



State of Wisconsin
Department of Employee Trust Funds
4822 Madison Yards Way
Madison, WI 53705-9100
P. O. Box 7931
Madison, WI 53707-7931

Contract by Authorized Board

Commodity or Service:

Third Party Administration of Health Savings
Accounts

Contract No./Request for Proposal No:

ETH0052 – Amendment #3
September 27, 2023

Authorized Board: Group Insurance Board

Contract Period: May 1, 2019 – December 31, 2025

1. This Contract Amendment #3 is entered into by the State of Wisconsin Department of Employee Trust Funds (Department) on behalf of the State of Wisconsin Group Insurance Board (Board), and Optum Financial (Contractor).
2. Whereby in November 2020, Optum Financial, Inc. a subsidiary of UnitedHealth Group Incorporated, acquired ConnectYourCare, LLC, the account-based plan administrator the Board currently contracts with to administer Health Savings Accounts. ConnectYourCare, LLC continues to exist and is now a wholly owned subsidiary of Optum Financial, Inc. and part of the Optum Financial brand. Services under the Contract will continue to be performed by the ConnectYourCare, LLC legal entity under the Optum Financial brand. In addition to ConnectYourCare, LLC, Optum Financial, Inc. also hereby expressly assumes, confirms, and agrees to all of the obligations, agreements, terms and conditions, duties, and liabilities under the Contract as the parent of ConnectYourCare, LLC.
3. Whereby the Department agrees to direct the purchase and Contractor agrees to supply the Contract requirements in accordance with the documents specified in the order of precedence below, which are hereby made a part of the Contract by reference. The Department is the sole point of contact for the Contract.
4. In **Contract Amendment #1**, the Department and the Contractor agreed to modify the Contract as follows:
 - a. The Department's Request for Proposal (RFP) ETH0052 Appendix 9 – State of Wisconsin Health Savings Account Program Agreement dated May 1, 2019, was modified as indicated in Contract Amendment 1A – Modifications to Appendix 9 – State of Wisconsin Health Savings Account Program Agreement.
5. In **Contract Amendment #2**, the Department and the Contractor agreed to modify the Contract as follows:
 - a. As approved by the Board in February 2021, the Contract was extended two (2) years, through December 31, 2023.
6. In this **Contract Amendment #3**, the Department and the Contractor agree to modify the Contract as follows:
 - a. As approved by the Board on May 18, 2022, the Contract is hereby extended two (2) years, as reflected in the Contract Period listed above, through December 31, 2025.

- b. RFP Appendix 9 – State of Wisconsin Health Savings Account Program Agreement dated May 1, 2019, as amended by Contract Amendment 1A, is further amended as indicated in the attached Amendment 3A.
 - c. Contractor’s Administrative Fees listed in Contractor’s RFP Form H – Cost Proposal Workbook submitted to the Department on January 23, 2019, as Contractor’s Best and Final Offer (BAFO), are modified as indicated in the attached Amendment 3B.
7. For purposes of administering the Contract, the order of precedence is:
- a. This Contract Amendment #3 (including the attached Contract Amendments 3A and 3B);
 - b. Contract Amendment #2 signed by the Board on July 22, 2021;
 - c. Contract Amendment #1 signed by the Board on October 7, 2019;
 - d. The Contract between the Department and the Contractor signed by the Board on May 7, 2019;
 - e. Exhibit A – Contract Changes dated May 1, 2019;
 - f. RFP Appendix 9 – State of Wisconsin Health Savings Account Program Agreement dated May 1, 2019;
 - g. RFP Appendix 2 – Department Terms and Conditions dated May 1, 2019;
 - h. RFP Appendix 4 – State Employer Organizational Relationship Overview dated May 1, 2019;
 - i. ETF Request for Proposal (RFP) ETH0052-54 dated June 29, 2018;
 - j. Contractor’s RFP Form H – Cost Proposal Workbook submitted to the Department on January 23, 2019, as Contractor’s Best and Final Offer (BAFO); and,
 - k. Contractor’s Proposal dated August 29, 2018.

Contract Number & Service: Amendment #3 to ETH0052 Third Party Administration of Health Savings Accounts

This Contract Amendment shall become effective upon the date of last signature below (the “Effective Date”).

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| State of Wisconsin Department of Employee Trust Funds |
| Authorized Board: State of Wisconsin Group Insurance Board |
| By (Name): Herschel Day, Chair, Group Insurance Board |
| Signature: /s/ |
| Date of Signature: 9/29/2023 |
| Contact ETFsmbProcurement@etf.wi.gov should questions arise regarding this document. |

| |
|---|
| Contractor |
| Legal Company Name: ConnectYourCare, LLC |
| Trade Name: Optum Financial |
| Taxpayer Identification Number: |
| Contractor Address (Street Address, City, State, Zip): 307 International Circle, Suite 200 Hunt Valley, MD 21030 |
| Name & Title (print name and title of person authorized to legally sign for and bind Contractor): Mark Johns, Director of Finance (Optum Financial, Inc.) |
| Signature: /s/ |
| Date of Signature: 9/28/2023 |
| Optum Financial Internal Control No. |

Amendment 3A

Modifications to RFP ETH0052 Appendix 9 - State of Wisconsin Health Savings Account Program Agreement

A. RFP ETH0052 Appendix 9 – State of Wisconsin Health Savings Account Program Agreement dated May 1, 2019, as amended by Contract Amendment 1A, is further amended as follows:

1. 145D File Requirements

Section 145D, paragraphs 1 and 2 are **replaced** with the following, revised paragraphs:

The CONTRACTOR'S system(s) must be able to accept BENEFIT PROGRAM data file submissions on a mutually agreed upon frequency and accurately process eligibility, enrollment, changes, deletions, and CONTRIBUTIONS within three (3) BUSINESS DAYS of the file receipt.

The CONTRACTOR must resolve all discrepancies (any difference of values between the DEPARTMENT'S and PAYROLL CENTER'S database and the CONTRACTOR'S database) as identified within three (3) BUSINESS DAYS of notification by the DEPARTMENT or identification by the CONTRACTOR.

2. 150B IT'S YOUR CHOICE OPEN ENROLLMENT

Section 150B, paragraph 5 is **replaced** with the following, revised paragraph 5 as follows:

The CONTRACTOR will provide an internet enrollment system that functions smoothly, timely, and is accessible ninety-nine and one-half percent (99.5%) of each DAY, excluding scheduled maintenance, during the annual IYC enrollment period.

3. Section 150C Reporting Requirements and Deliverables

Section 150C.6.c. is **replaced** with the following, revised Section 150.6.c. as follows:

6) The CONTRACTOR will provide the following reports to the DEPARTMENT:

- d) An annual report of the prior PLAN YEAR'S performance by the last BUSINESS DAY of May each year. The annual report will include: BENEFIT PROGRAM participation statistics, estimated PARTICIPANT tax savings, estimated EMPLOYER tax savings, customer service activity, summary of customer survey results, benefit utilization, quality improvement efforts, program carryovers, audit recommendations, suggested future enhancements, and BENEFIT PROGRAM design change recommendations.

4. 150H Audit and Other Services

Section 150H.4.b. is **replaced** with the following, revised Section 150H.4.b. as follows:

4) **Election and CONTRIBUTION Audit.**

- b) Each QUARTER, the CONTRACTOR will conduct an election and CONTRIBUTION audit to ensure PARTICIPANTS are on target to meet their annual election amount and the PARTICIPANT will not exceed their annual election amount. If the CONTRACTOR identifies any discrepancies, the CONTRACTOR will send a discrepancy report to the appropriate PAYROLL CENTER(S) for review and resolution, with a copy to the DEPARTMENT, within twenty (20) CALENDAR DAYS after the end of the QUARTER.
- b) Each QUARTER, the CONTRACTOR will conduct an election and CONTRIBUTION audit to ensure PARTICIPANTS are on target to meet their annual election amount and

the PARTICIPANT will not exceed their annual election amount. If the CONTRACTOR identifies any discrepancies, the CONTRACTOR will send a discrepancy report to the appropriate PAYROLL CENTER(S) for review and resolution, with a copy to the DEPARTMENT, within twenty (20) CALENDAR DAYS after the end of the QUARTER.

The PAYROLL CENTER(S) will make best efforts to review CONTRACTOR'S discrepancy report(s) and make error corrections in the enrollment file within two (2) weeks of receiving the report from CONTRACTOR. CONTRACTOR will rerun the discrepancy report and provide the revised report to the DEPARTMENT within two (2) weeks after receiving the corrected enrollment file from the PAYROLL CENTER(S). The CONTRACTOR and the DEPARTMENT will ensure the corrections were made to the enrollment file by the appropriate PAYROLL CENTER(S).

For the first, second, and third QUARTERS, the CONTRACTOR will work with the PAYROLL CENTER(S) to resolve the discrepancies prior to the end of the PLAN YEAR, and, for the fourth QUARTER, CONTRACTOR will work with the PAYROLL CENTER(S) to resolve the discrepancies prior to the end of the runout period (March 31).

5. 205B Debit Cards

Section 205B.1 is **replaced** with the following, revised section:

- 1) The CONTRACTOR shall issue ninety-five percent (95%) of DEBIT CARD(S) within five (5) BUSINESS DAYS and 100% within six (6) BUSINESS DAYS of successful account creation following receipt of the properly formatted enrollment file or eligibility file containing the addition or enrollment change, except as noted in item 2) below.

6. 205B Debit Cards

Section 205B.2. is **replaced** with the following, revised section:

- 2) For elections made during the IT'S YOUR CHOICE OPEN ENROLLMENT period, the CONTRACTOR shall issue DEBIT CARDS by December 15 for enrollments or changes effective the following January 1, as submitted on enrollment files generated on the first DAY of the IT'S YOUR CHOICE OPEN ENROLLMENT period for said enrollment or eligibility file received on or before the first Tuesday of December.

7. 215C EMPLOYER Staff Training

The following, **new** paragraph is added to the end of Section 215C:

The CONTRACTOR will offer annual training to the PAYROLL CENTER staff in November of each year related to the FSA Unsubstantiated Claims Process and the election and CONTRIBUTION audit process. CONTRACTOR'S training will highlight any changes to the processes, setting expectations, and providing guidance for PAYROLL CENTER staff.

8. 235A Grievance Process Overview

The following, **new** paragraph is added to the end of Section 235A:

The CONTRACTOR will track all PARTICIPANT late enrollment and unsubstantiated claims appeals it receives and provide an annual summary report to the DEPARTMENT by the end of the first QUARTER of each new PLAN YEAR.

9. 255A Customer Service

The following, **new** paragraph is added to the end of Section 255A:

Service Level Response Time: CONTRACTOR will respond to the DEPARTMENT within two (2) BUSINESS DAYS from the confirmed delivery of the DEPARTMENT'S inquiry. If CONTRACTOR is unable to resolve the issue within two (2) BUSINESS DAYS, the CONTRACTOR shall, within two (2) BUSINESS DAYS of the confirmed delivery of the DEPARTMENT'S inquiry, confirm to the DEPARTMENT that the inquiry was received and provide an estimate of when the CONTRACTOR will resolve the issue. Such inquiries may include, but are not limited to, inquiries regarding audits and invoicing. CONTRACTOR shall respond to the DEPARTMENT and resolve issues in a timeframe mutually agreed upon by the CONTRACTOR and the DEPARTMENT.

10. 255B Contractor Web Content and Web-Portal

Section 255B.4. is **replaced** with the following, new Section 255B.4 as follows:

- 4) CONTRACTOR'S data center network shall include robust firewall, intrusion prevention, and intrusion detection systems to prevent and detect unauthorized access.

CONTRACTOR'S website and web-portal for the BENEFIT PROGRAM must be hosted in a SECURE data center with system monitoring, managed firewall services and managed backup services within the United States and available twenty- four (24) hours a day, seven (7) days a week, except for times when CONTRACTOR conducts regularly scheduled maintenance.

From January 23 through September 14, CONTRACTOR'S scheduled maintenance must occur between the hours of 8:00 p.m. and 6:00 a.m. CST/CDT.

From September 15 through January 22, CONTRACTOR'S scheduled maintenance must occur between the hours of 10:15 p.m. and 6:00 a.m. CST/CDT.

CONTRACTOR scheduled maintenance may occur at another time if agreed to by the DEPARTMENT Program Manager. Such maintenance must be scheduled in advance.

For all CONTRACTOR scheduled maintenance, CONTRACTOR must post a notification on the BENEFIT PROGRAM website and web-portal.

CONTRACTOR'S website and web-portal for the BENEFIT PROGRAM must be available at least ninety-nine and one-half percent (99.5%) of the time, excluding scheduled maintenance. Unscheduled disruption to the availability of the BENEFIT PROGRAM website or web-portal must be communicated to the DEPARTMENT Program Manager within four (4) hours of realization that a problem occurred.

The CONTRACTOR must have a regular patch management process defined for the BENEFIT PROGRAM website and web-portal infrastructure. The CONTRACTOR must have a defined maintenance time window for system patches, software upgrades. Outages in the system must be communicated through the web-portal or via alerts.

11. 305 Reporting Requirements

The following, new item #11 and item #12 are **added** to Section 305:

| 11) Annual Report | |
|--|--|
| Description | The CONTRACTOR will provide the DEPARTMENT with an annual report of the prior PLAN YEAR'S performance. The annual report will include: program participation statistics, estimated PARTICIPANT tax savings, estimated EMPLOYER tax savings, customer service activity, summary of customer survey results, benefit utilization, quality improvement efforts, program forfeitures, program carryovers, status audit recommendation, future enhancements, and plan design change recommendations. <i>(See Section 150C.6.c.)</i> |
| Frequency | Annually, by the last BUSINESS DAY of May of each year |
| Penalty | Two hundred and fifty dollars (\$250) for each BUSINESS DAY the report is late. |
| 12) Late Enrollment Appeals and Unsubstantiated Claims/ Appeals Reports | |
| Description | The CONTRACTOR will track all PARTICIPANT Late Enrollment Appeals and Unsubstantiated Claims/Business Debt Appeals it receives and provide an annual summary report to the DEPARTMENT. The report must include the number and type of appeals received, and the resolution or outcome. When applicable, this report should include the dollar amount of the related appeal. <i>(See Section 235A. Grievance Process Overview.)</i> |
| Frequency | Annually, by the end of the first QUARTER of each new PLAN YEAR. |
| Penalty | Two hundred and fifty dollars (\$250) per CALENDAR DAY per report or deliverable for which the standard is not met. |

12. 315A Claims Processing

The Performance Standards and Penalties in Section 315A are **replaced** with following, revised Performance Standards and Penalties:

315A Claims Processing

The CONTRACTOR shall report monthly values on a QUARTERLY basis for these standards.

| Performance Standards | Penalties |
|---|--|
| 1) Processing Accuracy: At least ninety-eight percent (98%) level of processing accuracy. Processing accuracy means all claims are processed correctly in every respect, financial and technical (e.g., according to federal and STATE regulations, proper substantiation, coverage period, system, procedural, etc.), divided by total claims processed. <i>(See Section 230 Claims.)</i> | One thousand dollars (\$1,000) for each percentage point for which the standard is not met in each month, up to a limit of 3% of the monthly Administrative Fees billed. |
| 2) Financial Accuracy: At least ninety-eight (98%) percent level of financial accuracy. Financial accuracy means the claim dollars paid in the correct amount divided by the total claim dollars paid. <i>(See Section 230 Claims.)</i> | One thousand dollars (\$1,000) for each percentage point for which the standard is not met in each month, up to a limit of 3% of the monthly Administrative Fees billed. |
| 3) Claims Processing Time: At least ninety-eight percent (98%) of all claims received must be processed within three (3) BUSINESS DAYS of receipt of all necessary information. <i>(See Section 230 Claims.)</i> | One thousand dollars (\$1,000) for each percentage point for which the standard is not met in each month, up to a limit of 3% of the monthly Administrative Fees billed. |
| 4) Claims Processing System Availability: At least ninety-eight percent (98%) of the time the claims processing system is available for adjudication of DEBIT CARD claims and online claims submitted by PARTICIPANTS and MERCHANTS. This includes downtime for system maintenance. | One thousand dollars (\$1,000) for each percentage point for which the standard is not met in each month, up to a limit of 3% of the monthly Administrative Fees billed. |
| 5) PARTICIPANT Reimbursement: At least ninety-eight percent (98%) of PARTICIPANT reimbursement will be released via check or direct deposit within three (3) BUSINESS DAYS from the claims processing date. <i>(See 230C Claims Processing and Reimbursement.)</i> | One thousand dollars (\$1,000) for each percentage point for which the standard is not met in each month, up to a limit of 3% of the monthly Administrative Fees billed. |

13. 315B Customer Service

The Performance Standards and Penalties in Section 315B are **replaced** with following, revised Performance Standards and Penalties:

315B Customer Service

The CONTRACTOR shall report monthly values on a QUARTERLY basis for these standards.

| Performance Standards | Penalties |
|---|---|
| <p>1) Call Answer Timeliness: At least eighty percent (80%) of calls received by the CONTRACTOR'S customer service (during operating hours) during the measurement period were answered by a live voice within thirty (30) seconds. <i>(See Section 255A Customer Service.)</i></p> | <p>One thousand dollars (\$1,000) for each percentage point for which the standard is not met in each month, up to a limit of 5% of the monthly Administrative Fees billed.</p> |
| <p>2) Call Abandonment Rate: Less than five percent (5%) of calls abandoned, measured by the number of total calls that are not answered by customer service (caller hangs up before answer) divided by the number of total calls received, excluding calls ended within 20 seconds. <i>(See Section 255A Customer Service.)</i></p> | <p>One thousand dollars (\$1,000) for each percentage point for which the standard is not met in each month, up to a limit of 5% of the monthly Administrative Fees billed.</p> |
| <p>3) First Call Resolution Turn-Around-Time: At least ninety percent (90%) of customer service calls will be resolved by the first agent the caller reaches during the available timeframe. <i>(See Section 255A Customer Service.)</i></p> | <p>One thousand dollars (\$1,000) for each percentage point for which the standard is not met in each month, up to a limit of 3% of the monthly Administrative Fees billed.</p> |
| <p>4) Electronic Written Inquiry Response: At least ninety-eight percent (98%) of customer service issues submitted via CONTRACTOR'S website portal and app are responded to within two (2) BUSINESS DAYS. <i>(See Section 255A Customer Service.)</i></p> | <p>One thousand dollars (\$1,000) for each percentage point for which the standard is not met in each month, up to a limit of 5% of the monthly Administrative Fees billed.</p> |
| <p>5) Customer Satisfaction: Optum customer service rated satisfactory or better based on semi-annual surveys. The results are calculated on a post call basis, with responses on an 11-point scale (0-10). Satisfaction is defined as 6.6 or higher score by the customer. The total of all scores at or above 7 are divided by the number of survey participants to get a Customer Satisfaction (CSAT) % of greater than or equal to 70%.</p> | <p>One thousand dollars (\$1,000) for each percentage point for which the standard is not met semi-annually, up to a limit of 2% of the monthly Administrative Fees billed for said 6-month period.</p> |
| <p>6) Service Level Response Time: The CONTRACTOR will respond to the DEPARTMENT within two (2) BUSINESS DAYS from the confirmed delivery date of the DEPARTMENT'S inquiry. If the CONTRACTOR is unable to resolve the issue within two (2) BUSINESS DAYS, the CONTRACTOR shall, within two (2) BUSINESS DAYS of the confirmed delivery date of the DEPARTMENT'S inquiry, confirm to the DEPARTMENT that the inquiry was received and provide an estimate of when the CONTRACTOR will resolve the issue. CONTRACTOR shall respond to the DEPARTMENT and resolve issues in a timeframe mutually agreed upon by the CONTRACTOR and the DEPARTMENT. <i>(See Section 255A Customer Service.)</i></p> | <p>Two-hundred and fifty dollars (\$250) per BUSINESS DAY for which the standard is not met.</p> |

14. 315E Other

Section 315E, item #3 is **replaced** with following, revised item #3:

| Performance Standards | Penalties |
|--|---|
| 3) Web-Portal Availability: The CONTRACTOR'S web-portal must be available at least ninety-nine and one-half percent (99.5%) of the time, excluding scheduled maintenance. In the event of downtime, the Contractor shall notify the DEPARTMENT Program Manager of the expected duration of the downtime, post a notice on the website and web-portal (if possible) and provide a 24-hour "hot line" number. Notification will occur within 4 hours of a confirmed outage during normal business hours. <i>(See Section 255B Contractor Web Content and Web-Portal.)</i> | Three thousand (\$3,000) per DAY for which the standard is not met. Three thousand dollars per incident and three thousand dollars (\$3,000) per DAY thereafter for each DAY the web-portal is unavailable. |

15. 315E Other

The following, **new** item #6 is added to Section 315E:

| Performance Standards | Penalties |
|--|---|
| 6) Annual training requirement: The CONTRACTOR shall offer annual training to the PAYROLL CENTER staff in November of each year related to the FSA Unsubstantiated Claims Process and election and CONTRIBUTION audit process. <i>(See Section 215C EMPLOYER Staff Training.)</i> | Two hundred and fifty dollars (\$250) per BUSINESS DAY after November 30 for which the standard is not met. |

Amendment 3B Revised Pricing

This revised pricing applies to Contracts ETH0052-54 between the Wisconsin Department of Employee Trust Funds (ETF) and Optum Financial (Optum):

- ETH0052 – Third Party Administration of Health Savings Accounts (HSA)
- ETH0053 – Third Party Administration of Section 125 Cafeteria Plan and Employee Reimbursement Accounts (ERA)
- ETH0054 – Third Party Administration of Commuter Fringe Benefit Accounts

A. Reason for Adjustment: Significant loss of functionality for Participants (manual submission based). Optum not able to fulfill:

1. Reoccurring claims for auto-approval; and
2. Debit card function for Dependent Day Care accounts.

| Pricing | | Year 5 (2024) | Year 6 (2025) |
|--|------------------------|------------------|------------------|
| Dependent Day Care FSA ETH0052 | <i>current price</i> | \$1.55 | \$1.55 |
| | <i>-20% Adjustment</i> | \$1.24 | \$1.24 |

Optum may earn back the adjustment if the following conditions are met:

| | |
|----------------|---|
| Condition (1)* | Optum will earn back 50% of the adjustment upon implementation of the dependent day care recurring claims for auto-approval after a manual claim has been certified and approved for a period timeframe for Participants. |
| Condition (2)* | Optum will earn back 50% of the adjustment upon implementation of the debit card functionality for Dependent Day Care Account for Participants. |

*Adjustments earned back are prospective, not retroactive; the price will be adjusted in the month following the month in which the condition is met to reflect the amount earned back.

B. Reason for Adjustment: Optum not able to fulfill HR Command feature for ETF administrative account access.

| Pricing | | Year 5 (2024) | Year 6 (2025) |
|---|-----------------------|------------------|------------------|
| HSA ETH0052 | <i>current price</i> | \$1.29 | \$1.29 |
| | <i>-5% Adjustment</i> | \$1.22 | \$1.22 |
| ERA Healthcare FSA ETH0053 | <i>current price</i> | \$1.55 | \$1.55 |
| | <i>-5% Adjustment</i> | \$1.47 | \$1.47 |
| ERA Limited Purpose FSA ETH0053 | <i>current price</i> | \$0.85 | \$0.85 |
| | <i>-5% Adjustment</i> | \$0.80 | \$0.80 |
| Commuter Parking ETH0054 | <i>current price</i> | \$2.35 | \$2.35 |
| | <i>-5% Adjustment</i> | \$2.23 | \$2.23 |
| Commuter Transit ETH0054 | <i>current price</i> | \$2.35 | \$2.35 |
| | <i>-5% Adjustment</i> | \$2.23 | \$2.23 |

Optum may earn back the adjustments if the following condition is met:

| | |
|----------------|---|
| Condition (1)* | Optum will earn back 100% of the adjustments upon implementation of the HR Command feature for ETF. |
|----------------|---|

*Adjustments earned back are prospective, not retroactive; if the condition is met the price will be adjusted in the month following the month in which the condition is met to reflect the amount earned back.