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|   |  **State of South Carolina** **South Carolina Public Employee Benefit Authority****Request For Proposal****Amendment Number One (1)**  | Solicitation Number: Date Issued: Procurement Officer: Phone: E-Mail Address: | PEBA01920183/2/2018 David H. Quiat, CPPB803.734.0602dquiat@peba.sc.gov |

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| DESCRIPTION: **Third Party Administration of the State Flexible Benefits Plan.**  |

 SUBMIT OFFER BY (Opening Date/Time):   **3/16/2018 3:00 PM**

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| *The Term "Offer" Means Your "Proposal". Your offer must be submitted in a sealed package. The Solicitation Number & Opening Date should appear on the package exterior. See the clause entitled "Submitting Your Offer or Modification."* |

 SUBMIT YOUR SEALED OFFER TO EITHER OF THE FOLLOWING ADDRESSES:

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| --- | --- |
| MAILING ADDRESS:South Carolina Public Employee Benefit AuthorityP.O. Box 11960Columbia, S.C. 29211-1960Attention: David H. Quiat  | PHYSICAL ADDRESS:South Carolina Public Employee Benefit Authority202 Arbor Lake DriveColumbia, S.C. 29223Attention: David H. Quiat  |

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|  AWARD & AMENDMENTS | Award will be posted on **4/9/2018.**  The award, this solicitation, any amendments, and any related notices will be posted at the following web address: <https://procurement.sc.gov/vendor/contract-opps/other-solicitations/peba> |

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| You must submit a signed copy of this form with Your Offer. By submitting a proposal, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of one hundred twenty (120) calendar days after the Opening Date.    (See the clause entitled "Signing Your Offer.") |
|  NAME OF OFFEROR   (Full legal name of business submitting the offer) | Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror. The entity named as the offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, i.e., a separate corporation, partnership, sole proprietorship, etc. |
|  AUTHORIZED SIGNATURE  (Person must be authorized to submit binding offer to contract on behalf of Offeror.) |  |
|  TITLE  (Business title of person signing above) |  STATE VENDOR NO.  (Register to obtain S.C. Vendor No. at www.procurement.sc.gov) |
|  PRINTED NAME  (Printed name of person signing above) |  DATE SIGNED |  STATE OF INCORPORATION  (If you are a corporation, identify the state of incorporation.) |

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|  OFFEROR'S TYPE OF ENTITY:   (Check one)                                                                   (See "Signing Your Offer" provision.)     \_\_\_ Sole Proprietorship                                  \_\_\_ Partnership                                  \_\_\_ Other\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    \_\_\_ Corporate entity (not tax-exempt)          \_\_\_ Corporation (tax-exempt)            \_\_\_ Government entity (federal, state, or local) |

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 **PAGE TWO**

 **(Return Page Two with Your Offer)**

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| HOME OFFICE ADDRESS (Address for offeror's home office / principal place of business)           | NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.)          \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Area Code  -  Number  -  Extension                    Facsimile  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ E-mail Address |

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| PAYMENT ADDRESS (Address to which payments will be sent.)           \_\_\_\_Payment Address same as Home Office Address\_\_\_\_Payment Address same as Notice Address   **(check only one)** | ORDER ADDRESS (Address to which purchase orders will be sent)          \_\_\_\_Order Address same as Home Office Address\_\_\_\_Order Address same as Notice Address   **(check only one)** |

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| ACKNOWLEDGMENT OF AMENDMENTSOfferors acknowledges receipt of amendments by indicating amendment number and its date of issue. (See the clause entitled "Amendments to Solicitation") |
| Amendment No. | Amendment Issue Date | Amendment No. | Amendment Issue Date | Amendment No. | Amendment Issue Date | Amendment No. | Amendment Issue Date |
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| DISCOUNT FOR PROMPT PAYMENT(See the clause entitled "Discount for Prompt Payment") | 10 Calendar Days (%) | 20 Calendar Days (%) | 30 Calendar Days (%) | \_\_\_\_\_Calendar Days (%) |

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# Amendment Number One (1)

**Third Party Administration of the State Flexible Benefits Plan**

# Written Responses to Questions

Vendor #1

Could you please help me with the following questions:

1. Whether companies from Outside USA can apply for this?  (like from India or Canada)

**Response: As stipulated in the Request for Proposal, Part 7 Terms and Conditions – B. Special, Paragraph 7.37 Information Security – Data Location (FEB 2015), the Contractor is prohibited from accessing, processing, transmitting, or storing government information, as defined in the clause titled Information Security, outside the United States. This obligation is a material requirement of this contract.**

2. Whether we need to come over there for meetings?

**Response: Yes. Please see the Request for Proposal, Part 3 Scope of Work, Part 3.8 Account Management, paragraph 3.8.5 and Part 3.10 Communications and Training, paragraphs 3.10.12, 3.10.13, and 3.10.14.**

3. Can we perform the tasks (related to RFP) outside USA? (like from India or Canada)

**Response: No. Please see the responses to question number 1 and question number 2 above.**

4. Can we submit the proposals via email?

**Response: No.**

Vendor #2

5. Why is The State of South Carolina going out to bid?

**Response: The current agreement expires December 31, 2018.**

6. Are the state requirements negotiable? If one requirement cannot be met, does that disqualify the bidder?

**Response: PEBA considers any proposal which provides any deviations from, or caveats to, Part 3, Scope of Work, 3.1 through 3.16, as unacceptable. Anything that any Offeror would like to modify, seek clarifications on, or any other deviation, however modest, MUST be presented during the question and answer phase, considered and determined by PEBA before the submission date for all proposals, so that all prospective Offerors will have a common and uniform basis upon which to submit its proposals. Also, please refer to Part 1, Instructions To Offerors–A. General Instructions, 1.25 Responsiveness/Improper Offers, (b)., Part 1, Instructions To Offerors–B. Special Instructions, 1.33, 3rd paragraph, and 1.39 Discussions and Negotiations.**

7. Is the state happy with their current vendor? Are there any service issues? Are participants happy with the service they receive?

**Response: Yes. No. Yes.**

Vendor #3

1. Page 15 of the RFP; Part 1 Instructions; Pre-Proposal Conference. Will teleconferencing capabilities be provided for representatives who cannot attend in person?

**Response: No.**

1. Pages 19 & 20 of the RFP; Part 2 Scope of Proposal; Section 2.2;

**MoneyPlus Participation and Annual Enrollment by Plan Feature**

Employee participation in the State Flexible Benefits Plan is voluntary, with the employee selecting one or more of the features offered and the level of contribution. In addition to the contribution the Participant elects, the current administrative fees for the following are deducted pre-tax from the Participant’s paycheck:

Current Administrative Fees

Dependent Care Spending Account: $3.14 per month

Medical Spending Account or Limited-use Medical Spending Account: $3.14 per month

Health Savings Account fee to WageWorks for pre-tax contributions: $1.50 per month

\*Pre-tax Group Insurance Premium feature: $0.28 per month

Note: A Participant enrolled in both the Dependent Care Account and Medical Spending Account currently pays one fixed administrative fee of $3.14 a month.

\*The Pre-tax Group Insurance Premium feature will not be a part of the contract beginning January 1, 2019, thus there will not be an administrative fee.

While this section indicates that the Pre-tax Group Insurance Premium Feature will not be a part of the contract beginning January 1, 2019, Page 21; Part 3 Scope of Work; 3.1.1 includes Pre-tax Group Insurance Premium as a bulleted line item in the work to be completed by the third party administrator. Please clarify.

**Response: The Pre-tax Group Insurance Premium feature is a part of the State Flexible Benefits Plan and will continue to be a feature of the State Flexible Benefits Plan in which an employee who pays a health, dental, vision or optional life premium is automatically enrolled, unless the employee declines to participate by signing a refusal form. PEBA will process enrollment for the Pre-tax Group Insurance Premium feature effective 1/1/19. The Contractor will be responsible for any required federal reporting in regards to the Pre-tax Group Insurance Premium feature. It is our understanding that no such reports are currently required. However, should the law change in the future, the Contractor shall be required to handle that reporting and PEBA will work with the Contractor to provide all necessary enrollment or eligibility information.**

1. Page 22; Part 3 Scope of Work; 3.2.1

Receive enrollment data and any changes in enrollment data from PEBA. PEBA will conduct enrollment utilizing its enrollment platform and shall transmit eligibility files to the Contractor in a mutually agreeable electronic format, on a daily basis, throughout the plan year. The Contractor shall process and maintain eligibility from the enrollment data provided by PEBA and refer to PEBA, for consideration and PEBA’s final decision, any questions with respect to a Participant’s eligibility.

Should the Contractor anticipate receipt of one daily file that includes aggregated enrollment, eligibility and change in status data from all individual payroll centers?

**Response: The Contractor shall receive one daily enrollment file from PEBA. After the Contractor receives the initial enrollment file (November 2018) from PEBA, the daily file will include new enrollments, and changes from all individual payroll centers/employers.**

Should the Contractor be prepared to offer continuation for any terminated employees who may be able to extend their FSAs through COBRA, or their HSAs through independent agreements between the Contractor and the custodial bank?

**Response: Yes.**

1. Page 22; Part 3 Scope of Work; 3.2.3

Utilize PEBA’s Employee Benefit Services (EBS) to respond to any enrollment questions from Participants and/or employers. PEBA shall provide the Contractor the ability to inquire into PEBA’s enrollment eligibility through EBS. Notify PEBA’s Operations Manager when one of their employees, who have previously been granted access to EBS, leaves employment so that the employee’s user rights to EBS can be deleted.

Is there a limit as to how many Contractor employees will be allowed access to the EBS?

**Response: No, however, access should be limited to only those employees working on PEBA’s contract.**

1. Page 22; Part 3 Scope of Work; 3.2.4

Provide its personnel to train PEBA staff on IRS eligibility and enrollment guidelines and changes that can be made during the year. Training shall be conducted initially during the implementation phase of the contract, and at least annually thereafter and shall include all updates and changes to IRS guidelines. The training shall take place at PEBA’s offices in Columbia, South Carolina.

Please confirm that training of PEBA staff during implementation may be facilitated through webinars and/or teleconferences, as allowed by section 3.10.12.

**Response: Training of PEBA staff on IRS eligibility and enrollment guidelines and changes that can be made during the year shall be conducted on-site during the implementation phase of the contract. PEBA is not opposed to on-going training being facilitated through webinars and/or teleconferences.**

1. Page 22; Part 3 Scope of Work; 3.3.2

Disburse amounts, which are payable for one of the benefits provided, or any additional benefits provided in the future, to the Participant within three (3) business days following receipt of a valid and complete reimbursement claim, even if this requires a daily financial disbursement. Provide the option of electronic fund transfers (direct deposit) to a Participants’ designated financial institution for all claims reimbursement.

We process and reimburse claims daily, Monday through Friday, excluding holidays. Based on our experience, a participant will receive a direct deposit reimbursement within 2-3 business days, provided that their bank account information is valid. However, while a Contractor may *issue* reimbursement via paper check within 3 business days, it may take up to 5 business days for a participant to *receive* a check sent through the US Postal Service. Is PEBA amenable to the timeframe for participant receipt of paper reimbursement checks, which are outside of the Contractor’s direct control?

**Response: The Contractor is required to disburse amounts, which are payable for one of the benefits provided, to the Participant within three (3) business days. Yes, it would be reasonable for a Participant’s receipt of a paper reimbursement check to exceed 2-3 business days to account for the US Postal Service delivery time.**

1. Page 23; Part 3 Scope of Work; 3.5.1

Coordinate and establish carrier file data feeds from the State’s insurance carriers (health/dental/vision) for automatic claims processing. Accept files from the State’s insurance carriers and use the data to either substantiate stored value card (debit card) transactions, or, to substantiate other claims submitted by the Participant for reimbursement. The State’s health and dental plans are currently administered by BlueCross BlueShield of South Carolina. The State’s vision benefits plan is currently administered by EyeMed Vision Care®.

Please provide clarification regarding *‘other claims submitted by the Participant’* in relation to coordination of carrier files for automatic processing. Does PEBA wish to allow out-of-pocket claim amounts to be presented to the user on the participant portal, whereby they can choose if they want to pay the provider directly, pay themselves back (if the claim was already paid for out of pocket), or use a claim as a substitute receipt for an outstanding card transaction requiring a receipt?

**Response: Yes.**

1. Page 24; Part 3 Scope of Work; 3.7.3

Monitor Participant Health Savings Account contributions through the State Flexible Benefits Plan to ensure compliance with IRS limits so there are no adverse taxable consequences to account holders for excess contributions. In December each year, identify Health Savings Account enrollees for the next plan year who may have a balance in a full Medical Spending Account carried over to the new plan year, and advise the payroll center.

Standard services allow for automatic system alerts to be provided to participants when contributions exceed limits. These alerts are provided regardless of HDHP status. Details regarding HSA compatible FSA account balances is available online, on-demand, as part of the standard reporting suite. We have safeguards that prevent contributions from exceeding the plan limit. If a contribution would exceed the limit, the funding would be rejected. Would PEBA allow for automatic system monitoring of HSA contributions and rejection for amounts which exceed the plan limit? Would PEBA also allow participating entities to review data online, and through on-demand reporting, in order to identify participants who have a balance in a full Medical Spending Account carried-over?

**Response: This requirement does not specify how the Contractor shall monitor Participant Health Savings Account contributions through the State Flexible Benefits Plan to ensure compliance with IRS limits so there are no adverse taxable consequences to account holders for excess contributions. PEBA would allow for automatic system monitoring of HSA contributions and rejection for amounts which exceed the plan limit. PEBA would also allow participating entities to review data online and through on-demand reporting, however, PEBA will still expect the Contractor to identify Health Savings Account enrollees for the next plan year who may have a balance in a full Medical Spending Account carried over to the new plan year, and advise the payroll center.**

1. Page 24; Part 3 Scope of Work; 3.7.7

The Health Savings Account Trustee shall provide features associated with Health Savings Accounts, including a debit card, check access, and investment options for Health Savings Account balances.

While paper checks are utilized to facilitate reimbursements, no ‘checkbooks’ are provided to participants. Please confirm that check access does not require the provision of ‘checkbooks’.

**Response: Confirmed. Please refer to Part 5 Information for Offerors to Submit, 5.1.4 Offeror’s Approach, 5.1.4.7 *Health Savings Accounts*, (d).**

1. Page 25; Part 3 Scope of Work; 3.9.2

Respond to inquiries from Participants and benefits administrators within twenty-four (24) hours.

Outbound calls and emails cannot be supported as our infrastructure is set up as an inbound call center. We can agree to return 100% of calls related to known quality issues within one business-day of resolution. Known quality issues are defined as escalated issues presented by PEBA and validated as a quality issue by our quality monitoring team (i.e. incorrect information was provided by the agent where coaching is required). We have no mechanism for customer service representatives to return calls and emails. For privacy and security purposes, we have discontinued the use of email in our call centers. Please confirm if this is acceptable.

**Response: PEBA expects its Contractor to respond to inquiries from Participants and benefits administrators within twenty-four (24) hours. Offerors should describe their procedures to ensure a prompt response to all inquiries from Participants, benefits administrators and PEBA in their response to the Request for Proposal, Part 5 Information for Offerors to Submit, 5.1.4 Offeror’s Approach 5.1.4.9 *Customer Service*, (a).**

1. Page 25; Part 3 Scope of Work; 3.9.5

Provide Participants with an internal appeals process in accordance with the State Flexible Benefits Plan provisions, and cooperate with PEBA in its review process for appeals under the State Flexible Benefits Plan.

Please confirm that PEBA would be the claims fiduciary and the contractor would merely act as an independent contractor.

**Response: The contractor will serve as the contracted Third Party Administrator and will be expected to adjudicate appeals in accordance with the contract, the directives of PEBA, and any applicable law.**

1. Page 27; Part 3 Scope of Work; 3.10.9

Provide a website that is accessible without entering a password that includes information specific to the State Flexible Benefits Plan benefits and features. The website, and any software programs residing on the website, shall be updated as needed to conform to applicable changes in federal tax laws and regulations. The website shall explain the benefits and value of enrolling in the State Flexible Benefits Plan’s features, in accordance with applicable rules and information that allows a potential participant to calculate his possible savings through participation in the State Flexible Benefits Plan (based on salary; federal, state, and FICA tax impact; and contributions paid pretax). Website content must be reviewed and approved by PEBA’s Communications Department prior to use.

For security purposes, our employer and participant websites require the use of a password. No password is necessary to access our corporate website to view federal regulations, benefits, tax savings, etc. Would it be acceptable to PEBA for us to develop a micro-site which does not require a password?

**Response: Yes. However, the microsite must include State Flexible Benefits plan-specific information, as well as links to the secure employer and participant sites and the PEBA website. The microsite is subject to PEBA review and approval.**

1. Page 27; Part 3 Scope of Work; 3.10.10

Provide individual account balance statements that shall be furnished to Participants at least quarterly. The balance statements shall include the balance contained in the account available for each benefit, the amount contributed for the plan year and the amount expended during the plan year. Provide other statements/reports to individual Participants as are required by law, in connection with the State Flexible Benefits Plan. All statements and reports must be co-branded and approved by PEBA’s Communications Department.

Would PEBA consider removing the co-branding requirement on the account statements? Would PEBA allow for the provision of a standard, online activity statement, and the option for participants to receive account status notifications according to their selected preferences?

**Response: No, the co-branding requirement on the account statements will not be removed. Offerors may propose providing a standard, online activity statement, and the option for participants to receive account status notifications according to their selected preferences. The Contractor shall provide individual account balance statements that shall be furnished to Participants at least quarterly, that can be delivered electronically, based upon the Participant’s preference.**

1. Page 28; Part 3 Scope of Work; 3.11.1

Adhere to their PEBA specific (not Book of Business) performance standards and related liquidated damages for deviation from those performance standards as agreed to between PEBA and the Contractor. Report to PEBA on the achievement of performance standards for the previous quarter and identify all performance standards that were not met and the related liquidated damages. Payment of liquidated damages shall be made to PEBA by check on a quarterly basis. PEBA cannot accept liquidated damages as an invoice credit in the month following the quarterly measurement. Achievement of Performance Guarantees is subject to independent verification by PEBA.

Our efficient and cost-effective claims coordination was designed by measuring overall book of business data. In order to eliminate additional costs associated with nonstandard, manual processes, would PEBA please consider allowing performance to be measured in alignment with nationwide standards?

**Response: No.**

1. Page 29; Part 3 Scope of Work; 3.12.5

Provide, periodically, additional reports reasonably consistent with available data that is necessary to properly evaluate the program. No additional charges will be paid by PEBA for these reports or any other reports requested concerning the performance of the contract.

We respectfully request that PEBA allow for coordination of all anticipated periodical reporting requirements (with the Comptroller General for State agencies and individually for all other payroll centers), during implementation of one common data exchange mode, during the first year of the contract term (2019 calendar year).

**Response: PEBA will allow for coordination of all anticipated periodical reporting requirements during implementation of one common data exchange mode, during the first year of the contract term. Any additional reports reasonably consistent with available data that is necessary to properly evaluate the program will be coordinated through PEBA.**

1. Page 30; Part 3 Scope of Work; 3.13.1

Maintain a separate account in PEBA’s name for the purpose of maintaining Participant contributions and for the funding of claim disbursements under the State Flexible Benefits Plan and this contract. The Contractor shall perform all administrative and recordkeeping functions necessary to ensure accurate disbursement of the Participants’ contributions and accurate accounting of the Participants’ accounts. No other funds shall be combined in this separate bank account with State funds. The Contractor will send a monthly bank statement and bank reconciliation to PEBA, reflecting all transactions in the account during the month. The expense of maintaining the bank account shall be borne by the Contractor. Accumulated funds in the separate bank account shall be invested in short-term interest bearing investments. Any interest earned on the investments shall be credited to PEBA on an annual basis. The interest shall be held and accumulated by the Contractor and disbursed only at the express direction of PEBA.

Typically, separate bank accounts are not setup for each client or individual participant. Standard services allow for the Contractor to own and maintain the bank account from which funds are distributed. In order to accommodate a separate bank account arrangement for PEBA, and remain closely aligned with established, cost-effective processes (which allows the Contractor to use its own designated bank account to conduct daily check writes and direct deposits for participant reimbursements), we respectfully proposes a *Daily Funding Model*, whereby the Contractor will issue a daily invoice to the State to reflect the disbursements made from the previous day, and the State can then choose to allow the Contractor to draw from the State bank account via ACH debit or replenish the Contractor account via ACH wire from the State’s separate bank account. Reports for reconciliation and maintenance are accessible on-demand on the employer website. Would PEBA be willing to consider a *Daily Funding Model* arrangement?

**Response: The Contractor is required to setup and maintain a separate bank account in PEBA’s name for the purpose of maintaining Participant contributions and for the funding of claim disbursements under the State Flexible Benefits Plan and this contract. PEBA will allow the Contractor to withdraw funds on a daily basis from the PEBA account via ACH debit. All other administrative, recordkeeping, and reconciliation duties remain the same as outlined in Section 3.13.1. Please see the diagram(s) on page 39/40 of this Amendment Number One (1).**

1. Page 31; Part 3 Scope of Work; 3.15.2

Submit the Final Implementation Plan to PEBA for review and approval within ten (10) business days after the notice of intent to award becomes the final statement of award (tentatively April 20, 2018). Implementation activities shall not commence prior to PEBA approval of the Final Implementation Plan.

Would PEBA allow for 30 business days, after the notice of intent to award becomes the final statement of award, for provision of the Final Implementation Plan?

**Response: No.**

1. Page 31; Part 3 Scope of Work; 3.15.5

In the event of any failure by the Contractor to adhere to the Final Implementation Plan, as agreed upon between the Contractor and PEBA (and without the express written waiver of PEBA before the date of the agreed upon time for completion), the Contractor shall pay PEBA the amount of $500 per business day. If, after 15 days’ notice, the Contractor has failed to pay any amount due hereunder, the amount shall be withdrawn from the security (7.50 Security for Performance, Damages).

Please confirm that written waivers, issued by PEBA before the date of the agreed upon time for completion, and changes by mutual agreement, will avoid the necessity to withdraw penalty funds from the security.

**Response: Confirmed.**

Please confirm that PEBA is willing to work with the Contractor’s internal teams to expedite resolution of project delays that may arise during coordination of custom development.

**Response: Confirmed.**

1. Page 32; Part 3 Scope of Work; 3.16.1 e. first bullet

Following termination of the contract either by expiration of the Term of the Contract or as otherwise provided under this contract, the Contractor, for no additional compensation will perform the following activities in the year following termination:

* For the period January 1st to March 31st of the year following termination, continue to process reimbursements to eligible State Flexible Benefits Plan Participants in accordance with IRS Guidelines for the prior year.

It is strongly recommended that the new administrator take over run-out processing of the prior plan year, while administering the new plan. In order to ensure compliance, a participant's run-out and grace period claims from the prior plan year should be managed on the same system as the current plan year, and handled by one administrator. In the event of contract termination, all data files are available for online download up through the final termination date. Thereafter, we respectfully request that reasonable transition services be performed at a mutually agreeable rate.

**Response: Request denied.**

1. Page 32; Part 3 Scope of Work, 3.16.1.e. fourth bullet
* The Contractor shall file all required federal and state tax forms for the last plan year on behalf of the State Flexible Benefits Plan.

As Non-Discrimination Testing (NDT) is the only necessary report/form to comply with federal and state law relating to the operation of the Dependent Care Spending Account, Medical Spending Account and the Limited-use Medical Spending Account, that is currently prepared and/or filed under federal and state law. Is NDT the only ‘federal and state tax’ form a contractor might need to file after contract termination?

**Response: That is our understanding. However, PEBA expects the Contractor to be familiar with all necessary reports and forms to comply with federal and state law relating to the operation of the State Flexible Benefits Plan and to file all required federal and state tax forms for the last plan year on behalf of the State Flexible Benefits Plan.**

1. Page 34; Part 5.1.2 Executive Summary

Subcontracting: Offerors should identify any subcontractor(s) by name, define the relationship, the work which they are to perform on this contract and the years of experience. The Offeror’s contract with the subcontractor(s) shall require the subcontractor(s) to comply with all of the requirements contained in this RFP.

Please only require subcontractors performing services specific to PEBA’s programs to comply with all the RFP requirements. It is not necessary for a contractor’s book of business subcontractors be subject to PEBA’s RFP requirements.

**Response: Offerors should identify any subcontractor(s) involved in any way with the performance of the work under this contract and require the subcontractor(s) to comply with all of the requirements contained in this Request for Proposal (RFP).**

1. Page 35; Part 5, 5.1.4.2 (b)

Describe how you will ensure that eligibility data stored on your systems will mirror the eligibility data maintained by PEBA. How many of your employees will need access to EBS in order to respond to any enrollment questions from Participants?

Contractor anticipates the ability to rely upon the information provided by PEBA without qualification. However, in order to ensure that data stored on the Contractor’s system will mirror the data maintained by PEBA, an advisory report can be generated which would highlight any changes. Is PEBA willing to coordinate the review of file advisories as part of the eligibility data reconciliation process?

**Response: Yes, PEBA is willing to coordinate the review of file advisories as part of the eligibility data reconciliation process. However, PEBA expects the Contractor to fully reconcile eligibility data on a periodic basis. Also, as a part of this process, PEBA will request a monthly file from the Contractor to conduct reconciliations. Please see the amendments to the Request for Proposal, beginning on page 34 of this Amendment Number One (1).**

1. Page 38; Part 5, 5.1.4.11

Provide your PEBA specific monthly performance standards and related liquidated damages for deviation from those performance standards in, at a minimum, the following PEBA performance measurement areas as outlined in the table below. Describe how performance standards will be measured and reported on a quarterly basis. You may propose additional performance standards and related liquidated damages above the minimum requirements below.

Our efficient and cost-effective claims coordination was designed by measuring overall book of business data. In order to eliminate additional costs associated with nonstandard, manual processes, would PEBA please consider allowing performance to be measured in alignment with nationwide standards?

**Response: Please see the response to question number 21 above.**

1. Page 42; Business Proposal

How should offerors account for the 1,159 FSA Participants who have dual accounts?

**Response: Offerors should submit fixed administrative fees per Participant for each State Flexible Benefits Plan feature as listed on the Business Proposal in *even* amounts and provide a total fixed administrative fee for the initial contract term (3 years). An Offeror may submit a proposal that includes a reduction in fees for a Participant who has dual accounts, however, this is not a requirement and not a part of the Business Proposal.**

1. Page 42; Business Proposal

Health Savings Account

$\_\_\_\_\_\_\_\_\_/per Participant per year x 3,424 (Approximate Participants) = $\_\_\_\_\_\_\_\_\_\_\_\_

(even amount)

Total Fixed Administrative Fee for the Initial Contract Term: $\_\_\_\_\_\_\_\_\_\_\_\_ (1 + 2 + 3+4) X 3 years

(the Initial Contract Term) = $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Evaluated Amount)

As the focus of an HSA shifts from a savings account to a financial product, custodial provider fees have become subject to change at any time with 30 days written notice to the accountholder. The contractor can only guarantee its monthly account rate, and cannot guarantee any custodian fees. We respectfully request that PEBA allow for the modification of third party fees associated with the HSA.

**Response: Offerors should only quote their fixed administrative fee per Participant per year on the Business Proposal. Any additional Participant fees associated with a Health Savings Account (e.g. bank fee if HSA balance is below $2,500) should be included in the Offeror’s response to the Request for Proposal, Part 5 Information for Offerors to Submit, 5.1.4 Offeror’s Approach, 5.1.4.7 *Health Savings Accounts*, (f), including if these fees are not fixed.**

1. Page 62; Attachment 3; Master State Agency Payroll Center process outline

Attachment 3 still reflects that the Contractor will send enrollment files to SCEIS, which is inconsistent with the recent revisions to Part 3 Scope of Work, item 3.2.1. Please confirm whether or not Attachment 3 still needs to be revised.

**Response: Attachment 3 has been deleted. Please see the amendments to the Request for Proposal, beginning on page 34 of this Amendment Number One (1).**

1. Pages 47-48; Part 7

7.26 CONTRACTOR'S LIABILITY INSURANCE-GENERAL (FEB 2015): (a) Without limiting any of the obligations or liabilities of Contractor, Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of A-VII or better, and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work and the results of that work by the Contractor, his agents, representatives, employees or subcontractors. (b) Coverage shall be at least as broad as:

(1) Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 12 07 covering CGL on an “occurrence” basis, including products-completed operations, personal and advertising injury, with limits no less than $1,000,000 per occurrence. If a general aggregate limit applies, the general aggregate limit shall be twice the required occurrence limit. This contract shall be considered to be an “insured contract” as defined in the policy.

(2) Worker’s Compensation: As required by the State of South Carolina, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than $1,000,000 per accident for bodily injury or disease.

(b) PEBA, its officers, officials, employees and volunteers, must be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor’s insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used.

(c) For any claims related to this contract, the Contractor’s insurance coverage shall be primary insurance as respects the State, PEBA, and its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the State, PEBA, or its officers, officials, employees and volunteers, shall be excess of the Contractor’s insurance and shall not contribute with it.

(d) Prior to commencement of the work, the Contractor shall furnish the State with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this section. All certificates are to be received and approved by the State before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor’s obligation to provide them. The State reserves the right to require complete, certified copies of all required insurance policies, or sufficient proof of applicable coverage, as determined by the State, including endorsements required by this section, at any time.

(e) Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In addition, the Contractor shall notify the State immediately upon receiving any information that any of the coverages required by this section are or will be changed, cancelled, or replaced.

(f) Contractor hereby grants to the State and PEBA a waiver of any right to subrogation which any insurer of said Contractor may acquire against the State or PEBA by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the State or PEBA has received a waiver of subrogation endorsement from the insurer.

(g) Any deductibles or self-insured retentions must be declared to and approved by the State. The State may require the Contractor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

(h) The State reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Will PEBA agree to the following?

* + - Rather than as indicated above, the Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of A-VII or better.

**Response: 7.26, Contractor’s Liability Insurance – General, (a) states: “Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of A-VII or better”**

* + - Rather than as indicated in 2(b) above, the Commercial General Liability insurance will include PEBA as an additional insured, but only to the extent of liabilities falling within WageWorks indemnity obligations pursuant to the terms of this Agreement.

**Response: No.**

* + - Rather than as indicated in 2(c) above, only the Commercial General Liability insurance shall be primary to and non-contributory with insurance maintained by PEBA, but only to the extent of liabilities falling within the Contractor’s indemnity obligations pursuant to the terms of this agreement.

**Response: No.**

* + - With regard to 2(d) above, will the State waive the provision that it reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by this section, at any time? Due to privacy issues, the Contractor does not wish to provide complete copies of its policies, but will provide other sufficient proof of applicable coverage.

**Response: The State reserves the right to require complete, certified copies of all required insurance policies, or sufficient proof of applicable coverage, as determined by the State, including endorsements required by this section, at any time.**

* + - With regard to 2(g) above, the State will agree to use a reasonableness standard in determining Contractor’s ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

**Response: No.**

1. Pages 48-49; Part 7

7.27 CONTRACTOR’S LIABILITY INSURANCE–INFORMATION SECURITY AND PRIVACY (FEB 2015)

[ASK QUESTIONS NOW: For products providing the coverages required by this clause, the insurance market is evolving. Our research indicates that the requirements stated herein reflect commercially-available insurance products. Any offeror having concerns with any specific requirements of this clause should communicate those concerns to the Procurement Officer prior to the adjournment of the Pre-Proposal Conference.]

(a) Without limiting any other obligations or liabilities of Contractor, Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of A-VII or better, and maintain for the duration of the contract, a policy or policies of insurance against claims which may arise from or in connection with the performance of the work and the results of that work by the Contractor, his agents, representatives, employees, subcontractors or any other entity for which the Contractor is legally responsible.

(b) Coverage must include claims for:

(i) information security risks, including without limitation, failure to prevent unauthorized access to, tampering with or unauthorized use of a computer system; introduction of malicious codes, computer viruses, worms, logic bombs, etc., into data or systems; or theft, damage, unauthorized disclosure, destruction, or corruption of information in whatever form;

(ii) privacy risks, including (A) failure to properly handle, manage, store, dispose of, destroy, or otherwise control non-public personally identifiable information in any format; (B) loss of, unauthorized access to, or disclosure of confidential information; and (C) any form of invasion, infringement or interference with rights of privacy, including breach of security/privacy laws or regulations;

(iii) contractual liability for the Contractor’s obligations described in the clauses titled “Indemnification - Third Party Claims – Disclosure Of Information” and “Information Use And Disclosure;” and

(iv) errors, omissions, or negligent acts in the performance, by the Contractor or by any entity for which the Contractor is legally responsible, of professional services included in the work.

(c) If the work includes content for internet web sites or any publications or media advertisements, coverage must also include claims for actual or alleged infringement of intellectual property rights, invasion of privacy, as well as advertising, media and content offenses.

(d) If the work includes software, coverage must also include claims for intellectual property infringement arising out of software and/or content (with the exception of patent infringement and misappropriation of trade secrets)

(e) Coverage shall have limits no less than four million ($4,000,000.00) dollars per occurrence and six million ($6,000,000.00) dollars aggregate.

(f) If the insurance required by this clause is procured on a form affording “claims-made” coverage, then (i) all limits stated above as “per occurrence” shall be understood to mean “per claim” or “per occurrence,” as is consistent with the terms of the “claims-made” policy; and (ii) such claims-made insurance shall provide for a retroactive date no later than the date the contract is awarded.

(g) All terms of this clause shall survive termination of the contract and shall continue until thirty (30) days past the final completion of the work, including the performance of any warranty work. In addition, Contractor shall maintain in force and effect any “claims- made” coverage for a minimum of two (2) years after final completion of all work or services to be provided hereunder. Contractor shall purchase an extended reporting period, or “tail coverage,” if necessary to comply with the latter requirement.

(h) PEBA, its officers, officials, employees and volunteers, must be covered as additional insureds on the policy or policies of insurance required by this clause.

(i) For any claims related to this contract, the insurance coverage required by this clause shall be primary insurance as respects the State, PEBA, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the State, PEBA, or its officers, officials, employees and volunteers, shall be excess of the Contractor’s insurance and shall not contribute with it.

(j) Prior to commencement of the work, the Contractor shall furnish the State with original certificates of insurance for every applicable policy effecting the coverage required by this clause. All certificates are to be received and approved by the Procurement Officer before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor’s obligation to provide them. The State reserves the right to require complete, certified copies of all required insurance policies, or sufficient proof of applicable coverage, as determined by the State, including policy declarations and any endorsements required by this section, at any time.

(k) Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In addition, the Contractor shall notify the State immediately upon receiving any information that any of the coverages required by this clause are or will be changed, cancelled, or replaced.

(l) Contractor hereby grants to the State and PEBA a waiver of any right to subrogation which any insurer of said Contractor may acquire against the State or PEBA by virtue of the payment of any loss under such insurance as is required by this clause. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the State or PEBA has received a waiver of subrogation endorsement from the insurer.

(m) Any deductibles or self-insured retentions must be declared to and approved by the State. The State may require the Contractor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

Will PEBA agree to the following?

* Rather than as indicated (a) above, the Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of A-VII or better.

**Response: 7.26, Contractor’s Liability Insurance – General, (a) states: “Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of A-VII or better”**

* Rather than as indicated (h) above, PEBA, its officers, officials, employees and volunteers, will not be covered as additional insureds on the policy or policies of insurance required by this clause.

**Response: (h) has been deleted. Please see the amendments to the Request for Proposal, beginning on page 34 of this Amendment Number One (1).**

* Rather than as indicated (i) above, for any claims related to this contract, the insurance coverage required by this clause shall not be primary insurance as respects the State, PEBA, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the State, PEBA, or its officers, officials, employees and volunteers, shall not necessarily be excess of the Contractor’s insurance and may contribute with it.

**Response: (i) has been deleted. Please see the amendments to the Request for Proposal, beginning on page 34 of this Amendment Number One (1).**

* With regard to (j) above, will the State waive the provision that it reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by this section, at any time? Due to privacy issues, the Contractor does not wish to provide complete copies of its policies, but will provide other sufficient proof of applicable coverage.

**Response: The State reserves the right to require complete, certified copies of all required insurance policies, or sufficient proof of applicable coverage, as determined by the State, including endorsements required by this section, at any time.**

* Rather than as indicated (l) above, waiver of any right to subrogation shall only apply to the General Commercial Liability and Workers’ Compensation insurance. To the extent permitted by law, Contractor will require its insurer(s) issuing the CGL / WC coverage to waive its rights of recovery or subrogation against PEBA, but only to the extent of liabilities falling within Contractor’s indemnity obligations under this Agreement.

**Response: (l) has been deleted. Please see the amendments to the Request for Proposal, beginning on page 34 of this Amendment Number One (1).**

* With regard to (m) above, the State will agree to use a reasonableness standard in determining Contractor’s ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

**Response: No.**

1. Pages 56-57; Part 7

7.44 PRICING DATA -- AUDIT -- INSPECTION (JAN 2006)

[Clause Included Pursuant to Section 11-35-1830, - 2210, & -2220] (a) Cost or Pricing Data.  Upon Procurement Officer's request, you shall submit cost or pricing data, as defined by 48 C.F.R. Section 2.101 (2004), prior to either (1) any award to contractor pursuant to 11-35-1530 or 11-35-1560, if the total contract price exceeds $500,000, or (2) execution of a change order or contract modification with Contractor which exceeds $100,000. Your price, including profit or fee, shall be adjusted to exclude any significant sums by which the State finds that such price was increased because you furnished cost or pricing data that was inaccurate, incomplete, or not current as of the date agreed upon between parties.  (b) Records Retention. You shall maintain your records for three years from the date of final payment, or longer if requested by the Chief Procurement Officer. The State may audit your records at reasonable times and places. As used in this subparagraph (b), the term "records" means any books or records that relate to cost or pricing data submitted pursuant to this clause.  In addition to the obligation stated in this subparagraph (b), you shall retain all records and allow any audits provided for by 11-35-2220(2).  (c) Inspection.  At reasonable times, the State may inspect any part of your place of business which is related to performance of the work. (d) Instructions Certification. When you submit data pursuant to subparagraph (a), you shall (1) do so in accordance with the instructions appearing in Table 15-2 of 48 C.F.R. Section 15.408 (2004) (adapted as necessary for the state context), and (2) submit a Certificate of Current Cost or Pricing Data, as prescribed by 48 CFR Section 15.406-2(a) (adapted as necessary for the State context).  (e) Subcontracts. You shall include the above text of this clause in all of your subcontracts.  (f) Nothing in this clause limits any other rights of the state.

Will PEBA agree to the following?

* As part of audit, remove the requirement that Contractor must submit cost or pricing data.

**Response: No.**

* Remove the provision that Contractor’s price, including profit or fee, shall be adjusted to exclude any significant sums by which the State finds that such price was increased because Contractor furnished cost or pricing data that was inaccurate, incomplete, or not current as of the date agreed upon between parties.

**Response: No.**

1. Page 58; Part 7

7.49 TERMINATION FOR CONVENIENCE (JAN 2006): (1) Termination.  The Procurement Officer may terminate this contract in whole or in part, for the convenience of the State.  The Procurement Officer shall give written notice of the termination to the Contractor specifying the part of the contract terminated and when termination becomes effective.

(2) Contractor's Obligations.  The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contractor will stop work to the extent specified.  The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work.  The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work.  The Procurement Officer may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the State.  The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) Right to Supplies.  The Procurement Officer may require the Contractor to transfer title and deliver to the State in the manner and to the extent directed by the Procurement Officer:  (a) any completed supplies; and (b) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing material") as the Contractor has specifically produced or specially acquired for the performance of the terminated part of this contract.  The Contractor shall, upon direction of the Procurement Officer, protect and preserve property in the possession of the Contractor in which the State has an interest.  If the Procurement Officer does not exercise this right, the Contractor shall use best efforts to sell such supplies and manufacturing materials in accordance with the standards of Uniform Commercial Code Section 2-706.  Utilization of this Section in no way implies that the State has breached the contract by exercise of the Termination for Convenience Clause.

(4) Compensation.  (a) The Contractor shall submit a termination claim specifying the amounts due because of the termination for convenience together with cost or pricing data required by Section 11-35-1830 bearing on such claim.  If the Contractor fails to file a termination claim within one year from the effective date of termination, the Procurement Officer may pay the Contractor, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.

(b) The Procurement Officer and the Contractor may agree to a settlement and that the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the State, the proceeds of any sales of supplies and manufacturing materials under Paragraph (3) of this clause, and the contract price of the work not terminated;

(c) Absent complete agreement under Subparagraph (b) of this Paragraph, the Procurement Officer shall pay the Contractor the following amounts, provided payments agreed to under Subparagraph (b) shall not duplicate payments under this Subparagraph:

(i) contract prices for supplies or services accepted under the contract;

(ii) costs reasonably incurred in performing the terminated portion of the work less amounts paid or to be paid for accepted supplies or services;

(iii) reasonable costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to Paragraph (2) of this clause.  These costs must not include costs paid in accordance with Subparagraph (c)(ii) of this paragraph;

(iv) any other reasonable costs that have resulted from the termination.  The total sum to be paid the Contractor under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Contractor must demonstrate any costs claimed, agreed to, or established under Subparagraphs (b) and (c) of this Paragraph using its standard record keeping system, provided such system is consistent with any applicable Generally Accepted Accounting Principles.

(5) Contractor's failure to include an appropriate termination for convenience clause in any subcontract shall not (i) affect the state's right to require the termination of a subcontract, or (ii) increase the obligation of the state beyond what it would have been if the subcontract had contained an appropriate clause.

Will PEBA agree to the following?

* With regard to (2) above, will PEBA agree to remove the right of the Procurement Officer to direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the State? This will not be practical based on the manner in which Contractor utilizes certain subcontractors and places orders.

**Response: No.**

* With regard to (3) above, this is not applicable to the services that will be provided under the contract. Will PEBA agree to remove this section?

**Response: (3) has been deleted. Please see the amendments to the Request for Proposal, beginning on page 34 of this Amendment Number One (1).**

1. Page 59; Part 7

7.50 SECURITY FOR PERFORMANCE, DAMAGES: The Contractor shall supply security no later than July 1, 2018. The Contractor shall supply security in the form of an unconditional irrevocable standby letter of credit, on deposit in or issued by, respectively, a federal or state chartered bank with offices physically located in the State of South Carolina in the amount of two hundred fifty thousand dollars US ($250,000.00) whereby funds are (1) pledged to the benefit of the State; (2) are not under the control of the Contractor; and (3) are payable to PEBA upon written demand to the holder.

This security is for the faithful performance of this contract between the State and Contractor and will further protect, indemnify and save harmless the State from all costs and damages by reason of the Contractor's default, breach or failure to satisfactorily perform the obligations outlined in this RFP, the Contractor’s response thereto, and any amendments, modifications or change orders.

Not sooner than twelve (12) months following the commencement of performance, the Contractor may seek a reduction in the amount of the security and consideration for such a request will depend on Contractor’s performance up to the time of the request and the time remaining under the contract. Further, any revenue or other yield generated by the security shall be owned by the Contractor and may be withdrawn periodically so long as then applicable minimum security amount is maintained.

In the event of any condition of breach or other circumstance attributable to the Contractor, PEBA shall have the right to draw against the security such sums as are necessary to make the State whole, including, but not limited to, the costs incurred to secure and compensate for substituted services of another entity made necessary by the breach. Nothing herein shall be construed to mean that the security provided for herein is exclusive or constitutes any limitation or restriction on any remedies to which the State may be entitled.

Contractor requests that the PEBA remove the requirement of security for any Contractor that can reasonably establish its financial wherewithal for the faithful performance of this contract.

**Response: No.**

Contractor requests that any contract contain the following provision: In no event shall Contractor be liable for any incidental, consequential, special or punitive damages (including, without limitation, lost profits, lost business, loss of data or cost of substitute goods) arising out of or in connection with this Agreement or the Services performed hereunder under any theory of liability (whether in contract, tort, strict liability or otherwise).

**Response: No.**

1. Page 75 second Attachment 7

Please clarify that the report on page 75, which highlights the reporting responsibility for the previous and new vendor during transition, should be titled as Attachment 8.

**Response: Attachment number 3 has been deleted. Attachments 4 through 8 have been renumbered. Please see the amendments to the Request for Proposal, beginning on page 34 of this Amendment Number One (1).**

Vendor #4

1. Page 18, 2.2, Background, last paragraph:

How did PEBA reach the decision to switch from the grace period to the $500 carryover provision for the health care FSA?

**Response: This was a management decision.**

What communication challenges do you anticipate with this change?

**Response: PEBA anticipates the communication challenges typically seen when communicating benefits changes. PEBA expects the Contractor to share its expertise and experience in successfully navigating communications challenges as part its implementation activities.**

How will this type of change be explained to payroll centers and employees?

**Response: PEBA expects the Contractor to recommend how it would handle communicating this change to payroll centers and employees based on its expertise and experience.**

1. Page 19, 2.2, Flexible Spending Accounts:

The last sentence seems to indicate the card is only in use for IIAS merchants. Is this correct?

**Response: Yes, the card will only work at approved merchants who have an Inventory Information Approval System (IIAS).**

1. Page 19, Pre-tax Group Insurance Premium feature:

Why is the Pre-tax Group Insurance Premium feature removed and not a part of this contract?

**Response: This was a management decision.**

Who is handling the Pre-tax Group Insurance Premium feature effective 1/1/19?

**Response: PEBA will process enrollment for the Pre-tax Group Insurance Premium feature effective 1/1/19.**

Removal of this feature will directly impact fees paid by the FSA/HSA participants as the Pre-tax fees would have helped pay overhead costs, travel costs, communication and other costs associated with the FSA/HSA programs. How will a potential increase in the FSA/HSA fees be explained to employees by the State?

**Response: Administrative fees for the State Flexible Benefits Plan will be communicated to employees as a result of a new contract. PEBA also expects overhead expenses to be impacted due to PEBA assuming responsibility for eligibility and enrollment, and the computing of year-end Optional Life Imputed Income for employers. PEBA also expects other factors to impact overhead expenses, such as a single employer platform for remittance of employee contributions, and access to on-line claims information.**

If this feature is removed, will PEBA allow the contractor to utilize FSA forfeiture funds to cover program-related expenses?

## Response: Offeror’s fixed administrative fees per Participant for each State Flexible Benefits Plan feature should reflect Offeror’s administrative fees without consideration of forfeitures.

Will this be changed in the future to include the Pre-tax Group Insurance Premium feature?

**Response: No.**

Who will perform imputed income calculations on life insurance?

**Response: PEBA will handle the calculation of imputed income for life insurance.**

1. Page 20, Program Chart

The chart shows 31,503 cards for 2018 but only 21,799 medical reimbursement account participants. Can you explain the almost 10,000 difference? Also, the number of activated cards is greater than the number of participants.

**Response: The total number of MyFBMC cards (31,503) includes cards issued in prior years.**

1. Page 21, Scope of Work 3.1.1

This section lists the Pre-tax Group Insurance Premium as part of the third-party administration. Can you clarify this section?

**Response: Please see the response to question number 9 above.**

1. Page 21, Scope of Work 3.1.4

How will the Pre-tax Group Insurance Premium information be provided to the administrator in order to complete nondiscrimination testing?

**Response: An electronic file containing the necessary information for all employees eligible to participate in MoneyPlus will be provided once annually to the Contractor for the purpose of non-discrimination testing.**

Please list the tests that must be completed.

**Response: PEBA expects the Contractor to be familiar with all necessary reports and forms to comply with federal and state law relating to the operation of the State Flexible Benefits Plan.**

1. Page 22, Scope of Work 3.2.1, 3.2.2

Does PEBA’s data include data for all of the payroll centers?

**Response: Yes.**

Does the eligibility database include only those individuals enrolled in the FSA/HSA programs?

**Response: The eligibility database includes all individuals enrolled in the FSA and HSA programs.**

Does the eligibility database include all eligible employees, regardless if enrolled in FSA/HSA?

**Response: No.**

1. Page 22, Scope of Work 3.2.3

How will the EBS be used by the administrator to answer questions?

**Response: EBS can be used by the Contractor to view enrollment data.**

Can PEBA conduct a demonstration of this system at the pre-bid conference?

**Response: No. PEBA’s current enrollment system is being developed to include enrollment in the FSA/HSA programs. PEBA will give a brief overview of the enrollment system at the pre-proposal conference.**

Will the contractor answer questions related only to the FSA/HSA program?

**Response: The Contractor shall be responsible for responding to all questions related to the administration of this contract.**

If the contractor is handling only the FSA/HSA program, why would access to EBS which mirrors the contractor records be needed?

**Response: Yes, the Contractor’s records shall mirror the enrollment data on EBS. However, there may be a need due to timing, file errors, etc. that the Contractor may need to refer to EBS for enrollment information.**

Will this process comply with HIPAA standards that require working with the minimum amount of data necessary?

**Response: Yes.**

1. Page 22, Scope of Work 3.4.1

How will PEBA assist the contractor in the event a payroll center does not respond? Does PEBA have a way to force the payroll center to comply?

**Response: If there is a problem with an individual employer, PEBA will assist with a resolution. However, PEBA should not be the first line of resolution.**

1. Page 23, Scope of Work 3.4.4

How will PEBA send information to the contractor for those electing FSA COBRA coverage continuation or FMLA coverage continuation?

**Response: The Contractor shall send out HealthCare FSA COBRA notices upon notification of termination from PEBA.**

1. Page 23, Scope of Work 3.5.1

Are there fees imposed by the carriers for this service?

**Response: No.**

1. Page 24, Scope of Work 3.6.3

Does the contractor send a file to non-State agencies?

**Response: Yes, SCEIS receives one file, and all other employers receive a separate file.**

1. Page 24, Scope of Work 3.7

Will employees be encouraged to move existing HSA funds to the new custodian?

**Response: Yes.**

Please provide the average balance of HSA participants with balances under $2,500 and over $2,500.

**Response: According to the current Contractor, the average account balance is $2,617.00. Optum does not report on average account balances among employees in specific balance tranches, just average account balance among the total participant population.**

1. Page 24, Scope of Work 3.7.3

When will the contractor receive the enrollment data for the next plan year?

**Response: November 2018.**

1. Page 24, Scope of Work 3.7.6

Is there any requirement for FDIC coverage?

**Response: No. Offerors should propose their most competitive investment line-up in Part 5 Information for Offerors to Submit, 5.1.4 Offeror’s Approach, 5.1.4.7 *Health Savings Accounts*, (e).**

1. Page 25, Scope of Work 3.9.3

Please provide a sample of the most recent survey conducted.

**Response: Please refer to page 41 of this Amendment Number One (1).**

1. Page 25, Scope of Work 3.9.4

Please provide a copy of the most recent survey conducted.

**Response: As the Customer Satisfaction Survey for payroll centers to gauge satisfaction with the Contractor is a new requirement for this contract there is no survey available.**

1. Page 25, Scope of Work 3.9.5

How are appeals handled now? Does the contractor handle first level appeals?

**Response: Please refer to the Flexible Benefits Plan document, Section 5.3.**

Does the State review first level and/or second/subsequent level appeals?

**Response: Please refer to the Flexible Benefits Plan document, Section 5.3.**

1. Page 26, Scope of Work 3.10.3

What are the general and targeted metrics?

**Response: PEBA will depend upon the advice and industry expertise of the Contractor in working collaboratively to establish general and targeted metrics.**

1. Page 26, Scope of Work 3.10.4

What is the State’s expectation for increased enrollment?

**Response: PEBA will depend upon the advice and industry expertise of the Contractor in working collaboratively to determine reasonable expectations for increased enrollment.**

What are the State’s short-term goals?

**Response: In general, PEBA’s goal is to increase participation. PEBA will work collaboratively with the Contractor to develop other goals for the Program.**

What are the State’s long-term goals?

**Response: In general, PEBA’s goal is to increase participation. PEBA will work collaboratively with the Contractor to develop other goals for the Program.**

1. Page 26, Scope of Work 3.10.5

Will the contractor need specific approval and/or licensing to use the PEBA logo?

**Response: The Contractor will receive approval from PEBA to use the PEBA logo; however, PEBA Communications must review and approve any material in which the logo appears prior to publication or posting online. Contractor may not use the logo on any materials or other information without express written approval from PEBA.**

1. Page 27, Scope of Work 3.10.6

Can materials be distributed via email?

**Response: Yes, to the extent that a valid email address is available and the Participant has selected that means of communication from the Contractor. Any mass communications must be approved by PEBA.**

Will the State provide email addresses for eligible employees?

**Response: The State will provide email addresses for Participants enrolled in the Flexible Benefits Plan, not all eligible employees. Approved general communications can be distributed through PEBA. Any mass communications from the vendor must be approved by PEBA.**

1. Page 27, Scope of Work 3.10.7

How many employees have elected electronic communication?

**Response: According to the current Contractor there are 20,998 Participants who elected electronic communications. The rest of the Participants get paper communications.**

How many employees have elected paper communication?

**Response: Please see the response to question number 62 above.**

1. Page 27, Scope of Work 3.10.12

Please describe what “materials” are needed, types of documents, number of pages, etc.

**Response: Education and training materials for state benefits administrators and PEBA include, but are not limited to, Contractor site account login access and instructions, payroll remittance instructions, payroll file layout and sample file, payroll file submission instructions, payroll processing timelines, new entity setup instructions and timelines, and Contractor contact information. These materials are currently requested by state benefits administrators. Document types include, but are not limited to, frequently asked questions, screen captures of applicable online sites and PowerPoint presentations.**

Can the materials be provided online?

**Response: Yes. State benefits administrators can request hard-copy materials from the Contractor, for which the Contractor will be responsible for supplying.**

Please quantify the number of “materials” needed.

**Response: This is dependent upon the number of requests.**

1. Page 27, Scope of Work 3.10.13

Please provide last year’s schedule of events that includes locations, dates, times, etc.

**Response: Please see page 48 of this Amendment Number One (1).**

1. Page 28, Scope of Work 3.12.1, 1st bullet

How would a participant be able to use the entire annual DCSA contribution early in the Plan Year?

**Response: The Contractor will be required to provide reports to monitor accounts that may have a negative balance during the year.**

1. Page 28, Scope of Work 3.12.1, 3rd bullet

Can you provide a sample of the report you receive now?

**Response: No.**

How is “complaint” defined?

**Response: A “complaint” is defined as: “(1) A statement that something is unsatisfactory or unacceptable; (2) A reason for dissatisfaction; (3) The expression of dissatisfaction.”**

1. Page 29, Scope of Work 3.12.1, 5th bullet

How is “program type” defined in this section?

**Response: Medical Spending accounts, Limited Use Medical Spending accounts and Health Savings Accounts.**

1. Page 30, Scope of Work 3.13.2

If claims exceed the funded amount, will the State increase the 3%?

**Response: PEBA expects the 3% funding amount to be sufficient; if it is not, PEBA would be willing to review this with the Contractor for possible adjustment.**

What is the balance of the forfeiture fund?

**Response: Offerors should not consider forfeitures in their quoted administrative fees.**

Other than excess HCFSA payments, for what other types of program expenses are forfeiture funds used to pay?

**Response: Forfeiture funds are used to front Medical Spending accounts and Limited Use Spending accounts. Also, used to cover amounts for Participants who leave employment before contributing the full amount into their MSA account.**

1. Page 30, Scope of Work 3.13.5

How is are MSA “overpayments” defined? Does this mean excess payment over the contributed amount, or paid in excess of valid claims?

**Response: Payments either over the elected amount or in excess of a valid claim.**

1. Page 32, Scope of Work 3.16.1.d

What does it mean to have an “activity in possession of the contractor?”

**Response: PEBA expects a full reporting of all information germane to the administration of the contract.**

1. Page 35, Offeror’s Approach 5.1.4.2

Will PEBA send approved enrollments and changes to the contractor? Or will PEBA send requests for enrollments and changes to the contractor for review and final decision?

**Response: PEBA will manage all enrollments, including changes in enrollments. All data will be included in the daily file sent to the Contractor.**

1. Page 36, Offeror’s Approach 5.1.4.6(a)

Please define “payments made in error” for debit card transactions.

**Response: It would be the Participant using the card in error or improper use of the card.**

1. Page 36, Offeror’s Approach 5.1.4.6(c)

Since it is not possible to make this guarantee, what is the State’s expectation?

**Response: PEBA expects the Contractor to use due diligence in the administration of the program. Offerors should propose how they will guarantee that only items eligible for reimbursement as set forth in IRS guidelines are charged to the debit card in their response to the Request for Proposal, Part 5 Information for Offerors to Submit, 5.1.4 Offeror’s Approach, *5.1.4.6 Stored Value Card* (c).**

1. Page 37, Offeror’s Approach 5.1.4.7(d)

Since it is not possible to ensure compliance with IRS limits or to avoid tax consequences, what is the State’s expectation?

**Response: PEBA expects the Contractor to use due diligence in the administration of the program. Offerors should propose how they will monitor Participant HSA contributions to ensure compliance with IRS limits so there are no adverse taxable consequences to account holders for excess contributions in their response to the Request for Proposal, Part 5 Information for Offerors to Submit, 5.1.4 Offeror’s Approach, *5.1.4.7 Health Savings Accounts* (d).**

1. Page 37, Offeror’s Approach 5.1.4.7(f)

Please provide the current HSA vendor’s list of account fees and other fees associated with the service.

**Response: The bank fee: $1.50/per month (the fee is waived if the Participant’s HSA balance exceeds $2,500). This fee includes the VISA debit card, all transaction fees associated with the card, the HSA investment account, and other banking services. The only other** [**fees**](https://urldefense.proofpoint.com/v2/url?u=https-3A__www.optumbank.com_customer-2Dsupport_hsa-2Dresources_fees.html&d=DwMFAg&c=w9CZ9mC6OBWt9gnv7A4za6QbJkLPbwMyIcSTDqPvWdQ&r=d26lyu6vdEF94WZ4JTuLug48XZ6HJ8IIBb2_XHay1MM&m=D-dHVEmoijpmR1xKAL0iHiP8Lfw1MeK0kHVgtaudo6A&s=46gL94XWMiCkDqoayFi6gJAgXVAungny5M52ZT6KFgo&e=) **would be the $2.50 ATM fee and $20 transfer-out fee. There were several** [**fees removed**](https://urldefense.proofpoint.com/v2/url?u=https-3A__www.optumbank.com_about-2Doptum-2Dbank_news-2Dupdates_removed-2Dfees.html&d=DwMFAg&c=w9CZ9mC6OBWt9gnv7A4za6QbJkLPbwMyIcSTDqPvWdQ&r=d26lyu6vdEF94WZ4JTuLug48XZ6HJ8IIBb2_XHay1MM&m=D-dHVEmoijpmR1xKAL0iHiP8Lfw1MeK0kHVgtaudo6A&s=5j-TJ4Shu88dvesxSkuRZZeBEj0zQDowwXywhKpTfv8&e=)**, a couple of years ago.**

1. Page 39, Offeror’s Approach 5.1.4.12(a)

Please define ad-hoc reports. Are these standard reports generated at other than a standard or scheduled time; or are these custom reports that do not currently exist?

**Response: Reports that do not currently exist and are generated for a particular purpose.**

1. Page 39, Offeror’s Approach 5.1.4.13(d)

Does this question assume that checks will be drawn on a contractor owned account that is not the same as the account in PEBA’s name specified in 5.1.4.13(c)?

**Response: Please see the response to question number 23 above.**

1. Page 41, (f)

Many clients have similar restrictions to the State regarding being included in a client list. Therefore, including those clients would require permission in order for our firm to release their names? For firms with many clients, this would seem a burdensome requirement. In addition, references are requested elsewhere. Is there some other list of clients that can be included in place of a complete list of all clients?

**Response: Offeror should submit the client list they feel appropriate. The evaluation panel will use the information submitted by the Offeror in response to the Request for Proposal, Part 5, Information for Offerors to Submit, 5.1.5 Offeror’s Background and Experience, (a) through (j) to evaluate background and experience.**

1. Page 49, 7.27(e)

We have separate policies for cyber at $5,000,000; and E&O for $5,000,000 single/$5,000,000 aggregate. According to our insurance broker, our separate policies should meet the requirement. Are these separate policies sufficient to meet the State’s combined cyber/E&O of $4,000,000/$6,000,000?

**Response: Yes.**

1. Page 49, 7.27(h), (i), (j)

According to our insurance broker and carriers, the additional insured, primary coverage and waiver of subrogation cannot be provided on the Cyber policy. Will this disqualify our firm?

**Response: 7.27 Contractor’s Liability Insurance-Information Security and Privacy (FEB 2015), paragraphs (h), (i) and (l), additional insured, primary coverage and waiver of subrogation, have been deleted. Paragraph (j) regards the State reserving the right to require complete, certified copies of all required insurance policies, or sufficient proof of applicable coverage, as determined by the State, including policy declarations and any endorsements required by this section, at any time.**

1. Page 74, Attachment 7

Why does the previous Vendor have any responsibility to report 2019 forfeitures (plan year 2019 is referenced in the left column)? They will not have any of the data for 2019.

**Response: Attachment 7 is provided as an example only. The previous Vendor would not have any responsibility to report 2019 forfeitures.**

Vendor #5

1. Why has the State decided to bid these services at this time (fees, service issues, standard due diligence, etc.)?
	1. Are there service level concerns with the current administrator?

**Response: No.**

* 1. If no service issues, what would be the catalyst for the State to change administrators?

**Response: The current agreement expires December 31, 2018.**

* 1. Has the current administrator indicated they will no longer provide services under this contract.

**Response: No.**

1. What amenities or service features do you like about the current FSA & HSA administrator?

**Response: PEBA is interested in increasing Participant (customer) satisfaction and ease of use when interacting with the Contractor and increasing participation. Offerors should submit their best proposal from both a technical and price standpoint.**

1. Under Scope of work Section 3.1 the Pre-Tax group Insurance Premium is included. Prior RFP footnotes confirm this has been removed. Can the State confirm and explain why the Pre-tax Group Insurance Premium feature has been removed from this proposal?

**Response: Please see the response to question number 9 above.**

1. Please clarify how the State will coordinate with the vendor to use/access PEBA’s Employee Benefit Services (EBS) to respond to any enrollment questions from Participants and/or employers.

**Response: Any of the Contractor’s staff needing access to EBS will have to complete an EBS Designated Employee Confidentiality Agreement. Once PEBA receives the form, a confidential user ID and PIN will be sent to the individual. If necessary, PEBA can assist with training the Contractor’s staff on using EBS for inquire purposes.**

1. Can the State elaborate on the multi-day Benefits at Work Conference held each year in August/September and what tasks the winning bidder will need to coordinate? Will on-site enrollments meetings with PEBA be required for the successful bidder? If yes, how many over what time period and number of locations?

**Response: The annual Benefits at Work Conference, which is typically held over a multi-day period each year in August/September, is a training and engagement opportunity for benefits administrators. PEBA’s contractors are responsible for hosting a table from 7:45 a.m. to 4 p.m. each day of the conference, providing promotional and educational materials for a minimum of 1,200 benefits administrators, answering questions from benefits administrators and PEBA staff, and engaging with those in attendance at the conference.**

**No, on-site enrollment meetings will not be required for the Contractor. See 3.10.12 and 3.10.13 for requirements.**

1. Will there be a finalist presentation?

**Response: No.**

1. Please confirm the State requires hard copy statements to be mailed to all participating employees on a quarterly basis? How many hard copy statements were sent to participants in 2017? Our standard service model is to provide participants with 24/7/365 access to account information through our online portal, mobile application, text messaging and IVR. Is the state open to transitioning to electronic statements which will result in significant cost savings?

**Response: The Contractor may deliver quarterly participant statements online only if the Participant has opted to receive the information electronically. Otherwise, a paper statement must be provided. The number of hard copy statements sent to Participants in 2017 is not available at this time.**

1. Can the State elaborate on the exact number and detail regarding the additional reports reasonably consistent with available data that is necessary to properly evaluate the program required under 3.12.5?

**Response: No. Please see the response to question number 22 above.**

Vendor #6

1. Page 27, Scope of Work, 3.10.6

Please confirm if the expectation is for the offeror to provide the materials and items in electronic or paper format to fulfill this requirement? If paper, please estimate the number of copies that will need to be provided during the year.

**Response: PEBA expects the Contractor to provide the materials and items in electronic format.**

1. Page 27, Scope of Work, 3.10.12

Please confirm if the expectation is for the offeror to provide the materials and items in electronic or paper format to fulfil this requirement? If paper, please estimate the number of copies that will need to be provided during the year.

**Response: Education and training materials for state benefits administrators and PEBA personnel can be provided in an electronic format. State benefits administrators can request hard-copy materials from the Contractor, for which the Contractor will be responsible for supplying.**

1. Page 27, Scope of Work, 3.10.13

Out of the 120 benefit fairs the PEBA staff attended in 2017, how many of those fairs were also attended by a representative from WageWorks and/or Optum? How many sets of paper materials were distributed from WageWorks/ Optum during the 120 events?

**Response: This information is unavailable. PEBA records only reflect attendance by PEBA staff at benefits fairs in 2017. Attendance count by PEBA staff for the 2017 events was 13,550.**

**Additional questions submitted prior to the conclusion of the Pre-Proposal Conference:**

1. Page 27; Part 3 Scope of Work; 3.10.13

Provide materials and an adequate number of its personnel, upon PEBA or benefits administrators’ request, to attend promotional events to promote enrollment in, and to inform Participants of rules, updates, changes and the features of the State Flexible Benefits Plan, especially prior to and during the October open enrollment period. In the event a new entity joins the State Insurance Benefits Program and its employees become eligible to enroll in the State Flexible Benefits Plan during the year, the Contractor shall supply its personnel and materials to assist in explaining the State Flexible Benefits Plan during the initial enrollment, upon the request of PEBA or the new entity. During the 2017 calendar year, PEBA staff attended approximately 120 benefit fairs or events at employer locations across the state. All materials distributed to Participants and eligible employees are subject to prior approval by PEBA’s Communications Department.

Can you provide the number of promotional events that the Contractor will be required to attend in 2018, and the estimated number of participants at each of the benefit fairs or events?

**Response: Contractor is required to attend the annual Benefits at Work conference (please see question number 86 above). Promotional event invitations are direct from employers to the Contractor. Contractor is strongly encouraged to attend the larger events where 100 or more Participants are in attendance. See question number 64 above for 2017 event details.**

When new entities join the program, may the Contractor supply electronic materials and personnel accessible via conducted webinars upon request?

**Response: Yes. Contractor is required to communicate with new entities, answer their questions, explain the Plan benefits to their Participants and confirm the successful setup of the new entity on the Contractor’s platform.**

1. Page 30; Part 3 Scope of Work; 3.14.1

The Contractor shall comply with the following standards, laws, and rules:

* All current NIST standards and guidelines related to the items listed below:
	+ Data Encryption Standards (FIPS compliance)
	+ Information Security Controls Standards
	+ Security Logging Standards
	+ Patch Management Standards
	+ Vulnerability Scanning Standards
	+ Secure System Development Life Cycle Standards

Please indicate if there are specific standards to which PEBA requires compliance. Offeror complies with certain specific NIST standards but is requesting that PEBA consider an exception to certain NIST standards. If PEBA is requiring compliance with the complete list of NIST Standards, Offeror takes exception to this provision. Is PEBA willing to specify exactly which standards with which compliance is needed?

**Response: PEBA will require that the NIST standards stated in the RFP are followed. PEBA is willing to accept other industry standards such as ISO 20001 that are closely aligned with NIST. In order to ensure that PEBA’s information is protected we must ensure that the vendor is using encryption, following 800-53 security requirements, has security logging practices, patch management practices, vulnerability management and detection, and has a secure system development lifecycle program that meets or exceeds the NIST standards.**

1. Page 30; Part 3 Scope of Work; 3.14.2

Contractor shall comply fully with all current and future updates of the security requirements of PEBA, as well as with all applicable State and Federal requirements, in performance of this contract.

Offeror is willing to comply with all applicable State and Federal requirements. With regard to security requirements of PEBA, Offeror is unable to agree to unknown requirements. Offeror will agree to review any security requirements of PEBA and implement if Offeror agrees. Is this acceptable to PEBA?

**Response: Due to the fast changing pace of information security PEBA cannot foresee what our requirements will be over the coming years. However, in most cases PEBA is willing to work collaboratively with our vendors to ensure that new requirements are reasonable and that there is proper time given for implementation. Current requirements are detailed in the RFP and must be adhered to as stated. PEBA is not willing to waive this requirement.**

1. Page 31; Part 3 Scope of Work; 3.14.7

Contractor shall not use PEBA production data in test or development environments without the prior written approval of PEBA.

Offeror requests an exception to this provision. PEBA related specifications and plan fulfillment requirements require the testing of implemented code and/or features prior to pushing to Production. Seeking approval each time could cause implementation delays and employee (participant) dissatisfaction. All data before use is test de-identified or scrubbed. Is this acceptable to PEBA?

**Response: Permission to use this data would only need to be approved one time. Once the process was approved the only future request would be if there was a significant change to the process or the production set being used. PEBA will not grant an exception to this requirement.**

1. Can you please elaborate on the pre-tax premium conversion reporting requirements (data needed on reports, format, frequency, etc)?

**Response: Please see the response to question number 9 above.**

1. Please confirm that payroll contributions will be deposited in the PEBA owned plan account and Contractor will have access to this account for daily claim payments. Claims may be paid out of the Contractor-owned account daily and transfer funds daily from the PEBA owned plan account to the Contractor account.

**Response: Confirmed. Please see the response to question number 23 above.**

1. Is there a requirement that the HSA trustee (custodian) have FDIC coverage for employee’s HSA contribution (no reference to investments)?

**Response: No.**

1. 5.1.5 (f) asks for a list of public sector and private sector programs for which you currently provide administrative services. Do you want a list of all clients?

**Response: Please see the response to question number 78 above.**

1. Why has the State decided to bid out these services at this time (fees, service issues, standard due diligence, etc.)?

**Response: The current agreement expires December 31, 2018.**

1. Are there any service issues with your current FSA/HSA administrator?

**Response: No.**

1. Can vendors bid one program over the other i.e. HSA over FSA or is the State looking for all-inclusive offerings from vendors?

**Response: The State is looking for all-inclusive offerings.**

1. Please share the State’s objectives in regards to:
	1. Increasing quality of benefit offerings

**Response: The State is always interested in increasing the quality of benefit offerings at a reasonable cost.**

* 1. Achieving cost savings?

**Response: The State is always interested in achieving cost savings**

* 1. Decreasing long-term financial liabilities i.e. GASB 45?

**Response: Not applicable to this contract**

1. What is the current average FSA (Health and Dependent) program contribution amounts?

**Response: The average Medical FSA Participant contribution amount was $1,709.00 as of January 2018. The contribution rate for dependent care was $3,981.00 as of January 2018.**

1. Can you elaborate if the State’s FSA/HSA administrative fees are inclusive of printing and mailing associated with program(s) member outreach?

**Response: Yes.**

* + - * 1. Are these said fees inclusive of benefit fair sessions?

**Response: Yes.**

* + - * 1. Who pays the fees for the FSA/HSA programs, the State or the employees?

**Response: Participants.**

1. What are the average balances for your HSA program?

**Response: Please see the response to question number 52 above.**

* 1. Do employees receive employer contributions?

**Response: No.**

* 1. If yes, are they monthly or quarterly?

**Response: N/A.**

1. What are the contribution amounts made by the employees in the HSA program?
	1. What percentage of HSA dollars are invested?

**Response: The percentage of HSA dollars invested is 25%. A total of $2,272,602 is invested out of a total asset balance of $8,973,981.**

* 1. How many investors versus non-investors?

**Response: 216 participants are investing, 3,701 participants are not investing**

* 1. Does the State have an investment committee or appointed an investment advisory firm for investment related services? If so, what is the name of the firm or entity?

**Response: No.**

* 1. How many participants in the HSA program do not contribute to their plans?

**Response: 1,929 participants are not contributing (have zero contributions).**

* 1. Will there be any employees who are grandfathered into defined benefit plans and not part of this HSA program? If so, how many employees would be grandfathered vs. not grandfathered? How does this breakdown apply to retirees (if any)?

**Response: There is no relation between enrollment in a defined benefit plan and the HSA.**

* 1. Can the current HSA account be used by all dependents of the employee, or is it limited in any way?

**Response: Yes, the HSA account can be used to pay for qualified expenses for the employee’s dependents.**

1. What Performance Guarantees does the State have for its FSA/HSA program?

**Response: Offerors should propose their PEBA specific monthly performance standards and related liquidated damages for deviation from those performance standards in, at a minimum, the performance measurement areas outlined in the table in the Request for Proposal, Part 5 Information for Offerors to Submit, 5.1.4 Offeror’s Approach, 5.1.4.11 Performance Measurements, Standards and Liquidated Damages, (a).**

1. What resources will be available from the State?

**Response: Please refer to the Request for Proposal for any resources available from PEBA.**

1. Can the State provide copies of its communication & education collateral/material from its current FSA and HSA programs? Are these communication pieces in color and/or black and white?

**Response: Current marketing collateral is available on our website at** [**www.peba.sc.gov/moneyplus.html**](http://www.peba.sc.gov/moneyplus.html) **under Learn more.**

1. Does the State have other Health & Welfare reimbursement type programs?  If so, which plans and who are the current providers?

**Response: No.**

1. Please explain your current funding process and banking arrangements.

**Response: Please see the response to question number 23 above.**

1. The State currently offers a debit card with its FSA/HSA plans, what are the percentage of claims that are auto-adjudicated?

**Response: FSA auto-adjudication rate is approximately 57%. Optum does not report on this for HSA.**

1. Does the State use a Broker for Health & Welfare Benefits?  If so, who?

**Response: No.**

# Amendment Number One (1)

# Amendments to the Request for Proposal

**Third Party Administration of the State Flexible Benefits Plan**

**The Request for Proposal is amended as follows:**

1. Amend Part 3, Scope of Work, 3.2 Enrollment/Eligibility, by adding the following requirement:

The Contractor shall:

3.2.5 Provide PEBA with a monthly Participant file, for comparison to PEBA’s database. PEBA will accept the file in the same format as the daily enrollment file PEBA transmits to the Contractor. The Contractor shall send the monthly file by FTP using VPN tunnel or other agreed upon method.

1. Amend Part 4, Mandatory Minimum Qualifications, (b), by deleting in its entirety and replacing it with the following:

(b) Has successfully implemented an IRC Section 125 Plan for at least one group of 20,000 participants that includes medical and dependent care spending accounts and health savings accounts.

1. Amend Part 5, Information for Offerors to Submit, 5.1.4.13 *Financial Arrangements*, by deleting in its entirety and replacing it with the following:
	* + 1. *Financial Arrangements*

Describe your approach to maintaining a separate bank account in PEBA’s name for the purpose of maintaining Participant contributions and for the funding of claim disbursements under the State Flexible Benefits Plan and this contract.

Describe your approach to handling forfeited spending account balances and stale dated checks. Describe how you will credit funds from all cancelled claim reimbursement checks back to the State’s account.

1. Attachment 3 to the Request for Proposal, Master State Agency Payroll Center, has been deleted in its entirety. As such, the following has been amended:

Table of Contents, Part 8, Attachments to Solicitation, delete in its entirety and replace with the following:

**PART 8 ATTACHMENTS TO SOLICITATION 59**

**ATTACHMENT 1 - IMPORTANT TAX NOTICE – NONRESIDENTS ONLY 60**

**ATTACHMENT 2 - OFFEROR’S CHECKLIST 62**

**ATTACHMENT 3 - SERVICE PROVIDER SECURITY ASSESSMENT QUESTIONNAIRE 63**

**ATTACHMENT 4 - BUSINESS ASSOCIATE AGREEMENT 66**

**ATTACHMENT 5 - MINORITY PARTICIPATION FORM 72**

**ATTACHMENT 6 – SURPLUS FUNDS REPORT EXAMPLE 73**

**ATTACHMENT 7 – SURPLUS FUNDS REPORT VENDOR RESPONSIBILITY MATRIX 74**

Part 8 Attachments to Solicitation, page 59, delete in its entirety and replace with the following:

**PART 8**

**ATTACHMENTS TO SOLICITATION**

Attachment 1 Important Tax Notice – Nonresidents Only

Attachment 2 Offeror’s Checklist

Attachment 3 Service Provider Security Assessment Questionnaire

Attachment 4 Business Associate Agreement

Attachment 5 Minority Participation Form

Attachment 6 Surplus Funds Report Example

Attachment 7 Surplus Funds Report Vendor Responsibility Matrix

Part 3, Scope of Work, 3.12 Reporting, 3.12.1, 9th bullet, delete in its entirety and replace with the following:

* + - An annual report, submitted by October 1 of each year, which:

Provides the total amount of all funds forfeited by plan Participants

Lists all outstanding checks for a 12-month period

Includes a Statement of Interest Income report (Please see Attachment 6 and Attachment 7)

Part 3, Scope of Work, 3.12 Reporting, 3.12.4, delete in its entirety and replace with the following:

* + 1. Provide a thorough and complete Service Provider Security Assessment Questionnaire (Attachment 3) to PEBA’s Risk Management and Compliance Director by August 15 each year.

Part 5, Information for Offerors to Submit, 5.1.4.14 *Information Security Requirements*, (a), delete in its entirety and replace with the following:

* + - 1. *Information Security Requirements*
1. Describe your organization’s data security system and processes including breach notification. Include your database backup procedures and schedule. Provide a complete Service Provider Security Assessment Questionnaire (Attachment 3), with your response.

Part 7, Terms and Conditions-B. Special, 7.46 Service Provider Security Assessment Questionnaire – Required (FEB 2015), delete in its entirety and replace with the following:

**7.46** **SERVICE PROVIDER SECURITY ASSESSMENT QUESTIONNAIRE - REQUIRED (FEB 2015)**

The Contractor must demonstrate that programs, policies and procedures are in place to adequately provide for the confidentiality, integrity, and availability of the information systems used by Contractor to process, store, transmit, and access all government information. In order for the State to accurately evaluate the strength and viability of the Contractor’s security policies, procedures and practices related to confidentiality, integrity and availability, Offerors must submit with their offers a thorough and complete written response to the Service Provider Security Assessment Questionnaire (“Response to SPSAQ”) attached to this Solicitation (Attachment 3), which must address all applicable organizations and applicable information systems. The terms used in this clause shall have the same meaning as the terms defined in the clause titled Information Security – Definitions.

Part 7, Terms and Conditions-B. Special, 7.31 HIPAA Compliance/Confidentiality, delete in its entirety and replace with the following:

**7.31** **HIPAA COMPLIANCE/CONFIDENTIALITY:** The Contractor shall keep confidential all information and material which has or will come into its possession or knowledge in connection with the performance of services under this contract; and will not release, use or disclose any such information without prior written consent of PEBA. In addition, the Contractor shall comply with all State and federal laws and regulations concerning the confidentiality of medical records, including, but not limited to, the Privacy Act of 1974, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended, and any federal regulations concerning the confidentiality of alcohol and drug abuse patient records. Furthermore, the Contractor shall adhere to the provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended, and sign PEBA’s Business Associate Agreement (Attachment 4), prior to award of the contract, which has been constructed in accordance with the requirements of the HIPAA Privacy and Security Rules and the requirements of the HITECH Act.

Part 3, Scope of Work, 3.13 Financial Arrangements, 3.13.3, delete in its entirety and replace with the following:

* + 1. Return to the State, no more frequently than once annually, forfeited spending account balances and stale dated checks and interest. Accumulated forfeitures and interest shall be used to offset Medical Spending Account reimbursements in excess of contributions (Please see Attachment 6 and Attachment 7).

Amend the Attachments to the Request for Proposal as follows:

Attachment 4, Service Provider Security Assessment Questionnaire, page 64, is now Attachment 3

Attachment 5, Business Associate Agreement, page 67, is now Attachment 4

Attachment 6, Minority Participation, page 73, is now Attachment 5

Attachment 7, Surplus Funds Report Example, page 74, is now Attachment 6

Attachment 7, Surplus Funds Report Vendor Responsibility Matrix, page 75, remains Attachment 7

1. Amend Part 7, Terms and Conditions – B. Special, 7.27 Contractor’s Liability Insurance-Information Security and Privacy (FEB 2015), by deleting in its entirety and replacing it with the following:

**7.27** **CONTRACTOR’S LIABILITY INSURANCE–INFORMATION SECURITY AND PRIVACY (FEB 2015)**

[ASK QUESTIONS NOW: For products providing the coverages required by this clause, the insurance market is evolving. Our research indicates that the requirements stated herein reflect commercially-available insurance products. Any offeror having concerns with any specific requirements of this clause should communicate those concerns to the Procurement Officer prior to the adjournment of the Pre-Proposal Conference.]

(a) Without limiting any other obligations or liabilities of Contractor, Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of A-VII or better, and maintain for the duration of the contract, a policy or policies of insurance against claims which may arise from or in connection with the performance of the work and the results of that work by the Contractor, his agents, representatives, employees, subcontractors or any other entity for which the Contractor is legally responsible.

(b) Coverage must include claims for:

(i) information security risks, including without limitation, failure to prevent unauthorized access to, tampering with or unauthorized use of a computer system; introduction of malicious codes, computer viruses, worms, logic bombs, etc., into data or systems; or theft, damage, unauthorized disclosure, destruction, or corruption of information in whatever form;

(ii) privacy risks, including (A) failure to properly handle, manage, store, dispose of, destroy, or otherwise control non-public personally identifiable information in any format; (B) loss of, unauthorized access to, or disclosure of confidential information; and (C) any form of invasion, infringement or interference with rights of privacy, including breach of security/privacy laws or regulations;

(iii) contractual liability for the Contractor’s obligations described in the clauses titled “Indemnification - Third Party Claims – Disclosure Of Information” and “Information Use And Disclosure;” and

(iv) errors, omissions, or negligent acts in the performance, by the Contractor or by any entity for which the Contractor is legally responsible, of professional services included in the work.

(c) If the work includes content for internet web sites or any publications or media advertisements, coverage must also include claims for actual or alleged infringement of intellectual property rights, invasion of privacy, as well as advertising, media and content offenses.

(d) If the work includes software, coverage must also include claims for intellectual property infringement arising out of software and/or content (with the exception of patent infringement and misappropriation of trade secrets)

(e) Coverage shall have limits no less than four million ($4,000,000.00) dollars per occurrence and six million ($6,000,000.00) dollars aggregate.

(f) If the insurance required by this clause is procured on a form affording “claims-made” coverage, then (i) all limits stated above as “per occurrence” shall be understood to mean “per claim” or “per occurrence,” as is consistent with the terms of the “claims-made” policy; and (ii) such claims-made insurance shall provide for a retroactive date no later than the date the contract is awarded.

(g) All terms of this clause shall survive termination of the contract and shall continue until thirty (30) days past the final completion of the work, including the performance of any warranty work. In addition, Contractor shall maintain in force and effect any “claims- made” coverage for a minimum of two (2) years after final completion of all work or services to be provided hereunder. Contractor shall purchase an extended reporting period, or “tail coverage,” if necessary to comply with the latter requirement.

(h) Prior to commencement of the work, the Contractor shall furnish the State with original certificates of insurance for every applicable policy effecting the coverage required by this clause. All certificates are to be received and approved by the Procurement Officer before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor’s obligation to provide them. The State reserves the right to require complete, certified copies of all required insurance policies, or sufficient proof of applicable coverage, as determined by the State, including policy declarations and any endorsements required by this section, at any time.

(i) Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In addition, the Contractor shall notify the State immediately upon receiving any information that any of the coverages required by this clause are or will be changed, cancelled, or replaced.

(j) Any deductibles or self-insured retentions must be declared to and approved by the State. The State may require the Contractor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

1. Amend Part 7, Terms and Conditions – B. Special, 7.49 Termination for Convenience (JAN 2006), by deleting in its entirety and replacing it with the following:

**7.49** **TERMINATION FOR CONVENIENCE (JAN 2006):** (1) Termination.  The Procurement Officer may terminate this contract in whole or in part, for the convenience of the State.  The Procurement Officer shall give written notice of the termination to the Contractor specifying the part of the contract terminated and when termination becomes effective.

(2) Contractor's Obligations.  The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contractor will stop work to the extent specified.  The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work.  The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work.  The Procurement Officer may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the State.  The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) Compensation.  (a) The Contractor shall submit a termination claim specifying the amounts due because of the termination for convenience together with cost or pricing data required by Section 11-35-1830 bearing on such claim.  If the Contractor fails to file a termination claim within one year from the effective date of termination, the Procurement Officer may pay the Contractor, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.

(b) The Procurement Officer and the Contractor may agree to a settlement and that the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the State, the proceeds of any sales of supplies and manufacturing materials under Paragraph (3) of this clause, and the contract price of the work not terminated;

(c) Absent complete agreement under Subparagraph (b) of this Paragraph, the Procurement Officer shall pay the Contractor the following amounts, provided payments agreed to under Subparagraph (b) shall not duplicate payments under this Subparagraph:

(i) contract prices for supplies or services accepted under the contract;

(ii) costs reasonably incurred in performing the terminated portion of the work less amounts paid or to be paid for accepted supplies or services;

(iii) reasonable costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to Paragraph (2) of this clause.  These costs must not include costs paid in accordance with Subparagraph (c)(ii) of this paragraph;

(iv) any other reasonable costs that have resulted from the termination.  The total sum to be paid the Contractor under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Contractor must demonstrate any costs claimed, agreed to, or established under Subparagraphs (b) and (c) of this Paragraph using its standard record keeping system, provided such system is consistent with any applicable Generally Accepted Accounting Principles.

(4) Contractor's failure to include an appropriate termination for convenience clause in any subcontract shall not (i) affect the state's right to require the termination of a subcontract, or (ii) increase the obligation of the state beyond what it would have been if the subcontract had contained an appropriate clause.

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| **SCENARIO USING PEBA'S BANK ACCOUNT ONLY (CURRENT CONTRACT)** |
|  |  |  |  |  |  |  |
| **INFLOWS** |  |  |  |  |  | **OUTFLOWS** |
|

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| --- |
| **INITIAL 3%** |

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 |  | **DEBIT CARD** |
| **FUNDING** |  |  |  |  |  | **TRANSACTIONS** |
|  |  |  |  |  |  |  |
| **EMPLOYEE** |  |  | **PEBA BANK** |  |  | **ACH CLAIMS** |
| **CONTRIBUTIONS** |  |  | **ACCOUNT** |  |  | **DISBURSEMENTS** |
|  |  |  |  |  |  |  |
| **ADDITIONAL** |  |  |  |  |  | **MANUAL CHECK DISBURSEMENTS** |
| **FUNDING IF** |  |  |  |  |  | **(DIRECTLY TO VENDOR OR** |
| **NECESSARY** |  |  |  |  |  | **EMPLOYEE REIMBURSEMENT)** |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **ADMINISTRATIVE RESPONSIBILITIES:** |  |  |  |  |  |  |
| SHORT-TERM INVESTMENT OF PEBA'S BANK ACCOUNT FUNDS |  |  |
| MONTHLY ACCOUNT RECONCILIATION OF ALL ACTIVITY FOR PEBA'S BANK ACCOUNT THAT INCLUDES: |
| *FLEX SPENDING DEPOSITS IN TRANSIT* |  |  |  |  |  |
| *HEALTH SAVINGS ACCOUNT DEPOSITS IN TRANSIT* |  |  |  |
| *OUTSTANDING CHECKS* |  |  |  |  |  |  |
| *PENDING DEBIT CARD TRANSACTIONS* |  |  |  |  |  |
| *PENDING ACH TRANSACTIONS* |  |  |  |  |  |  |
| *STOP PAYMENTS/OTHER ADJUSTMENTS (DUE TO TIMIING)* |  |  |
| ANNUAL STATEMENT AND TRANSFER OF FUNDS FOR THE FOLLOWING ITEMS: |
| *DEPENDENT CARE FORFEITURES* |  |  |  |  |  |  |
| *MEDICAL ACCOUNT FORFEITURES* |  |  |  |  |  |
| *STALE DATED CHECKS* |  |  |  |  |  |  |
| *INTEREST INCOME* |  |  |  |  |  |  |

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|  |  |  |  |  |  |  |
| **SCENARIO USING PEBA & VENDOR BANK ACCOUNTS**  |
|  |  |  |  |  |  |  |
| **INFLOWS** |  |  |  |  |  | **OUTFLOWS** |
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| **INITIAL 3%** |

 |  |  |  |  |  | **VENDOR BANK** |
| **FUNDING** |  |  |  |  |  | **ACCOUNT** |
|  |  |  |  |  |  |  |
| **EMPLOYEE** |  |  | **PEBA BANK** |  |  |  |
| **CONTRIBUTIONS** |  |  | **ACCOUNT** |  |  |  |
|  |  |  |  |  |  |  |
| **ADDITIONAL** |  |  |  |  |  | **DEBIT CARD** |
| **FUNDING IF** |  |  |  |  |  | **TRANSACTIONS** |
| **NECESSARY** |  |  |  |  |  |  |
|  |  |  | **VENDOR** |  |  | **ACH CLAIMS** |
|  |  |  | **BANK** |  |  | **DISBURSEMENTS** |
| **TRANSFER FROM PEBA'S** |  |  | **ACCOUNT** |  |  |  |
| **BANK ACCOUNT** |  |  |  |  |  | **MANUAL CHECK DISBURSEMENTS** |
|  |  |  |  |  |  | **(DIRECTLY TO VENDOR OR** |
|  |  |  |  |  |  | **EMPLOYEE REIMBURSEMENT)** |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **ADMINISTRATIVE RESPONSIBILITIES:** |  |  |  |  |  |  |
| SHORT-TERM INVESTMENT OF PEBA'S BANK ACCOUNT FUNDS |  |  |
| MONTHLY ACCOUNT RECONCILIATION OF ALL ACTIVITY FOR PEBA'S BANK ACCOUNT THAT INCLUDES: |
| *FLEX SPENDING DEPOSITS IN TRANSIT* |  |  |  |  |  |
| *HEALTH SAVINGS ACCOUNT DEPOSITS IN TRANSIT* |  |  |  |
| MONTHLY ACCOUNT RECONCILIATION OF ACTIVITY FOR VENDOR'S BANK ACCOUNT THAT INCLUDES: |
| *OUTSTANDING CHECKS* |  |  |  |  |  |  |
| *PENDING DEBIT CARD TRANSACTIONS* |  |  |  |  |  |
| *PENDING ACH TRANSACTIONS* |  |  |  |  |  |  |
| *STOP PAYMENTS/OTHER ADJUSTMENTS (DUE TO TIMIING)* |  |  |
| ANNUAL STATEMENT AND TRANSFER OF FUNDS FOR THE FOLLOWING ITEMS: |
| *DEPENDENT CARE FORFEITURES* |  |  |  |  |  |  |
| *MEDICAL ACCOUNT FORFEITURES* |  |  |  |  |  |
| *STALE DATED CHECKS* |  |  |  |  |  |  |
| *INTEREST INCOME* |  |  |  |  |  |  |

1. Do you have experience with WageWorks’ customer service, e.g., through our call centers or claims department?

 Yes No

1. How satisfied are you with WageWorks’ customer service? Please rate your experience. If a statement does not apply, please select "N/A."

Very dissatisfied Dissatisfied

Neither satisfied

nor dissatisfied Satisfied Very satisfied N/A

My requests were handled accurately.

My requests were

handled in a timely       manner.

I was treated with dignity and respect.

An effort was made to

understand my       concerns.

I was made to feel my concerns were important.

1. Have you submitted a claim within the last 12 months?

 Yes No

1. How satisfied are you with how your claim was handled? Please rate your experience. If you have no experience in a particular area, please select "N/A."

Very dissatisfied Dissatisfied

Neither satisfied

nor dissatisfied Satisfied Very satisfied N/A

Ease of submitting claims

Speed of claims resolution

Accuracy of claims payment

Promptness with which claims are paid

Clarity of explanation regarding claim decision

Clarity of written communications

1. In the past 12 months, have you experienced an issue or serious concern regarding the services provided to you?

 Yes No

1. Please briefly describe the problem or concern.
2. Please rate your level of satisfaction with our handling of your issue. If a statement does not apply, please select "N/A."

Very dissatisfied Dissatisfied

Neither satisfied

nor dissatisfied Satisfied Very satisfied N/A

Reaching the person in charge

Representative displayed an understanding of my issue/concern

Representative followed up on my issue/concern

Ability to answer my questions

Resolution of my issue

1. Please rate the level of performance improvement or decline you have observed in the past 12 months. If you have no experience in a particular area, please select "No opinion."

Major improvement

Minor

improvement No change Minor decline Major decline No opinion

Value of service for fees paid

Claims service      

Customer service

Usability of website

Benefits communications materials

1. If you have noticed a decline in performance in the past 12 months, please provide one or more examples.
2. In which of the following programs are you currently enrolled? Please select all that apply.

Dependent Care Spending Account (DCSA) Medical Spending Account (MSA)

Health Savings Account (HSA)

1. How likely are you to recommend the WageWorks Flexible Spending Accounts (MSA, DCSA) to your peers and co-workers?

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Not likely |  |  |  |  |  |  |  |  |  | Extremely |
| at all 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | likely 10 |

1. If you are less likely to recommend the WageWorks Flexible Spending Accounts, please tell us why.
2. How likely is it that you will continue your Flexible Spending Account next year?

Extremely unlikely Somewhat unlikely Somewhat likely Extremely likely

1. How likely are you to recommend the WageWorks Health Savings Account to your peers and co- workers?

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Not likely |  |  |  |  |  |  |  |  |  | Extremely |
| at all 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | likely 10 |

1. If you are less likely to recommend the WageWorks Health Savings Account (, please tell us why.
2. How likely is it that you will continue your Health Savings Account next year?

Extremely unlikely Somewhat unlikely Somewhat likely Extremely likely

*In this last section of the survey, we would like to hear about the use of your healthcare debit card, the MyFBMC card.*

1. Do you use your MyFBMC card to pay for your health care expenses?

 Yes No

1. How convenient is it to use the MyFBMC card?

Very convenient Convenient

Neither convenient nor

inconvenient Inconvenient Very inconvenient

1. Why do you not use your MyFBMC card? Please select all that apply.

Have not received my card yet

I have not activated my card yet

I keep forgetting to use it at the doctor’s office It is too much of a hassle

I don’t like that I have to submit itemized receipts to verify the card use I’d rather pay out-of-pocket and submit receipts later

It’s not worth the effort

I don’t know when or where to use it Other (please specify)

1. How would you rate WageWorks’ performance in educating you about the MyFBMC card?

Very poor Poor Fair Good Very good

1. Please include any additional comments and suggestions that you would like to share with the WageWorks management team.

|  |  |  |  |
| --- | --- | --- | --- |
| **Employer name** | **Location** | **Date** |  **Attendance**  |
| Town of Ware Shoals | Ware Shoals | 1/24/17 |  10  |
| Belmont Fire District | Belmont | 1/31/17 |  10  |
| Aiken Technical College | Aiken | 2/16/17 |  75  |
| Greenwood CPW | Greenwood | 2/21/17 |  55  |
| Lander University | Greenwood | 3/3/17 |  50  |
| Lexington County Aging Commission | Lexington | 3/10/17 |  15  |
| Darlington County Government | Darlington | 3/13/17 |  125  |
| Charleston County | Charleston | 3/20/17 |  60  |
| Charleston County School District | Charleston | 3/22/17 |  200  |
| Calhoun County DSN Board | Calhoun | 3/23/17 |  25  |
| Town of St. Matthews | Calhoun | 3/23/17 |  25  |
| Piedmont Technical College | Greenwood | 3/24/17 |  170  |
| Bamberg County | Bamberg | 3/28/17 |  5  |
| Town of Bluffton | Beaufort | 3/28/17 |  5  |
| City of Cayce | Cayce | 3/29/17 |  55  |
| Chester Sewer District | Chester | 4/3/17 |  25  |
| Chester Metro District | Chester | 4/3/17 |  15  |
| York County Council Aging | Rock Hill | 4/3/17 |  25  |
| York County Alcohol & Drug | Rock Hill | 4/3/17 |  25  |
| Town of Wagener | Aiken | 4/4/17 |  15  |
| Town of Monetta | Aiken | 4/4/17 |  10  |
| City of North Augusta | Aiken | 4/10/17 |  100  |
| Beech Island Rural Comm water District | Aiken | 4/10/17 |  25  |
| Town of Williston | Barnwell | 4/12/17 |  25  |
| Generations Unlimited | Barnwell | 4/12/17 |  50  |
| Genesis Healthcare | Richland  | 4/13/17 |  25  |
| Marion County DSNB | Marion | 4/13/17 |  15  |
| The Alpha Center/Kershaw Alcohol & Drug | Kershaw | 4/24/17 |  25  |
| City of Georgetown | Columbia | 4/27/17 |  150  |
| Georgetown Water & Sewer | Columbia | 4/27/17 |  25  |
| Bamberg County Council | Bamberg | 5/2/17 |  45  |
| Town of Jackson | Jackson | 5/4/17 |  10  |
| Town of Salley | Salley | 5/4/17 |  10  |
| PEBA | Columbia | 5/5/17 |  75  |
| Department of Administration | Columbia | 5/9/17 |  250  |
| Department of Transportation | Columbia | 5/9/17 |  500  |
| Santee Cooper | Berkeley | 5/9/17 |  65  |
| Department of Agriculture | Columbia | 5/16/17 |  70  |
| Lee County School District | Bishopville | 5/16/17 |  200  |
| Fairfield Memorial Hospital | Fairfield | 5/17/17 |  50  |
| Greenville Water | Greenville | 5/17/17 |  70  |
| Department of Juvenile Justice | Columbia | 6/1/17 |  40  |
| Department of Juvenile Justice | Columbia | 6/2/17 |  40  |
| SC State Employees Association | Columbia | 6/3/17 |  125  |
| City of Westminster  | Oconee | 6/7/17 |  45  |
| Aiken Housing | Aiken | 6/22/17 |  15  |
| Lower Savannah COG | Aiken | 6/22/17 |  35  |
| Aiken Cty Alcohol & Drug | Aiken | 6/22/17 |  25  |
| Valley Public Service Authority | Aiken | 6/22/17 |  10  |
| Business & Education Summitt conference | Greenville | 6/25/17 |  130  |
| Lexington School District One | Lexington | 8/11/17 |  300  |
| Orangeburg County Consolidated Schools | Santee | 8/11/17 |  300  |
| Spartanburg School District 5 | Spartanburg | 8/14/17 |  300  |
| Spartanburg School District 7 | Spartanburg | 8/14/17 |  250  |
| Clemson University | Clemson | 8/15/17 |  75  |
| Waccamaw EOC | Conway | 8/15/17 |  300  |
| Lee County School District | Bishopville | 8/16/17 |  200  |
| Department of Corrections | Columbia | 8/17/17 |  250  |
| Lexington Richland School District Five | Irmo | 8/17/17 |  400  |
| School for Deaf & Blind | Spartanburg | 8/17/17 |  125  |
| Labor, Licensing & Regulation | Columbia | 8/28/17 |  55  |
| City of Abbeville | Abbeville | 9/7/17 |  35  |
| North Charleston Sewer District | N. Charleston | 9/7/17 |  80  |
| Central Carolina Technical College | Sumter | 9/14/17 |  50  |
| City of Florence | Florence | 9/14/17 |  130  |
| City of Greer | Greer | 9/14/17 |  200  |
| Orangeburg Calhoun Technical College | Orangeburg | 9/14/17 |  60  |
| Northeastern Technical College | Chesterfield | 9/15/17 |  20  |
| South Carolina State House | Columbia | 9/19/17 |  300  |
| Tri County Technical College | Clemson | 9/19/17 |  75  |
| Abbeville County | Abbeville | 9/20/17 |  30  |
| City of Lancaster | Lancaster | 9/21/17 |  70  |
| Trident Technical College | N. Charleston | 9/21/17 |  125  |
| Isle of Palms  | Isle of Palms | 9/22/17 |  200  |
| Medical University of South Carolina | Charleston | 9/22/17 |  275  |
| Citadel | Charleston | 9/26/17 |  240  |
| University of South Carolina | Columbia | 9/26/17 |  350  |
| Clarendon County | Manning | 9/27/17 |  25  |
| College of Charleston | Charleston | 9/27/17 |  200  |
| Dorchester County | St. George | 9/27/17 |  100  |
| Midlands Technical College | Columbia | 9/27/17 |  200  |
| Berkeley County | Moncks Corner | 9/28/17 |  250  |
| Greenville Technical College | Greenville | 9/28/17 |  75  |
| Aiken Technical College | Aiken | 9/29/17 |  75  |
| City of Florence  | Florence | 9/29/17 |  300  |
| Department of Health & Environmental Control | Columbia | 10/4/17 |  200  |
| Housing Authority of Florence | Florence | 10/4/17 |  50  |
| Coastal Carolina University  | Conway | 10/5/17 |  700  |
| Francis Marion University | Florence | 10/5/17 |  100  |
| Greenville/Spartanburg Airport | Spartanburg | 10/6/17 |  60  |
| Department of Health & Human Services | Columbia | 10/9/17 |  100  |
| Criminal Justice Academy  | Columbia | 10/10/17 |  50  |
| Florence County School District #4 | Florence | 10/11/17 |  100  |
| SC Education Association | Columbia | 10/11/17 |  100  |
| City of Myrtle Beach | Myrtle Beach | 10/12/17 |  250  |
| City of Tega Cay | Tega Cay | 10/12/17 |  10  |
| Sumter County DSNB | Sumter | 10/13/17 |  30  |
| York Technical College | Rock Hill | 10/13/17 |  90  |
| Department of Motor Vehicles | Blythewood | 10/16/17 |  150  |
| City of Mauldin | Mauldin | 10/17/17 |  100  |
| York Natural Gas | York | 10/17/17 |  60  |
| City of Charleston | Charleston | 10/18/17 |  225  |
| Clemson University | Clemson | 10/18/17 |  700  |
| City of Seneca | Seneca | 10/25/17 |  75  |
| Town of Fort Mill | Fort Mill | 10/25/17 |  65  |
| Three Rivers Water & Sewer | Aiken | 10/25/17 |  25  |
| SC Employee Association - Retirees | Columbia | 10/27/17 |  125  |
| Anderson School District Two | Anderson | 10/30/17 |  125  |
| Irmo Chapin Rec Comm | Lexington | 10/31/17 |  80  |
| Lexington Medical Center | West Columbia | 11/1/17 |  150  |
| City of Orangeburg | Orangeburg | 11/3/17 |  125  |
| Lexington Medical Center | West Columbia | 11/7/17 |  45  |
| Glassy Mountain Fire District | Greenville | 11/8/17 |  10  |
| Lexington Medical Center | West Columbia | 11/9/17 |  100  |
| Lexington Medical Center | West Columbia | 11/13/17 |  25  |
| City of Goose Creek | Goose Creek | 11/15/17 |  80  |
| Pickens School Dist | Pickens | 11/29/17 |  50  |
| Greenville Airport | Greenville | 12/6/17 |  10  |
| Aiken County Schools | Aiken | 12/7/17 |  85  |
| Southern Carolina Alliance | Barnwell | 12/12/17 |  30  |