3) Upon contract completion or termination.
- (c) The Contracting Officer may delay final payment under a contract if the Contractor fails to comply with these requirements.
- (d) The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts when the subcontractor’s employees are required to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system. It shall be the responsibility of the prime Contractor to return such identification to the issuing agency in accordance with the terms set forth in paragraph (b) of this section, unless otherwise approved in writing by the Contracting Officer.

(End of clause)

FAR 52.222-54 Employment Eligibility Verification.

As prescribed in [22.1803](#), Insert the following clause:

EMPLOYMENT ELIGIBILITY VERIFICATION (OCT 2015)

- (a) Definitions. As used in this clause—
- “*Commercially available off-the-shelf (COTS) item*”—
- (1) Means any item of supply that is—
 - (i) A commercial item (as defined in paragraph (1) of the definition at [2.101](#));
 - (ii) Sold in substantial quantities in the commercial marketplace; and
 - (iii) Offered to the Government, without modification, in the same form in which it is sold in the commercial marketplace; and

(2) Does not include bulk cargo, as defined in [46 U.S.C. 40102\(4\)](#), such as agricultural products and petroleum products. Per 46 CFR 525.1 (c)(2), “bulk cargo” means cargo that is loaded and carried in bulk onboard ship without mark or count, in a loose unpackaged form, having homogenous characteristics. Bulk cargo loaded into intermodal equipment, except LASH or Seabee barges, is subject to mark and count and, therefore, ceases to be bulk cargo.

“*Employee assigned to the contract*” means an employee who was hired after November 6, 1986 (after November 27, 2009 in the Commonwealth of the Northern Mariana Islands), who is directly performing work, in the United States, under a contract that is required to include the clause prescribed at [22.1803](#). An employee is not considered to be directly performing work under a contract if the employee—

- (i) Normally performs support work, such as indirect or overhead functions; and
- (ii) Does not perform any substantial duties applicable to the contract.

“*Subcontract*” means any contract, as defined in [2.101](#), entered into by a subcontractor to furnish supplies or services for performance of a prime contract or a subcontract. It includes but is not limited to purchase orders, and changes and modifications to purchase orders.

“*Subcontractor*” means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime Contractor or another subcontractor.

“*United States*”, as defined in [8 U.S.C. 1101\(a\)\(38\)](#), means the 50 States, the District of Columbia, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands.

(b) Enrollment and verification requirements.

(1) If the Contractor is not enrolled as a Federal Contractor in E-Verify at time of contract award, the Contractor shall—

- (i) Enroll. Enroll as a Federal Contractor in the E-Verify program within 30 calendar days of contract award;
- (ii) Verify all new employees. Within 90 calendar days of enrollment in the E-Verify program, begin to use E-Verify to initiate verification of employment eligibility of all new hires of the Contractor, who are working in the United States, whether or not assigned to the contract, within 3 business days after the date of hire (but see paragraph (b)(3) of this section); and
- (iii) Verify employees assigned to the contract. For each employee assigned to the contract, initiate verification within 90 calendar days after date of enrollment or within 30 calendar days of the employee’s assignment to the contract, whichever date is later (but see paragraph (b)(4) of this section).

(2) If the Contractor is enrolled as a Federal Contractor in E-Verify at time of contract award, the Contractor shall use E-Verify to initiate verification of employment eligibility of—

- (i) All new employees.
 - (A) Enrolled 90 calendar days or more. The Contractor shall initiate verification of all new hires of the Contractor, who are working in the United States, whether or not assigned to the contract, within 3 business days after the date of hire (but see paragraph (b)(3) of this section); or
 - (B) Enrolled less than 90 calendar days. Within 90 calendar days after enrollment as a Federal Contractor in E-Verify, the Contractor shall initiate verification of all new hires of the Contractor, who are working in the United States, whether or not assigned to the contract, within 3 business days after the date of hire (but see paragraph (b)(3) of this section); or

(ii) Employees assigned to the contract. For each employee assigned to the contract, the Contractor shall initiate verification within 90 calendar days after date of contract award or within 30 days after assignment to the contract, whichever date is later (but see paragraph (b)(4) of this section).

(3) If the Contractor is an institution of higher education (as defined at [20 U.S.C. 1001\(a\)](#)); a State or local government or the government of a Federally recognized Indian tribe; or a surety performing under a takeover agreement entered into with a Federal agency pursuant to a performance bond, the Contractor may choose to verify only employees assigned to the contract, whether existing employees or new hires. The Contractor shall follow the applicable verification requirements at (b)(1) or (b)(2) respectively, except that any requirement for verification of new employees applies only to new employees assigned to the contract.

(4) Option to verify employment eligibility of all employees. The Contractor may elect to verify all existing employees hired after November 6, 1986 (after November 27, 2009, in the Commonwealth of the Northern Mariana Islands), rather than just those employees assigned to the contract. The Contractor shall initiate verification for each existing employee working in the United States who was hired after November 6, 1986 (after November 27, 2009, in the Commonwealth of the Northern Mariana Islands), within 180 calendar days of—

(i) Enrollment in the E-Verify program; or

(ii) Notification to E-Verify Operations of the Contractor's decision to exercise this option, using the contact information provided in the E-Verify program Memorandum of Understanding (MOU).

(5) The Contractor shall comply, for the period of performance of this contract, with the requirements of the E-Verify program MOU.

(i) The **Department of Homeland Security (DHS)** or the **Social Security Administration (SSA)** may terminate the Contractor's MOU and deny access to the E-Verify system in accordance with the terms of the MOU. In such case, the Contractor will be referred to a suspension or debarment official.

(ii) During the period between termination of the MOU and a decision by the suspension or debarment official whether to suspend or debar, the Contractor is excused from its obligations under paragraph (b) of this clause. If the suspension or debarment official determines not to suspend or debar the Contractor, then the Contractor must reenroll in E-Verify.

(c) Web site. Information on registration for and use of the E-Verify program can be obtained via the Internet at the Department of Homeland Security Web site: <http://www.dhs.gov/E-Verify>.

(d) Individuals previously verified. The Contractor is not required by this clause to perform additional employment verification using E-Verify for any employee—

(1) Whose employment eligibility was previously verified by the Contractor through the E-Verify program.

(2) Who has been granted and holds an active U.S. Government security clearance for access to confidential, secret, or top secret information in accordance with the National Industrial Security Program Operating Manual; or

(3) Who has undergone a completed background investigation and been issued credentials pursuant to **Homeland Security Presidential Directive (HSPD)-12**, Policy for a Common Identification Standard for Federal Employees and Contractors.

(e) Subcontracts. The Contractor shall include the requirements of this clause, including this paragraph (e) (appropriately modified for identification of the parties), in each subcontract that—

(1) Is for—

(i) Commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item (or an item that would be a COTS item, but for minor modifications), performed by the COTS provider, and are normally provided for that COTS item); or

(ii) Construction;

(2) Has a value of more than \$3,500; and

(3) Includes work performed in the United States.

(End of clause)

CMS SECURITY CLAUSE (APR 2016)

a. Applicability

In accordance with OMB Memorandum M-05-24, Implementation of Homeland Security Presidential Directive 12 (HSPD-12): Policy for a Common Identification Standard for Federal Employees and Contractors, dated August 27, 2004, and **Federal Information Processing Standard (FIPS)** PUB Number 201-2, **Personal Identity Verification (PIV)** of Federal Employees and Contractors, CMS must achieve appropriate security assurance for multiple applications by efficiently verifying the claimed identity of individuals seeking physical access to Federally controlled government facilities and/or logical access to federally controlled information systems. Contractors that require routine physical access to a CMS facility and/or routine access to a CMS federally controlled information system will be required to obtain a CMS issued PIV, PIV-I or Locally Based Physical Access card. FIPS PUB 201-2 specifies the architecture and technical requirements for a common identification standard for Federal employees and Contractors.

When a PIV or PIV-I card is provided, it shall be used in conjunction with a compliant card reader and middleware for logical system access. The Contractor shall (1) Include FIPS 201-2 compliant, HSPD-12 card readers with the purchase of servers, desktops, and laptops; and (2) comply with [FAR 52.204-9](#), Personal Identity Verification of Contractor Personnel.

b. Definitions

“*Agency Access*” means access to CMS facilities, sensitive information, information systems or other CMS resources.

“*Applicant*” is a Contractor employee for whom the Contractor submits an application for a CMS identification card.

“*Contractor Employee*” means prime Contractor and subcontractor employees who require agency access to perform work under a CMS contract.

“*Official Station*”— As defined by Federal Travel Regulations, An area defined by the agency that includes the location where the employee regularly performs his or her duties or an invitational traveler’s home or regular place of business. The area may be a mileage radius around a particular point, a geographic boundary, or any other definite domain, provided no part of the area is more than 50 miles from where the employee regularly performs his or her duties or from an invitational traveler’s home or regular place of business. If the employee’s work involves recurring travel or varies on a recurring basis, the location where the work activities of the employee’s position of record are based is considered the regular place of work.

“*Federal Identification Card*” (or “*ID card*”) means a federal government issued or accepted identification card such as a Personal Identity Verification (PIV) card, Personal Identity Verification-Interoperable (PIV-I) card, or a Local-Based Physical Access Card issued by CMS, or a Local-Based Physical Access Card issued by another Federal agency and approved by CMS. “*Issuing Office*” means the CMS entity that issues identification cards to Contractor employees.

“*Locally Based Physical Access Card*” means an access Card that is graphically personalized for visual identification, that does not contain an embedded computer chip, and is only used for physical access.

“*Local Security Servicing Organization*” means the CMS entity that provides security services to the CMS organization sponsoring the contract, **Division of Physical Security and Strategic Information (DPSSI)**.

“*Logical Access*” means the ability for the Contractor to interact with CMS information systems, databases, digital infrastructure, or data via access control procedures such as identification, authentication, and authorization.

“*Personal Identity Verification (PIV) card*,” as defined in FIPS PUB 201-2, is a physical artifact (e.g., identity card, “smart” card) issued to an individual that contains a PIV Card Application which stores identity credentials (e.g., photograph, cryptographic keys, digitized fingerprint representation) so that the claimed identity of the cardholder can be verified against the stored credentials by another person (human readable and verifiable) or an automated process (computer readable and verifiable).

“*Personal Identity Verification-Interoperable (PIV-I) card*” similar to a PIV card, is a physical artifact (e.g., identity card, “smart” card) issued to an individual that contains a PIV Card Application which stores identity credentials (e.g., photograph, cryptographic keys, digitized fingerprint representation) so that the claimed identity of the cardholder can be verified against the stored credentials by another person (human readable and verifiable) or an automated process (computer readable and verifiable). PIV-I cards are issued by a non-federal government entity to non-federal government staff. PIV-I cards are issued in a manner that allows federal relying parties to trust the cards. The PIV-I cards uses the same standards of vetting and issuance developed by the U.S. government for its employees

c. Screening of Contractor Employees

i. Contractor Screening of Applicants

1. Contractor Responsibility: The Contractor shall pre-screen individuals designated for employment under any CMS contract by verifying minimum suitability requirements to ensure that only qualified candidates are considered for contract employment. At the discretion of the government, the government reserves the right to request and/or review Contractor employee vetting processes. The federal minimum suitability requirements can be found below in section (c)(2)—Suitability Requirements, and are also contained in 5 CFR 731.202. The Contractor shall exercise due diligence in pre-screening all employees prior to submission to CMS for agency access.
2. Alien Status: The Contractor shall monitor an alien’s (foreign nationals) continued authorization for employment in the United States. If requested by the Agency, the Contractor shall provide documentation to the **Contracting Officer (CO)** or the **Contracting Officer’s Representative (COR)** that validates that the **Employment Eligibility Verification (e-Verify)** requirement has been met for each Contractor or sub-Contractor employee working on the contract in accordance with Federal Acquisition Regulation (FAR) 52.222-54 – Employment Eligibility Verification.
3. Residency Requirement: All CMS Contractor applicants shall have lived in the United States at least three (3) out of the last five (5) years prior to submitting an application for a Federal ID Card. CMS will process background investigations for foreign nationals in accordance with **Office of Personnel Management (OPM)** guidance. Contractor employees who worked for the U.S. Government as an employee overseas in a Federal or military capacity; and/or been a dependent of a U.S. Federal or military employee serving

overseas, must be able to provide state-side reference coverage. State-side coverage information is required to make a suitability or security determination. Examples of state-side coverage information include: the state-side address of the company headquarters where the applicant's personnel file is located, the state-side address of the Professor in charge of the applicant's "Study Abroad" program, the religious organization, charity, educational, or other non-profit organization records for the applicant's overseas missions, and/or the state-side addresses of anyone who worked or studied with the applicant while overseas.

4. Selective Service Registration: All males born after December 31, 1959, must meet the Federal Selective Service System requirements as established on www.sss.gov.

ii. Identification Card Application Process

ID Card Sponsor: The **CMS Contracting Officer's Representative (COR)** will be the CMS ID card Sponsor and point of contact for the Contractor's application for a CMS ID card. The COR will review and approve/deny the HHS ID Badge Request before the form is submitted to the CMS, **Office of Support Services and Operations, (OSSO), Division of Personnel Security Services (DPS)**, for processing. If approved, an applicant may be issued either a **Personal Identity Verification (PIV)** or PIV- I card that meets the standards of HSPD-12 or a Local-Based Physical Access Card.

Contractor Application Required Submissions: All applicants shall submit an HHS ID Badge Request form for issuance of a Federal ID Card. Unless otherwise directed by the ID Card Sponsor or DPS, applicants are required to electronically submit the request form via CMS' **Enterprise User Administration (EUA) Electronic Front-end Interface (EFI)** system, which is located at <https://eua.cms.gov/efi>. To assist users with the application process, a user's guide is located at: <https://www.cms.gov/About-CMS/Contracting-With-CMS/ContractingGeneralInformation/Contracting-Policy-and-Resources.html>.

The EUA users guide link should be used to obtain the most current instructional guidance.

PIV Training: Contractors who need PIV or PIV-I card shall complete HHS PIV Applicant Training, which is found at <https://www.cms.gov/About-CMS/Contracting-With-CMS/ContractingGeneralInformation/Contracting-Policy-and-Resources.html>. A copy of the completion certificate shall be included with the EFI application.

CMS Applicant Evaluations: CMS will evaluate an applicant's required access level. Once the review is complete and accepted for further processing, the applicant will be contacted by DPS to submit the below information, as applicable.

1. **e-QIP:** Contractor employees will be required to submit information into e-QIP, a web-based automated system that is designed to facilitate the processing of standard investigative forms used when conducting background investigations for Federal security, suitability, fitness and credentialing purposes.
2. **Fingerprints:** Instructions for obtaining fingerprints will be provided by CMS, OSSO, DPS.
3. **OF 306:** Contractor employees may be required to complete the Optional Form (OF) 306, Declaration for Federal Employment which can be found at https://www.opm.gov/forms/pdf_fill/of0306.PDF.
4. **Access to Restricted Area(s):** The CMS COR will initiate all Federal ID card holders' physical access requests via **Physical Access Control System (PACS) Central** at <https://pam.cms.local>.

Suitability Requirements: CMS may decline to grant agency access to a Contractor employee including, but not limited to, any of the criteria cited below:

1. Misconduct or negligence in employment;
2. Criminal or dishonest conduct;
3. Material, intentional false statement, or deception or fraud in examination or appointment;
4. Refusal to furnish testimony as required by § 5.4 of 5 CFR 731.202;
5. Alcohol abuse, without evidence of substantial rehabilitation, of a nature and duration that suggests that the applicant or appointee would be prevented from performing the duties of the position in question, or would constitute a direct threat to the property or safety of the applicant or appointee or others;
6. Illegal use of narcotics, drugs, or other controlled substances without evidence of substantial rehabilitation;
7. Knowing and willful engagement in acts or activities designed to overthrow the U.S. Government by force; and
8. Any statutory or regulatory bar which prevents the lawful employment of the person involved in the position in question.

Badge Issuance: Upon approval of the badging application process and prior to starting work on the contract, applicants whose official station is located within 50 miles from CMS' central office or one of its regional offices will be contacted to appear in person, at least two times (estimated at one hour for each visit), and shall provide two (2) original forms of identity source documents in order to generate the badge/ID. The identity source documents shall come from the list of acceptable documents included in FIPS 201-2, located at <http://nvlpubs.nist.gov/nistpubs/FIPS/NIST.FIPS.201-2.pdf>. At least one (1) document shall be a valid State or Federal government-issued picture ID. PIV-I mobile enrollment stations will be made available for applicants that have an official station more than 50 miles from CMS or any of its regional offices, and the employee will not need to travel to a CMS Office. The Contractor will be contacted by CMS for further instructions on the badging process in this scenario.

d. CMS Position Designation Assessment

CMS will assign a risk and sensitivity level designation analysis to the overall contract and/or to Contractor employee positions by category, group or individual. The risk and sensitivity level designations will be the basis for determining the level and type of personnel security investigations required for Contractor employees. At a minimum, the FBI National Criminal History Check (fingerprint check) must be favorably adjudicated. Additionally, the OPM [e-QIP](#) and other required forms must be accepted by DPS before a CMS identification card will be issued.

e. Post Badging Training Requirements:

Contractor employees that receive an HHS ID Badge are expected to complete the following online trainings each year, according to the timeframes indicated below, and annually thereafter. The below list is not all inclusive and the COR may indicate training that must be taken in addition to the below:

- i. **Security and Insider Threat Awareness and Training (30 days after receiving badge):**
This course outlines the role of Contractors with regard to protecting information and ensuring the secure operation of CMS federally controlled information systems. Estimated time to complete is one hour.
- ii. **Computer Based Training (CBT) (within 3 days of approved EUA account):** This training offers several modules to familiarize contractor employees with features of CMS' webinar service. Estimated time to complete is one hour.

f. Background Investigation and Adjudication

Upon contract award and receipt of an HHS ID Badge Request, CMS will initiate the Agency Access procedures, to include a background investigation.

CMS may accept favorable background investigation adjudications from other Federal agencies when there has been no break in service. A favorable adjudication does not preclude CMS from initiating a new investigation when deemed necessary. Each CMS sponsored Contractor shall use the OPM [e-OIP](#) system to complete any required investigative forms.

The Contractor remains fully responsible for ensuring contract performance pending completion of background investigations of Contractor personnel. Employees that do not require access to CMS federally controlled information systems, facilities, or sensitive information in order to perform their duties may begin work on a contract immediately and need not submit an HHS ID Badge Request.

- i. Failure to cooperate with OPM or Agency representatives during the background investigation process is considered grounds for removal from the contract.
- ii. DPS may provide written notification to the Contractor employee, with a copy to the COR, of all suitability/non-suitability decisions. A CMS adjudicative decision (based on criminal history results or completed investigation results) is final, and is not subject to appeal.
- iii. Contractor personnel for whom DPS determines to be ineligible for ID issuance will be required to cease working on the contract immediately.
- iv. The Contractor shall immediately submit an adverse information report, in writing to the CO with a copy to the COR, of any adverse information regarding any of its employees that may impact their ability to perform under this contract. Reports should be based on reliable and substantiated information, not on rumor or innuendo. The report shall include, at a minimum, the Contractor employee's name and associated contract number along with the adverse information. The COR will forward the adverse information report to the DPS for review and/or action.
- v. At the Agency's discretion, Contractor personnel may be provided an opportunity to explain or refute unfavorable information before an adjudicative decision is rendered on whether or not to withdraw the Federal ID from the individual in question. Under the provision of the Privacy Act of 1974, Contractor personnel may request a copy of their own investigation by submitting a written request to the OPM **Federal Investigative Services (FIS) Freedom of Information (FOI)** office. The following OPM-FOI link is being provided to afford one the instructions for obtaining a copy of one's file: <https://www.opm.gov/investigations/freedom-of-information-and-privacy-act-requests/>.

g. Background Investigation Cost

The government will bear the cost of background investigations that are performed at the direction of CMS' personnel security representatives by the Federal government's approved and designated background investigation service provider, the OPM.

At the Agency's discretion, if an investigated Contractor employee leaves the employment of the Contractor, or otherwise is no longer associated with the contract within one (1) year from the date the background investigation was completed, the Contractor may be required to reimburse CMS for the full cost of the investigation. Depending upon the type of background investigation conducted and the cost incurred by CMS, the Contractor cost will be determined based upon the current OPM fiscal year billing rates, which can be found at <http://www.opm.gov/investigations/background-investigations/federal->

[investigations-notices](#). The amount to be paid by the Contractor shall be due and payable when the CO submits a written letter notifying the Contractor as to the cost of the investigation. The Contractor shall pay the amount due within thirty (30) days of the date of the CO's letter by check, made payable to the "United States Treasury." The Contractor shall provide a copy of the CO's letter as an attachment to the check and submit both to the Office of Financial Management at the following address:

Centers for Medicare & Medicaid Services
PO Box 7520
Baltimore, Maryland 21207

h. Identification Card Custody and Control

The Contractor is responsible for the custody and control of all forms of Federal identification issued by CMS to Contractor employees. The Contractor shall immediately notify the COR when a Contractor employee no longer requires agency access due to transfer, completion of a project, retirement, removal from work on the contract, or termination of employment. Return all CMS Federal ID cards to:

The Centers for Medicare and Medicaid Services
Attn: DPS, Mailstop: SL-17-06
7500 Security Boulevard
Baltimore, Maryland 21244

The Contractor shall also ensure that Contractor employees comply with CMS requirements concerning the renewal, loss, theft, or damage of an ID card.

Failure to comply with the requirements for custody and control of CMS issued ID cards may result in a delay in withholding final payment or contract termination, based on the potential for serious harm caused by inappropriate access to CMS facilities, sensitive information, information systems or other CMS resources.

- i. **Renewal:** A Contractor employee's CMS issued ID card is valid for a maximum of five (5) years and 9 months or until the contract expiration date (including option periods), whichever occurs first. The renewal process should begin six weeks before the ID card expiration date by contacting the COR. If an ID card is not renewed before it expires, the Contractor employee will be required to sign-in daily for facility access and may have limited access to information systems and other resources. Contractor ID card certificate(s) require yearly updates from the issuance date. The yearly updates should be coordinated between the contractor and the COR.
- ii. **Lost/Stolen:** Immediately upon detection that an ID card is lost or stolen, the Contractor or Contractor employee shall report a lost or stolen ID card to the COR and the local security servicing organization at SECURITY@cms.hhs.gov. The Contractor shall also submit an Incident Report within 48 hours, to the COR, DPS at Badging@cms.hhs.gov, and the local security servicing organization. The Incident Report shall describe the circumstances of the loss or theft. If the loss or theft is reported by the Contractor to the local police, a copy of the police report shall be provided to the COR. The Contractor employee shall sign in daily for facility access and may have limited access to information systems and other resources until the replacement card is issued.
- iii. **Replacement:** An ID card will be replaced if it is damaged, contains incorrect data, or is lost or stolen for more than three (3) days, provided there is a continuing need for agency access to perform work under the contract.

In the event that the [PIV card](#) or certificate(s) are not renewed in a timely fashion, or the ID card requires replacement due to being lost, stolen, or damaged, the contractor employee will go through the “[Badge Issuance](#)” process again as described in above in section (c)(2). In any of these events, contact your COR to coordinate the appropriate next steps.

i. Surrender ID Cards/Access Cards, Government Equipment

CMS reserves the right to suspend or withdraw ID card access at any time for any reason. Access will be restored upon the resolution of the issue(s).

Upon notification that routine access to CMS facilities, sensitive information, federally controlled information systems or other CMS resources is no longer required, the Contractor shall surrender the CMS issued ID card, access card, keys, computer equipment, and other government property to the CMS COR or directly to CMS at the address referenced above in section (f). DPS Contractor personnel who do not return their government issued property within 48 hours of the last day of authorized access to CMS, may be permanently barred from CMS systems and facilities and may be subject to fines and penalties, as authorized by applicable Federal or State laws.