

REQUEST FOR BID



BID DETAILS

REFERENCE NUMBER: POLMED/Administration/2020

CLOSE **Date:** 30 July 2020
 Time: 11:00
 Place: See paragraph 4 on page 8 of this RFB document

DESCRIPTION: APPOINTMENT OF A SERVICE PROVIDER TO RENDER ADMINISTRATION SERVICES TO POLMED FOR A PERIOD OF THREE YEARS COMMENCING ON 1 JANUARY 2021, WHICH CONTRACT MAY BE ANNUALLY RENEWABLE TO A TOTAL MAXIMUM PERIOD OF FIVE YEARS

BRIEFING SESSION: YES

DETAILS OF BIDDER

Organization:

Procurement process administered by Gildenhuis Malatji Incorporated and Alexander Forbes Health (Pty) Ltd

GLOSSARY

Accreditation	Accreditation granted in terms of section 58(3) of the Medical Schemes Act by the Council established by section 3 of the Act and, if applicable, any compulsory accreditation required in terms of any other relevant legislation, regulations or rules regulating the Bidder including any compulsory registration with a professional body and “Accredited” shall have a corresponding meaning
Authorised representative	Person/legal entity authorised by the Board of Trustees or by its delegate, the Principal Officer of Polmed, to represent Polmed from time to time.
Award	Conclusion of the procurement process and final notification to this effect to the successful Bidder
B-BBEE	Broad-Based Black Economic Empowerment Act, Act No. 53 of 2003 and the Codes of Good Practice issued thereunder by the Department of Trade and Industry
Beneficiaries	The principal members of Polmed and their registered dependants and “Beneficiary” shall have a corresponding meaning
Bid	A formal submission by a Bidder in response to this RFB document
Bidder	An entity or entities submitting a bid as above in response to this RFB, and includes a Bidder consortium
Board	The duly constituted Board of Trustees of Polmed
Contractor	Contractor with whom Polmed will conclude a formal contract and service level agreement subsequent to the final award of the contract based on this Request for Bid
Council	The Council for Medical Schemes established in terms of section 3 of the Medical Schemes Act 131 of 1998
CPI	The Consumer Price Index Published in its publication P0141 (or any substitute publication) by Statistics South Africa (or its successor in title)
Dependant	A person who qualifies as a Child Dependant or as an Adult Dependant of a Member in accordance with the definitions in the Scheme Rules.
dti	Department of Trade and Industry, a national Government department
EME	Exempted Micro Enterprise in terms of the Codes of Good Practice
May be deemed non-responsive	Bidder will not summarily be excluded from further evaluation without consideration of the detail. Clarification may be requested from the bidder in such instance.

Medical Schemes Act	The Medical Schemes Act, Act No 131 of 1998, as amended from time to time and any regulations published in terms thereof
Member	Any person registered as a principal member of Polmed, who enjoys benefits in terms of the Scheme Rules, but will exclude Suspended Members, with effect from the date of suspension, for purposes of the calculation of the Bidder's monthly administration fees
Original bid	An original document, or a copy of an original document, or a facsimile of an original document, provided such document is signed in original ink by the person duly authorised to commit the bidder.
PO	Principal Officer
Polmed	The South African Police Service Medical Scheme being a medical scheme registered under the Medical Schemes Act, 1998
Procurement Policy	Procurement Management, based on the terms and conditions in the prevailing Procurement Policy, read with the Terms of Reference of the BTEC as approved by the Board of Polmed, and which Policy is applicable to this RFB
QSE	Qualifying small enterprise in terms of the codes of good practice
RFB	This Request for Bid for the procurement for administration services, on the terms and conditions contained in this bid document
Scheme Rules	The Rules registered by the Council in terms of section 32 of the Medical Schemes Act
SLA	Service Level Agreement entered into between Polmed and the preferred Bidder setting out the terms and conditions for the services to be provided by the preferred Bidder
Statistics South Africa	The department contemplated in Section 4(1) of the Statistics Act 6 of 1999, amended from time to time
TOR	Terms of Reference
Trustees	The members of the Board of Trustees of Polmed, as constituted in terms of the Scheme Rules to manage Polmed
Valid document	A document containing authentic information conforming to legally binding status and is enforceable by the executing authority on the bidding authority whether in an original, copied, reproduced, photo, faxed or in electronic format and that has bearing to transaction(s) with Polmed. Such submission must be valid at the closing date and time of submission.
Will be deemed non-responsive	Bidder will immediately be excluded from further evaluation

DOCUMENTS IN THIS RFB PACK

Bidders are to ensure that they have received all pages (pp. 51) of this document, which consist of the following two sections:

SECTION A

Note: Documents in this section are for information and/ or instruction to Bidders and must not be returned with bids.

- Section A-1: Bid Submission Conditions and Instructions
- Section A-2: Terms of Reference
- Section A-3: Evaluation Process/Criteria

SECTION B

Note: Documents in this section must be completed and returned or supplied with bids.

- Section B-1: Proposal Checklist
- Section B-2: Special Conditions of Bid that the Bidder needs to accept
- Section B-3: Invitation to Bid
- Section B-4: Pricing Schedule
- Section B-5: Declaration of Interest
- Section B-6: Declaration of Bidder's past Procurement practices

ANNEXURES

Note: Documents in this section are for information and/or instruction to bidders and must not be returned with bids.

Annexure A: Communication Schedule

SECTION A

BID SUBMISSION CONDITIONS AND INSTRUCTIONS

1. FRAUD AND CORRUPTION

- 1.1. All Bidders are to take note of the implications of contravening the Prevention and Combating of Corrupt Activities Act, Act No 12 of 2004 and any other Act applicable.

2. COMPULSORY BRIEFING SESSION

- 2.1. A **compulsory** briefing session will be held from 10:00am to 11:00am at a venue that will be confirmed closer to the date of the briefing session. The requisite building hygiene protocols will be observed in light of the COVID-19 outbreak, taking into account social distancing, sanitizing and other safety precautions to ensure the safety and health of all individuals present at the briefing session. .

- 2.2. Any organisation wishing to bid must:

2.2.1 Have a maximum of two representatives in attendance.

2.2.2 For bids from a Consortium or Joint Venture, there may be one representative per entity within the Consortium or Joint Venture, but limited to a maximum of 3 delegates, irrespective on how many entities form part of such a Consortium or Joint Venture.

2.2.3 Prospective bidders are to notify polmedtender@forbes.com no later than 19 June 2020 of their intention to participate in this RFB and to attend the electronic briefing session and how many persons will be attending.

2.3 Bids from organisations or consortia of organisations that have not met the attendance requirements will not be considered.

2.4 Bidders are advised to study this document before attending the briefing session to have their questions ready.

2.5 All questions, and their responses, asked at the Briefing session will be circulated to all attendees by 15 July 2020.

3 CLARIFICATIONS/ QUERIES

3.1 Any clarification required by a bidder regarding the meaning or interpretation of any part of the Terms of Reference or any other aspect concerning the bid, is to be requested in writing by e-mail to polmedtender@forbes.com by not later than 1 July 2020. A consolidated response document will be circulated by close of business on 15 July 2020. The clarifying information will be made available to all bidders by e-mail only.

3.2 The bid number must be mentioned in all correspondence.

3.3 Telephonic requests for clarification will not be accepted.

4 SUBMITTING BIDS

- 4.1 One (1) original plus an electronic version of the original, either on a flash disc or readable CD-Rom included in the same envelope as the original shall be delivered to:

Address:

**POLMED HOUSE
20 HOTEL STREET
PERSEQUOR
PRETORIA**

- 4.2 The electronic version of the bid must be password protected and the password must be emailed to polmedtender@forbes.com by the closing time of the bid.

- 4.3 An original version of the bid must be submitted. The original version must be signed in ink. Only bids that are submitted as aforesaid will be accepted as valid and responsive.

- 4.4 Bids should be submitted in a sealed envelope/ pack, marked with:

- Bid number (POLMED/Administration/2020)
- Closing date and time (at 11:00am)
- The name and address of the Bidder.

- 4.5 All bids submitted to Polmed on time will become the property of Polmed and will as such not be returned to the Bidder. Polmed will make all reasonable efforts to maintain proposals in confidence. **Proprietary information should be identified as such in each bid.**

5 LATE BIDS

- 5.1 Bids received late will not be considered. A bid will be considered late if it arrived even one second after the closing hour or any time thereafter on the closing date. The tender box shall be locked at exactly 11:00am and bids arriving late will not be considered under any circumstances. Bids received late shall be returned unopened where possible to the Bidder. Bidders are therefore strongly advised to ensure that bids be dispatched allowing enough time for any unforeseen events that may delay the delivery of the bid.

- 5.2 The official Telkom time (Dial 1026) will be used to verify the exact closing time.

- 5.3 Bids submitted via any other mechanism other than set out above shall be deemed to be invalid.

6 FORMAT IN WHICH BIDS ARE REQUIRED

- 6.1 Bidders must complete all the necessary documents and undertakings required in this bid document. Bidders are advised that their proposal should be concise, written in plain English and simply presented. Bidders are to set out their submission in the format prescribed hereunder.

6.2	Part 1: Proposal Checklist
6.2.1	Bidders must complete, sign and return the "Proposal Checklist".
6.2.2	Bids submitted without the Proposal Checklist will be deemed to be non-responsive.
6.3	Part 2: Special Conditions of Bid
6.3.1	Bidders must sign and return the "Special Conditions of Bid".
6.3.2	Bids submitted without the signed "Special Conditions of Bid" will be deemed to be non-responsive.
6.4	Part 3: Invitation to Bid
6.4.1	Bidders must complete, sign and return the full "Invitation to Bid" document.
6.4.2	Bids submitted without the "Invitation to Bid" will be deemed to be non-responsive.
6.5	Part 4: Pricing Schedule
6.5.1	Bidders must complete and return the "Pricing Schedule Addendum".
6.5.2	All costs related to this assignment are to be allowed for in the pricing schedule and in the format prescribed and must be returned as part of the submission.
6.5.4	A Pricing Schedule with any one of the specified elements omitted from the costing will be considered non-responsive.
6.5.5	Value Added Tax (VAT) must be included and shown separately.
6.5.6	Bids submitted without a "Pricing Schedule" will be deemed to be non-responsive.
6.6	Part 5: SARS Tax Clearance Certificate(s)
6.6.1	An <u>original valid</u> SARS Tax Clearance Certificate must accompany the proposal and must be valid at the date of closing of the bid.
	In case of a consortium / joint venture, or where sub-contractors are utilised, an original valid SARS Tax Clearance Certificate for each consortium/ joint venture member and/or sub-contractor (individual) must be submitted. Certified copies of the Tax Clearance Certificate will not be acceptable.

6.6.2	Where no tax clearance exists for any party noted above, a letter from SARS needs to be provided for that party, indicating that satisfactory arrangements have been made with SARS to meet the party's tax obligations.
6.6.3	Bids submitted without an original valid Tax Clearance Certificate(s) or proof of arrangements made with SARS for all consortium/ joint venture members and/or sub-contractor(s) (individuals) will be deemed to be non-responsive.
6.6.4	Bidders will also have to provide the PIN number generated by SARS so that the authenticity of the tax clearance certificate can be validated.
6.7	Part 6: Declaration of Interest
6.7.1	The Bidder must complete, sign and return the "Declaration of Interest" form on behalf of all parties to the bid.
6.7.2	Bids submitted without a completed and signed "Declaration of Interest" will be deemed to be non-responsive.
6.8	Part 7: Declaration of Bidder's Past SCM Practices
6.8.1	The Bidder must complete and return the "Declaration of Bidder's Past Procurement Practices" on behalf of all parties to the bid.
6.8.2	Bids submitted without a completed and signed "Declaration of Bidder's Past Procurement Practices" will be deemed to be non-responsive.
6.9	Part 8: Company Registration Certificates
6.9.1	The Bidder must be a South African entity and must submit a copy of its "Certificate of Confirmation" issued by the Companies and Intellectual Properties Registration Office (CIPRO) or Companies and Intellectual Property Commission (CIPC). Other forms of proof that will be regarded as acceptable if the Certificate of Confirmation is not available, are the Certificate of Incorporation or the Certificate of Director Amendments (COR 39) also issued by CIPRO/ CIPC and which also shows enterprise information and active directors and confirms the registration of the company.
6.9.2	In cases where the Bidder, by law, does not require registration, such as sole proprietors, partnerships, etc. a letter to this effect must be provided.
6.9.3	Bids submitted without the required certificate or letter for the Bidder will be deemed to be non-responsive.

6.10	Part 9: VAT Registration Certificate
6.10.1	The Bidder must submit a certified copy of its VAT registration certificate (VAT103), if applicable. Where the bidder forms part of a consortium or joint venture, a VAT certificate in respect of each of the members of the consortium and/or joint venture must be included.
6.10.2	In cases where the Bidder, by law, does not require to be registered for VAT, a letter to this effect must be provided.
6.10.3	Bids submitted without the required certificate or letter for the Bidder will be deemed to be non-responsive.
6.11	Part 10: Claim in terms of the B-BBEE Act and the Codes of Good Practice and further preferential initiative
6.11.1	Bidders must provide proof, in the form of a certificate, of their level contributor status in terms of the B-BBEE Act and the Codes of Good Practice issued by the dti or the approved sector codes issued in terms thereof. Such certificate must be issued by a South African National Accreditation System (SANAS) accredited B-BBEE verification agency or an IRBA accredited auditor. If a party to the bid is not a large enterprise as defined in the Codes, it may provide other proof of its status, which proof must be legally allowable and may be in the form of a certificate issued by a registered auditor or an Accounting Officer (as contemplated in the Close Corporations Act, Act No 69 of 1984) or a sworn affidavit (only in terms of the new Codes of Good Practice).
	<u>Note</u> : Polmed reserves the right to validate the accreditation status of the verification agency used.
	The bidder, or each JV/ consortium member, must provide proof of its level contributor status in terms of the B-BBEE Act and the Codes of Good Practice issued by the dti in October 2013, as amended. The proof submitted must be valid at the closing date of the submission. All proof which is aligned with the Codes of Good Practice will be considered.
6.11.2	The name of the bidding entity must appear on the certificate.
6.11.3	Should the bidding entity be a consortium or a joint venture, each party to the consortium or joint venture should submit a certificate or such other proof which is legally acceptable and in which case it must be indicated what percentage of work each entity will be responsible for (provided for in the pricing schedule addendum).
6.11.4	In order to be awarded points for B-BBEE status, the certificate(s) must be valid as at the date and time of the closing of the bid.
6.11.5	Should no certificate(s) or an invalid certificate(s) be submitted for the relevant parties to the bid, zero points will be awarded for B-BBEE status during the evaluation process.

6.11.6	In line with paragraph 17 of the Special Conditions of Bid, bidders must indicate on a separate page, at least which one additional B-BBEE initiative it will promote towards achieving Polmed's objectives of promoting broad-based black economic empowerment. This element will be considered, but not scored.
6.12	Part 11: Accreditation Requirements¹
6.12.1	The bidder must provide proof of accreditation with the Council for Medical Schemes as at least a Medical Scheme Administrator and with the Financial Sector Conduct Authority ("FSCA"). As a minimum requirement, a valid copy of the certificate granting accreditation to the bidder must be submitted for all services which require accreditation as per the CMS Medical Schemes Act and the FSCA requirements. Any qualifications/ conditions attached to the accreditation by the CMS must be provided. The certificate must be valid at the closing date and time of the bid.
6.12.2	The bidding entity must maintain its accreditation for the duration of the contract.
6.12.3	Bids submitted without the required proof of accreditation as an Administrator with the Council for Medical Schemes and the FSCA will be deemed to be non-responsive.
6.13	Part 12: Proof of Financial Soundness
6.13.1	As a minimum requirement, the Bidder is required to submit confirmation of financial soundness to prove that it is a going concern. This should be done by submitting audited financial statements
6.13.2	Bids submitted without the required proof of financial soundness for the Bidder will be deemed to be non-responsive.
6.14	Part 13: Company Profile
6.14.1	The Bidder must submit an overall company profile including the number of staff and the growth in the number of members managed over the last five years.
6.15	Part 14: Experience in this field
6.15.1	Bidders must have been rendering full managed care services to another scheme for at least 5 years. Bidders must also have or have had in the last 12 months, at least one scheme which covers at least 300 000 lives. Bidders that don't meet these two requirements will not be considered.
6.15.1	Bidders must submit and return in this part, details of similar contracts where the full administration services as per the requirement were provided, with a focus on at least the past 12 months. This detail should at least include the following: <ul style="list-style-type: none"> • Client name • Basic description of the service rendered • Contract duration

	<ul style="list-style-type: none"> Total size of the client where it is a medical scheme, i.e. the number of principal members managed and the number of beneficiaries serviced for that client Total size of the staffing complement of the bidding entity.
	The bidder must indicate the total number of medical schemes under administration as well as the size of those schemes at the closing time of the bid. Reference letters of at least 2 other schemes have to be provided.
6.15.3	Bids submitted without the required information will be deemed to be non- responsive.
6.16	Part 15: Resources
6.16.1	Bidders must submit a staffing plan that includes the key roles as well as the size of the teams that would be required to supply these services to the scheme. The plan must also show which of the roles will be dedicated to Polmed only and which will be shared. The skills and experience of the staff that would be put into key roles should be detailed.
6.16.2	The information provided in this part may not exceed 5 pages.
6.16.3	Bids submitted without the required information will be deemed to be non-responsive.
6.17	Part 16: Terms of Reference Questions
6.17.1	Bidders must develop, complete and return their response to the Terms of Reference (TOR) document's specific questions.
6.17.2	Bidders must respond to all the questions in the "Questions" portion of the TOR. Bidders must clearly indicate where they have added points in addition to the questions that are stated in the TOR. There is no restriction on the format of the response, but there is a restriction on the length of the responses to the various components as highlighted in the Terms of Reference.
6.17.3	Bids submitted without a response to the TOR questions will be deemed to be non-responsive.
6.18	Part 17: Overall Methodology and Approach
6.18.1	Bidders must, in addition to their response to the Terms of Reference in Part 16, provide an overall view of the solution proposed and in particular address at least the undermentioned if not covered in this format in the Terms of Reference Questions responses. This part of the submission is restricted to a maximum of 10 pages.
6.18.2	<input type="checkbox"/> Describe your overall integrated solution that is being proposed, with particular reference to at least the interface required with the managed care provider. The bidder should identify any possible problems that might hinder delivery and indicate how they will avoid, or overcome such problems. <input type="checkbox"/> Provide details on the bidder's capabilities to take on and set up a Scheme of a similar size to Polmed. Please also indicate the scalability of the bidder's operations, resources and structures.

	<ul style="list-style-type: none"> <input type="checkbox"/> Please provide a motivation as to why the bidder is suitable to act as a strategic and business partner to Polmed. <input type="checkbox"/> Describe and detail any parts of the proposed solution which may be outsourced to other providers and how this will be managed. <input type="checkbox"/> Provide any results from member satisfaction surveys undertaken or industry reviews for similar contracts of the bidder. <input type="checkbox"/> Describe impacting legislation and how legislative compliance on all levels of this assignment will be ensured. <input type="checkbox"/> Describe how systems and controls will be managed and reviewed, inclusive of internal audit arrangements. <input type="checkbox"/> Describe how quality assurance reviews will be performed objectively against performance by the Contractor.
6.18.3	Bids submitted without the required information will be deemed to be non-responsive.
6.19	Part 18: Project plan (limited to 5 pages)
6.19.1	Provide your proposed approach and timelines for service transition, migration and implementation. Please cover all business activities that form part of your proposed solution.
	Bidders must supply a risk register setting out the possible risks related to the handover from the current administrator to the Contractor as well as the proposed mitigatory measures which will be implemented for such risks.
6.19.2	Please describe your approach to knowledge and skills transfer
6.19.3	Describe the implementation and migration team that you will provide as part of your solution. Please ensure you provide details of all proposed roles and responsibilities.
6.19.4	Describe how you propose to manage change on an ongoing basis. Include details on and experience of the proposed staff and resources responsible for change management. Also, highlight any project management approaches, techniques that will be applied. Examples should be provided of where this has been done in the past.
6.19.5	Bids submitted without the required project plan will be deemed to be non-responsive.

TERMS OF REFERENCE

1. OBJECTIVE

The objective of the 2020-bid process is for Polmed to appoint a contractor to render administration services to Polmed in accordance with the Medical Schemes Act 131 of 1998, its regulations, the registered Rules of Polmed and the principles of sound corporate governance. The contract will be established for a period of three years commencing 1 January 2021, with the option to extend it for a further two years.

2. BACKGROUND

The South African Police Service Medical Scheme (Polmed/the Scheme) was formed to cater for the healthcare needs of employees of the South African Police Service (SAPS) appointed under the South African Police Act, Act No. 68 of 1995. The Scheme is a not for profit restricted medical scheme registered in terms of the Medical Schemes Act, Act No. 131 of 1998 and its rules are registered with the Council for Medical Schemes (CMS) in terms of the Act.

Polmed's structure consists of Board of Trustees that directs the Scheme's activities. The Board of Trustees consists of 14 members, of whom seven are designated by the National Commissioner and seven elected by members. The duties and responsibilities of the Board of Trustees are regulated by the Rules of the Scheme and the Medical Schemes Act, 131 of 1998, as amended. The Board of Trustees has a number of Board committees that are designed to allow every Trustee to play a role in the governance of the Scheme. These committees have their own Chairpersons and meet on a regular basis to deal with issues that are relevant to them and issues that have been delegated to them by the Board. Trustees have the fiduciary responsibility of looking after the Scheme's funds on behalf of members.

3. POLMED STRATEGIC OBJECTIVES

Polmed's core strategic objectives are:

- 3.1. To ensure members are able to receive appropriate healthcare through benefit provision and management.
- 3.2. The provision of sustainable healthcare through a focus on prevention and primary healthcare services.
- 3.3. To ensure a well-informed stakeholder base.
- 3.4. To remain a sustainable Scheme within a changing business environment.
- 3.5. To ensure that Scheme resources are effectively leveraged in order to optimize performance.

4. POLMED MEMBERSHIP

Polmed had 176 981 members and 507 764 beneficiaries as at 31 December 2019, with an average age of beneficiaries of 27.88 years. The majority of Polmed's members are in South Africa, however, there are a few members based in Namibia.

4.1. MEMBERSHIP DISTRIBUTION BY PLAN

Polmed currently has two registered benefit plans. The plan distribution of the existing scheme beneficiaries is as follows:

Marine Plan	339 338 (67%)
Aquarium Plan	168 428 (33%)

More detailed information on the Polmed benefit plans can be obtained by visiting the Polmed website at www.Polmed.co.za.

5. FINANCIAL INFORMATION

Financial information for the year ending 31 December 2019 is as follows:

Net Contribution Income	R10 013 million
Claims paid	R9 918 million
Net Surplus	R10 087 million
Solvency	40.45%
Claims ratio	100.33%

6. CURRENT SERVICE ENVIRONMENT

Polmed has contracted with a number of third-party providers in order to support its strategic goals and service delivery to its members. The current service environment for Polmed is reflected in the table below.

Main Service Area	Sub-Service Area (Current Provider in Brackets)
Administration	
	Processing Functions (Medscheme)
	Risk Management Functions (Medscheme)
	Client Management Services (Medscheme)
Managed Care Services	
	Disease Risk Management (Medscheme)
	Medical Advisory Services (Medscheme)
	Network Management (Medscheme)
	Client Management Services (Medscheme)
	Capitated Optometry Network (PPN)
	Emergency Medical Services (Netcare 911)

	Wellness Program (Medscheme – Wellness Odyssey)
Independent 3rd Party Providers	
Provider Profiling (Insight Actuaries and Consultants)	

Main Service Area	Sub-Service Area (Current Provider in Brackets)
Actuarial Services (Insight Actuaries)	
Marketing, Brand and Positioning (In-house)	

7. THIS BID PROCESS

This bid process is open to any CMS accredited medical scheme administrator in the South African market. Polmed seeks to partner with an administrator (contractor) who is committed to an integrated approach to the provision, management and administration of data and services. The provider should have the expertise to integrate networks and stakeholders across administration, clinical and managed care providers.

In addition, the contractor needs to provide innovative solutions in an ever-changing environment and assist with ensuring that Polmed remains sustainable and effective.

Polmed is committed to the financing and provision of sustainable healthcare to the SAPS employees and their dependants. Therefore, the bid process will not only consider the cost and effectiveness of the provision of services in 2021 but will also consider the ability of the administrator to partner with Polmed in the achievement of this goal. For sustainable healthcare, Polmed believes that primary prevention should be a key focus. The administrator is required to demonstrate their ability to integrate a service delivery framework with a strong focus on primary healthcare delivery.

8. THE SERVICES AND SCOPE REQUIRED

Bidders are required to submit a proposal for all the services detailed below, making provision for interfacing with third-party service providers. The scope outlined below is service-orientated, however the bidder should include a member- and outcome-based approach as well.

The administrator and managed care providers may be separate providers and as such integration and real-time interfacing between providers in an essential component of the services required. The administrator will primarily be responsible for membership, claims and contribution management and data, while the managed care provider will be responsible for all clinical management and data integration including funding protocols, formularies and treatment plans.

The service provider will report to the designated functional representative on all matters pertaining to this contract and will report at regular intervals as agreed upon. Penalties will apply when the contract and service level agreements are not adhered to.

The services within this tender are broken down into the following three sections:

1. Processing Functions
2. Risk Management Functions

3. Client Management Functions

8.1. PROCESSING FUNCTIONS

The processing functions required are broken down into the following three main functions:

- Membership Management
- Claims Management
- Financial Management

8.1.1. Membership Management

This function includes all the processes relating to membership management, the registration of new members, maintenance of membership data and cancellation or terminations of membership. Included in this function are:

- Registration and termination of members and dependents
- Issuing of membership certificates
- Sending member communications and member information documents
- After Hours support
- Member Tax Certificates
- Sending member statements
- Membership trends and demographic analysis.
- Option change report
- Member Complaints process
- Assistance Marketing to members.
- Strict application and adherence to the Scheme rules
- Application of the Polmed Debt management policy

8.1.2. Claims Management:

This function includes all the activities relating to claims and the management thereof:

- Collecting (paper and electronic claims), capturing and processing of claims.
- Validation and payment of claims in accordance with scheme rules, billing rules, coding, clinical best practices, approved treatment plans and procedures.
- Manage third party claims
- Communication to members of claims process
- Tracking of claims for both scheme and member
- Implement benefit changes as advised.
- Integration with Managed care provider
- Claims adjudication and payment for emergency medical services
- Integrated RAF service provider and recoveries
- Integrated preventative FWA services
- Integrated ID identification and recoveries

8.1.3. Financial Management:

This service includes all transactional activities relating to:

- Maintenance and management of the Polmed bank account.
- Collection of contributions, reconciliation thereof and debt management with notification of non-payment of contributions.
- Payment of claims to providers or members.
- Assessment of all payments against Injury of Duty claims received from Polmed.
- Financial reporting including statutory submissions, monthly management accounts (including IBNR provisions), year-end accounts.
- Interaction with the Scheme's office, as well as the internal / external auditors and actuaries.
- Healthcare debt and recovery

In addition to the above functions, the service provider should demonstrate effective data integration capabilities within membership, claims and financial management functions, as well as interfacing with other Polmed stakeholders and service providers. All the above functions should be consistent with the rules of Polmed and completed in accordance with the Medical Schemes Act.

The service provider should perform the debt management functions in accordance with the Scheme's debt management policy.

The service provider will be required to attend all the necessary meetings, provide the Scheme with internal audit reports and ad hoc reports as and when requested.

8.2. RISK MANAGEMENT FUNCTIONS

The risk management functions required are broken down into the following three main functions:

- IT and Data Management
- Business Continuity
- Fraud, Waste and Abuse management and Awareness

8.2.1. IT and Data Management

This function includes ensuring system and technology integration, functional capabilities of the IT structures and data warehouses, as well as confidentiality of data. The service provider should host and maintain:

- Appropriate, effective, flexible and current IT systems and structures.
- A data warehouse that will effectively support and host the Polmed database. This should include capabilities that integrate with the Polmed data warehouse and data requests.
- Database integration capabilities to ensure effective integration of data across various data sources.
- Interfacing with the various Polmed service providers, in particular with the managed care provider and various provider networks.
- Current protocols and procedures to ensure the confidentiality and integrity of the Polmed data.

- Annual reviews, testing and reports on the IT control environment and structures.

The service provider should maintain effective Cyber Security practices and be in a position to be compliant to POPI regulation.

The service provider should assist Polmed with all reasonable requests for information by, but not limited to, the CMS, the National Treasury Department and the Auditor General. In addition, the service provider should provide monthly operational reports on the IT system and data warehouse.

8.2.2. Business Continuity

The service provider should have the ability to maintain business continuity and limit operational down time during any unforeseen circumstances. This includes implementing and adhering to a business continuity plan during power failures and other events which may impact business operations. These plans should be reviewed frequently, comply with international best practices and include a disaster recovery plan.

The service provider should integrate with Polmed's risk management team and adhere to reasonable requests on an ad hoc basis.

Service provider to provide disaster recovery centre to Polmed.

8.2.3. Fraud, Waste and Abuse Awareness

The services provider will be responsible for enhancing fraud, waste and abuse awareness. They will also be required to identify fraud and waste as well as make recoveries.

8.3. CLIENT MANAGEMENT FUNCTIONS

The client management function consolidates the integrated service delivery for Polmed and all the stakeholders involved. It should focus on establishing Polmed with a high-quality, member-centric delivery culture with effective business relationships between the Scheme, providers and members. The client management functions required are broken down into the following two main functions:

- Communication and Relationship Management
- Brand Management

8.3.1. Communication and Relationship Management

This function relates to the effective communication and integration between the Scheme and the Board of Trustees, members and providers. The service provider should:

- Provide a centrally managed call centre, for members and providers that is operational between 7:30 and 17:00 on business days, with English as the primary language.
- Provide walk-in centres in at least nine provinces that are operational between 7:30 and 17:00 on business days, from 7:30 to 12:00 on Saturdays, with English as the primary language. The members based in Namibia will use the call centre as communication medium.

- Use the current Polmed - owned dedicated telephone number, fax number, email and postal address.
- Maintain a query management system, with accumulating and capturing of queries via post, email, fax or calls and redirecting the calls and queries to the relevant stakeholders. These stakeholders will include other service providers of the Scheme, as well as the Scheme itself.
- Provide website hosting and maintenance with the development and maintenance of possible mobile applications.
- Provide customer relationship management reports.
- Distribute, via post, email or website, various member communications that include:
 - Membership cards and new member packs
 - Claim statements using the Scheme's prescribed format
 - Member guides on benefit changes
 - Operational forms that include various types of application forms
- National F2F liaison officers equipped to service member needs (annual benefit education, regional member workshops, track and trace member personal details and diseases management plan registration)
- Design, print and distribute, via post, email or website, various other communications that include:
 - Newsletters
 - Annual reports
 - Notification or information documents sent specifically to providers
 - Provide electronic membership cards

Please note that the cost of the printing of the communication should not be included in the bid as same will be paid for separately on presentation of an invoice.

8.3.2. Brand Management

The service provider should create awareness of the Polmed brand and services with current members. This should include creative solutions to maintain and increase the Polmed brand amongst SAPS employees and providers. The brand management should be included in all the functions executed by the service provider and should be used to promote Polmed in the healthcare environment. Specific functions relate to including Polmed signage at walk-in centres and all communication documents to members, providers, or the Scheme, as well as being responsible for Polmed stationery. Polmed does not envisage any major rebranding within the next few years.

ADMINISTRATION EVALUATION CRITERIA

This section of the Terms of Reference requires the bidder to demonstrate an understanding of the Polmed services and requirements. For each question below, as well as with reference to the services described in the Services and Scope Required section above, the bidder is required to provide concise information relating to how the services will be delivered and how service delivery to Polmed and its members will continuously be improved. Examples and past experience or reference should be specified in the response to the points below, where appropriate. The response to section is limited to the number of pages reflected in brackets.

1. PROCESSING FUNCTIONS (Response limited to 30 pages)

1.1. Membership Management

- 1.1.1. Describe the process that will be followed to validate the membership information using the available information. This should include examples of how this is currently performed by the administrator.
- 1.1.2. Describe the methods that members' communication can be handled.
- 1.1.3. Please provide the list of reports on the scheme's membership profile and the frequency that these reports would be received.

1.2. Claims Management

- 1.2.1. Please provide the split of electronic and paper-based claims and how this has changed over the past 3 years.
- 1.2.2. What interventions were introduced to encourage the move to electronic claims.
- 1.2.3. Please include the various methods that claims can be submitted.
- 1.2.4. What avenues can members use to track their claims.
- 1.2.5. Provide internal audit reports that relate findings against, and details of enhancements made to correct this, or confirming the accuracy of the following with regards to claim payments:
 - Pre-authorisation and pre-registration records,
 - Scheme rules and guidelines,
 - Accepted billing rules and coding structures,
 - Injury on duty (IOD) claims as received by Polmed,
 - Clinical best practices and approved treatment plans and procedures, as provided by the Managed Care provider.
 - Emergency Medical Services claims validation and payment in line with pre authorisations provided by Polmed's EMS preferred provider

- 1.2.6. Describe the internal processes followed to ensure that prescribed minimum benefits (PMBs) are paid according to the Medical Schemes Act.
- 1.2.7. Describe the claims reversal process that will be followed should this be required. The response should include a description of the controls in place to limit the extent of claim reversals required. The response should also include current percentage of claims paid that are reversed.
- 1.2.8. Describe the process that will be undertaken to ensure efficient incorporation of revised clinical adjudication rules as may be provided by the managed care provider.
- 1.2.9. Detail the process followed to ensure adequate and flexible benefit mapping for both traditional and new generation option structures. This should include a description of the implementation of annual benefit changes and how benefit options will be incorporated onto the system from the benefit brochure down to the tariff code level. If possible, provide an example.
- 1.2.10. Detail the strategy followed to improve the clinical coding of claims, as well as improving the processing and settlement of claims.
- 1.2.11. Detail the escalation process with dealing with complaints.
- 1.2.12. Please provide the list of reports on the Schemes claims and the frequency that these reports would be received.

1.3. Financial Management

- 1.3.1. Please describe how the services listed below are integrated with each other and the processes that will be followed to render these services.
 - Maintenance and management of the Polmed bank account.
 - Collection of contributions, reconciliation thereof and debt management with notification of non-payment of contributions. Specific reference should be made to the service provider's ability to host and maintain a PERSAL or any other system interface.
 - Settling the claims with payments to the various and required stakeholders.
 - Providing Polmed with a list of members and providers due for payment on a weekly basis.
 - Assessment of all payments against Injury of Duty claims received from Polmed.
 - Financial reporting including statutory submissions, monthly management accounts (including IBNR provisions), year-end accounts.
 - Interaction with the Scheme's office, the internal / external auditors and actuaries.
 - Effective maintenance of members' banking details
- 1.3.2. Please provide the timeline for monthly management accounts and the information that will be included in this reporting.

1.4. Processing Functions - General

- 1.4.1. What reimbursement models and contractual arrangements are currently accommodated on your system. Are there any other models or arrangements that the system is developed that could be accommodated in future?
- 1.4.2. Please demonstrate the data integration capabilities within the membership, claims and financial management functions.
- 1.4.3. Describe how the bidder will interface with and support Polmed stakeholders and third-party providers. In particular reference should be made to the interfacing with the managed care provider.
- 1.4.4. Please provide the following information for 2019:
 - The average daily number of new members, terminations and member detail changes processed
 - The average time from receipt of documentation to the change being effected for new members, terminations and member detail changes
 - The maximum time from receipt of documentation to the change being effected for new members, terminations and member detail changes
 - Average number claims processed a month
 - Average percentage of claim rejection
 - Average number of complaints handled
 - Total number of complaints that were escalated to the CMS.

2. RISK MANAGEMENT FUNCTIONS (Response limited to 20 pages)

2.1. IT and Data Management

- 2.1.1. Please describe the IT and administration system and infrastructure that will be used when rendering the administration services. Please include reference to the capabilities, integrity and the flexibility of the system and infrastructure, as well as annual reviews done and links to international guidelines and standards.
- 2.1.2. Describe the control measures in place to ensure the confidentiality and integrity of the Polmed and Polmed beneficiaries' data in accordance to the relevant legislation (including POPIA) and best practice.
- 2.1.3. Provide evidence of Cyber security initiatives
- 2.1.4. Please describe the internal data warehouse facility that will be used and the capabilities to support and integrate with the Polmed database. Include references and examples of data mining tools, data replication processes and the data integration capabilities to ensure effective integration of data across various data sources.

- 2.1.5. Describe how it will be ensured that a full data transfer to Polmed's database, of the administration data will occur on at least a monthly basis. Please provide the turnaround times for the data to be transferred to Polmed each month as well as when it will be available to other Polmed providers who require it.
- 2.1.6. Polmed requires a complete copy of all line by line data. Fully detail your organisation's policy and approach to data ownership. Clearly document your view on any intellectual property generated through processing and specify any constraints which may hinder Polmed in having full access to all of their raw and processed data.
- 2.1.7. Fully describe the data transfers that will occur between the administrator and the managed care provider, including the frequency of the data transfers. Detail should be provided that indicates the ability of the bidder to provide real-time data transfers and interfacing.
- 2.1.8. Provide details of any service providers that you are aware of whose systems you cannot interface with.
- 2.1.9. Describe the controls and processes in place to ensure that consistent and correct data is provided to all parties.
- 2.1.10. Please provide details around the process that will be followed to set Polmed up as a client in terms of operational activities and the IT and data environment including expected timeframes.
- 2.1.11. Please confirm that you will be able to provide licences which will allow the Scheme to access the administration system
- 2.1.12. Detail the approach and methodology for testing and conducting annual reviews of the IT control environment and structures.
- 2.1.13. Please include details, within the above page limit, around the proposed schedule of reports including a short description of the main objectives and key fields of the reports, and the frequency of the reports. These reports should include monthly operational reports on the IT system and data warehouse, as well as report on the IT control environment and structures.

2.2. Business Continuity

- 2.2.1. Detail the business continuity plan and disaster recovery plans in place to ensure full-time system availability. Please include details on the testing of the plans and compliance with international best practices.
- 2.2.2. Please provide statistics on the average downtime and recovery time that your organisation has experienced over the last number of years.
- 2.2.3. Please provide details around reporting on downtime per month.

2.3. Fraud Waste and Abuse Awareness

- 2.3.1. Please provide details indicating your experience in developing, enforcing and implementing a fraud policy and strategy.
- 2.3.2. Please provide Polmed with the proposed strategy on creating fraud awareness with members, Polmed and the SAPS. This may include, but not be limited to, awareness message, presentations, training etc. Provide details of collaboration with either internal fraud reporting platforms and/or collaborations with third party fraud platforms.
- 2.3.3. Provide detail on how the effective detection and prevention of fraudulent activities from members and providers have been incorporated into the service delivery. This should include but not limited to proactive data analyses and monitoring of member and provider claims.
- 2.3.4. Described the action that will be undertaken when fraudulent activities are identified. The approach should include, but not be limited to, the suspension of payments, reversal of irregular claims, processing of affidavits and testifying in court cases.
- 2.3.5. Please provide evidence of savings and recoveries generated through fraud detection efforts.

3. CLIENT MANAGEMENT FUNCTIONS (Response limited to 15 pages)

3.1. Communication and Relationship Management

- 3.1.1. Please provide details of your strategy on how client management services will be structured to ensure a seamless process for members between different services and advisory departments. The response should include particular reference to the interphase of beneficiary services across the administration and managed care services.
- 3.1.2. Please provide detail on the assistance that will be provided for the annual financials, internal audit and CMS reporting.
- 3.1.3. Please provide details on the service provider's beneficiary and communications services, infrastructure and expertise.
- 3.1.4. For each of the services below, please describe how the service will be undertaken. Your response should include a description of the service and examples of where this has been done in the past.
 - Provide a centrally managed call centre, for members and providers that is operational between 7:30 and 17:00 on business days, with mainly English as the language used. The service provider should also indicate how they intend to support the other languages. Please provide the total calls received, actual drop call rates, average handling time, call rate (calls per 1,000 lives) for 2019

- Provide emergency call centre that operates for medical emergencies. Please provide the total calls received, actual drop call rates, average handling time, call rate (calls per 1,000 lives) for 2019
- Provide walk-in centres in at least all nine provinces that is operational between 7:30 and 17:00 on business days, from 7:30 to 12:00 on Saturdays, with mainly English as the language used. The service provider should also indicate how they intend to support the other languages. Please provide the number of members who utilised the walk-in centres in 2019.
- Use the current Polmed-owned dedicated telephone number, fax number and postal address. The Polmed-dedicated email address should be provided.
- Maintain a query management system, with accumulating and capturing of queries via post, email, fax or calls and redirecting the calls and queries to the relevant stakeholders. These stakeholders will include other service providers of Polmed, as well as the Scheme itself. Please provide the current monthly average number of claims queries dealt with and the method these queries are received. Please detail for each method of queries the average response time.
- Provide website hosting and maintenance with the development and maintenance of possible mobile applications.
- Design, print and distribute, via post, email, application or website, various member communications that include:
 - Membership cards and new member packs
 - Member Tax certificates
 - Claim statements using the Scheme's prescribed format
 - Member guides on benefit changes
 - Operational forms that include various types of application forms
- Design, print and distribute, via post, email or website, various other communications that include:
 - Newsletters
 - Annual reports
 - The successful bidder will also be required to provide Client liaison officer (CLO) support in rural areas where members cannot access the walk-in centres. The CLOs are required to provide administration support at point of service.
 - Provide electronic membership cards

3.1.5. If not covered above, provide details of any other platforms that are available to members to interact with the Scheme.

3.1.6. Provide Customer Relationship Management reports

4. INNOVATION (Response limited to 1 page)

4.1.1. Please provide information on any new innovations that would differentiate your service from your competitors that are not covered in the sections above.

BIDDERS MUST TAKE NOTE OF THE EVALUATION PROCESS THAT WILL BE FOLLOWED

1 EVALUATION PROCESS

The phases of evaluation will be as noted below and in the order described.

1.1 COMPLIANCE WITH MINIMUM REQUIREMENTS/ SHORTLISTING CRITERIA

1.1.1 All bids duly lodged as specified in this RFB will be examined to determine compliance with procurement requirements and conditions. Bids with deviations from the stipulated requirements/ conditions will be eliminated from further consideration.

1.2 EVALUATION OF FUNCTIONALITY

1.2.1 All remaining bids will be evaluated functionally as per the evaluation criteria and weights in the table in paragraph 2. Polmed reserves the right to determine technical sub-criteria and to weigh each of those criteria; ultimately adding up to, the overall weight noted in paragraph 2.

1.2.2 Bidders that score less than **70%** of the points available for functionality will be eliminated from further consideration. Points will therefore not be awarded for their cost proposals or for preference.

1.3 DETERMINATION OF OVERALL SCORE FOR FUNCTIONALITY, PRICE AND B-BBEE STATUS

1.3.1 In this last phase of evaluation, the points for price and B-BBEE for all remaining bids will be added to the functional points to obtain a total score.

1.4 PRESENTATIONS

1.4.1 Polmed or its authorised representatives reserve the right to call any shortlisted Bidder for a presentation regarding any aspect of its bid.

1.4.2 Should Polmed decide to call for presentations, shortlisted Bidders invited to present will be notified of the date, time, venue and their allocated time slot at least three (3) days in advance.

1.4.3 Under no circumstances will a presentation by any Bidder constitute an award or promise / undertaking to award the contract.

1.5 ADJUDICATION OF BID

1.5.1 Polmed's relevant award structure will consider the recommendations of the bid evaluation committee(s) and make the final award.

1.5.2 Polmed reserves the right to award the contract to one or more providers or not to award the contract at all.

2 EVALUATION CRITERIA AND FORMULAE

2.1 MAIN EVALUATION CRITERIA

2.1.1 The main criteria and weights referred to in paragraph 1 above, are as follows:

CRITERIA	OVERALL WEIGHT
Functionality	60%
Price	20%
B-BBEE	20%
TOTAL	100%

2.2 FUNCTIONAL EVALUATION CRITERIA AND MAIN BREAKDOWN

2.2.1 The functional sub-criteria and their importance are as follows:

FUNCTIONAL SUB-CRITERIA	OVERALL WEIGHT
Team skills, experience and qualifications and their relevance	10%
Technical response to Terms of Reference questions	75%
Overall methodology and approach	5%
Project plan suitability	5%
Total:	100%

EXPERIENCE		SCORE	WEIGHT
Number of clients for similar services that are of a similar size	5 or more clients	4	4%
	More than 2 clients but less than 5 clients	3	
	Up to 2 clients	2	
	Bonus point if 3 or more clients are medical schemes	1	
	Bonus point if 2 or more clients are medical schemes of a similar size	1	

2.2.2 The points scored for all other functional sub-criteria will be calculated by evaluators awarding a score between 0 and 5 for each individual criterion. Ultimately, each criterion will be weighted.

2.3 DETERMINATION OF POINTS FOR PRICE

2.3.1 Polmed reserves the right to request either a total price or various prices for various elements informing the evaluation of the price and to weigh each of those price components; ultimately adding up to the overall weight noted in paragraph 2.1.

2.3.2 The percentage scored for price shall be calculated by applying the undermentioned formula to each price component:

- The lowest acceptable bid/proposal (adjusted or not), will obtain the maximum points allocated for the price/ price component. The other bids/proposals with higher prices (adjusted or not) for that element/ price component, will proportionately obtain lower points based on the following formula:

$$P_s = \frac{P_{\min}}{P_t} \times A_p$$

where

P_s = points scored for price/ price component by bid/proposal under consideration

P_{\min} = lowest acceptable price/ price component of bid/proposal

P_t = price/ price for that component of bid/proposal under consideration

A_p = percentage/weight allocated for price/ price component

2.4 DETERMINATION OF POINTS FOR B-BBEE STATUS

2.4.1 The proof pertaining to the bidder's level contributor status in terms of the B- BBEE Act and the Codes of Good Practice, issued by **the dti**² on, as required in Section A-1 of this bid document, will be evaluated. Information is available at www.dti.gov.za.

Bidders will be allowed to score up to a maximum of 20% depending on the bidder's level contributor status as per the evaluation criteria and weights in the table in paragraph 2.4.2 below. To determine the final score in the case of a joint venture/ consortium, the score for each party to the bid will be determined and pro-rated based on the percentage of the contract that the party will execute.

2.4.2 The B-BBEE scores will be allocated as noted below. The maximum score of 5 will achieve the full 20%.

B-BBEE	SCORE	WEIGHT
Level one Scores obtained for large and QSE organisations respectively	5	
Level two Scores obtained for large and QSE organisations respectively	4.5	

Scores obtained for at least 51% black owned QSEs and at least 51% black owned EMEs respectively	5	20%
Level three Scores obtained for large and QSE organisations respectively	4	
Level four Scores obtained for large and QSE organisations respectively as well as EME with less than 51% black ownership	3	
Level five to six Scores obtained for large and QSE organisations respectively	2	
Level seven to eight Scores obtained for large and QSE organisations respectively	1	
Non-compliant contributor	N/A	

² See GLOSSARY.

SECTION B

PROPOSAL CHECKLIST

(Return with proposal as Part 1)

NOTE: This page reflects a summary of the requirements of the bid document. Information not submitted in the relevant part, may not be considered for evaluation purposes.

Part in which information must be returned	Part Description	Have you structured your bid in the required format? Tick ✓ in the relevant block below	
		YES	NO
1.	Proposal Checklist		
2.	Special Conditions of Bid		
3.	"Invitation to Bid"		
4.	Pricing Schedule		
5.	Original, valid SARS Tax Clearance Certificate(s)		
6.	Declaration of Interest		
7.	Declaration of Bidder's past Supply Chain Management Practices		
8.	Company Registration Certificates		
9.	VAT Registration Certificate(s)		
10.	Valid B-BBEE certificate or other valid documentary evidence		
11.	Accreditation Certificate		
12.	Proof of Financial Soundness		
13.	Company Profile		
14.	Experience in this field		
15.	Resources		
16.	Terms of Reference Questions		
17.	Methodology and Approach		
18.	Project Plan		

I/we declare that the accompanying documentation contains all the documents as listed in the parts above. I/we acknowledge that any part or document not submitted may render my/our bid to be deemed non-responsive and may therefore be rejected for evaluation purposes at the sole discretion of Polmed.

Name of Bidder: _____

Signature of Bidder: _____

Date: _____

**SPECIAL CONDITIONS OF BID THAT THE BIDDER NEEDS TO
ACCEPT
(Return as Part 2)**

1	GENERAL
1.1	Bidders must clearly state if a deviation from these "Special Conditions of Bid" are offered and the reason therefor. If a deviation is offered, the paragraph reference must be indicated in a supporting appendix.
1.2	Proposals submitted without the full "Special Conditions of Bid" with the completed and signed last page may be considered non-responsive.
1.3	Polmed shall not be liable for any expense incurred in the preparation and submission of a bid.
1.4	No entity may be involved, whether directly or indirectly, in more than one bid. Failure to comply with this requirement may, within the sole discretion of Polmed, result in disqualification of the relevant Bidder.
2	SPECIAL CONDITIONS AND INSTRUCTIONS AND EVALUATION PROCESS
2.1	The "Bid Submission Conditions and Instructions" as well as the "Evaluation Process" as per Sections A-1 and A-3 have been noted.
3	SPECIAL CONDITIONS OF BID
3.1	The "Special Conditions of Bid" as per Section B-2 of this RFB must be accepted.
3.2	Non-adherence to this requirement may deem your bid non-responsive.
4	NEGOTIATION AND CONTRACTING
4.1	A bid will constitute a binding offer which offer will be deemed not to have been accepted and no agreement will be deemed to be reached with any Bidder, unless and until a definitive Agreement and other related transaction documents are concluded between Polmed and the preferred Bidder.
4.2	Polmed or its authorised representatives have the right to enter into negotiation with one or more Bidders regarding any terms and conditions, including price(s), of a proposed contract.
4.3	Polmed shall not be obliged to accept the lowest or any quotation, offer or proposal.
4.4	Negotiation with one or more preferred Bidders will take place subsequent to the relevant stakeholders in Polmed considering the recommendations of the Bid Evaluation Committee.
4.5	Polmed reserves the right to select another preferred Bidder in the event that negotiations with the originally selected preferred Bidder prove unsuccessful and/or are unduly delayed.

4.6	Upon final selection and notification of the preferred Bidder, a process of final negotiations will commence. Negotiations will be used to agree the SLA in an effort to arrive at a comprehensive binding SLA that will govern the relationship between Polmed and the Successful Bidder.
4.7	Under no circumstances will negotiation with any Bidders, including with the preferred Bidder, constitute an award or promise/ undertaking to award the contract.
4.8	Polmed reserves its rights to conduct a due diligence on a shortlisted Bidder should it deem it to be necessary.
5	ACCESS TO INFORMATION
5.1	All Bidders will be informed of the status of their bid once the procurement process has been concluded.
5.2	Requests for information regarding the bid process will be dealt with in line with the Polmed Procurement Policy and relevant legislation.
5.3	Alexander Forbes will facilitate such communication on behalf of Polmed.
6	REASONS FOR REJECTION
6.1	Polmed shall reject a proposal for the award of a contract if the Bidder has committed a corrupt or fraudulent act in competing for the particular contract.
6.2	Polmed may disregard the bid of any Bidder if that Bidder, or any of its directors: <ul style="list-style-type: none"> • Have abused the Procurement system of Polmed. • Have committed fraud or any other improper conduct in relation to such system. • Have failed to perform on any previous contract and the proof exists.
7	CANCELLATION OF PROCUREMENT PROCESS
7.1	Polmed reserves the right to amend, modify or withdraw this RFB at any time, without prior notice and without liability to compensate or reimburse any person.
8	CONTRACT PERIOD
8.1	The contract term shall be for a duration of five years. The contract shall commence on 1 January 2021 or any other date agreed in writing between the parties during negotiations.
8.2	Prior to the expiration of the contract period, Polmed may elect to renew this Agreement for a period determined by it.

9	NON-COMPLIANCE WITH DELIVERY TERMS
9.1	As soon as it becomes known to the Bidder that he/ she will not be able to deliver the services within the delivery period and/ or against the quoted price and/ or as specified, the Principal Officer of Polmed or the delegate must be given immediate written notice to this effect. Polmed reserves the right to implement remedies including termination as provided for in the Contract.
10	PENALTIES
10.1	Polmed will invoke financial penalties based on non-performance in accordance with the penalty clauses which will be finalised as part of the contract negotiations and included in the final contract.
11	LEGISLATIVE COMPLIANCE
11.1	Bidders must be compliant with all legislation impacting on this environment covered by the scope of the project and not only the Medical Schemes Act.
12	PRICE ADJUSTMENTS
12.1	Should the contract still proceed after the first year, the fees and rates for the subsequent years shall be adjusted year-on-year with not more than the average annual CPI for the month, three months preceding the starting month of the contract of the renewed contract (i.e. should the renewed contract start in January, the CPI for the previous October) shall be used as per Statistical Release P0141, Table B. Such adjusted fee and rate shall then be fixed for the further period of twelve months.
12.2	Should the number of principal members per month increase exponentially and outside of the noted sliding scales, Polmed reserves the right to renegotiate the contractual rates.
13	ADDITIONAL INFORMATION REQUIREMENTS
13.1	During evaluation of the bids, additional information and any supporting documentary evidence may be requested from Bidders in writing. Replies to such requests must be submitted in writing within 3 (three) working days or as otherwise indicated.
13.2	No additional information will be accepted from any individual bidder without such information having been requested.
14	CONFIDENTIALITY
14.1	The bid and all information in connection therewith shall be held in strict confidence by bidders and usage of such information shall be limited to the preparation of the bid.

15	INTELLECTUAL PROPERTY RIGHTS
15.1	All intellectual property created during the execution of this contract as part of its deliverables shall belong to Polmed, but the bidder shall however retain all of its intellectual property rights in respect of any and all of its models, methodologies or the like of a common or generic nature supplied or developed by the bidder in the conduct of its business, before, during or after the Agreement established as a result of this bid process.
15.2	In the event that the bidder, any of the sub-contractors or any of its team members or any project team member would like to use information or data generated by the project, for academic or any other purpose, prior written permission must be obtained from the Principal Officer.
15.3	This paragraph shall survive termination of this Contract.
16	COPYRIGHT
16.1	Copyright of all documentation relating to this bid belongs to Polmed. No bidder may disclose any information or documentation to other persons without the written approval of the Principal Officer or his/her delegate.
17	PREFERENTIAL PROCUREMENT
17.1	Polmed shall not do business with non-compliant contributors.
17.2	Tenderers who fail to submit proper B-BBEE Recognition Level verification certificates will not receive points for B-BBEE.
17.3	If a bidder loses its B-BBEE Contributor Status at any time or a change has occurred which could lead to its status being different, Polmed must be informed in writing within 30 days and Polmed reserves the right to require of the bidder to improve and rectify its status within an agreed period; failing which, Polmed may cancel the contract.
17.4	Written contracts concluded between Polmed and an accepted contractor will contain a clause providing for: <ul style="list-style-type: none"> • An undertaking by the contractor that, with effect from the date of signature, it will be in possession of a valid B-BBEE Recognition Level Verification Certificate; • An undertaking by the contractor that, for the duration of the Agreement, it agrees to maintain its B-BBEE Contributor Status Level to, at least, that of a particular status level;

17.5	<p>When it is detected that a preference has been obtained on a fraudulent basis, Polmed will act against the tenderer to whom the contract has been awarded. Such action may include the following:</p> <ul style="list-style-type: none"> ■ Recovery of all costs, losses or damages it has incurred or suffered as a result of that tenderer's conduct; ■ Cancellation of the contract and the claim of any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation; ■ Impose a financial penalty more severe than the theoretical financial preference associated with the claim which was made in the tender; and ■ Restrict the contractor, its shareholders and directors from obtaining business from Polmed for a period not exceeding 10 years.
17.6	<p>Bidders must indicate at tendering stage at least which one additional B-BBEE initiative it will promote towards achieving Polmed's objectives of promoting broad-based black economic empowerment.</p>
	<p>This initiative will be considered for applicability, but will not be scored per se.</p>
	<p>It will however be negotiated with the preferred bidder at contracting stage and must be acceptable to Polmed. The cost of this initiative is for the account of the contractor. The framework within which this initiative must fall must either be the use of one or more sub-contractors rendering a core component of the service that will be at least level 4 contributor status. The promotion of this initiative must expand year-on-year during the contract period. It may also include a component of skills development. These initiatives must be able to be monitored and must be measurable; details of which will be confirmed and agreed during negotiation.</p>
18	WARRANTIES
18.1	<p>The Bidder warrants that it is able to conclude an Agreement to the satisfaction of Polmed and that it will not be involved in any manner in activities which conflict with the obligations of the contractor to provide the contracted services.</p>
19	OWNERSHIP AND TRANSFER OF DATA
19.1	<p>The Contractor acknowledges that all raw claims and other related data remains the property of Polmed.</p>
19.2	<p>All data that can reasonably be deemed to be the property of Polmed and data that should be considered necessary for Polmed to conduct its business must be handed over to a third party as and when required by Polmed.</p>
19.3	<p>Data must be transferred in agreed formats with corresponding quality standards.</p>
19.4	<p>The Contractor must allow Polmed access to data within reasonable periods through relevant project and execution plans.</p>
19.5	<p>The handover period for data to a third party will be determined during the contracting stage, but will be for a period not exceeding six (6) months.</p>
20	RETENTION

SECTION B-2: Special Conditions of Bid

20.1	On termination of the agreement the Contractor shall, on demand, hand over all documentation provided as part of the service and all deliverables, etc., without the right of retention, to Polmed.
20.2	No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force and effect unless such agreement to amend or vary is entered into in writing and signed by the authorised contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.
21	AGREEMENT TO BE CONCLUDED
21.1	The Agreement and SLA will be negotiated with the preferred bidder. The fee schedule, based on the Pricing Schedule in this Bid document, will be included in the formal contract between Polmed and the Contractor.

I/we **offer/do not offer** a deviation. I/we **attach/do not attach** our deviation as an appendix to this Part 2 of my/our bid. I/we agree that if no appendix detailing our deviation is attached to this Part 2 of my/our bid, it will be construed that I/we accept all the above-mentioned "Conditions of Bid".

Name of Bidder: _____

Signature of Bidder: _____

Date: _____

**INVITATION TO BID
(Return as Part 3)**

YOU ARE HEREBY INVITED TO RESPOND TO THE BID OF POLMED

BID NUMBER	POLMED/Administration/2020	CLOSING DATE	30 July 2020	CLOSING TIME	11:00 AM
DESCRIPTION	APPOINTMENT OF A CONTRACTOR TO RENDER ADMINISTRATION SERVICES TO POLMED FOR A PERIOD OF THREE YEARS COMMENCING ON 1 JANUARY 2021, WHICH CONTRACT MAY BE ANNUALLY RENEWABLE TO A TOTAL MAXIMUM PERIOD OF FIVE YEARS.				
VALIDITY	Offer to be valid for 90 days from the closing date of the bid.				

The successful Bidder will be required to fill in and sign a written Formal Contract and SLA

BID DOCUMENTS MAY BE:

DEPOSITED IN THE TENDER BOX OR HANDED IN OVER THE COUNTER AT RECEPTION SITUATED AT THE ADDRESS NOTED SHOULD THE SUBMISSION BE TOO BIG FOR THE TENDER BOX

POLMED HOUSE
20 HOTEL STREET
PERSEQUOR
PRETORIA

No posted, faxed or e-mailed bids will be accepted

Bidders should ensure that bids are delivered to POLMED before the closing date and time to the correct physical address.

If the bid is late*, it will not be accepted for consideration.

*** Refer to Paragraph 5 of SECTION A-1: "Bid Submission Conditions and Instructions".**

- Bids may be delivered and deposited into the tender box between 08:00 and 16:30, Mondays to Thursdays and 08:00 to 16:00 on Fridays, prior to the closing date, and between 08:00 and 11:00 on the closing date.
- All bids must be submitted on the official bid forms (not to be re-typed).
- Bids submitted that do not comply with the minimum requirements will not be considered for evaluation.
- Any queries regarding tender procedures and technical information may be directed to:

e-Mail: polmedtender@forbes.com

Note: Bidders should refer to Section A-1, paragraph 3 for more information on when queries will be responded to.

Invitation to Bid Continues

**All Bidders must furnish the following particulars and include it in their submission
(Failure to do so may result in your bid being disqualified)**

Name of bidder³:

DETAILS REQUIRED FROM BIDDER/CONTRACTOR

VAT registration number

Tax Clearance Certificate submitted YES / NO

Company registration number

Income tax reference number

Company PAYE number

Company UIF number

Postal address:

Street address:

Telephone number: Code Number

Cellular number:

Facsimile number: Code Number

e-Mail address:

Web address:

In case where the bidder is a consortium/joint venture, provide the following details on all parties to the consortium/joint venture members except the contractor covered above: Should more space be required, please add the detail as an attachment to this document.

Entity name VAT registration number Tax Clearance Certificate submitted YES / NO

Entity name VAT registration number Tax Clearance Certificate submitted YES / NO

Entity name VAT registration number Tax Clearance Certificate submitted YES / NO

Names of subcontractors to be used:

Entity name VAT registration number Tax Clearance Certificate submitted YES / NO

Entity name VAT registration number Tax Clearance Certificate submitted YES / NO

Entity name VAT registration number Tax Clearance Certificate submitted YES / NO

³ See Glossary

⁴ See Glossary

Invitation to Bid Continues

Contact details of responsible person who will act on behalf of the bidding entity for this bid

Name and Surname
Telephone number: Code Number
Cellular number:
Facsimile number: Code Number
e-Mail address:

Contact details of alternative responsible person who will act on behalf of the person above should he/she not be available

Name and Surname
Telephone number: Code Number
Cellular number:
Facsimile number: Code Number
e-Mail address:

Domicilium

Polmed chooses the following as its domicilium citandi et executandi for all purposes of and in connection with the final contract:

Crestway Office Park, Block A (Polmed House), 20 Hotel Road, Persequor Park, Lynnwood, Pretoria

The Bidder must indicate its domicilium citandi et executandi for all purposes of and in connection with the final contract.

Confirmation

Declaration

I/We have examined the information provided in your bid documents and offer to undertake the work prescribed in accordance with the requirements as set out in the bid document. The prices quoted in this bid are valid for the stipulated period. We confirm that the information provided in the response is true and correct. We confirm that this bid will remain binding upon us and may be accepted by you at any time before the expiry date.

Signature of Bidder:

Date:

Are you duly authorised to commit the Bidder: YES / NO

Capacity under which this bid is signed

PRICING SCHEDULE
(Return as Part 4)

NAME OF BIDDER:

1. **The bidder must complete and submit the pricing schedule below based on both benefit plans:**
2. **Price Component 1: Functions within the scope of work as per the Terms of Reference for Year 1**

FOR THE PERIOD 1 JANUARY 2021 TO 31 DECEMBER 2021

NUMBER OF REGISTERED PRINCIPAL MEMBERS IN GOOD STANDING AT THE END OF EACH CALENDAR MONTH	FEE PER MEMBER PER MONTH EXCLUDING VAT	VAT @ 15%	FEE PER MEMBER PER MONTH INCLUDING VAT
Up to 175 000 members			
175 001 up to 185 000 members			
More than 185 000 members			

PRICING SCHEDULE ADDENDUM (RETURN AS PART OF PART 4)

The information below is required to inform the calculation of the bidder's B-BBEE score and will form the basis for work breakdown on which Polmed will contract.

Only in the event that the bidder is a joint venture/ consortium, the following information must be furnished in order to be entitled to be awarded points for B-BBEE.

No	Name of consortium/joint venture member	Percentage (%) of the contract value managed and/or executed by the consortium/ joint venture member
1		
2		
3		
4		

NOTE: Should no breakdown per entity to the bid be submitted where the bidder is a joint venture/ consortium, zero points will be awarded for B-BBEE.

DECLARATION OF INTEREST (Return as Part 6)

1. Any legal person, including persons employed by Polmed and/or Alexander Forbes or Gildenhuis Malatji Inc (as joint procurement administrator), or persons having a kinship with persons employed by Polmed and/or Alexander Forbes or Gildenhuis Malatji Inc (as joint procurement administrator), including a blood relationship, may make an offer or offers in terms of this bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by Polmed and/or Alexander Forbes or Gildenhuis Malatji Inc (as joint procurement administrator), or to persons connected with or related to Polmed and/or Alexander Forbes or Gildenhuis Malatji Inc (as joint procurement administrator), it is required that the contractor on behalf of the bidder, or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where:

- the bidder is employed by Polmed and/or Alexander Forbes or Gildenhuis Malatji Inc (as joint procurement administrator); and/or
- the bidder is a management board member of Polmed and/or Alexander Forbes or Gildenhuis Malatji Inc (as joint procurement administrator); and/or
- the legal person on whose behalf the bid document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. In order to give effect to the above, the following questionnaire **must** be completed and submitted with the bid.

2.1 Are you or any person connected with the bidder, employed by Polmed and/or Alexander Forbes or Gildenhuis Malatji Inc (as joint procurement administrator)? YES/NO

2.1.2 If so, state particulars.
.....
.....

2.2 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by Polmed and/or Alexander Forbes or Gildenhuis Malatji Inc (as joint procurement administrator) and who may be involved with the evaluation and or adjudication of this bid? YES/NO

2.2.1 If so, state particulars
.....
.....

2.3 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between the bidder and any person employed by Polmed and / or Alexander Forbes or Gildenhuis Malatji Inc (as joint procurement administrator) who may be involved with the evaluation and or adjudication of this bid? YES/NO

2.3.1 If so, state particulars
.....
.....

DECLARATION

I, THE UNDERSIGNED (NAME)

CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT.
I ACCEPT THAT POLMED MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature Date
.....
Position Name of bidder

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

(Return as Part 7)

1. This declaration will be used by institutions to ensure that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
2. The bid of any Bidder may be disregarded if that Bidder, or any of its directors have:
- abused Polmed's supply chain management system;
 - committed fraud or any other improper conduct in relation to such system; or
 - failed to perform on any previous contract.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
3.1	Is the Bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.1.1	If so, furnish particulars:		
3.2	Is the Bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? To access the Register enter the National Treasury's website, www.treasury.gov.za click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number 012-3265445.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.2.1	If so, furnish particulars:		
3.3	Was the Bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.3.1	If so, furnish particulars:		
3.4	Was any contract between the Bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.4.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Reference
No: POLMED/Administration/2020

Request for Bid

Communication Schedule	
1.	<p>Claim Statements The contractor will be responsible for:</p> <ul style="list-style-type: none"> • Design • Print • Distribution <p>The claim statements will be “grey scale” printed in corporate identity of the Scheme, pressure sealed claim statements for 2 claims runs per month.</p>
2.	<p>Computer generated day-to-day administration The contractor will be responsible for:</p> <ul style="list-style-type: none"> • Design • Print • Distribution <p>The day-to-day administration documents will be printed “grey scale” on Polmed letterhead in corporate identity of the Scheme. Personalised system letters should be inserted into Polmed window envelopes.</p>
3.	<p>AGM (Annual Report and proxy form)</p> <p>Annual report – The contractor will be responsible for:</p> <ul style="list-style-type: none"> • Design and layout • Print • Distribution <p>The annual report should be A5 in size with the following requirements: Cover in full colour – 135gsm gloss/matt Inner in two Polmed colours – 115gsm gloss/matt</p> <p>Proxy form – The contractor will be responsible for:</p> <ul style="list-style-type: none"> • Design and layout • Print • Distribution <p>The proxy form should be A5 in size with the following requirements: Two Polmed colours on both sides – 80gsm bond</p> <p>The contractor will also be responsible for Website and SMS communication.</p> <p>AGM poster – The contractor will be responsible for:</p> <ul style="list-style-type: none"> • Design and layout • Print • Distribution (courier to Polmed offices) <p>The AGM poster should be A3 in size and should be digitally printed (maximum of 300).</p>
4.	<p>Membership Cards: The membership cards should be a credit card type and in Polmed colours. The contractor should issue:</p> <ul style="list-style-type: none"> • One card per new single member and two per family on joining or when member status changes, • Second cards on joining or replacement cards due to option or information changes, • Additional cards or replacement cards for lost or damaged cards.
5.	<p>Member Guides:</p>

	<p>The contractor will be responsible for the</p> <ul style="list-style-type: none"> • Design • Print • Fulfilment • Postage • Email • Website communication • SMS communication regarding changes and Option selection <p>The member guides should be printed full colour on 115gsm gloss/matt, limited to 40 pages and A5 in size. It will be issued:</p> <ul style="list-style-type: none"> • One per member family on joining • Replacement guides due to information changes
6.	<p>Operational Forms: The contractor will be responsible for providing the following forms on the Polmed website:</p> <ul style="list-style-type: none"> • Member Application form • Dependent Application form • Continuation Member Application form • Record Amendment form • Plan Selection form • *Ex gratia application form • *Chronic Application form • *HIV Application form • *Health Risk Assessment form • *Registration to DRM or any other managed healthcare programs <p><i>*Supplied by managed care contractor</i></p>
7.	<p>Polmed Stationery: The contractor will be responsible for:</p> <ul style="list-style-type: none"> • Operational Forms (Stock for day-to-day Business Unit use) • Ad hoc requests for Polmed Management use e.g. Business cards, Compliment slips, Board pack covers, C4/DL envelopes
8.	<p>New member packs: The contractor will be responsible for including the following:</p> <ul style="list-style-type: none"> • A4 System welcome letter • Member card/s • Member guide • Health Risk Assessment application form • ** Emergency Medical Services Brochure • ** Emergency Medical Services telephone sticker • ** Emergency Medical Services car sticker • * Z-card <p><i>*Supplied by Polmed</i> <i>**Supplied by the Emergency Medical Services contractor</i></p>
9.	<p>Newsletters: The contractors will be responsible for:</p> <ul style="list-style-type: none"> • Design • Print • Fulfilment

	<ul style="list-style-type: none">• Postage• Email• Website communication• SMS communication regarding newsletter availability <p>The newsletters will include:</p> <ul style="list-style-type: none">• Six full A4 colour pages – Twice per annum• Four full A4 colour pages – Twice per annum
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