

# Request for Proposal for Administration of Flexible Spending Accounts, Health Reimbursement Accounts & Voluntary Insurance Plan Premiums for

Alabama Community College System

August 16, 2018

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# **I. GENERAL INFORMATION**

## **A. Introduction**

The Alabama Community College System (ACCS), or “the System Office”, will be accepting competitive sealed proposals to acquire third party administrator (TPA) services described herein.

The ACCS is empowered by Title 36, Chapter 29 of the Code of Alabama, as amended, to provide cafeteria plans within the meaning of Sections 105, 125, and 129 of the Internal Revenue Code of 1986, as amended, and regulations promulgated by the Secretary of the Treasury.

The ACCS has been established as its own body corporate by Title 16, Chapter 60 of the Code of Alabama, as amended. As such, the ACCS System Office employees are no longer eligible to participate in the Alabama Flexible Employees' Benefits Board employee program effective October 1, 2018. The System Office desires to establish its own Premium Conversion Plan to provide a similar level of benefits previously provided to its employees under the Alabama Flexible Employees' Benefits Board program.

The ACCS desires to provide a health reimbursement account (HRA), two types of flexible spending accounts (FSAs) – a health care reimbursement account (HCRA) and a dependent care reimbursement account (DCRA) – and other supplemental voluntary insurance plans (VIP) to approximately 110 employees. ACCS employees have participated in the Alabama Flexible Employees' Benefits Board's benefits program as employees of the State of Alabama as defined by the plan document.

The ACCS has approximately thirteen employees enrolled in the HRA, eleven employees enrolled in the HCRA and two employees enrolled in the DCRA. With regard to the HRA and FSA (HCRA and DCRA), the ACCS enrolls the employees and transmits an eligibility file to the TPA. The TPA manages the claims adjudication process for the ACCS.

The State has approved approximately thirty carriers for VIP payroll deduction. Approximately twenty employees are enrolled in these plans. There are approximately forty VIP insurance policies purchased by ACCS employees (Exhibit 1).

Throughout this Request for Proposal (RFP), the terms “ACCS” and “the System Office” shall refer to the Alabama Community College System.

Throughout this RFP, the terms Proposer, Contractor, or Vendor may be used interchangeably.

## **B. Single Point of Contact**

From the date this RFP is released until a Contractor is selected and announced by the ACCS, all communication must be directed to:

Billy Merrill  
Alabama Community College System  
135 South Union Street (36104)  
P.O. Box 302130  
Montgomery, AL 36130  
(334)293-4720  
billy.merrill@accs.edu

Subsequent to the opening of the sealed proposals, discussions for the purpose of clarification to assure full understanding of and responsiveness to the solicitation requirements may be conducted by the Point of Contact on behalf of the ACCS with responsive Proposers who submit proposals determined to have reasonable expectations of being selected for an award.

In conducting any such discussion, there shall be no disclosure of any information derived from proposals submitted by competing proposers, including the name of a potential Vendor.

All documents and updates to the RFP including, but not limited to, the actual RFP, questions and answers, addenda, etc., will be posted at [www.accs.edu](http://www.accs.edu).

## **C. Restrictions on Communication with Staff**

From the issue date of this RFP until a Contractor is selected and the selection is announced, Proposers are not allowed to communicate concerning this RFP with any ACCS member or employee except as provided by existing work agreements. The ACCS reserves the right to reject the proposal of the violator for violation of this provision.

## **D. Objectives**

The ACCS's objectives in conducting this RFP for administration services are to:

- Establish a flexible benefits plan for ACCS System Office Employees;
- Engage an external administrator of the HRA, HCRA, DCRA, and VIP plans;
- Obtain the optimal mix of cost and benefits;
- Contract with a Vendor that can offer superior service to the ACCS staff and employees;
- Enhance communication processes to increase plan participation; and
- Enhance enrollment processes through the use of new technologies that may be available.

The successful Vendor(s) will be expected to work in a mutual partnership with the

ACCS to ensure the achievement of these objectives, and to administer the program in accordance with the ACCS's requirements.

### E. Procurement Timetable

The steps of the proposal process are outlined below:

RFP Issued	August 16, 2018
Intent to Quote	August 24, 2018
Last Date to Accept Questions	August 24, 2018
Proposal Deadline	August 31, 2018
Notification of Finalists	September 2018
Onsite Review of Finalists (If necessary)	September 2018
Award Contract	September 15, 2018
Contract Effective Date	October 1, 2018

**Note:** The ACCS reserves the right to adjust this schedule as it deems necessary.

### F. Intent to Quote

All potential Proposers must submit their intention to quote in writing by August 24, 2018, 5:00 PM Central Time. Only those Proposers that submit an "Intent to Quote" form (*Appendix A*) will receive copies of responses to questions, changes and updates. Your intent to quote must indicate your organization's primary contact, direct telephone number of contacts, email address and the administrative services you plan to quote. The "Intent to Quote" notification must be sent to the point of contact.

### G. Proposal Submission

All proposals must be submitted to the point of contact by August 31, 2018, 5:00 P.M. Central Time. Proposals received after the 5:00 P.M. deadline will be rejected. Please note that individual exceptions to the deadline will not be made; if the Vendor relies on "overnight" delivery, this should be taken into consideration.

### H. RFP Amendments

The ACCS reserves the right to amend the RFP prior to the date of the proposal submission. Amendments will be sent to all the Proposers who return the "Intent to Quote" form located in *Appendix A*.

## **I. Proposal Offer and Withdrawal**

A proposal cannot be modified, withdrawn or canceled by the Vendor for a 120-day period following the deadline for proposal submissions as defined in the Procurement Timetable, or receipt of best and final offer, if required, and the Vendor so agrees by submitting the proposal. Prior to the proposal deadline, a submitted proposal may be withdrawn by submitting to the Point of Contact a written request for withdrawal signed by the Vendor.

## **J. Right of Negotiation**

Discussions, negotiations and requests for additional information regarding price and other matters may be conducted with the Vendor(s) who submit proposal(s) determined to be reasonably susceptible of being selected for award, but proposal(s) may be accepted without such discussions.

The ACCS reserves the right to further clarify and/or negotiate with the Proposer(s) on any matter submitted. The ACCS may ask for best and final offers. The ACCS also reserves the right to move to the next best Proposer(s) if negotiations do not lead to a final contract with the best Proposer(s).

## **K. Order of Precedence**

In the event of inconsistencies or contradictions between language contained in the RFP and a Vendor's response, the language contained in the RFP will prevail. Should the ACCS issue addenda to the original RFP, then said addenda, being more recently issued, would prevail against both the original RFP and the Vendor's proposal in the event of an inconsistency, ambiguity, or conflict.

## **L. ACCS's Rights Reserved**

While the ACCS has every intention of awarding a contract as a result of this RFP, issuance of the RFP in no way constitutes a commitment by the ACCS to award and execute a contract. Upon a determination such actions would be in its best interest, the ACCS, in its sole discretion, reserves the right to:

- Cancel or terminate this RFP;
- Reject any or all of the proposals submitted in response to this RFP;
- Change its decision with respect to the selection and to select another proposal;
- Waive any minor irregularity in an otherwise valid proposal which would not jeopardize the overall program and to award a contract on the basis of such a waiver (minor irregularities are those which will not have a significant adverse effect on overall project cost or performance) ;
- Negotiate with any Vendor whose proposal is within the competitive range with respect to technical plan and cost;

- Adopt to its use all, or any part, of a Vendor's proposal and to use any idea or all ideas presented in a proposal;
- Amend the RFP (amendments to the RFP will be made by written addendum issued by the ACCS and will be posted on the ACCS website) ;
- Release a new RFP for the same or revised services; and/or
- Not award any contract.

## **M. Late Proposals**

Regardless of cause, late proposals will not be accepted and will automatically be disqualified from further consideration. It shall be the Vendor's responsibility to assure delivery to the point of contact by the designated deadline.

## **N. Disclosure of Proposal Contents**

Proposals and supporting documents are kept confidential until the evaluation process is complete, and a Vendor has been selected. The Vendor should be aware that any information in a proposal may be subject to disclosure and/or reproduction under Alabama law. Designation as proprietary or confidential may not protect any materials included within the proposal from disclosure if required by law. The Vendor should mark or otherwise designate any material that it feels is proprietary or otherwise confidential by labeling the page as "CONFIDENTIAL" on the bottom of the page. The Vendor must also state any legal authority as to why that material should not be subject to public disclosure under the Alabama open records law and is marked as Proprietary Information. By way of illustration but not limitation, "Proprietary Information" may include trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques.

Information contained in the Pricing Section may not be marked confidential. It is the sole responsibility of the Vendor to indicate information that is to remain confidential. The ACCS assumes no liability for the disclosure of information not identified by the Vendor as confidential. If the Vendor identifies its entire proposal as confidential, the ACCS may deem the proposal as non-compliant and may reject it.

## **O. Cost of Preparing Proposal**

Cost for developing the proposal is solely the responsibility of the Proposer. The ACCS will not provide reimbursement for such cost.

**P. Use of Subcontractors**

In the event a proposal is jointly submitted by more than one (1) organization, one (1) of the organizations must be designated as the prime Contractor. This prime Contractor must perform not less than eighty percent (80%) of the work to be proposed (as measured by price). All other participants in such proposal shall be designated as subcontractors.

**Q. Contract Term**

The contract will take the form of a three (3) year contract and two (2) one-year options to extend the contract. The anticipated start date of the contract, as denoted in the timetable in section E, is October 1, 2018.

**R. Payment**

The ACCS shall pay to the Contractor(s), monthly, the price set forth in the Price Proposal (*Appendix C*). The price quoted shall be fixed for each contract year and include all costs associated with servicing this account, including the costs of interfaces with any subcontractor.

**S. Implementation**

The Proposer awarded the contract must designate an implementation team of the Proposer's experienced staff in the areas of data processing, finance, customer service and claims adjudication.

**T. Contract Termination**

Upon termination or other expiration of a contract resulting from this RFP, all data, records, files, electronic media and the like, along with the appropriate guides, instructions, manuals, etc. that are held for the purpose of performance under the contract, shall be surrendered in a current and updated form to the ACCS. With the exception of the foregoing, each party shall forthwith return any copyrighted or proprietary documents, documentation, or other materials of the other held by each for the purpose of performance under the contract.

The Contractor and the ACCS will assist the other in the orderly termination of the contract and the transfer of all aspects hereof, tangible and intangible, as may be necessary for the orderly, non-disruptive business continuation of each party.



## V. Performance Standards – HRA, HCRA, and DCRA

- a. Customer Service. 90% of all calls answered within 45 second wait time; No greater than 3% abandonment rate; 5% of the quarterly administrative fees at risk for each measure.
- b. Claims Processing Timeliness. 95% of claims processed within five business days; 5% of the quarterly administrative fees at risk.
- c. Claims Payment Accuracy. 98% of claims paid accurately; 5% of the quarterly administrative fees at risk.
- d. Report Production. Reports provided within 20 days after the end of the prior month's activity; 5% of the quarterly administrative fees at risk.

## W. Performance Standards – VIP

- a. Bank Reconciliation. Reconciled bank account information submitted within 10 days of receipt of statement; 5% of the monthly administrative fees at risk.
- b. Payroll Deduction Data. Deliver all member payroll deduction data to System Office monthly according to the published schedule; 5% of the monthly administrative fees at risk.
- c. Premium Remittance to Carriers. Submit all premiums to the Carriers within 20 days of receipt from the System Office; 5% of the monthly administrative fees at risk.
- d. Payroll Deduction Accuracy. 98% of member payroll deductions must be accurately submitted to the System Office; 5% of the monthly administrative fees at risk.

## X. Proposal Evaluation

All responsive proposals received by the deadline will be evaluated by the ACCS. The proposals will be evaluated as specified below, using a 100-point scale (40 possible technical points, 40 possible price points and 20 possible onsite/presentation points). The evaluation will be conducted in three phases:

- a. Phase I • Evaluation of Technical Proposal. The following criteria will be used in the evaluation:
  - i. Vendor's Experience;
  - ii. Administrative Services and Capabilities;
  - iii. Performance Standards; and
  - iv. Contract Conditions.
- b. Phase II • Evaluation of Price Proposal. The lowest cost proposal will

receive the maximum allowable points for administrative costs category. Points for the other proposals will be awarded using the formula below:

- i. Administrative Costs (maximum of 30 points); plus
- ii. Core Services Quoted (maximum of 5 points); plus
- iii. Marketing (maximum of 5 points).

c. Phase III – Onsite/Presentation of the Successful Proposal(s). At any time during the evaluation phases, the ACCS may contact a Vendor to: (1) provide further or missing information or clarification of their proposal; (2) provide an oral presentation of their proposal (possibly telephonic); (3) obtain the opportunity to interview the proposed key personnel (possibly telephonic); and/or (4) conduct an onsite visit of the Vendor's facilities. Reference checks may also be made at this time. However, there is no guarantee that the ACCS will look for information or clarification outside of the submitted written proposal. Therefore, it is important that the Proposer ensure that all sections of the proposal have been completed to avoid the possibility of failing an evaluation phase or having their score reduced for lack of information.

The ACCS may submit a list of detailed comments, questions, and concerns to one or more of the Proposers after the initial evaluation. This may include requesting one or more of the Proposers' "Best and Final" offers on price or technical requirements, or both. The total scores for those Proposers selected to submit additional information may be revised as a result of the new information.

The evaluation team will review the proposal scores in making its recommendations of the successful proposal(s). A Proposer's total score will be the sum of the scores received for the Technical Proposal, the Price Proposal, and Onsite/Presentation.

The evaluation team will make its recommendation based on the above described evaluation process. The final award decision will be made by the ACCS.

## II. SCOPE OF WORK

### A. Plan Document

The ACCS requires the adoption of a standard premium conversion plan document for the HRA, DCRA, HCRA and VIP plans. The successful Proposer will be expected to provide services to assist the ACCS in developing the plan document.

### B. Summary of Benefits

The successful Proposer will be expected to administer the established benefit structures without deviation.

### C. Services

The TPA will be responsible for services beginning with the scheduled dates provided below.

<b>Service</b>	<b>First month when work will be performed under the new contract</b>	<b>First period for which the work applies</b>
Payroll Deduction	10/1/2018	First October payroll
Administration (Claims Payment)	10/1/2018	Claims incurred on or after 10/1/2018

\*Note: The 10/1/2018 dates shown above do not reflect the work, prior to 10/1/2018 required to implement the account.

The table below outlines the administrative services provided for each plan.

<b>Service</b>	<b>VIP</b>	<b>DCRA</b>	<b>HCRA</b>	<b>HRA</b>
Enrollment	No	No	No	No
Payroll Deduction	Yes	No	No	No
Administration (Claims Payment)	No	Yes	Yes	Yes

1. The Contractor(s) must be experienced in administering HRA, HCRA, DCRA and/or VIP plans.
2. The TPA must regularly engage in reconciliation processes between:
  - a) The TPA and the System Office
  - b) The TPA and the VIP Carriers

### III. PROPOSAL FORMAT AND CONTENT

This section describes the format and requirements for submission of the proposal. The proposals that do not meet requirements listed below will be rejected. Each Proposer shall submit the proposal in two (2) separately bound parts as described below:

#### A. Technical Proposal

The Technical Proposal shall include the following sections:

- The Proposal Certification Form in *Appendix B*;
- The Transmittal Letter as described in Section IV;
- Documentation of compliance with the Minimum Vendor Requirements as detailed in Section V ; and
- Answers to Questionnaire in Section VI.

Three (3) bound copies containing this information must be furnished to the Point of Contact. Two additional copies of the Technical Proposal must be submitted electronically (PDF format) as follows:

- One complete version; and
- One version that redacts any information considered confidential or proprietary.

#### B. Price Proposal

The Price Proposal must contain the documents as described below and be marked "Price Proposal" on the outside cover. Three (3) bound copies must be submitted to the Point of Contact.

The price proposal(s) shall present a firm, guaranteed fixed price for Fiscal Year 2018 and for each of the subsequent four (4) full fiscal years. The price must include the total services as shown in this RFP. The Proposer must follow the instructions and complete the price proposal as described in *Appendix C* by entering the prices/fees for all services proposed.

## IV. TRANSMITTAL LETTER

The Proposer is required to submit a transmittal letter, which shall be in the form of a standard business letter on the Proposer's letterhead and shall be signed by an individual authorized to legally bind the Proposer. It shall include:

- A. A statement indicating that the Proposer has been licensed to transact business as an Administrator of HRAs, HCRAs, DCRAs and/or VIPs for at least five (5) years. All subcontractors should be identified, and a statement included indicating the exact amount of work to be done by the prime Contractor (not less than 80%) and each subcontractor, as measured by price.
- B. A statement that the Proposer does not discriminate in its employment practices with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin, or disability.
- C. A statement that the proposal will meet the requirements set forth in the RFP plus any amendments. Amendments, if any, must be specifically identified.
- D. A statement that the person signing the proposal certifies that he/she is the person in the Proposer's organization responsible for, or authorized to make, decisions as to the prices quoted and that he/she has not participated, and will not participate, in any action contrary to the above.
- E. If the use of subcontractor(s) is proposed, a statement from each subcontractor must be appended to the transmittal letter signed by an individual authorized to legally bind the subcontractor stating:
  - 1. The general scope of work to be performed by the subcontractor;
  - 2. The subcontractor's willingness to perform the work indicated; and
  - 3. The subcontractor does not discriminate in their employment practices with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin, or disability.
- F. The name and phone number of the individual(s) who can be contacted from 8:00 a.m. to 5:00 p.m. during business days for questions.

If the proposal deviates from the detailed requirements of this RFP, the transmittal letter should identify and explain these deviations. The ACCS reserves the right to reject any proposal containing such deviations or to require modifications before acceptance.

## V. MINIMUM VENDOR REQUIREMENTS

The following proposal requirements are mandatory. Failure to meet any of these requirements shall result in disqualification of the proposal submitted by your organization. Please respond by restating each requirement listed below and providing documentation that proves specifically how your organization meets that requirement.

1. Currently provides third party administration (TPA) services for HRA, HCRA, DCRA and/or VIP accounts, similar to those requested in this RFP, to employer clients with at least 100 eligible employees. Provide client references with the following information for each client you list to document your organization meets this requirement:
  - a) Name
  - b) Address
  - c) Contact
  - d) Contact title
  - e) Telephone number
  - f) Email address
  - g) Fax number
  - h) Number of covered lives
  - i) Scope of services provided (BE SPECIFIC)
  - j) First contract effective date
  - k) Total number of years the agreement has been in place with your organization

**Client references that cannot be contacted for verification will not be considered.**

2. Possesses at least five (5) years of experience, as of January 1, 2018, as an organization providing TPA services similar to those requested in this RFP. Provide client references with the following information for each client you list to document your organization meets this requirement:
  - a) Name
  - b) Address
  - c) Contact
  - d) Contact title
  - e) Telephone number
  - f) Email address
  - g) Fax number

- h) Number of covered lives
- i) Scope of services provided (BE SPECIFIC)
- j) First contract effective date
- k) Total number of years the agreement has been in place with your organization

**Client references that cannot be contacted for verification will not be considered.**

3. Currently provides third party administration (TPA) services for HRA, HCRA, DCRA and/or VIP accounts, similar to those requested in this RFP, to State or Local Government clients with at least 100 eligible employees. Provide client references with the following information for each client you list to document your organization meets this requirement:

- a) Name
- b) Address
- c) Contact
- d) Contact title
- e) Telephone number
- f) Email address
- g) Fax number
- h) Number of covered lives
- i) Scope of services provided (BE SPECIFIC)
- j) First contract effective date
- k) Total number of years the agreement has been in place with your organization

**Client references that cannot be contacted for verification will not be considered.**

## VI. QUESTIONNAIRE

In preparing your response to any RFP question or request for information, you must repeat each question followed by your response. The questions and answers must be in the same order as found in the RFP. The information contained in your response to this RFP will be used by the ACCS in determining whether or not you will be selected. "Will discuss" and "will consider" are not preferred answers. **If the Proposer is unable to answer a question, please indicate why the Proposer cannot.** If a particular question is not applicable, please so indicate for each question. If the Proposer is unwilling to disclose particular information asked in a question, please indicate the reasoning. If you cannot provide a direct response for some reason (e.g., your company does not collect or furnish certain information), please indicate the reason rather than providing general information which fails to answer the question.

**The proposal the ACCS selects will be a working document. As such, the ACCS will consider the technical proposal an integral part of the contract and will expect that all representations made in the proposal will be honored.** Please provide complete answers and explain all issues in a concise, direct manner. If you have additional information you would like to provide, include it as an *appendix* to your response. You must indicate in your written response to the questions the location of any additional material referenced in your response. All documentation submitted in response to this RFP and any subsequent requests for information pertaining to this RFP, shall become the property of the ACCS and will not be returned to the Vendor.

### **FAILURE TO PROVIDE ALL REQUESTED INFORMATION MAY RESULT IN DISQUALIFICATION OF YOUR PROPOSAL**

The questions outlined in this Section are asked in terms of the proposed implementation for the ACCS account. In responding to the questions, please indicate whether or not the Proposer can and is currently performing in the manner described, to what extent any development activity is required to meet the requirement, or if the Proposer cannot meet the requirement.

Make sure that:

- All appendices, exhibits, attachments, or enclosures are numbered;
- The exhibits show cross-references to the printed material; and
- The page number where the response is contained is shown on the exhibit.

Provide responses to each of the following requests or questions (label each response so as to indicate which request or question is being addressed).



## **A. Corporate Background & Experience**

1. Provide a description of your Organization, its corporate and organizational structure and ownership. Indicate the total number and dollar amount of HRA, HCRA and DCRA claims processed in Alabama and the total number and dollar amount of claims processed in the entire organization in calendar year 2017.
2. Provide a list of the three (3) largest organizations for which the Proposer currently provides HRA, HCRA and DCRA services. Indicate for each of these organizations the number of employees covered, the types of services being provided and the date upon which each contract began. Provide the name, address and phone number of a person in each organization who can be contacted as an informed reference.
3. Provide audited financial statements for the organization for each of the last two (2) fiscal years.
4. When was the company licensed in Alabama to conduct business?
5. Provide proof of professional and comprehensive general liability insurance coverage, including stated amounts and limits. Would you be willing to list the ACCS as an additional insured?
6. Has your organization ever been involved in a lawsuit involving any services covered by this RFP? If yes, provide details including dates and outcomes.
7. During the past five years, has your organization, related entities, principals or officers ever been a party in any criminal litigation, whether directly related to the services requested through this RFP or not? If so, provide details including dates and outcomes.

## **B. Organization and Staffing**

1. Provide a current organizational chart of the company by function.
2. Provide a proposed organizational chart to reflect the functional placement of the ACCS account.
3. Will there be a dedicated or designated account team for the ACCS account? If so, please confirm that you have provided bios for these team members.
4. Provide resumes of key management, supervisory and professional personnel proposed for this contract.
5. Designate an individual in the Proposer's organization whose responsibility it will be to identify and research possible fraudulent claims and to provide documentation thereon to the ACCS.

6. Where will the servicing facility for this account be located?
7. Confirm that response time for inquiries made by the ACCS will be less than two (2) business days. If not, please explain.
8. What is the staffing turnover during the last two (2) 12-month periods?

### **C. IT Security Requirements and IT System Capabilities**

1. Are you HIPAA and HITECH compliant?
2. What physical and logistical provisions will you make to separate ACCS data from that of other clients, or regular business accounts?
3. Explain how unauthorized attempts to access ACCS files will be monitored and controlled.
4. Do you have intrusion detection and monitoring tools, and are you conducting penetration testing and vulnerability scans? Please explain.
5. Do you have a dedicated team to assess and respond to security vulnerabilities reported in your IT systems?
6. Do you have an incident response plan for network intrusions and virus incidents?
7. Do you have a business continuity plan and a disaster recovery plan? If so, how frequently is it tested?
8. Will you defend, indemnify and hold harmless the ACCS, and, at your expense, notify our members and mitigate any harmful effects in the event you or one of your business associates uses or discloses PHI in violation of HIPAA, the HITECH Act, or any applicable regulations?

### **D. Claims Processing System – General Process**

1. How will the Proposer document the approved benefits and interpretations of the ACCS?
2. Describe how the Proposer will ensure that all payments are in accordance with the approved benefit design or have written authorization by the ACCS.
3. Can you limit eligible HRA expenses to include only premium payments?
4. Provide a flowchart to demonstrate the detailed processing of each type of account-based claim (HRA, HCRA, DCRA). Please indicate each manual or computer system interface from the time a claim is received until it is paid, or payment rejected. Describe each step on the flowchart. Indicate the organizational unit and position as the claim is processed.
5. How many individuals handle a “clean” claim from receipt to payment? Identify any difference by account type (HRA, HCRA, DCRA).
6. Provide a sample of the currently used forms or form letters mailed to the

employee/provider eliciting additional information when information is incomplete for claim adjudication. Please be sure to provide samples for each account type (HRA, HCRA, DCRA).

7. Do you offer a debit card to pay for eligible healthcare expenses at the point of purchase from HCRA accounts? If yes, detail requirements, capabilities, and any additional costs.
8. Can you accept health plan carrier files to determine out-of-pocket expenses that are eligible for reimbursement by the HCRA and automatically reimburse participants (without filing a claim) and/or to substantiate debit card purchases? If yes, describe the process and identify the health plan carriers with which you have coordinated in the past.
9. Can you auto-reimburse premium payments from the HRA? If so, describe the process, indicate whether there are only particular carriers for which this process is viable and detail any associated fees.
10. Do you offer direct deposit capabilities, as to reimburse participants from HRA, HCRA, and DCRA accounts? If so, is there an additional charge for this service?
11. What steps are taken in the event that it is determined that additional documentation is required to process a reimbursement?
12. In 2017, what was your average claims turnaround time for HCRA and DCRA reimbursements?
13. How often do you reimburse claims (e.g., daily, weekly, semi-monthly, etc.) and does pricing depend on this frequency?

## **E. Eligibility System**

1. List the employee data elements maintained in the Proposer's IT system.
2. List the dependent data elements maintained in the Proposer's IT system.
3. Describe or list the manual or computer edits for validating the claim is filed for an eligible employee; an eligible dependent.
4. Will the Proposer's IT system accept daily information transmitted via secure file transfer protocol (secure FTP)?
5. How many days are required to update the eligibility records?

## **F. Quality Control**

1. Describe the Proposer's quality control procedures for assuring accurate claims payment.

## **G. Financial Requirements**

1. Describe the proposed cash system. Include any proposed bank to be used, the method of accepting the drafts issued, and the proposed method of satisfying the bank for service costs.

## **H. Administrative Support**

1. Describe the staff unit that will be assigned to support the IT requirements of the ACCS account. Identify the number of staff assigned by organizational placement, physical location, job title, and IT experience.
2. Describe the types and levels of other support staff, such as in the areas of eligibility/membership, cash disbursement, etc. Provide the number and location of support staff by function to be assigned to this account.
3. Identify the organizational level of the account executive to be assigned and designated to respond to the ACCS needs. Outline the range of decisions that may be made for servicing this account.
4. What authority will the dedicated manager be given for making changes to processing and to assigning additional resources? Who will have authority to add resources over and above that budgeted for this contract?

## **I. Employee Customer Service**

1. Describe the telephone system proposed for customer service. Include the location of the system, monitoring and reporting capabilities, and automated messages provided to callers.
2. Does your phone system include an automated functionality such that participants can access account and claim information 24/7? If so, what information is available via the automated phone system?
3. Does your telephone system offer the ability for a caller to quickly and easily be transferred to a live representative? If so, describe.
4. Specify the days and hours of normal customer service access.
5. Describe how telephone calls are documented.
6. Describe your quality assurance program for customer service representatives.
7. Describe how claim problems can be resolved during a call. What types of problems do the customer service representatives have authority to resolve "on the spot?"
8. Provide detail around any online capabilities you offer related to the services requested. Please provide a username and password and instructions to access

your participant portal.

9. Do you provide reminders for individuals who have remaining funds in their HCRA or DCRA accounts? If so, how and how often are these reminders communicated?

## **J. Marketing**

1. How would your organization convince employees to enroll in the DCRA and HCRA plans? In addition to a general answer on this topic, also indicate any strategies you would use that have been particularly effective for a similarly sized company or agency. What would be the expected target participation levels in the DCRA and HCRA plans based on your organization's communication strategy?

## **K. Performance Standards**

1. Do you agree to the performance standards listed in Section I. V and W of the RFP? If no, list the performance standards that are acceptable measures of performance for your organization.
2. What percentage of the administrative fee are you willing to put at risk?

## **L. Data Reporting**

1. Demonstrate standard data reporting capabilities as follows:
  - a) Specify 5 key reports recommended for this account;
  - b) Provide an example of each key report;
  - c) Indicate the reporting cycle of each key report;
  - d) Explain the purpose of each key report and what it will monitor; and
  - e) Describe the usefulness of each key report and how it can be used to pinpoint problems.
2. What is the frequency of reporting and distribution to the ACCS?
3. Will you produce custom reports at no additional charge? If there is an additional charge, please identify.

## **M. Implementation**

1. Provide a work plan and timetable for completing the transition and implementing the contract as a result of this RFP. What is the Proposer's average implementation time-table from start to finish for similarly sized accounts?
2. Describe how the Proposer will proceed to establish eligibility records for employees. Specify how much time is needed for programming and

submitting test files.

## **N. Contract Termination**

1. Does the Proposer agree to surrender records to the ACCS at contract termination? Specify any records the Proposer considers as proprietary or copyrighted material.
2. Provide a statement of assistance that the Proposer will provide to a new Contractor upon termination of the contract as a result of this RFP.

# ***Appendix A***

## **Intent to Quote Form**

**Return by: 5:00PM, CT,**

**August 24, 2018**

**Alabama Community College  
System**

**Request for Proposal**

**HRA, HCRA, DCRA and VIP Administration**

*Release Date: 08/16/2018*

We have received the invitation to respond to the Alabama Community College System's RFP for Administrative Services, and intend to submit a proposal for the following:

Check below:

- Health Reimbursement Account (HRA)
- FSA - Health Care Reimbursement Account (HCRA)
- FSA - Dependent Care Reimbursement Account (DCRA)
- Voluntary Insurance Plan (VIP)
- Decline to submit a Proposal at this time

Company Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Authorization:

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Date

## ***Appendix B***

### **Proposal Certification Form - Request for Proposal**

Alabama Community College System

PLEASE ENSURE THAT ALL REQUIRED SIGNATURE BLOCKS ARE COMPLETED.  
FAILURE TO SIGN THIS FORM WILL RENDER YOUR PROPOSAL INVALID.

#### **Proposal**

We propose to furnish and deliver the deliverables and services named in the attached Request for Proposal for which prices have been set. The price or prices offered herein shall apply for the period of time stated in the RFP. It is understood and agreed that this proposal constitutes an offer, which when accepted in writing by the Alabama Community College System, and subject to the terms and conditions of such acceptance, will constitute a valid and binding contract between the undersigned and the Alabama Community College System.

It is understood and agreed that we have read the Alabama Community College System's specifications shown or referenced in the RFP and that this proposal is made in accordance with the provisions of such specifications. By our written signature on this proposal, we guarantee and certify that all items included in this proposal meet or exceed any and all such Alabama Community College System specifications. We further agree, if awarded a contract, to deliver services which meet or exceed the specifications.

It is understood and agreed that this proposal shall be valid and held open for a period of one hundred and twenty (120) days from proposal due date.

#### **PROPOSAL SIGNATURE AND CERTIFICATION (Proposer must sign and return with proposal)**

I certify that this proposal is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting a proposal for the same services and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of State and Federal Law and can result in fines, prison sentences, and civil damage award. I agree to abide by all conditions of the proposal and certify that I am authorized to sign this proposal for the proposer.

---

Authorized Signature

---

Date



# Appendix C

## HRA, HCRA and DCRA Price Proposal

Provide your cost proposal for the HRA, HCRA and DCRA administrative services on a per participant per month basis. Assume 15 HRA participants, 13 HCRA participants and 2 DCRA participants. The contract will take the form of a three (3) year agreement, beginning on October 1, 2018, and two (2) one-year options to extend the contract.

<b>Plan:</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>Additional Marketing Fees*</b>
<b>HRA</b>						
<b>HCRA</b>						
<b>DCRA</b>						

\*List the marketing activities proposed for this contract.

Check yes or no if the services listed below are included in the above price quote. If not, can the service be provided for an additional fee?

<b>Service:</b>	<b>Included in Administrative Fees? Yes or No</b>	<b>If no, explain.</b>
Weekly claims processing and reimbursement		
Online employer and participant account access		
Quarterly participant account statements		
Direct deposit		
Debit card program		
Direct vendor payment		

\*Please be sure to include any possible fee category that could be applicable to the services requested in this RFP.

## **VIP Price Proposal**

Provide your cost Proposal for the VIP administrative services on a per contract per month basis. Assume 40 contracts in the quotes for VIP administrative services. The contract will take the form of a three (3) year agreement, beginning on October 1, 2018, and two (2) one-year options to extend the contract.

<b>Plan:</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>
<b>VIP</b>					

\*Please detail service provided and fee basis.

***Exhibit 1***  
**Currently Utilized**  
**Voluntary Insurance Plans**

ACCS Employees currently utilize the following vendors and coverages:

1. AFLAC Pre-tax Products
2. AFLAC Post-tax Products
3. Colonial Life and Accident - Term Life Insurance
4. Colonial Life and Accident - Hospital Indemnity
5. Colorado Bankers - Life Insurance
6. Life Insurance Company of Alabama - Life Insurance
7. National Teachers Association - Cancer Insurance
8. National Teachers Association - Heart and Stroke Insurance
9. National Teachers Association - Accident Insurance
10. Washington National – Universal Life Insurance

## *Exhibit 2*

### **2018-2019 Pay Period Schedule**

PAY DAY	PAY PERIOD BEGIN	PAY PERIOD END
<b>2018</b>		
October 15	October 1	October 15
October 31	October 16	October 31
November 15	November 1	November 15
November 30	November 16	November 30
December 14	December 1	December 15
December 31	December 16	December 31
<b>2019</b>		
January 15	January 1	January 15
January 31	January 16	January 31
February 15	February 1	February 15
February 28	February 16	February 28
March 15	March 1	March 15
March 29	March 16	March 31
April 15	April 1	April 15
April 30	April 16	April 30
May 15	May 1	May 15
May 31	May 16	May 31
June 14	June 1	June 15
June 28	June 16	June 30
July 15	July 1	July 15
July 31	July 16	July 31
August 16	August 1	August 16
August 30	August 16	August 30
September 13	September 1	September 15
September 30	September 16	September 30
October 15	October 1	October 15
October 31	October 16	October 31
November 15	November 1	November 15
November 27	November 16	November 30
December 13	December 1	December 15
December 31	December 16	December 31