

EBT RFP HSS-15-025 VENDOR QUESTIONS AND RESPONSES



*Delaware Health
And Social Services*

DIVISION OF MANAGEMENT SERVICES

PROCUREMENT

DATE: October 5th 2015

HSS-15-025

Electronic Benefits Transfer Services
for
Division of Services for Management Services

Date Due: November 3rd, 2015
By 11:00 am Local Time

ADDENDUM # 2 – Q&A

The following Q&A becomes part of the RFP HSS-15-025

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1. Given the unprecedented high volume of RFPs for EBT and WIC currently underway or nearing release, will the State of Delaware consider extending the proposal deadline for at least 45 days? This additional time will enable bidders to conduct a thorough review of each member-state's requirements and provide the most advantageous and cost-effective proposal to the Delaware.

Answer: The State of Delaware will make timeline changes in the best interest of the State. To date there are no changes to the posted timeline.

2. Would the State please confirm that current TANF cash cases are using a debit card and not on the EBT card?

Answer: TANF cash cases use live checks and are not on the EBT card.

3. When does the State intend to move cash programs to a branded debit card?

Answer: At this point, The State has no set timeline to move cash programs to a branded debit card.

4. Would the State please provide the current number of EBT exempt retailers?

Answer: The current number of EBT exempt retailers are less than 20.

5. Would the State please clarify the following sentence, as the date has already been reached: "DHSS plans to have issuance of monthly SNAP benefits staggered over 22 days cycle beginning March 2015 of the entire month."

Answer: This process is currently in practice.

6. Would the state confirm the expiration date of the current contract?

Answer: The expiration date of the current contract is 8/14/16.

7. Regarding the following: "Throughout the contract period, the EBT Contractor must utilize the "ConnecUDirect" interface file transmission protocol (latest version utilized by the State) to exchange files between the State and the Contractor." Will the State consider utilizing SFTP rather than Connect/Direct?

Answer: The State will be using SFTP.

8. Regarding the following bulleted items: "Issuance of the new vendor's cards to the existing EBT population." Will the State consider continued use of existing cards and replacing them with new cards through attrition?

Answer: This was the process during the conversion from FIS to JPM.

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9. Deleting accounts and cards from the system deletes all data regarding that account and card. Will the State consider retaining the account data and simply deactivating the card, so that the data can be retained?

Answer: Data should never be deleted. We only deactivate/shut down cases.

10. The State references benefit posting by 6am ET in this Section but in Section 4.15.10 Benefit Authorization 7am ET is listed. Can the State clarify which time is correct?

Answer: The correct time for benefit posting is by 6 AM.

11. Please provide the number of exempt retailers and non-exempt retailers.

Answer: Answer: There are currently 24 exempt retailers and 795 non-exempt retailers.

12. Please confirm if the State is requiring SIVR for cardholders?

Answer: Yes, the State is requiring SIVR for cardholders.

13. Please confirm if the State is requiring SIVR for Retailers as this not is a current practice in the EBT Industry?

Answer: No, the State is only requiring a support number for the retailers.

14. Due to the added expense of SIVR, would the State allow bidders to provide optional CPCM pricing for SIVR?

Answer: Yes

15. Please confirm this should be October 14th per page 67 Anticipated Schedule and not the Sept. 8th date identified in the RFP in this requirement.

Answer: The correct date is October 14, however with the Amendment posted to delay the posting of the answers to the vendor question this date is subject to change.

16. Are the five, one-year options mutually agreed upon by both parties or a unilateral decision of the State?

Answer: The five one-year options will need to be mutually agreed upon by both parties.

17. The RFP indicates that Appendix 0 is the Office of Minority and Women Business Enterprise Self-Certification Tracking Form. Appendix 0 does not exist, but there appears to be two forms in Appendix K – Office of Supplier Diversity Certification Application and Bidder Project Experience. Should the Office of Supplier Diversity Certification Application be completed for Appendix 0?

Answer: Yes, it seems like they were combined during an edit.

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18. The RFP indicates that Appendix M must be completed and signed by prospective bidders prior to proposal submission. When is this form due and is it due via hard copy or can it be emailed?

Answer: This can be included with the bid.

19. Section 6.2.5 says to include Appendix I at the beginning of Section E. Section 6.2.2 also indicates that Appendix I should be included with Proposal Section B, Forms. Would the State please clarify where bidders should include this form?

Answer: Appendix I should be included only in section 6.2.2.

20. Section 6.2.6 says to include Appendix E with Section F. Section 6.2.2 also indicates that Appendix E should be included with Proposal Section B, Forms. Would the State please clarify where bidders should include this form?

Answer: Appendix E should be included only in section 6.2.6.

21. Please confirm that audited financial statements should only be included on CD? Additionally, please confirm that financials be included on the Business Proposal CD.

Answer: Confirmed , both audited and business proposal information should be included on CD....MARK CORPORATE CONFIDENTIAL, CDs as such.

22. A Spanish language version for Web applications at log on is requested. Where in the Business Proposal should bidders include this estimated cost?

Answer: Enter a line item for the cost in the business proposal.

23. Would the State consider additional terms and conditions to the Standard Departmental Contract?

Answer: Please submit all the terms and condition exceptions on a document titled – Contract Boilerplate Exceptions and include with the Appendices.

24. Please provide the number of IVR and CSR calls per month and per year for both cardholders and retailers.

Answer: Average calls received to IVR: 210,000
Average calls satisfied by IVR: 98%
Average calls answered by CSU representative: 3,000
Average talk time for CSU representative: 2.25 minutes

25. Has the State completed its feasibility study for WIC? If so, has the determination of online or offline WIC been reached? Finally, when does the State anticipate implementing an electronic WIC program?

Answer: We are currently under contract for WIC EBT Implementation with the vendor CDP. We will implement an online solution.

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26. Who is the current UI debit card provider? When does this contract end and will it automatically be migrated to the successful bidder of this EBT contract? What is the average \$ disbursement amount?

Answer: This is a separate and different contract. This RFP is specific for food benefits. Please be advised the scope of expansion has been revised, see addendum #2 section 4.15.11. Vendor should solely focus on the response as related to this RFP.

UI is currently under contract with Key Bank through June 2016 with an option to extend. Migration to successful EBT bidder would entail further discussion and any move would be at the state's discretion. UI currently runs a monthly average of 2.5M in benefits.

27. To be in line with EBT industry standards, will the State confirm that the \$40.00 should be a \$40.00 per day limit and not per Retailer?

Answer: The State in collaboration with the Contractor shall determine timelines for when the floor limit goes into effect. The off-line floor limit is \$40 per case per day. The retailer is liable for any transactions over the \$40 floor limit. The State is not liable for any retailer's amount paid over the floor limit. The Contractor is liable for up to the \$40.00 floor limit in the event the customer does not have enough funds to cover the \$40.00 limit.

28. a. Who is the current child support debit card provider?
b. When does this contract end and will it automatically be migrated to the successful bidder of this EBT contract?
c. What is the average number of active debit card recipients receiving deposits for the first six months of 2015? What is the average amount disbursed to recipients?
d. For all of the aforementioned programs, is the debit card the default option if the recipient does not choose direct deposit or will checks continue to be a third option for recipients?
e. Please provide the current fee schedule for cardholders.

Answer:

This is a separate and different contract. This RFP is specific for food benefits. Please be advised the scope of expansion has been revised, see addendum #2 section 4.15.11. Vendor should solely focus on the response as related to this RFP.

- a. FIS
b. Contract terminates 10/31/2018. No, this will not migrate to successful bidder of EBT contract.
c. Average disbursed DAILY for June 2015 = 960 disbursements and \$108,890; total active recipients for SVC as of 7/3/2015= 15,354
d. Our clients are required to elect either DD or SVC unless there is a mitigating circumstance. International client are one exception and clients who do not have SSn's or ITIN's are another.
e. FIRST STATE FAMILY CARD - FEES
Point of Sale (POS) withdrawals are FREE.
ATM Withdrawals
FREE first two (2) withdrawals per month.
\$1.00 fee for each additional withdrawal.

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\$0.40 fee for a withdrawal request, but the withdraw is declined due to not enough money on the card for the total withdraw.
Some ATM owners/operators charge a fee.

ATM Balance Inquiry

All information, including balance inquiries online, are free!
www.FirstStateFamilyCard.com

Inactivity Fee

\$2.00 monthly fee if there is no activity on the card for 12 consecutive months. This fee is charged as long as inactivity continues and money still remains on the card.

Replacement Card(s)

FREE replacement of one (1) card within a 12 month time period.
\$5.00 fee for each additional replacement card within a 12 month time period.
\$18.00 fee to speed up the delivery of the replacement card.

Teller Access

\$2.15 fee for withdrawing cash with the assistance of a bank teller.

International Transaction Fee

Three percent (3%) of the US dollar amount of the transaction for any transaction made in foreign currency, in a country outside the United States. There are no fees to the State for the program,

29. Please provide the number of cards issued per month and per year.

Answer: EBT cards mailed by current provider range from roughly 2,500-3,000 per month with a yearly average of around 33,000. Additionally, Delaware issues another 15,000 cards per year as an OTC issuance from state service centers.

30. Would the State please allow bidders to submit a second round of questions for clarification after September 14th's answers are posted and prior to the proposal due date?

Answer: The State will allow a 2nd round of questions. The questions from vendors are due by COB 10/9/15. The State will answer as many as possible by 10/20/15. Please submit second round question to: Tracy.Konieczny@state.de.us AND William.Maslanka@state.de.us.

31. Design, Development, Transition and Operations Phase indicates that they will be provided by the "contractor". Please confirm that the required plans are to be provided after contract signing, as many of these cannot be formulated until joint meetings occur with the State.

Answer: Confirmed

32. Would the State confirm that Contractor's pre-existing proprietary software and tools will continue to be owned by Contractor or third parties software providers as applicable and will be for use by the State only during the term of the contract?

Answer: Yes

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33. If bidders are providing a cloud/offsite solution, would the State please confirm pricing sheets F.3, F.5 and F.6 are not applicable? How will this factor into pricing evaluation?

Answer: Only Form F3 in Section F is applicable for remotely hosted solutions.

34. Would the State confirm if F.6 should be used only if using the State's data center for hosting or should EBT exempt retailer hardware be listed here?

Answer: Form F.6 is only used for equipment hosted in the State data center. Typically, the State incurs no cost as vendor's equipment used for telecommunications equipment remains owned and serviced by the awarded vendor while being used in the State data center.

35. Would the State waive the requirement for the Project Manager to be on-site at least 50% of the time and instead require the Project Manager to be onsite with advanced notice as needed?

Answer: The State will waive the requirement for the Project Manager to be on site at least 50% of the time, however the Project Manager must be onsite for requirements kick off, JAD sessions and other discussions as needed with advance notice.

36. Section 4.32.2 mention deliverables 5-9 are bolded in the preceding table but not identified as mandatory in the text. Please confirm deliverables 5-9 are mandatory.

Answer: Deliverables 5-9 are mandatory.

37. Contractor will provide audited financials and the DUN and Bradstreet report with proposal submission. Please confirm the responsible representative for our financial or banking institution may be provided following contract award.

Answer: Responses to RFP containing confidential information should be included on CD....MARK CORPORATE CONFIDENTIAL. Please submit to the same address as the proposals.

38. Under an EBT services contract, all processing systems and hardware will reside at the vendor's data centers. The vendor's staff do not access any Delaware's IT services. In view of this, please clarify which of the requirements in this section can therefore be deleted or amended.

Answer: For remotely hosted solutions vendor is required to adhere to all requirements in this section except for those under section 4.4.3.

39. Schedule F1 does not apply to the EBT pricing model because it does not accommodate cost-per-case-month (CPCM). Also, the total cost can only be estimated based on current case

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counts. Fluctuation in case counts over the life of the contract affects the cost. Can you please clarify your scoring methodology for the Business Proposal?

Answer: Form F1 was included in error.

40. We confirm the State's requirement for background checks but due to employee privacy and confidentiality corporate policies, bidders cannot provide the results directly to the State. Will the State accept Contractor's approval or disapproval decisions or work with the Contractor to determine criteria for such a process instead of submitting direct results to the State?

Answer: The State of Delaware will not accept CBC results from another State. The CBC results go directly to the DHSS Chief Information Security Officer. Please refer to the DHSS CBC FAQs document for more information.

41. There is an inconsistency in the cost basis for the contact, between CPCM and firm fixed price can you clarify?

Answer: Section 7.2 Payment for Services Rendered, Should be replaced in its entirety with "Services will be bound by the costs detailed in form F4. Payment for services rendered will take place upon formal State approval of an invoice that details the services performed under that invoice. Insufficiently detailed or incorrect invoices will be returned to the vendor with State comment for update and resubmission."

42. Section 6.1 the Office of Minority and Women Business Enterprise Self-Certification tracking form is listed but the Office of Supplier Diversity form is not. Please clarify.

Answer: The Office of Supplier Diversity form takes the place of the Office of Minority and Women Business Enterprise Self-Certification tracking form.

43. Under the row entitled Completed Crosswalk of RFP section 4 there is a reference to section 6.2.6 is this correct?

Answer: Please change that to section 6.2.2.

44. There seems to be inconsistency to references between the Office of Supplier Diversity form and the Office of Minority and Women Business Enterprise Self-Certification tracking form, which should we be using?

Answer: The Office of Minority has been replaced by the Office of Supplier Diversity Form. In Appendix A please delete #21.

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45. In the Mandatory Submission Requirements Checklist for the row entitled “completed Office of Minority and Women Business Enterprise Self-Certification tracking form” should this be Office of Supplier Diversity form?

Answer: Yes

46. Office of Minority is listed in Section 6.2.2 as appendix O. Please clarify.

Answer: This should be appendix K Office of Supplier Diversity Form.

47. In the Mandatory Submission Requirements Checklist the reference for the Project Plan template is listed as 4.12 should this be 4.32?

Answer: Yes

48. Section 8 clarifications - For the bullet entitled “Technical Proposal” there seems to be inconsistencies in the appendices listed. Please clarify.

Answer: The Appendices listed should be changed to read. B, E, G, H, I, J, L, N and K (as applicable)

49. Section 8 clarifications - the second bullet that references appendix M submission what should we do with this form?

Answer: Please attach it to your proposal.

50. In Appendix K there is a reference to “Minimum Mandatory Submission Requirements”. How should we respond to this form?

Answer: This was included in error, bidders do not respond to the Minimum Mandatory Submission Requirements Form under Appendix K.

51. Due to the proprietary and confidential nature associated with contracts and cost, bidders are unable to provide cost information at the project level. Would the State please remove “actual hours worked and cost incurred” line from the form?

Answer: Bidder Project Experience is actually Appendix L and needs to be completed. Appendix M is the Deliverable Acceptance Request Form and does not need to be filled out.

52. Would the State please provide how the cost section schedules will be evaluated for the 20 points, i.e. the milestone payments is weighted x and the CPCM is weighted x, staff labor rates weighted x, etc.?

Answer: The State will consider content of proposal against the cost of your proposal and determine how best to apply the 20 points.

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53. How are the CPCM tiers scored?

Answer: The CPCM tiers are scored by the proposed cost to the State and services provided.

54. Please confirm the case load over the previous 12 months.

Answer: Monthly average of 71,954 benefits issued for \$19,014,689
Yearly total of 863,453 benefits issued for \$228,176,215

55. What CPCM is the State currently paying its incumbent provider?

Answer: Please refer to FOIA, you can send your request to Wendy.M.Brown@state.de.us.