

WRITTEN QUESTIONS AND ANSWERS

SP-15-0105 Health Savings Account/Flexible Spending Account/Cafeteria Plan 125

ANSWERS ARE IN BLUE

1.	<p>Please provide the current fee structure for both FSA and HSA. Does the employer or employee pay the fees? Please describe. Are there any service pain points to be mitigated?</p> <p>The current fee structure is not relevant to this solicitation; however, you may submit a separate FOIA request for the information. The State will be responsible for paying fees for the FSA/HSA. EBD has no current pain points to address in the current fee structure.</p>
2.	<p>This indicates employee population of 43,705 ASE and 67,835 PSE. Of these numbers, what is the number of benefit eligible employees?</p> <p>See Addendum 2 for 1.1</p>
3.	<p>What are the current employer HSA contributions for ASE employees? If the PSE provides employer contributions, can you estimate what those contributions may be?</p> <p>See Addendum 2 for 2.2</p>
4.	<p>(2.5.D.4) This implies there is claim processing. Since HSAs do not require a claim review, may we assume this question is strictly related to claim payment options for the FSA?</p> <p>See Addendum 2 for 2.5.D.4</p>
5.	<p>Please confirm that all ASE and PSE HSAs are with the current vendor, DataPath.</p> <p>See Addendum 2 for 2.2</p>
6.	<p>What is the average HSA balance for ASE employees? PSE employees?</p> <p>Current HSA and FSA balances are not relevant to this solicitation.</p>
7.	<p>Please share the growth of employees enrolled in HSAs. For example, could you share those enrolled effective Jan. 1 of each year you provided an HSA?</p> <p>Current growth figures are not available for this solicitation. See Revised Price Sheet for estimated number of participants.</p>
8.	<p>This indicates the State will not make contributions or pay administrative fees for previously established accounts. How will the State handle contributions and fees for new accounts, or for those who transfer funds to a new custodian?</p> <p>Fees and contributions are only paid to the state contracted vendor for new accounts or for those who transfer to the new custodian.</p>
9.	<p>This section indicates COBRA is required for both active and retired under age 65 for dental, vision and DCAP. DCAP is not subject to COBRA; is this referring to something else? Please confirm if you do wish to receive a proposal for full-cycle COBRA administration for dental and vision. How is COBRA for medical coverage handled? By whom and please provide the administrative fee structure.</p>

	See Addendum 2 for 2.6
10.	<p>Please provide a copy of a recent OE schedule; or the anticipated schedule for fall 2015. Are meetings conducted on consecutive days? Is this truly a meeting setting during which presentations are provided, or is this a benefit fair format?</p> <p>See Addendum 2 for 2.15.B</p>
11.	<p>It says vendor must provide Spanish materials, if requested. Is this a requirement?</p> <p>See RFP item 1.8.A</p>
12.	<p>If our firm can demonstrate successful account management, is having a local account manager required?</p> <p>See RFP item 1.8.A</p>
13.	<p>Attachment C was not provided. Can this be emailed to us?</p> <p>The document was posted on the State Procurement website along with the RFP and is still available.</p>
14.	<p>What is required with regard to administration of the insurance premiums? Is this only with regard to the plan document?</p> <p>See Addendum 2 for 2.24.1</p>
15.	<p>Are FSC requests submitted by employees directly to the Vendor? Or does the State review first and then submit to the Vendor?</p> <p>See Addendum 2 for 2.27.A.4</p>
16.	<p>Are enrollment additions, changes, deletions submitted by the State; or directly to the Vendor by the employee?</p> <p>See Addendum 2 for 2.32.F</p>
17.	<p>How many agencies? How many representatives?</p> <p>See Addendum 2 for 2.32.H</p>
18.	<p>In regards to Section 2, Subsection 6: DCAP is listed as a benefit that the COBRA and retiree administrator will be responsible for. Should this instead pertain to FSA Medical accounts?</p> <p>See answer to question 9</p>
19.	<p>In regards to Section 2, Subsection 14, Part F: Is the requirement simply that we are able to record, or are you requiring that we do actually record 100% of calls? If the latter, how long do we have to maintain recordings?</p> <p>See Addendum 2 for 2.14.F</p>
20.	<p>In regards to Section 2, Subsection 16, Part B: Does the 3-day deadline reflect when the communication is issued, or when it is likely to be received?</p>

	See Addendum 2 for 2.16.B
21.	<p>In regards to Section 2, Subsection 32, Part E: Health Savings Accounts can be directly insured via FDIC. Flexible Savings Accounts cannot be. Is this question referencing a requirement for at least indirect FDIC insurance (i.e. the money is held within a bank that is FDIC insured even if that insurance is payable to the money holder rather than the account owner)? If not, can you clarify what is meant by ensuring FSA accounts are FDIC insured?</p> <p>See Addendum 2 for 2.32 .E</p>
22.	<p>In regards to Section 3, Subsection 10: The subsection title refers to "FSA, LPFSA, DCAP and HSA Administration" but the question appear to be only HSA-related. Is this a correct interpretation of the RFP item?</p> <p>See Addendum 2 for 3.10</p>
23.	<p>Why has the State decided to bid these services at this time (fees, service issues, standard due diligence, etc.)?</p> <p>The HSA Contract has reached its maximum number of renewals per Arkansas procurement law no contract may be renewed over seven years. It is in the best interest of the State to consolidate these contracts.</p>
24.	<p>What are the current fees the State pays for its FSA and HSA Benefit programs?</p> <p>See answer to question 1</p> <p>a. Will you elaborate if these fees are inclusive of printing and mailing expenses associated with member outreach?</p> <p>See Addendum 2 for 2.2.C</p> <p>b. Are these said fees inclusive of benefit fair sessions (FSA & HSA)?</p> <p>See Addendum 2 for 2.2.C</p>
25.	<p>What is the HSA program participation breakdown for ASE and PSE?</p> <p>ASE -2,194 PSE 18,842</p>
26.	<p>Regarding Open Enrollment sessions;</p> <p>a. How many Open Enrollment sessions does the State require?</p> <p>See Addendum 2 for 2.15.B</p> <p>b. Are these meetings coordinated within a consolidated timeframe or spread out over several weeks/months?</p> <p>See Addendum 2 for 2.15.B</p>
27.	<p>Please explain your current funding process and banking arrangements for your programs.</p> <p>For FSA EBD transfer funds to the vendor using a ACH transfer. For HSA, our payroll system transfer funds to the vendor via an ACH transfer.</p>

28.	Working within the existing program(s) the State's service framework, in what ways would the State desire to enhance the program(s)? See Addendum 2 for 1.1.E
29.	What are State's long-term operational and human resources-related objectives regarding its FSA and HSA Benefit programs? See Addendum 2 for 1.1.E
30.	Can the State provide copies of its communication & education collateral/material for its current FSA and HSA programs? See Addendum 2 for Attachment D Communication PDF
31.	What resources will be available from the State? EBD's Communication Dept. will work with the vendor to post information on our website, provide monthly meetings with agency HR departments and include information in our monthly e-newsletters.
32.	Does the State have other Health & Welfare reimbursement type programs? If so, which plans and who are the current providers? The State has no other Health and Welfare reimbursement type programs.
33.	If the State offers a debit card with its FSA and HSA plan, what are the percentage of claims that are auto-adjudicated? While the State does offer debit card with its HSA and FSA plan, the percentages of auto-adjudicated claims are not available at this time.
34.	Does the State use a Broker for Health & Welfare Benefits? If so, who? The State currently uses H&H for voluntary products such as cancer and term life insurance.
35.	It appears that services are being solicited for both the Arkansas State Employees (ASE) and the Public School Employees (PSE), with the exception of the "cafeteria plan services". However, the pricing sheet requests pricing for FSA (ASE only) and HSA (ASE and PSE). Please confirm that FSA, HSA, and COBRA services being requested for both the ASE and the PSE. See Addendum 2 for Official Price Sheet Revised
36.	Page 3 of the RFP; 1.3 Type of Contract C. anticipates that the contract term will begin on July 1, 2015 and end on June 30, 2018. However, page 15 of the RFP assumes that administration services will begin on January 1, 2016. Please confirm the administrative term associated with this contract. See Addendum 2 for 2.9
37.	Page 5 of the RFP; 1.10 Response Documents B. Vendors should submit: 6. Illegal Immigrant Certification. A specific form for this requirement was not provided with the RFP documents. Please confirm that vendors must make this certification online, and then provide a print screen of the confirmation with the bid response.

	<p>See link provided below for the Office of State Procurement website. https://www.ark.org/dfa/immigrant/index.php/user/login</p>
38.	<p>Page 5 of the RFP; 1.10 Response Documents B. Vendors should submit: 8. Voluntary Product Accessibility Template (VPAT). A specific questionnaire/template was not provided with the RFP documents. Please provide the State of Arkansas' VPAT which vendors may complete and return with their bid responses.</p> <p>The VPAT is a US Department of State document and the template can be accessed at their website.</p>
39.	<p>Page 5 of the RFP; 1.10 Response Documents C. The Technical Proposal Organization prescribed format does not include a place for a vendor's title page or transmittal letter. Would the State give permission for these two response elements to be included, and in which location may they be presented?</p> <p>See RFP item 1.10.C.1</p>
40.	<p>Page 5 of the RFP; 1.12 Subcontractors; indicates vendors must complete, sign and submit the form Proposed Subcontractors List with the Technical Proposal, and says that an accompanying PDF file contains this form. However, this form was not included with any of the initial RFP documents. Please provide the Proposed Subcontractors List form, and provide placement instructions.</p> <p>See Addendum 2 for Proposed Subcontractor's List</p>
41.	<p>Page 12; 2.3 Cafeteria Plan Administration (125) and page 20 of the RFP; 2.24 Requirements Specific to the Cafeteria Plan; Please define very specifically the State's expectations or requirements for the section 125 cafeteria plan administration, as these requirements have changed over the years. Does the minimum requirement, on page 20, which includes premium remittance for health, life and qualified supplemental insurance products, apply to those participating through COBRA?</p> <p>See Addendum 2 for 2.3</p>
42.	<p>Page 14, 2.6 COBRA Administration 3. COBRA administration is sought for dental, vision, and DCAP plans. However, DCAP plans do not require COBRA administration. Should #3 under this subheading refer to the FSA, or does the State intend that DCAP accounts should be extended through COBRA after termination?</p> <p>See Answer to question 18.</p>
43.	<p>Page 19 of the RFP; 2.22 Compliance, Privacy and Security Requirements; C. instructs vendors and any subcontractors to provide SAS-70 level ii and/or SSAE-16 compliance evidence. May these lengthy audit results be provided electronically, only on CD? Or are these required to be provided in hard copy too?</p> <p>See Addendum 2 for 2.22.C</p>
44.	<p>Page 22 of the RFP; The "Note" under 2.32 indicates that participants will pay administrative fees. Please confirm.</p> <p>Confirmed.</p>
45.	<p>Page 22 of the RFP; K. and page 25; 3.3 Disaster Recovery and Security; E. ask that a copy of a vendor's most recent IT Audit be provided. May these lengthy reviews be provided electronically? Or are these required to be provided in hard copy too?</p> <p>See Addendum 2 for 2.32.K and 3.3.E</p>

46.	<p>Page 24 of the RFP; Section 3 – Information for Evaluation instructs bidders not to edit this document to include responses. This section also instructs bidders to address each item listed. How may bidders address each item without including responses? May bidders copy/paste or retype these questions into another document in order to incorporate responses?</p> <p>Bidders may copy/paste or retype the questions to include the responses.</p>
47.	<p>1. Page 31 of the RFP; 3.14 Payroll Processing / Reconciliation / Status Changes; C. asks bidders to provide additional performance standards in place that exceed the requirements outlined in Section 2 of this RFP. Should this question also refer to the 35 performance standards listed in Attachment C?</p> <p>This question is relative only to its section heading.</p>
48.	<p>Attachment C; Regulatory Compliance performance standard seems to be missing some descriptive terminology. Please provide the word(s) that may be missing from the highlighted language below:</p> <p><i>The Administrator shall all the Client, Legislative Audit and any company chosen by the Client to audit 100% of member accounts. Audit results will become public knowledge. Failure to meet this performance standard will also become public knowledge.</i></p> <p>See Addendum 2 for Attachment C. Revised Performance Standards.</p>
49.	<p>Page 16 of the RFP, 2.13 Data Sharing; Please define what is meant by testing website structure.</p> <p>See Addendum 2 for 2.13.C</p>
50.	<p>Page 16 of RFP, 2.14 Customer Service; H-2. Will the Vendor's standard background checks apply?</p> <p>See Addendum 2 for 2.14 H.2</p>
51.	<p>Page 17 of the RFP, 2.15 Enrollment Services; There shall be approximately twenty (20) enrollment meetings scheduled over sixty (60) days. Can you provide your best estimate of the number of the benefit fairs the Vendor will be required to attend?</p> <p>See answer to question 10.</p>
52.	<p>Page 17 of the RFP, 2.15 Enrollment Services; Please provide the quantity of printed materials required and a description of what printed materials are needed? Can the materials be provided in an electronic format for open enrollment and for new hires?</p> <p>See Addendum 2 for 2.15.D</p>
53.	<p>What are the current HSA Administration fees and who pays the fees (employer or employee)?</p> <p>See answer to question 1.</p>
54.	<p>Who is the Custodian for the HSA Administration and what fees to they charge?</p> <p>See answer to question 1</p>
55.	<p>What is the Employer contribution amount for the HSA plan?</p> <p>See answer to question 3</p>

56	Can you describe the funding arrangement for the HSA plan? See answer to question 27.
57	Who is the HDHP provider? Do you anticipate any changes with the HDHP provider for 2016? The claims processor for the HDHP is Health Advantage and this will not change for 2016.
58	Can you describe the open enrollment method for the FSA and HSA plan? EBD would like both paper enrollment and website enrollment.
59	If EBD should elect to provide cafeteria plan services to public school employees, will a new and different RFP be issued for those services? See RFP item 1.1.C
60	If a company does not respond to this RFP, is that company precluded from providing cafeteria plan services to public school employees if the EBD Board decides to expand cafeteria plan services to public school employees? Yes.
61	Do the provisions of this section 1.1 (c) attempt to grant EBD the authority to mandate that the winning bidder of this RFP provide cafeteria plan services to public school employees? See Addendum 2 for 1.1.C and 1.2.C
62	Please define “at a future date” with specificity as termed in 1.1 and 2.2. At any time a school district would be allowed to participate in the HSA or FSA services provided under this contract.
63	Will school districts be allowed to use current Section 125 or any Section 125 provider of their choice, as they can do currently with HSA's? School districts can continue to use the providers of their choice.
64	If EBD offers Section 125 services, who will be responsible for assessing performance penalties? Employee Benefits Division
65	Who is going to assess performance penalties as described in the spreadsheet exhibits? Will there be due process allowed to contest assessed penalties? Due process will be allowed with performance penalties being assessed by the Employee Benefits Division.
66	Currently, companies enroll public school employees in cafeteria plan. will this cafeteria plan expansion into the PSE change the way employees are enrolled? If a school district chooses to participate under this contract, the vendor will enroll participants.
67	Under what authority does EBD use to expand its services to include Section 125 cafeteria plans for PSE?

	See RFP item 1.1.C
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