

ADDENDUM NO. 2

REQUEST FOR PROPOSALS (RFP) #077-NN10 FOR FLEXIBLE SPENDING ACCOUNT (FSA) ADMINISTRATION SERVICES THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA JULY 17, 2013

PURPOSE OF ADDENDUM

This Addendum has been prepared to provide additional proposal information.

ACKNOWLEDGMENT OF ADDENDUM TO RFP

As required in the RFP, proposers are reminded that they should either acknowledge receipt of this addendum on their proposal, or attach this addendum to their proposal. In order to acknowledge receipt of this addendum on their proposal, proposers should properly complete Proposal Forms.

STATUS OF ADDENDUM

This is the second (2nd) addendum that has been issued for Request for Proposals: #077-NN10, Flexible Spending Account (FSA) Administration Services.

ADDITIONAL INFORMATION REQUESTED

The following is provided in response to proposers' specific requests for additional information – responses are in red:

1. How is the funding set up today to pay for debit card transaction and claims? ACH draft or do you set up an account and push funds?

In accordance with IRS guidelines, the bank accounts funding both the debit card and claim transactions for the Medical FSA are fully funded by the FSA administrator. The employee's annualized contribution must be available at the commencement of the plan year. The ACH draft method is used to pay for debit card transactions. The funds are pushed to pay for paper claims.

2. Reporting Code Requirements-Eight are listed. Are there more codes that will be needed to report back. Trying to determine the number of division codes under Miami Dade main number.

These reporting codes have been in place since 2010. We do not foresee any changes to the number of reporting codes needed. However, if changes are required we would expect the proposer awarded the RFP to make necessary changes.

3. Why do you feel the participation is low for FSA/DC?

Historically, our employees have expressed their concern regarding the use-it or lose-it rule. We have seen an increase in participation over the last two years due to educational campaigns targeting conservative contributions and timely filings of their claims.

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4. Do you have a passive enrollment annually?

In accordance with IRS requirements, employees are provided the opportunity to make annual changes.

5. Reference to store value card-Please confirm you are referring to the MasterCard or Visa that would be issued to the participate with their loaded annual elections.

Yes, we are referring to the debit card that will be issued to employees.

6. Do you offer a grace period?

Yes, we offer a grace period and a run-out period.

7. Is the SAP system being used for payroll and eligibility today?

Yes

8. If a vendor cannot supply a Florida school district will you accept a school district from another state?

No, as written in the RFP, the proposer "must have provided the FSA Administrative Services to one Florida School District at any time since 2008"

9. Is it absolutely mandatory to have provided FSA services to a school district in Florida at any time in the past 5-6 years?

Yes, as written in the RFP, the proposer "must have provided the FSA Administrative Services to one Florida School District at any time since 2008"

10. Reference: Proposal Evaluation, Section 1, Page 2: Can you please provide the anticipated weighting of each of the listed criteria "a" through "f"?

The Superintendent's Ad-Hoc Committee evaluates the proposals on a consensus basis. There is not specific value assigned to each specific criterion.

11. Reference: Corporate and Client Accounting, Section III, page 6, "checks received from the school board are totaled and deposited.....":

- a. Is M-DCPS sending the administrator FSA contributions/funding on a per-pay-period basis?

Yes

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b. Will M-DCPS consider any alternative claims funding methods?

No

12. Reference: General Customer Services, Section III, page 6: Concerning M-DCPS' SAP system, do all M-DCPS insurance providers (LTD, Health, Dental, Vision, etc.) currently enter customer phone call data into the SAP system?

No. However, the FSA provider's customer service shall use SAP to log all incoming customer phone calls. The provider will be required to have a system to document all employee calls in the event that SAP is not available.

13. Reference: Communications Material, Section III, page 7, "For the Annual Open Enrollment, Full-Time Employees":

a. Please provide estimated quantities of printed materials required for each communications piece?

The pieces and quantities of communication will vary depending on strategies requested by the School Board. Communication may need to be provided to all 36,000 benefits eligible employees.

b. Please confirm that M-DCPS will require the FSA Administrator to include Step-by-step information on how to enroll using M-DCPS' SAP system in the FSA materials produced?

Confirmed

14. The vendor Cigna contracts with to do FSA's does not have a SAS70 – it is not required to have this – does this disqualify us from bidding?

No. Section II, page 3, Audit Review, indicates that the successful proposer will be requested to provide a SAS-70 or SSAE-16 audit review completed within the past three (3) years, however, this is not a mandatory requirement.

15. EBC does not have Saturday hours – however as we go through Open Enrollment EBC would make themselves available and you will have a dedicated liaison assigned only to MDCPS

Section III, page 6, General Customer Services, indicates that the administrator must provide Saturday hours from 8 a.m. -3 p.m. EST, during open enrollment and subsequent enrollment appeal period.

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16. There is a requirement that the vendor install the SAP system, which is not an option and want to know if this is a deal breaker.

Yes. The successful proposer is expected to perform various functions in SAP, which will require the vendor to agree to install the necessary measures to access the District's system via the web. We do not expect the vendor to implement SAP.

17. Minimum qualification is at least one school system in FL – we do not have currently – but do handle 60% of the school system in the State of Wisconsin.

As stated in the RFP, in order to be considered, a proposer must meet all the minimum qualifications.

18. Can you provide specs for eligibility and Open Enrollment files?

Yes, the specifications will be provided to the successful proposer.

19. There is no Rx locator on the EBC site, however this is available on the Cigna site.

The FSA administrator must have an Rx Locator in order to properly service School Board employees.

20. Can you define what a Payback report is?

The payback report informs the School Board of employees who have received money for pending claims which require additional documentation in accordance with IRS guidelines.