



**STATE OF ARKANSAS**  
**OFFICE OF STATE PROCUREMENT**  
 1509 West 7th Street, Room 300  
 Little Rock, Arkansas 72201-4222

## ADDENDUM 2

TO: Vendors Addressed  
 FROM: Angela Allman, Procurement Official  
 DATE: March 20, 2018  
 SUBJECT: SP-18-0099 Flexible Spending Accounts, Health Savings Accounts, Cafeteria Plan, and COBRA Services

The following change(s) to the above-referenced RFP have been made as designated below:

- ☒ Change of specification(s)
- ☒ Additional specification(s)
- ☐ Change of bid opening time and date
- ☐ Cancellation of bid
- ☒ Other – Replace Official Bid Price Sheet

### ADDITIONAL SPECIFICATIONS

- Add the following to Section 2.2 *Background and Current Environment*:
  - O. For the last twelve (12) month period, the average employee turnover rate for ASE and PSE was 15.71%.
  - P. Currently, the State of Arkansas pays the administration and management fees for the ARCap, HSA, and COBRA Programs except for those administration and management fees specified in 2.9.I. This is not anticipated to change throughout the life of the resultant contract.
  - Q. Current average balance for FSA is \$1,075.10.
  - R. For the last twelve (12) month period, the average HSA contribution amount by an ASE Member and PSE Member was \$1,767.00 and \$2,401.00 respectively.
  - S. Currently, 486 ASE Members provide no contribution amounts to their HSAs. The number of PSE Members providing no contribution to their HSAs is not available.
  - T. For the last twelve (12) month period, approximately 1% of HSA dollars were invested.
- Add the following to Section 2.5 *General Program Requirements* Item D:
  - 1. EBD anticipates working closely with the Contractor during all phases of implementation. However, EBD reserves the right to have the final determination and approval regarding enrollment information and the method of enrollment.
- Add the following to Section 4.1 *Payment and Invoice Provisions* Item H:
  - 1. For each separate monthly invoice, the Contractor **shall** provide a line item detail showing the amount invoiced applicable to COBRA Members, the amount invoiced applicable to FSA Members, and the amount invoiced applicable to HSA Members.

**CHANGE OF SPECIFICATIONS**

- Delete Section 1.26 and replace with the following:  
The Prospective Contractor's solution **must** comply with the State's shared Technical Architecture Program which is a set of policies and standards that can be viewed at: <http://www.dis.arkansas.gov/policies-standards>. Only those standards which are fully promulgated or have been approved by the Governor's Office apply to this solution.
- Delete from 2.5 General Program Requirements Item M and replace with the following:  
  
M. The Contractor **shall** routinely review (e.g during weekly/monthly meetings) the overall effectiveness of the Program(s). Based on such a review, the Contractor **shall** provide EBD with consultation and recommendations which may include, but not be limited to, such topics as any administrative adjustments that may be needed, changes to Plan and/or Program design that may result in increased participation in HDHPs, HSAs, and FSAs, and other relevant consultations and recommendations.
- Delete from Section 2.12 Eligibility and Testing Item A and replace with the following:  
  
A. The Contractor **shall** utilize HSA Eligibility and Nondiscrimination testing processes as required by applicable federal law(s).
- Delete from Section 2.16 Claims Processing and Payments Item D – No replacement
- Delete from Section 2.16 Claims Processing and Payments Item E and replace with the following:  
  
E. The Contractor **shall** correctly pay all claims and **shall** correctly issue claims payments to Members via check or direct deposit as elected by the Member.
- Delete from Section 2.21 Compliance, Privacy, and Security Requirements, Item B and replace with:  
  
B. Any of the Contractor's employees or representatives accessing EBD's task system or any of the State of Arkansas's employee's, Plan Participant's, or Member's PHI (Protected Health Information) **shall** complete and sign EBD's System Confidentiality Agreement at EBD's request which may be prior to the start of the Implementation Period, or prior to accessing any employee, Plan Participant or Member information. EBD's sample System Confidentiality Agreement is posted as Attachment C to this RFP.

**REPLACEMENT PRICE SHEET**

- Delete the Revised Official Bid Price Sheet dated 3/7/18 and replace with the Revised Official Price Sheet dated 3/20/2018.

The specifications by virtue of this addendum become a permanent addition to the above referenced RFP. Failure to return this signed addendum may result in rejection of your proposal.

If you have any questions please contact Angela Allman at [angela.allman@dfa.arkansas.gov](mailto:angela.allman@dfa.arkansas.gov) or (501) 371-6156.

Company: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_