Questions and Answers

For Third Party Administrative Services for the

State of Wisconsin

**ETE0002 – Third Party Administration for Employee Reimbursement Accounts (ERA) and Commuter Benefits**

And

**ETE0003 – Third Party Administration for Health Savings Accounts (HSA) and Limited Flexible Spending Accounts (LFSA)**

Issued by the State of Wisconsin Department of Employee Trust Funds

On behalf of the Employee Trust Funds Board

Release Date: April 21, 2014

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| No. | RFP Section | RFP Page | Question |
| Q1 | Cover Page | #1 | P.1 of the RFP; indicates a P.O. Box to which proposals may be addressed. However, it is also indicated that offerors should avoid the mail system, which does not constitute receipt of a proposal by the purchasing office. If proposals are sent via FedEx to 801 West Badger Road, Madison, Wisconsin 53713-2526 (as indicated in Section 1.2.1 of the RFP), which other special handling instructions should be provided to FedEx, in order that proposals can be time-stamped in the purchasing office?  |
| A1 |  |  | Submittal of proposals shall follow section 1.3.3 with mail delivery listed in section 1.2.1. |
| Q2 | Section 1.2.10 | #6 | Should offerors furnish details regarding its background check procedures be provided with the bid submission? |
| A2 |  |  | See 1.2.10 |
| Q3 | Section 2.1; Q8 | #13 | How many current program representations should be provided for each RFP? |
| A3 |  |  | This should be a complete list of current public and private sector clients, listing the specific programs administered for each. |
| Q4 | Section 3.1.2; Q2 | #15 | The RFP instructions (Section 1.3.3; P#9; Tab 5 instructions) prohibit any mention of the Cost Proposal in the RFP response. However this question clearly refers to the Cost Proposal. How can we not mention the Cost Proposal in this case?  |
| A4 |  |  | Section 3.1.2 (2) states include any associated fees in Appendix F-Cost Proposal. |
| Q5 | Section 3.1.3.; 1; first ETE0003 question | #17 | The RFP instructions (Section 1.3.3; P#9; Tab 5 instructions) prohibit any mention of the Cost Proposal in the RFP response. However this question clearly refers to the Cost Proposal. How can we not mention the Cost Proposal in this case? |
| A5 |  |  | All costs are to be in the cost proposal under sealed cover. Tab 5 states “No mention of the cost proposal may be made in any other part of the response to this RFP” |
| Q6 | Section 3.2.9; QI | #20 | The RFP instructions (Section 1.3.3; P#9; Tab 5 instructions) prohibit any mention of the Cost Proposal in the RFP response. However this question asks us to disclose any fees associated with debit cards. How can we not mention the Cost Proposal in this case?  |
| A6 |  |  | All costs are to be in the cost proposal under sealed cover. Tab 5 states “No mention of the cost proposal may be made in any other part of the response to this RFP” |
| Q7 | Section 3.4.6 | #24 | The RFP instructions (Section 1.3.3; P#9; Tab 5 instructions) prohibit any mention of the Cost Proposal in the RFP response. However this question clearly refers to the Cost Proposal. How can we not mention the Cost Proposal in this case? |
| A7 |  |  | All costs are to be in the cost proposal under sealed cover. Tab 5 states “No mention of the cost proposal may be made in any other part of the response to this RFP” |
| Q8 | Section 3.7.3 | #29 | This section refers to performance measures, as described in Sections 3.7.1 and 3.7.2 however; these referenced sections do not provide standards by which performance will be measured. 3.7.1 only asks for details regarding tracking and reporting of measures, and 3.7.2 only indicates that PS&Gs will be negotiated. Please provide the State-specific performance measures for offeror consideration.  |
| A8 |  |  | The specific performance standards and guarantees will be negotiated during contract negotiations. |
| Q9 | Appendix F Cost Proposal | Tab 1 | The Excel file does not provide a field whereby offerors may enter their firm name or date, or identify the authorized person or their phone number. As this first tab requires a signature, may offerors convert this page into PDF, which can be printed, to allow for the introduction of this vital information, and allow for an authorized signature? May offerors submit both the Excel and PDF formats in order to be fully responsive?  |
| A9 |  |  | Yes, vendors can convert the page into a printable document, print the document and allow it to be authorized with a signature. The proposal must be submitted per the guidelines laid out in Section 1.3.3. |
| Q10 | Appendix F Cost Proposal | Tab 2 | While the Excel format does allow a fillable field to identify an authorized signature, there is no way to enter a signature image into the field. May offerors convert this page into PDF, which can be printed, to allow for an authorized signature? May offerors submit both the Excel and PDF formats in order to be fully responsive? |
| A10 |  |  | Yes, vendors can convert the page into a printable document, print the document and allow it to be authorized with a signature. The proposal must be submitted per the guidelines laid out in Section 1.3.3. |
| Q11 | Appendix F Cost Proposal | Tab 3 | While the Excel format does allow a fillable field to identify an authorized signature, there is no way to enter a signature image into the field. May offerors convert this page into PDF, which can be printed, to allow for an authorized signature? May offerors submit both the Excel and PDF formats in order to be fully responsive? |
| A11 |  |  | See A10. |
| Q12 | Appendix F Cost Proposal | Tabs 2 and 3 | How may offerors include a detailed breakdown of all costs associated with service provision? The “Elective Services Proposed by Vendor” fields are not expandable, and there are no fields for narratives or additional, standard pricing assumptions. May offerors include a separate section in their Cost Proposal for this purpose (submit both the required Excel and an optional Microsoft Word format)?  |
| A12 |  |  | See Amendment 1; space for a detailed breakdown appears on tab 2 (ETE0002) and tab 3 (ETE0003). Any additional costs not included in the Per Participant Per Month cost should be delineated on tab 4 (ETE0002) or tab 5 (ETE0003). The Per Participant Per Month fee should include the costs indicated as required in Appendix F. |
| Q13 | Standard Terms and Conditions; 34.0 Work Center Program | #59 | Does this provision of ‘products’ apply to this solicitation and corresponding contract for ‘services’?  |
| A13 |  |  | **16.752** (12) (j) Paragraph (a) does not apply to services purchased under a contract under s. 153.05 (2m) (a).**153.05** (2m)(a) Notwithstanding s. 16.75 (1), (2), and (3m), by the 2nd month after July 26, 2003, the department of administration shall, from the appropriation under s. 20.505 (1) (im), contract with an entity to perform services under this subchapter that are specified for the entity with respect to the collection, analysis, and dissemination of health care information of hospitals and ambulatory surgery centers. The department of administration may not, by this contract, require from the entity any collection, analysis, or dissemination of health care information of hospitals and ambulatory surgery centers that is in addition to that required under this subchapter. |
| Q14 | RFP | n/a | Will Social Security Numbers be sent for eligibility, or an Employee ID? |
| A14 |  |  | This will be addressed during negotiations. |
| Q15 | RFP | n/a | Although the determination of who will be eligible for the HSA will be made this spring, can you provide an estimated number of HSA eligible employees? |
| A15 |  |  | The number of employees that may be eligible to participate in the HSA offering is approximately 63,000.  |
| Q16 | RFP | n/a | Can you provide the estimated number of HSA participants projected in the first year and in the second year? |
| A16 |  |  | This information is located in the Cost Proposal spreadsheet, Appendix F, tab 3. |
| Q17 | RFP | n/a | Although the employer contributions will be decided annually by the State Office of Employer Relations, can you provide the annual employer contribution amount for the first year? |
| A17 |  |  | The amount has not yet been determined.  |
| Q18 | RFP | n/a | Are newly hired employees eligible to enroll in the middle of the plan year? Is there a waiting period for new hires? When does coverage begin for new hires? |
| A18 |  |  | This has not yet been determined. |
| Q19 | RFP | n/a | When are the first deductions for each of the payroll processing centers? |
| A19 |  |  | This information is provided in section 3.3.2 |
| Q20 | N/A | N/A | Will the employees receive any funding into their FSA, DCA, or HSA from the State? |
| A20 |  |  | There is a possibility of state employers contributing only to an HSA. The amount, if any, will be determined annually by the State Office of Employment Relations. |
| Q21 | N/A | N/A | How will employees be driven or incented to migrate to the higher deductible HSA plan? |
| A21 |  |  | The HDHP will likely offer lower premiums and there may be an employer HSA contribution. Final decisions regarding plan design have not been made at this time. |
| Q22 | TAB 3, Cost proposal RFP ETE0003, Part 3.0 | Page 1 of 2 | Is it estimated that less than 5% of the employee group will move to the HSA (majority will remain on current non-CDHP health plan)? |
| A22 |  |  | Our current projections, found in the cost proposal, tab 3, and are conservative estimates based on employees who have not had exposure to a CDHP through state employment. |
| Q23 | 4 | 35 | The State doesn’t not offer any information in section 4 “Program Background Information” with regards to why the State is bidding out for these services at this time (fees, service issues, standard due diligence, etc.), please elaborate. |
| A23 |  |  | All contract extensions with the current vendor have been exhausted. |
| Q24 | 4.1.1 | 35 | Who is the incumbent provider(s) for the State’s programs? |
| A24 |  |  | WageWorks |
| Q25 | 4.1.2 | 36 | We understand that there is approximately 65,000 eligible employees located in about 41 State agencies, Legislature, UW Hospital and Clinics, and several small independent agencies throughout the State. Can you provide a detailed breakdown of eligible employee population and respective program participation by the participating employer group (agency) demographic listed above? |
| A25 |  |  | See 4.1.9 |
| Q26 | 4.1.3 | 37 | What are the current fees the State is paying for its programs?Can you elaborate if these fees are inclusive of printing and mailing fees associated with member outreach? Are these said fees inclusive of benefit fair sessions? |
| A26 |  |  | The fee per participant per month is $4.95 for the ERA Program and $5.28 for the Commuter Benefits Program. This is inclusive of all costs. |
| Q27 | 4.2.4 | 42 | Can the City provide copies of its communication & education collateral/material for its current programs? |
| A27 |  |  | Current materials for the State of Wisconsin’s program can be found at etf.wi.gov |
| Q28 | 1.3.3 Submitting the Proposal | 7 | RFP submission requires two (2) flash drives—due to our company being a national financial institutional with strict compliance requirements by government bodies regarding transmission of information—we are not allowed to submit information on “flash drives” or “cd-roms”. Can electronic and paper-based copies be sufficient for ETF submittal requirements? |
| A28 |  |  | We could arrange for the electronic copies to be uploaded to our File Transfer Protocol site, although all proposals will be scored based on the ability to meet the requirements of the RFPs. |
| Q29 | 1.3.3 Tab 5 – Cost Proposal | 9 | The question references requirements for Appendix F where on Appendix F (page 65)--there is a reference to Appendix F.xlsx file located on the Extranet web page. There is no such .xlsx file located on the Extranet web page. Can you assist in providing the file? |
| A29 |  |  | The file is located under the heading “Request for Proposal” |
| Q30 | 4.3.2 – Employee Eligibility and Participation | 41 | Does ETF have an estimate of how many individuals will be eligible for the program—understanding final approval must still be provided by the State of Wisconsin Office of Employment Relations. |
| A30 |  |  | See A15 |
| Q31 | 4.3.2 – Employee Eligibility and Participation | 41 | Does ETF have an estimate of how much may be contributed by the employer (single vs. family)—understanding final approval must still be provided by the State of Wisconsin Office of Employment Relations. |
| A31 |  |  | See A17 |
| Q32 | 4.3.5 Account Management and Transaction Processing | 42 | Paragraph 2 states “The HSA Program” must offer both checks and debit cards to access their account. As a national financial institution—we only offer debit cards, live customer service assistance for transaction 24/7, mobile app transaction, and online billpay but no-checks; issuance of checks would create “over-draft” situations for employees thus harming employee experience. Does this create an ineligibility of participation in ETE0003? |
| A32 |  |  | This does not create ineligibility, although the ability to meet the requirements of the RFPs will be factored into the scoring of the proposals. |
| Q33 | General | N/A | Please indicate the reason(s) why the State of WI is going out to RFP for the requested services, i.e. service, challenges re the debit card, product capabilities, reporting, etc? |
| A33 |  |  | See A23 |
| Q34 | General | N/A | Please indicate the current administrator(s) |
| A34 |  |  | See A24 |
| Q35 | Communication and Enrollment | 33 | Re “Communication and Enrollment” (page 33) - please describe The State’s desire to have the administrator produce enrollment and other informational materials in numbers sufficient to distribute to all eligible employees during open enrollment, as well as for distribution to all newly hired employees. Is the intent to have this material for broad distribution in soft copy only since only 5,000 ERA Enrollment Summary Guides are printed each fall? |
| A35 |  |  | Yes, the majority of employees receive this information electronically, however there is demand for approximately 5,000 printed guides for new employees as well as those who do not have easy access to computers at their workplace. |
| Q36 | General | N/A | How many days does the 29 informational enrollment presentations represent each fall (assuming multiple meetings or sites on the same day)? |
| A36 |  |  | The schedule for 2014 is not yet determined. In 2013, the 29 informational presentations were part of Open Enrollment Benefit Fairs which were spread over 11 days in October. |
| Q37 | Q4.1.9 (Record-Keeping, Accounting and Reports) | N/A | Q4.1.9 (Record-Keeping, Accounting and Reports) – Please indicate from the time a check register is provided to the State from the administrator reflecting claim reimbursements (debit card and manual claims), how long does it take for State to fund the account or make funds available (in business days)? |
| A37 |  |  | In the current contract, ETF has 30 days from the receipt of an invoice to make payment. Funds availability may be negotiated in the contract negotiations process. |
| Q38 | Q4.2.2 Commuter Benefits Program:  | N/A | Q4.2.2 Commuter Benefits Program: There has been a steady decline in participation over the past four years. Is there a recognized reason why participation in this benefit is decreasing? (i.e. insufficient communication or lack of understanding, service issues, other)?? |
| A38 |  |  |  We have not investigated trends in Commuter Benefits enrollment. |
| Q39 | Q4.3.4 HSA Communication and enrollment | N/A | Q4.3.4 HSA Communication and enrollment – Please confirm that it is anticipated that The State will want 80,000 HSA Program Reference and Promotional Guides printed and mailed to each benefit eligible employee for the State? If so, please confirm that The State has the ability to provide the selected vendor with a complete and accurate list of all active, benefit eligible employees including names, complete address, email address and phone number. |
| A39 |  |  | This number should be 5,000. See Amendment 1 posted on the extranet. See also A35. |
| Q40 | Q4.3.2 HSA Employee Eligibility and Participation | N/A | Q4.3.2 HSA Employee Eligibility and Participation – Have employer contributions, if any, for the 2015 plan year been decided upon at this time? |
| A40 |  |  | See A17 |
| Q41 | Q4.3.7 HSA Customer Service | N/A | Q4.3.7 HSA Customer Service – it is indicated that the selected administrator will maintain an office in the Madison WI area to serve as an information and troubleshooting resource. Would another location (i.e. Milwaukee) be an acceptable alternative? |
| A41 |  |  | We consider within two hours driving time to be “in the area”, based on State of Wisconsin travel guidelines. Therefore, Milwaukee would be an acceptable alternative. |
| Q42 | Q4.3.7 HSA Customer Service | N/A | Q4.3.7 HSA Customer Service – are there specific hours anticipated for this information and troubleshooting resource center (i.e. 8am – 5pm CT)? |
| A42 |  |  | Regular State of Wisconsin business hours are 7:45 am – 4:30 pm, CST. We would expect customer service to minimally be available during these times. Expanded evening hours are preferred. |
| Q43 | Appendix D | N/A | Appendix D – If there are items in the State’s Standard Terms and Conditions document that do not apply to the requested services, do you wish to have the vendor identify these items by red lining or striking the verbiage (i.e. hazardous chemicals)? If not, what is the States desired practice |
| A43 |  |  | Section 1.3.3 instructs the vendors on any assumptions and exceptions. |
| Q44 | 4.1.9 | 36-37 | Please confirm the name and location of the current local bank that the current Contract Administrator maintains on ETF’s behalf. |
| A44 |  |  | The current Contract Administrator maintains a local bank account on ETF’s behalf. The term ‘local’ is used relevant to the Contract Administrator’s location not that of ETF.  |
| Q45 | 4.1.9 | 36-37 | Whose name and EIN number is on the local bank account from which claims are paid? |
| A45 |  |  | Current Contract Administrator. |
| Q46 | 4.1.9 | 36-37 | Are funds in the account from which claims are paid currently co-mingled with any other funds from clients of the current administrator? |
| A46 |  |  | Yes. |
| Q47 | 4.1.9 | 36-37 | What is the frequency of the claims paid invoice sent to ETF and how often does ETF then electronically transfer funds to the Contract Administrator’s local bank account? |
| A47 |  |  | ETF receives and pays claims invoices weekly. |
| Q48 | 4.1.9 | 36-37 | Please confirm that all interest earned from participant contributions, including interest earned on the Contract Administrator’s local bank account, is credited to the ERA program. Does ETF offset the fees paid for the ERA program with interest earned? |
| A48 |  |  | Interest is credited to the ERA program. Yes, ETF offsets fees with interest earned. |
| Q49 | 4.1.9 | 36-37 | Does ETF require the current administrator to provide a Bank Account Reconciliation Report and a Check/Transaction Register directly from the bank? |
| A49 |  |  | No. |
| Q50 | 4.3.7 | 43 | This section states “The contract Administrator will maintain an office in the Madison area to serve as an information and troubleshooting resource for EFT, State Agencies, and participants.” Would ETF be open to an office located in their building?If, as the Contract Administrator, our firm can demonstrate adequate servicing from our headquarters office, will the Madison office still be required? |
| A50 |  |  | ETF currently does not have office space available for TPA staff. The current requirement is to have an office in the Madison area. See also A41. |
| Q51 | 4.3.7 | 43 | Please define what is meant by “the Madison area.” |
| A51 |  |  | See A41. |
| Q52 | 4.3.7 | 43 | Does ETF require that certain staff members assigned to the ETF Account reside in that office? |
| A52 |  |  | ETF requires at least one key account representative to reside at the local (Madison area) office. It is our preference that this be the Lead Account Manager. |
| Q53 | 4.3.7 | 43 | Does ETF require that certain staff member(s) in the Madison area office be solely dedicated to the State of Wisconsin? |
| A53 |  |  | ETF prefers that there be at least one full-time equivalent person dedicated solely to the State of Wisconsin program in the Madison Area. See also A41. |
| Q54 | 1.2.8 | 5 | This section states “the contract may begin in August 2014 to allow the new vendor to manage the 2015 open enrollment period.” Would ETF desire the new administrator to take over the program (i.e. Customer Service, Claims, etc.) effective August 1st? Would ETF desire the new administrator to process the 2014 run-out? |
| A54 |  |  | It has not yet been decided whether ETF would desire a new vendor to handle the fall, 2014, open enrollment period, or the 2014 run-out. We are looking for a vendor that has the capacity to do so if requested. |
| Q55 | 3.1.2 | 16 | #6 – Does this apply to ETE0003 only? |
| A55 |  |  | See Amendment 1. |
| Q56 | 4.3.2 | 41 | Does EFT have an estimate of employer contributions at this point? Additionally, what will the difference in premium be for the HDHP versus the other plans offered? |
| A56 |  |  | See A17 and A21. |
| Q57 | 4.3.4 | 41 | Describe what is meant by “on demand.” Online access and/or ability to receive information by mail when requested? |
| A57 |  |  | Both online and by mail when requested. |
| Q58 | 4.3.4 | 41 | Please describe the difference (page numbers and content) of the HSA Program Reference Guide versus the HSA booklet. |
| A58 |  |  | As stated in the RFP, the HSA is a new program for us, so we are not able to give exact responses regarding page numbers and content. For reference related to a reference guide, please see the ERA Booklet located on the ETF website at etf.wi.gov. The full HSA booklet that must be available upon request would be the equivalent of a Summary Plan Description. |
| Q59 | 4.3.7 | 43 | Please provide examples of complaints/grievances that would be applicable to the complaint/grievance procedures requested for the HSA product. |
| A59 |  |  | Here are two examples:1. Participant dissatisfied with level of customer service after calling in with a question or provided incorrect information.2. Participant does not feel like the information provided adequately explains the investment options and believes they missed out on some interest earnings. |
| Q60 | General | N/A | The RFP indicates that a soft copy via Flash Drive is also required. Would a copy on CD in lieu of a Flash Drive be an acceptable alternative? |
| A60 |  |  | Yes. |