



STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Purchasing Division

515 East Musser Street, Suite 300 | Carson City, Nevada 89701
 Phone: 775-684-0170 | Fax: 775-684-0188

Purchasing Use Only:	
Approval#:	2606030

SOLICITATION WAIVER JUSTIFICATION AND REQUEST FORM

ALL FIELDS ARE REQUIRED - INCOMPLETE REQUESTS WILL BE RETURNED TO THE AGENCY

1a	Agency Contact Information - Note: Approved copy will be sent to <u>ONLY</u> the contact(s) listed below:		
	ENTER YOUR STATE AGENCY NAME:		NVHA - PEBP
	<i>Contact Name and Title</i>	<i>Phone Number</i>	<i>Email Address</i>
	<i>Tyler Hopkins, IT Professional 3</i>	<i>775-684-7011</i>	<i>tdhopkins@nhva.nv.gov</i>
	<i>Shannan Canfield, Quality Control Officer</i>	<i>775-684-7004</i>	<i>s-canfield@nvha.nv.gov</i>
	<i>Thomas Tilton, Admin Services Officer 3</i>	<i>775-684-3717</i>	<i>ttilton@nvha.nv.gov</i>

1b	Vendor Information:	
	Vendor Name:	<i>SOVOS Compliance, LLC</i>
	Contact Name:	<i>Josh Sternfels</i>
	Complete Address: City, State, and Zip Code	<i>200 Ballardvale St, 4th Floor Wilmington, MA 01887</i>
	Telephone Number:	<i>888-449-5285</i>
	Email Address:	<i>joshua.sternfels@sovos.com</i>

1c	Type of Waiver Requested – Check the appropriate type:	
	Sole or Single Source:	
	Professional Service Exemption:	X

1d	Contract Information:			
	Is this a new Contract? Check One:	Yes:	<i>X (software subscription)</i>	No:
	If 'No' Enter Amendment Number:	#		
	Enter CETS Number:	#		

1e	Term:			
	One (1) Time Purchase? Check One:	Yes:	No:	
	Contract:	Start Date:	<i>Upon Approval</i>	End Date: <i>3/31/2027</i>

1f	Funding:	
	State Appropriated:	<i>1338-26 100% Participant Premium/State Subsidy</i>
	Federal Funds:	

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Grant Funds:	
Other (Explain):	

1g	Total Estimated Value of <u>this</u> Service Contract, Amendment or Purchase:
	\$65,500

2	Provide a description of work/services to be performed or services with goods to be purchased: <i>Affordable Care Act (1095-B / 1095-C) Form Generation, and Internal Revenue Service (IRS) E-filing SAAS solution. Roughly 41,000 forms are reported to the IRS via E-filing. PEBP is required under 26 U.S.C. § 6055 to file an annual information return with the Internal Revenue Service (and furnish statements to covered individuals upon their request) that includes coverage information for the previous calendar year.</i>
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3	What are the unique features/qualifications required for these services/services with goods that are not available from any other vendor? <i>The SOVOS Affordable Care Act solution provides the following features that will be beneficial to PEBP for 1095 - B/C form generation and for the IRS E-Filing requirements.</i> <ul style="list-style-type: none">• <i>Automatically imports data from any flat file type (Excel, CSV, text), maps fields for 1095 forms, and flags potential issues for real-time editing.</i>• <i>Advanced validations ensure form accuracy and audit readiness. Built-in checks reduce risk of penalties by catching errors early.</i>• <i>Fully automated electronic submissions directly to the IRS AIR portal, managed within the system—no manual transmittal required.</i>• <i>Handles federal reporting (Forms 1094-B/C and 1095-B/C) and automated filing for unique state-level ACA mandates.</i>• <i>Built to adapt seamlessly to last-minute changes in federal or state ACA regulation—typically updated automatically in the platform.</i>• <i>Built to manage multiple EINs, handle large form volumes, and serve both health insurers and large employers efficiently.</i>
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4	Explain why these services/services with goods cannot be competitively bid and why this purchase is economically only available from a single source: <i>Attempts have been made for software provided by different software resellers (CDW-G, SHI) and none were able to provide a software solution that fits the needs of PEBP for its ACA form generation and IRS E-filing needs.</i>
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5	Were alternative services or commodities evaluated?	Check One:	
		Yes	No
			X
a. <u>If yes</u> , what were they and why were they unacceptable? Please be specific about features, characteristics, requirements, capabilities and compatibility.			

b. If not, why were alternatives not evaluated?

Attempts have been made for software provided by different software resellers (CDW-G, SHI) and none were able to provide a software solution that fits the needs of PEBP for its ACA form generation and IRS E-filing needs. PEBP verified that SOVOS does not have a business relationship with other software resellers that are currently listed on Purchasing's Statewide Contract list.

Has the agency purchased these services/services with goods in the past? Check One:	Yes	No
	X	
NOTE: To avoid delays or your request being rejected, if your previous purchase(s) was made via solicitation waiver(s), a copy or copies of <u>ALL PREVIOUS WAIVERS MUST ACCOMPANY THIS REQUEST.</u>		

a. If yes, starting with the most recent contract and working backward, for the entire relationship with this vendor, or any other vendor for these services/services with goods, the following information must be provided along with the CETS contract number(s) associated with each:

Term	Value	Short Description	Provide Type of Procurement RFP#, RFQ#, Waiver #	CETS #
3/24/2026	\$10,873.35	IRS E-Filings for Tax Year 2025	Quote / Invoice	
10/29/2025	\$25,652.00	Annual Software Renewal for Tax Year 2025	Quote / Invoice	
3/25/2025	\$10,708.85	IRS E-Filings for Tax Year 2024	Quote / Invoice	
9/20/2024	\$23,320.00	Annual Software Renewal for Tax Year 2024	Quote / Invoice	
	\$342,486.51	FY2018 – 2024 cost totals for related to software, and services provided by vendor	See attached spreadsheet exported via DAWN. Invoices prior to 2018 were not available.	

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7	<p>What are the potential consequences to the State if the waiver request is denied and the services/services with goods is competitively bid?</p>
	<p>PEBP's current solution provided by SOVOS is no longer supported for Tax Year 2026 and PEBP will not have a viable solution for federally required reporting of 1095-B and 1095-C forms for all covered PEBP members. As a sponsor of a self-insured group health plan that provides minimum essential coverage, PEBP is required under 26 U.S.C. § 6055 to file an annual information return with the IRS (and furnish statements to covered individuals upon their request) that includes coverage information for the previous calendar year. Failure to timely and correctly file the required forms subjects PEBP to significant financial penalties under 26 U.S.C. § 6721 and 6722, ranging from \$60 to \$680 per form.</p>
8	<p>What efforts were made or conducted to substantiate there is no competition for the services/services with goods and to ensure the price for this purchase is fair and reasonable?</p> <p><i>Attempts have been made for software provided by different software resellers (CDW-G, SHI) and none were able to provide a software solution that fit the needs of PEBP for its ACA form generation and <u>IRS E-filing needs.</u></i></p>

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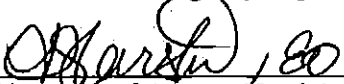
9	Will this purchase obligate the State to this vendor for future purchases? Check One:	Yes	No
	<u>NOTE: Selecting "NO" indicates the agency will not submit future waivers for this Vendor, for this service.</u>		X
a. If yes, please provide details regarding future obligations or needs.			

By signing below, I know and understand the contents of this Solicitation Waiver Request and Justification and attest that all statements are true and correct. Signatures are required from the agency representatives indicated below. NOTE: The same individual cannot provide approval signatures in both sections.


Signature of Agency Representative Initiating Request

Tyler Hopkins
Print Name of Agency Representative Initiating Request

6/10/26
Date


Signature of Agency Head Authorizing Request

6/10/26

Theresa Carsten, ED
Print Name of Agency Head Authorizing Request

Date

FOR PURCHASING USE ONLY – PLEASE NOTE: In an effort to avoid possible conflict with any equipment, system or process already installed or in place by the State of Nevada or to assist in our due diligence, State Purchasing may solicit a review of your request from another agency or entity. The signature below indicates another agency or entity has reviewed the information you provided.

Name of agency or entity who provided information or review:

Representative Providing Review

Print Name of Representative Providing Review

Date

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Please consider this memo as my approval of your request. This exemption is granted pursuant to NAC 333.150 or NRS 333.400. This exemption may be rescinded in the event reliable information becomes available upon which the Purchasing Administrator determines that the service or good sought may in fact be contracted for in a more effective manner. Pursuant to NRS 333.700(7), contracts for services do not become effective without the prior approval of the State Board of Examiners (BOE).

If you have any questions or concerns, please contact Cindy Stoeffler at 775-684-0173 or email at cstoeffler@admin.nv.gov.

<i>NOTE: If this box is checked, the agency must include the TIE approval or approval update as an attachment in CETS.</i>	X
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This signature does not exempt your agency from any other processes that may be required.

Approved by:



 Administrator, Purchasing Division or Designee

6.16.2026

 Date

Joe Lombardo
Governor



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Timothy D. Galluzi
State Chief Information Officer

Darla J. Dodge
Sr. Deputy Director/COO

Michael D. Smith Jr.
Deputy Director/CTO

STATE OF NEVADA
Governor's Technology Office
100 N. Stewart Street, Suite 100 | Carson City, Nevada 89701
Phone: (775) 684-5800 | www.it.nv.gov | Fax: (775) 687-9097

MEMORANDUM

TO: Theresa Carsten, Executive Officer, NVHA
Monica McJoy, Chief Financial Officer, NVHA
Rochelle Russum, Administrative Services Officer II, NVHA
Nate Topchi, IT Manager II, NVHA
Tyler Hopkins, IT Professional III, NVHA

CC: Tim Galluzi, State Chief Information Officer, GTO
Darla Dodge, Senior Deputy Director/Chief Operations Officer, GTO
Michael D. Smith Jr., Deputy Director/Chief Technology Officer, GTO
Bertrum Carroll, Chief Information Security Officer, OISCD
Sean Montierth, Chief IT Manager, Computing Services Division, GTO

FROM: Lisa Jean, TIE Administrator, GTO

SUBJECT: TIE Completion Memo – NVHA – *Affordable Care Act (ACA) Reporting – Renewal/Transition to Sovos Cloud-Based Solution* – TIE 1871, Revision 1 – BA(s) 1338

DATE: June 2, 2026

We have completed our review of the Nevada Health Authority (NVHA) investment which has an estimated total value of \$65,500.00, allocated to FY2027 as a one-time cost.

Funding source(s): 100% General Fund.

GTO approves this investment because PEBP has demonstrated a clear business need to transition from the existing GTO-hosted Sovos/1099Pro ACA reporting software to Sovos's cloud-based solution, as the

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current installation will no longer be supported beginning with Tax Year 2026. The investment supports continued generation of 1095-B and 1095-C forms and IRS e-filing for approximately 41,000 covered members, preserves compliance with federal ACA reporting requirements, and reduces operational risk associated with unsupported software and compressed implementation timelines before early 2027 IRS deadlines.

PEBP has used the existing solution for approximately 10 years, and the agency does not have sufficient time to identify, procure, implement, and test a replacement solution without increasing compliance and service-delivery risk. The move to a supported cloud platform reduces reliance on GTO-hosted server infrastructure, supports modernization, and avoids unnecessary duplicative spending by continuing with the existing vendor-supported reporting capability.

OISCD supports moving the investment forward based on Sovos's government cloud security posture and available security control documentation. PEBP must continue to coordinate with the vendor and appropriate State security, procurement, and contract stakeholders to maintain required cloud security, data protection, disaster recovery, and records-handling obligations throughout implementation and operation.

The investment aligns with State technology objectives by replacing an unsupported server-based reporting tool with a supported cloud service, maintaining regulatory compliance, reducing infrastructure burden, and improving operational continuity.

Should there be any modifications to enterprise services or resources beyond those outlined in this memo, including but not limited to network configurations, firewalls, servers, Active Directory (AD) integration, telecom systems, or other infrastructure, please notify the Governor's Technology Office (GTO) promptly to help mitigate potential delays in integration or implementation.

It is imperative that this solution adheres to State security standards and policies. Additionally, compliance with the Americans with Disabilities Act (ADA) is required to ensure accessibility for all authorized users.

For your reference, a copy of this memo has been attached to the TIE submission.

Should you require further assistance or have any questions, please do not hesitate to contact me directly.

Sincerely,

Lisa Jean

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