

**Request for Proposal (RFP) for  
Flexible Spending Account and Pre-Tax Commuter Administrative Services**

*All shipping packages should be clearly labeled as  
"RESPONSE TO FSA and PTC REQUEST FOR PROPOSAL"*

***Bid responses received after 3:00 p.m. on Monday, March 24th, will not be accepted.***

**Response to Questions (Q&A)**

**March 17, 2014**

No.	If Applicable, a Copy of the Question or Requirement in the RFP for Reference:	Question:	Answer:
1		What are the current fees being charged to the participants and/or the State?	The current fees are: <ul style="list-style-type: none"> <li>• \$2.85 per participant per month for the FSA and PTC programs.</li> <li>• \$12 per year paid by participant for optional debit card.</li> <li>• \$5 for replacement or additional cards paid by the participant.</li> <li>• Open enrollment materials – billed to the State at cost.</li> </ul>
2		Does ASI Flex charge a fee for the debit card?	Yes, ASI Flex charges a fee to the member for the issue and use of a debit card. It is \$12 per year, payable and due in January.
3		Does ASI Flex charge a fee for attending any State enrollment meetings and/or benefit fairs?	ASI Flex has not been asked to be on-site for open enrollment meetings or benefit fairs.
4		Is the current contract using any subcontractors?	Yes, ASI Flex is using subcontractors for debit card fulfillment, claims funding, temporary employment services, mail/print/fulfillment services, and record storage.
5		How long has the State been with ASI Flex?	The initial contract with ASI Flex was effective on January 1, 2005.
6		Has the admin fee changed for any of the one (1) year optional renewals or was the fee fixed for all five (5) years?	The administrative fee has not changed during the current five (5) year term of the contract.
7		Has the admin fee been a fixed fee or was it ever reduced/increased due to changes in enrollment?	In the current contract, the administrative fee is a fixed fee and was never changed due to decreases or increases in enrollment.
8		Do participants have the option of using a debit card for the PTC plan?	No, participants do not currently have the option of using a debit card for the PTC plan.

9		Is the State looking to continue the current method of SEPTA/DART passes being mailed to employee homes or is the State willing to consider more efficient methods?	The State is happy to consider alternative methods of delivery of SEPTA/DART passes to its members.
10		Is the State looking to continue the current method of direct payment to parking vendors through a check or is the State willing to consider more efficient methods?	The arrangement for the method of payment to parking vendors is between the PTC administrator and the parking vendor. We would consider other arrangements.
11		There seems to be a very large lead time for employees to place an order for the PTC plan (March 15 for May benefits). Will the State consider a solution that gives a much shorter timeframe?	The lead time for implementation of a participant's PTC program is dependent on the State's payroll processing system. A shorter timeframe may not be possible, but the State is willing to consider other reasonable options.
12		Regarding Fleet Link, can you confirm that employees are indicating their Fleet Link amount through ASI Flex's Web site, ASI Flex is transmitting the "order" amount to the State and the State is processing the payroll deduction and sending funds to the State's Fleet Link Division? ASI Flex is not receiving or transmitting funds for the Fleet Link orders, correct?	Employees are not using ASI Flex's website for the Fleet Link program. The State prepares a monthly excel spreadsheet for the vendor to manually enter the payroll deduction. ASI Flex then reports to Fleet Link the amount that was deducted because it may differ due to unpaid leave or other reasons which could result in the funds not being available. Please see RFP Appendix K, #1 on Page 82.
13		If so, is it a separate card from the FSA plan or one card that works for both the FSA and PTC plans?	Due to the manual processing of the payroll deductions for the Fleet Link program, a debit card is not an option for this specific PTC service.
14		Do employees automatically receive a debit card or do they have to opt in?	Currently, employees do not automatically receive a debit card. The employees must elect this option because there is a fee charged to their FSA account. If there is not a fee for a debit card, the State would consider other options.
15	Page 25, #18	The RFP asks for three (3) references. Do they all need to be over 30,000K lives/4,000 participants or just one of the criteria. If we do not have three (3) that fit the criteria, but have several large clients that are close in size, will that make us ineligible to bid? The administrative process for a group is the same whether it has 1,000 participants or 10,000 participants. The only difference is the volume of claims and phone calls.	As stated in the question, the requirement is to "have proven ability to perform the services" and "show your ability to serve clients of a similar size". Interested vendors must make their own decision if they feel they meet the minimum requirements and provide an explanation as to why they would consider the reference to be comparable.

16	Page 27, #34 and #35	Can the State enter into contracts with mutual indemnification?	No, the State will not enter into contracts with mutual indemnification.
17		Does the State send one payroll file that contains both health care FSA and dependent care FSA deduction data or separate files for each?	The State sends one (1) payroll file that contains both health care and dependent care FSA deduction data. Please see the RFP, Appendix K, pages 82 – 91, for file layouts and frequency.
18		Will the vendor receive one file per pay date or will there be separate files sent by the various State agencies?	The vendor will received one (1) file per pay period for all participants. Please see the RFP, Appendix K, pages 82 – 91, for file layouts and frequency.
19		Does the State's payroll system store the deduction data for the HCSA/DCAP or does the State rely on ASI Flex to notify it of the proper deduction amounts each pay date?	The State's payroll system stores the deduction data for health care and dependent care FSA. Please see the RFP, Appendix K, pages 82 – 91, for more information.
20		On a per pay date basis with the State payroll, is there one set of files sent from the State to ASI Flex or are there several files involved that go back and forth between the State and ASI Flex for each pay date (e.g initial deduction file from ASI Flex to State, confirmation file from State to ASI Flex, discrepancy file from ASI Flex to State, etc...)?	There are multiple files prepared by the State to communicate the information necessary for the TPA to administer the programs. Please see the RFP, Appendix K, pages 82 – 91, for file layouts and frequency.
21		Will the State expect the new TPA to administer the claims run-out period for the 2014 plan year?	Yes, the State will require the current vendor to administer the claims run-out period for the 2014 plan year.
22		Does ASI Flex handle the COBRA responsibilities for the health care FSA?	The State of Delaware contracts with a separate vendor for COBRA administration. In limited situations it may be determined that a terminated employee is eligible for FSA COBRA continuation coverage and the terminated employee subsequently chooses to enroll in FSA COBRA continuation coverage through the State's COBRA vendor. In these limited situations, the State of Delaware coordinates with the FSA vendor to ensure that the eligible FSA participant's FSA account remains active and available for reimbursement of any eligible FSA expenses. This coordination does not occur directly between the State's FSA and COBRA vendors.

23		Has the State had any service issues with ASI Flex in terms of customer service or claims processing?	The State has had no service issues with ASI Flex or participant complaints regarding customer service or claims processing.
24		How is ASI Flex handling the debit card substantiation requirements for card swipes that could not be automatically verified?	For card swipes that could not be automatically verified, ASI Flex notifies the participant that they must provide supporting documentation via fax or online by a specified deadline.
25		Can you tell us the percentage of card swipes right now that are automatically verified through IRS approved methods?	The percentage of card swipes for 2013 that were automatically verified through IRS approved methods was 84.87%.
26		Is the State funding any type of deposit or reserve with ASI Flex for the debit card or for normal day-to-day administration?	No, the State does not fund a reserve with ASI Flex for any reason. See minimum requirements #23 and #24 on page 26. The successful vendor is required to accept these terms.
27		How often are claims reimbursed by ASI Flex? Is the State willing to consider a more frequent reimbursement schedule for employees?	Claims are reimbursed to ASI Flex on a daily basis.
28		Is the State sending funds equal to the payroll deductions each pay date to ASI Flex or is the State reimbursing ASI Flex for the claims reimbursed and debit card transactions settled each day/week?	The latter. The State is reimbursing ASI Flex as claims are reimbursed (typically on a daily basis) for all paper claims and debit card transactions combined. See minimum requirements #23 and #24 on page 26 of the RFP.
29		Does the State have an anticipated schedule for the number of enrollment meetings and/or benefit fairs that it expects the new TPA to attend?	At this time, the Statewide Benefits Office does not offer open enrollment meetings or benefit fairs. If we were to ask the TPA to provide this service, a typical schedule would be two days with travel between the three counties. If your company would charge a fee for this service, please include that information on the Fee Quote forms.
30		Has ASI Flex ever failed to meet a performance guarantee?	The State requires performance guarantees as part of all professional service agreements for benefit services and administration to ensure periodic monitoring of account management, program service and program performance. Performance guarantee reporting varies between benefit plans and vendors and is generally used to enhance and improve services and

			performance as needed. It is not our practice to disclose actual performance guarantee results as part of the RFP process.
31		Does the State have a dedicated FSA Web site for its employees or do employees access data through the main ASI Flex Web site?	No, the State does not have a dedicated FSA website. Participants access their account data through the ASI Flex web site. See the information provided at the bottom of Page 4 in the RFP.
32	Page 6, 1.a.	How many, and what type of annual open enrollment mailings should we anticipate?	In the past, we typically have one postcard mailing to the 36,000 eligible members. The SEBC is open to considering other forms of communication that might increase participation. See also Question #41.
33	Page 7, 4.a.	By 'optional' FSA debit card, does the State intend that our card should be provided on an 'opt-in' basis, as opposed to an 'issue all' basis?	Yes, however the State is willing to consider alternative arrangements for the use of FSA debit cards. If a fee is charged to a participant, the member must be allowed to elect this option.
34	Page 16	Required Reporting of Fees and MWBE; the successful bidder will be required to report quarterly on minority participation. Is there a participation goal for this solicitation?	No, there is not a goal for MWBE participation for this contract.
35	Page 18, #3 – Appendix L	Appendix L; Officer Certification Form, the 'signed officer's statement' to which the RFP refers?	Yes, Appendix L is the "signed officer's statement" referred to in this question. We apologize for the error.
36	Page 24, #13 b and c	What is the difference between b. 'Medical or Professional Liability' and c. 'Misc. Errors and Omissions' insurance coverage? Could the 'Medical or Professional Liability' be the same as 'Errors & Omissions'?	Please consult your insurance broker or carrier for advice and the definitions as they would relate to this service. The RFP states that the successful vendor "must carry (a) and (b) and/or (c) depending on the type of service being delivered."
37	Page 96, Appendix O	Appendix O seems to apply only to minority subcontractors. Does the State also need O Appendices for all established, non-minority subcontractors?	No, Appendix O does not apply only to minority subcontractors. The State is asking for self-identification of certified MWBE or veteran owned status.
38	Page 96, Appendix O	Appendix O, Sub-Contractor Information Form is requiring a signature of each sub-contractor confirming the information. Can this be provided upon selection as a finalist?	No. If the vendor is planning to use a subcontractor for the services requested in the RFP, Appendix O, Subcontractor Information, must be signed by the subcontractor and included in the bid package.

39	Page 59, Appendix E	Appendix E seems to apply only to an IT subcontractor. Does the State need this form to be provided for the proposing entity, if a minority IT subcontractor is not utilized?	Yes, Appendix E does apply <i>only</i> to Information Technology subcontractors. This includes outside system vendors or subcontractors. The form does need to be provided whether or not the subcontractor has a certified MWBE or veteran owned status.
40	Page 93, Appendix M	Appendix M; RFP Terms and Conditions Exception Tracking Chart; this form needs to be provided at least ten (10) days before the proposal opening if any exceptions to terms and conditions are observed. Did the State intend that this deadline be 10 calendar or business-days prior to the proposal opening?	The State intends that this be ten (10) business days or two (2) weeks. Please note this Form is intended only for exceptions to the specifications, terms or conditions in the <i>Terms and Condition</i> section. You may use this form to address any requirements you feel do not apply to the services requested in the RFP.
41	Page 6	Can the State provide an estimate for open enrollment materials as well as mailing costs? Please provide whatever specifics might be available.	In the past, we typically have one postcard mailing to the approximately 36,000 eligible members. The SEBC is open to considering other forms of communication that might increase participation. See also Question #32.
42		Is ongoing enrollment (new hires, work/life event changes) via the web in scope for FSA and commuter benefits?	Yes, for commuter benefits. For FSA, we expect vendors to accept our file feeds. Please see Appendix K in the RFP, pages 82 – 91, for file layouts and frequency. Web access for FSA can be proposed in addition to the file feeds, but NOT in lieu of the file feeds.
43		What is your HR source, and are you able to provide a weekly demographic file?	If you are asking what program is used for the State's payroll and human resource system, the system is PeopleSoft based. Please see Appendix K in the RFP, pages 82 – 91, for file layouts and frequency.
44		Why is it out for bid?	State procurement rules require that all contracts go out to bid after five (5) years.
45		Are there any service issues?	See Question #23.
46		What is the current pricing?	See Question #1.
47		Who is the current administrator?	The current administrator is ASI Flex.